

CATENA Q4

Year-end report January – December 2019

- Rental income rose by 8 percent to SEK 1,182.9 million (1,090.7).
- The net operating surplus increased by 9 percent to SEK 902.8 million (827.6).
- Profit from property management rose by 10 percent to SEK 626.8 million (571.3).
- Profit for the year increased to SEK 1,223.8 million (823.4), corresponding to earnings per share of SEK 32.46 (21.93), including changes in value of SEK 895.7 million (368.8).
- Net asset value per share, EPRA NAV, increased to SEK 202.87 (169.53).
- The Board of Directors proposes a dividend of SEK 6.50 per share (5.75).

Significant events in the fourth quarter

- Catena signed a lease agreement with Nowaste Logistics for an 18,000 square-metre extension in Helsingborg and is investing SEK 132 million.
- In mid-October, Catena sold the Mörby 5:28 property in the Municipality of Nykvarn to the tenant Söderenergi at a property value of SEK 83 million.
- In November, Catena acquired 50 percent of a company holding 1,000,000 square metres of land in the Municipality of Södertälje with the aim of developing a new logistics position south of Stockholm.

Significant events after the end of the year

- On 9 January, Catena acquired three properties in Denmark from PostNord at a property value of SEK 235 million.
- Catena and Coop Logistik have agreed to continue discussions with the intention of Catena acquiring a property and constructing a 105,000 square-metre automated warehouse.

We link Scandinavia's cargo flows

This information is such that Catena AB (publ) is obliged to publish under the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication on 20 February, at 8:00 a.m.

Logistics Position Sunnanå is growing

From the Öresund Bridge it takes only 15 minutes to reach Logistics Position Sunnanå. At 300 meters from the exit from the E6/E20 motorway and directly adjacent to the exit from main road 11, the location at the gateway to Malmö and the Scandinavian market is perfect.

The attractive location of Logistics Position Sunnanå in the Municipality of Burlöv, just outside Malmö, able to facilitate more sustainable transport, is confirmed by the considerable interest shown in new development projects at the site. Construction is underway of a 10,162 square-metre air freight facility for tenant DHL Express, the world's leading supplier of international express deliveries.

"The location at Logistics Position Sunnanå matches our needs," confirms Peter Ervasalo, CEO of DHL Express, Sweden.

"We also have ambitious climate targets at DHL and transferring to an even more energy-efficient logistics facility is one of many measures we are taking to achieve our targets for the future. With its location, it will also provide better quality of service for our customers, further strengthening our position in the market," he continues.

DHL Express is scheduled to move in during the autumn of 2020 and the new building will be next door to the DHL terminal that was the first facility established by Catena in the area and where construction of a 1,850 square-metre extension is currently in progress, adding to the existing 16,940 square metres.

Multi-tenant warehouses – a successful concept

Of the facilities at the site, Catena's two multi-tenant warehouses are currently the most visible from the E20 motorway. The impressive buildings, totalling slightly more than 36,000 square metres of space are flexible over time and have been adapted to accommodate several tenants. DHL currently shares warehouse space in these facilities together with DS Smith and Lekia. The multi-tenant warehouses have been constructed in sections that take into account how forklift lanes and pallet shelving are placed with a free ceiling height of 10.5 meters – all of which is designed to enable future adaptations to customer needs.

Suitable for goods deliveries to Malmö

It is no coincidence that two players in the food sector, Svensk Cater and Chefs Culinar, have also established operations in Sunnanå. As a wholesaler to the restaurant industry, the location provides proximity to customers and efficient deliveries to locations in the city with a superior level of service. "Last mile distribution", which aims to optimise the final part of the transport chain, is very much a reality at Logistics Position Sunnanå.

Future potential

Catena perceives continued opportunities for Logistics Position Sunnanå and is planning another stage to meet market demand. This involves 110,000 square of land with opportunities for premises of a total 55,000 square metres approximately, for which a detailed planning process is currently in progress.

"With its unique location for transports both within Sweden and beyond, Logistics Position Sunnanå has become the central hub for current and future product flows that we predicted it would be," states Jörgen Eriksson, Regional Manager Malmö at Catena.



Focus on the Malmö region

Jörgen Eriksson is Regional Manager Malmö at Catena, the region also includes Catena's facilities in the Danish market.

"The Öresund region and Greater Copenhagen have a sizeable population base, good infrastructure and are close to continental Europe. The proximity to the port is also important and Catena is currently constructing facilities along Lodgatan in the port area of Malmö, where we can provide the region with approximately 25,000 square metres of attractive logistics space," says Jörgen.

Region Skåne in the far south of Sweden is also the strongest food-producing region with significant imports through agents, as well as domestic production. In addition to the food companies at Logistics Position Sunnanå, Catena also has a food cluster in Arlov, just outside Malmö with customers including Espresso House, Mathem and Menigo.

Contact, Malmö Region,

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The Catena Group in figures

	2019 Oct-Dec	2018 Oct-Dec	2019 Jan-Dec	2018 Jan-Dec
Rental income, SEK M	297.8	285.3	1,182.9	1,090.7
Net operating surplus, SEK M	220.9	217.1	902.8	827.6
Surplus ratio, %	74.2	76.1	76.3	75.9
Profit from property management, SEK M	148.8	148.5	626.8	571.3
Profit for the period/year, SEK M	372.0	158.1	1,223.8	823.4
Earnings per share, SEK	9.87	4.19	32.46	21.93
Equity ratio, %	35.6	33.4	35.6	33.4
Economic letting ratio, %	95.0	95.9	95.0	95.9

Favourable future capacity

Summing up 2019, we see continued positive development in all parts of the operations. A key prerequisite is our active project development work, which includes investments in both new facilities and existing holdings.

The key figures are pointing in the right direction. Rental income increased by 8 percent, the operating surplus by 9 percent and profit from property management amounted to SEK 626.8 million – an increase of 10 percent compared with the preceding year. This trend is the result of active project development but also of efficient management and administration. Negative impacts can mainly be attributed to losses in the jointly owned company Foodhills Fastighets AB in Bjuv, a project in which we expect to see an improvement in earnings over the coming year. On the whole, we made a profit for the year of SEK 1,223.8 million – SEK 400.4 million higher than for the preceding year. We maintain a positive view of our market and can assert that the cash flow trend, which has been Catena's signature and which safeguards our continued capacity, remains favourable.

Carefully selected positions

Our capacity to identify optimal future locations at an early stage, in a complex and changing logistics network, is one of the keys to our success. The trend we are seeing at Logistics Position Sunnanå, outside Malmö, confirms that our forecasts for the site were well founded when we made them several years ago. Construction of two of our 36,000 square-metre multi-tenant warehouses at the site is nearing completion, as is the construction of a slightly more than 10,100 square-metre air freight facility for DHL Express, while a 1,850 square-metre extension for DHL Freight is also in progress. Gathering logistics facilities within a larger, defined site, as in Sunnanå, generates ideal returns at an optimal location. In the case of Sunnanå, this is achieved by serving logistics flows to and from the whole of Scandinavia, but also by serving the Malmö area. An increasing number of municipalities see the potential of cohesive logistics clusters, which are highly beneficial in generating economies of scale and become more efficient and sustainable over time.

The 1,000,000 square-metre site that we seek to develop in Järna, in the Municipality of Södertälje is at an earlier phase. With nearby access to the E4 motorway, ports and mainline rail, the location has the potential to become a gateway for goods and goods flows into Stockholm and the Mälardalen region. Since November 2019, we have been driving the detailed planning process forward in a jointly owned company. Our ambition is to establish a future logistics position with capacity to efficiently handle large quantities of freight and goods in a climate-smart way. This venture, combined with our plans for Stockholm Syd in the Municipality of Nykvarn, makes Catena a leading player on the southern approach routes to Stockholm.

A complete offering

Goods must always be optimally placed in the logistics network to meet demands in terms of timely delivery, climate footprint and cost. The interaction between terminals, logistics



warehouses, distribution centres, city logistics, or various combinations of these, is crucial. With the acquisition of three properties in Denmark, we are further ramping up for future product flows into Scandinavia, particularly when the Fehmarn Belt Fixed Link becomes a reality. From southern Sweden or Denmark, the range is unbeatable. In just six and a half hours, a road transport can travel from the Öresund Bridge to Stockholm in one direction, or it could already be passing Hannover travelling in the other direction. Our three acquisitions in Denmark exemplify facilities of a type that is important in handling the final part of the transport chain – delivery to customers. The facilities are located close to urban areas and offer the properties of a terminal while being surface-efficient, thereby enabling the efficient movement of goods to their final destination. This is a type of facility that we see becoming increasingly important for a more sustainable logistics network.

Every day counts

This May, we will be arranging LogistikTrender (Logistics Trends) for the tenth time – an event focusing on the future and bringing together prominent logistics experts and senior executives who have logistics issues high on their agendas. It is usually an exciting day with many new insights, and, for us at Catena, it is also important to convey inspiration and to act as an active speaking partner who exceeds the expectations of others on a daily basis. That's how we do our job.

Helsingborg, February 2020

Benny Thøgersen, CEO

Income and profit

Rental income

Rental income for the year increased by 8 percent to SEK 1,182.9 million (1,090.7), corresponding to SEK 651/m² (638). In comparable portfolios, rental income increased by 2.3 percent compared with the preceding year. The remaining increase in rental income derives from completed projects and the net effect of acquisitions and disposals.

Income from contracts with terms of more than three years accounted for 66 percent of Catena's contracted annual rent. This entails stable income that does not vary substantially between periods, except in connection with acquisitions, completed projects and sales. The average remaining lease period is approximately five years.

Duration of leases

Duration	Number of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2020	178	108.4	9
2021	69	163.2	14
2022	49	141.4	12
2023	60	182.7	15
2024	25	108.2	9
2025	22	135.2	11
2026+	42	362.9	30
Total	445	1,202.0	100

Property expenses

Property expenses increased to SEK 280.1 million (263.1), corresponding to SEK 154/m² (154).

There are seasonal variations in the operation and maintenance of properties. Winters with much cold and snow entail higher costs for heating and snow removal. A hot summer can mean increased expenses for cooling. These variations, which have the greatest impact during the winter and summer months, are, to some extent, offset by a change in billed expenses to tenants.

On 1 January 2019, a new leasing standard IFRS 16 "Leases" took effect. The effect of the changed accounting is mainly that ground rents that were previously recognised as a part of the property expenses are now recognised as Financial expenses for right-of-use assets. The ground rents amount to SEK 9.7 million for the year. For more information, see the section Accounting and valuation principles on page 18.

Financial expenses

Financial expenses, excluding expenses for right-of-use assets, amounted to SEK 228.2 million for the year (238.5).

The financial expenses decreasing despite a larger loan portfolio is due to a lower average interest rate.

Profit

Profit from property management for the year rose by SEK 55.5 million to SEK 626.8 million compared with the preceding year – an increase of 10 percent. The foremost reason for the improved profit from property management is a larger operating surplus and lower cost of financing. Interest in profits from associated companies are significantly lower than the preceding year, which is due to the holding in Huddinge Regulatorn, which accounted for the largest part of last year's profit, being invested in 2018 and the project property in Foodhills Fastighet AB generating a loss.

The transformation from a production property to a modern property with circular food production is now in progress, initially demanding time and resources. For the first 3-5 years, these operations will have a negative impact on Catena's earnings.

Profit for the year amounted to SEK 1,223.8 million, which was SEK 400.4 million higher than for the preceding year. Changes in the value of properties were SEK 462.1 million higher than in the preceding year. Realised changes in values of properties amounted to SEK 75.2 million and consisted predominantly of the redemption of an option agreement regarding land in the Municipality of Staffanstorps, which affected earnings by SEK 58.7 million. The sale of the Högsbo 21:2 property in 2016 affected profit since, in connection with the disposal, a provision was made for rent guarantees up to and including 31 August 2019. The portion of the guarantee commitment not realised has been recognised as income. The change in the value of derivatives was SEK 5.7 million lower than in the preceding year. This was an effect of long-term market interest rates stabilising towards the end of 2019 after having fallen over the year.

The unrealised changes in value are of an accounting nature and do not affect cash flow.

Operating surplus, regions

	2019 Oct-Dec	2018 Oct-Dec	2019 Jan-Dec	2018 Jan-Dec
Gothenburg	32.0	37.3	146.1	144.3
Helsingborg	38.6	30.3	153.2	123.5
Jönköping	16.2	16.6	60.5	63.9
Malmö	32.4	30.7	126.7	111.1
Stockholm	101.7	102.2	416.3	384.8
Total	220.9	217.1	902.8	827.6

Rental income, regions

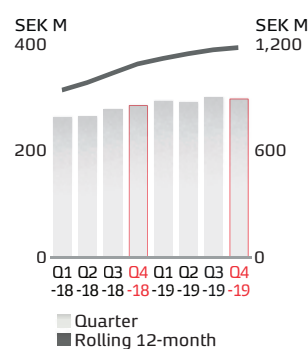
SEK M	2019 Oct-Dec		2018 Oct-Dec		2019 Jan-Dec		2018 Jan-Dec	
	Rental income	Of which, re-invoiced*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*
Gothenburg	41.5	3.0	42.2	2.1	173.2	10.3	165.4	7.8
Helsingborg	53.5	4.2	47.1	3.2	207.2	15.2	175.9	12.5
Jönköping	25.7	3.8	24.7	3.4	96.2	13.6	94.8	12.1
Malmö	49.3	10.0	44.3	10.0	190.6	39.5	170.5	37.7
Stockholm	127.8	10.2	127.0	10.9	515.7	39.3	484.1	40.0
Total	297.8	31.2	285.3	29.6	1,182.9	117.9	1,090.7	110.1

* Of which, re-invoiced expenses.

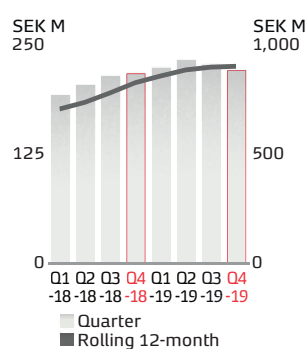
Consolidated Statement of Comprehensive Income

SEK M	2019 Oct-Dec	2018 Oct-Dec	2019 Jan-Dec	2018 Jan-Dec
Rental income	297.8	285.3	1,182.9	1,090.7
Property expenses	-76.9	-68.2	-280.1	-263.1
Net operating surplus	220.9	217.1	902.8	827.6
Central administration	-10.1	-7.8	-34.1	-31.4
Other operating income	2.8	0.7	4.5	2.5
Other operating expenses	-0.2	-0.1	-0.4	-0.3
Interest in profits from associated companies	-4.6	-1.8	-11.5	8.5
Financial income	0.9	0.8	3.4	2.9
Financial expenses	-58.5	-60.4	-228.2	-238.5
Financial expenses for right-of-use assets	-2.4	-	-9.7	-
Profit from property management	148.8	148.5	626.8	571.3
Realised changes in value of investment properties	4.0	0.1	75.2	4.7
Unrealised changes in value of investment properties	199.0	63.0	791.2	329.1
Changes in values of derivatives	109.2	-20.1	29.3	35.0
Profit before tax	461.0	191.5	1,522.5	940.1
Tax for the period/year	-89.0	-33.4	-298.7	-116.7
Profit for the period/year	372.0	158.1	1,223.8	823.4
Other comprehensive income				
Translation difference	-6.4	-0.5	2.2	7.3
Comprehensive income for the period/year	365.6	157.6	1,226.0	830.7
Comprehensive income for the period/year distributed among the Parent Company's shareholders	365.6	157.6	1,226.0	830.7
Key share data				
Shareholders' equity, SEK per share	167.59	140.82	167.59	140.82
Net asset value per share, EPRA NAV, SEK	202.87	169.53	202.87	169.53
Profit for the period/year, SEK per share	9.87	4.19	32.46	21.93
Number of shares outstanding, millions	37.7	37.7	37.7	37.7

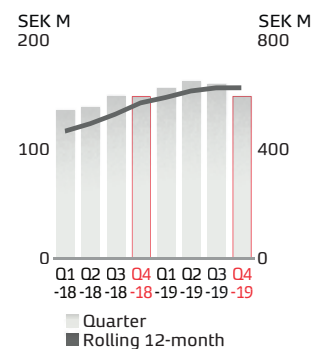
Rental income
Q



Net operating surplus
Q



Profit from property management
Q



Financial position

Cash flow

SEK M	2019 Jan–Dec	2018 Jan–Dec
Profit before tax	1,522.5	940.1
Adjustments for non-cash items	-894.9	-375.6
Tax paid	-15.1	-13.7
Cash flow before changes in working capital	612.5	550.8
Change in operating receivables	-87.1	-13.9
Change in operating liabilities	88.3	-19.2
Cash flow from operating activities	613.7	517.7
Acquisition of assets via subsidiaries	-18.7	-75.3
Divestment of operations	7.6	24.3
Investments in investment properties	-752.6	-796.6
Divestment of investment properties	0.2	4.8
Acquisitions of property, plant and equipment	-3.2	-0.4
Change in financial assets	-58.8	28.1
Cash flow from investing activities	-825.5	-815.1
Change in loans	277.7	651.9
Dividend paid	-216.8	-168.4
Cash flow from financing operations	60.9	483.5
Cash flow for the period	-150.9	186.1
Opening cash and cash equivalents	281.2	94.8
Exchange rate difference in cash and cash equivalents	0.9	0.3
Closing cash and cash equivalents	131.2	281.2

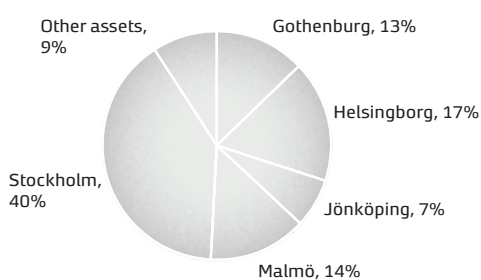
Statement of financial position

SEK M	2019 31 Dec	2018 31 Dec
Assets		
Fixed assets		
Goodwill	503.0	503.0
Investment properties	16,270.5	14,721.1
Tangible fixed assets	4.0	1.5
Right-of-use assets	330.2	-
Financial non-current assets	170.0	88.6
Deferred tax assets	85.1	96.9
Current assets		
Current receivables	276.1	213.6
Cash and cash equivalents	131.2	281.2
Total assets	17,770.1	15,905.9
Equity and liabilities		
Equity attributable to Parent Company shareholders	6,318.0	5,308.8
Non-current liabilities		
Interest-bearing liabilities	4,784.7	6,170.2
Deferred tax liability	1,537.0	1,271.6
Lease liability	327.8	-
Other non-current liabilities	384.3	412.6
Current liabilities		
Interest-bearing liabilities	3,999.9	2,346.6
Other current liabilities	418.4	396.1
Total equity and liabilities	17,770.1	15,905.9

Cash flow for the year before changes in working capital improved by SEK 61.7 million to SEK 612.5 (550.8). Cash flow has been impacted by significant investments in existing investment properties.

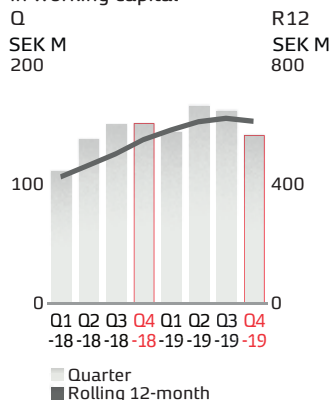
At year-end, cash and cash equivalents amounted to SEK 131.2 million (281.2).

Distribution of assets

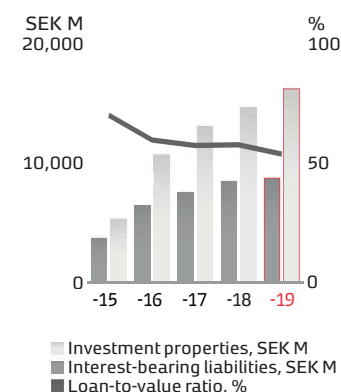


Total assets, SEK 17,770.1 million

Cash flow before change in working capital



Loan-to-value ratio



Change in equity

SEK M	2019 31 Dec	2018 31 Dec
Opening balance	5,308.8	4,596.5
Dividend paid to shareholders	-216.8	-168.4
New share issue ¹⁾	-	50.0
Comprehensive income for the period/ year attributable to Parent Company shareholders	1,226.0	830.7
Closing balance	6,318.0	5,308.8
Attributable to:		
Parent Company's shareholders	6,318.0	5,308.8

¹⁾ A new share issue of SEK 50 million (2018) has been used to settle liabilities from acquisitions.

Interest-bearing liabilities

At the end of the year, Interest-bearing liabilities amounted to SEK 8,784.6 million (8,516.8) of which the share of traditional bank loans amounted to 76 percent, secured bonds to 16 percent and commercial papers to 8 percent. The credit framework amounted to SEK 9,209.6 million.

Over the year, Catena renegotiated financing agreements with a total framework of approximately SEK 2,687.8 million. On the balance sheet day, interest maturity, including derivatives, averaged 2.3 years and debt maturity averaged 1.3 years. After the end of the year, approximately SEK 800 million was renegotiated and a backup facility of SEK 1 billion was expanded to SEK 2 billion.

Debt maturity structure

Year	Contract volume, SEK M	Utilised, SEK M	Unutilised, SEK M
2020	4,060.0	3,960.0	100.0
2021	3,015.8	2,690.8	325.0
2022	978.6	978.6	-
>2023	1,155.2	1,155.2	-
Total	9,209.6	8,784.6	425.0

Interest expenses and sensitivity

On the balance sheet date, the average interest rate, including the cost of derivatives and unutilised lines of credit, was 2.6 percent (2.7).

If the market interest rate defined as Stibor 3-month were to increase by one percentage point, all else being equal, the interest expenses would increase by around SEK 27 million. If the market interest rate were to instead decrease by one percentage point, the interest expenses would increase by around SEK 24 million.

An explanation of the effect of the sensitivity is in part that the majority of the Group's loans are encumbered by interest-rate floors that limit the interest changes on the downside by the market rate not being able to be negative at the same time that the cost of the outstanding and purchased interest derivatives can increase by negative market interest rates.

Bond financing

Catena's outstanding secured (through property mortgages) bond financing amounts to SEK 1,386 million and is fully financed through Svensk FastighetsFinansiering AB (SFF).

SFF issues bonds on the Swedish capital market through a covered MTN programme of SEK 12,000 million. SFF is equally owned by Catena, Diös, Fabege, Platzer and Wihlborgs.

Commercial paper financing

Catena has a commercial paper programme with a framework of SEK 2 billion. Papers within the programme have a maturity of at most 364 days. The programme is arranged by Swedbank AB, which also functions as an issuing institute together with Danske Bank. To manage the refinancing risk, the programme has secured backup facilities (through property mortgages).

On the balance sheet date, the outstanding volume was nominally SEK 675 million.

Derivative instruments

Financial instruments consist of derivative instruments in Category 2 of the valuation hierarchy. The derivatives are marked to market, meaning that the carrying amount agrees with the fair value. The change is recognised in the income statement. The carrying amount was a negative SEK 381.1 million (410.5). The change in value of the derivatives does not affect cash flow and, on reaching maturity, the value of derivatives is always zero.

The nominal value of the derivatives is equivalent to 51 percent of consolidated interest-bearing liabilities.

Interest hedges through interest-rate swaps

Start year	End year	Contract interest, %	SEK M
2011	2021	2.9	500.0
2012	2021	2.7	191.7
2013	2021	2.8	22.0
2013	2021	2.8	42.0
2012	2022	2.3	500.0
2014	2023	1.7	500.0
2014	2024	1.4	500.0
2017	2025	2.3	561.0
2017	2025	2.3	561.0
2017	2026	2.7	572.0
2017	2026	2.7	572.0
Total		2.3	4,521.7

Interest maturity structure including derivatives

Year	SEK M	Interest rate, % ¹⁾	Share, %
2020	4,263.0	1.1	48.5
2021	755.7	5.0	8.6
2022	500.0	3.9	5.7
2023	500.0	3.3	5.7
2024	500.0	3.0	5.7
2025	1,122.0	3.9	12.8
2026	1,143.9	4.3	13.0
Total	8,784.6	2.6	100.0

¹⁾ Refers to the current average interest rate per 31 December 2019. The margin is distributed evenly across the term to interest rate maturity.

The property portfolio

Property portfolio

SEK M	Fair amount	Number of properties
Property portfolio at beginning of year	14,721.1	107
Acquisitions*	82.1	3
Investments in existing properties	752.6	
Sales	-82.6	-1
Translation differences, etc.	6.1	
Unrealised changes in value	791.2	
Total investment properties	16,270.5	109

* Property value after deduction of deferred tax and with addition of transaction expenses.

Changes in the property portfolio

Over the year, Catena acquired the Vålingen 2 property in Karlstad, the Sockret 7 property in Malmö and the Muttern 6 property in Kungälv at a total value of SEK 82.1 million.

In addition, investments have been made in new construction, remodelling and extensions at existing properties for SEK 752.6 million. At Logistics Position Sunnanå outside Malmö, the first tenants have now moved into the 36,000 square-metre multi-tenant warehouse and Chefs Culinar has moved into its 7,800 square-metre distribution warehouse. In Sunnanå, the remaining part of the multi-tenant warehouse, as well as a new 10,200 square-metre warehouse for DHL Express, are now being completed.

At the Plantehuset 3 property within the Tostarp Logistics Position in Helsingborg, construction has been completed of a 11,000 square-metre logistics warehouse for Nowaste Logistics, including a high-bay section. At the same time, construction of PostNord's new 18,300 square-metre terminal is in progress. Work to extend Nowaste's major, 30,400 square-metre warehouse by an additional 18,000 square metres has also commenced. Space for further construction remains on Catena's land at the Tostarp Logistics Position and leasing efforts are ongoing.

At the Tahe 1:64 property in Jönköping, adaptations and an extension have been completed for the tenant Procurator, which has moved into the well-adapted premises that now offer 35,000 square metres of space.

During the year, the Mörby 5:28 property in Nykvarn was sold at a value of SEK 82.6 million.

Property valuation

Unrealised changes in value of Catena's properties have arisen as a result of a lower direct yield requirements, coordination, well-executed projects and good property management and amounted to SEK 791.2 million for the year. This corresponds to 5.1 percent of the value before adjustment.

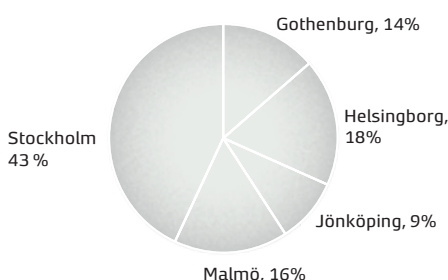
Each quarter, Catena implements internal valuations of all its investment properties and this is used to determine the fair values recognised in the balance sheet.

Over the year, approximately SEK 9.9 billion of the property portfolio was valued externally.

All of the Group's investment properties are assessed as being at level 3 in the valuation hierarchy. A detailed description of the valuation principles is available on page 23 of Catena's Annual Report for 2018.

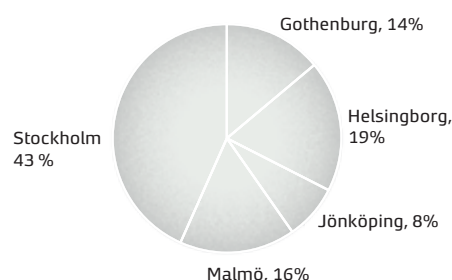
Some leeway is allowed between the value according to the internal valuation and fair value before adjustment of fair value is carried out. The discrepancy should be within a range controlled by a permitted discrepancy from the established direct yield requirement of +/- 0.25 percent. Only when the deviation exceeds or falls short of this range is the fair value adjusted. This deviation is accepted since there is always some uncertainty in estimated figures.

Rental value by region



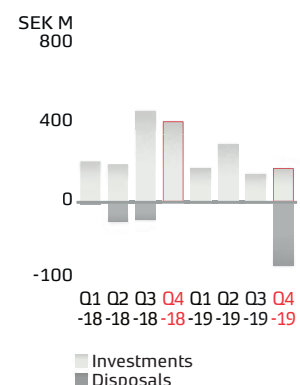
Rental value, SEK 1,264.8 million

Property portfolio by region



Fair value, SEK 16,270.5 million

Investments and disposals



Investments
Disposals

Properties by region

Regions	Number of properties	Lettable area, thousand sq. m.	Fair value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contractual annual rent, SEK M	Surplus ratio, %
Gothenburg	15	231.2	2,296.6	173.2	95	164.1	84
Helsingborg	23	391.7	3,019.3	228.0	95	217.0	74
Jönköping	12	209.6	1,266.3	117.4	93	109.4	63
Malmö	17	245.4	2,639.6	204.2	97	198.4	67
Stockholm	42	764.8	7,048.7	542.0	95	513.1	81
Total	109	1,842.7	16,270.5	1,264.8	95	1,202.0	76

Property acquisition

Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Rental income/year, SEK M
Väligen 2	17 Jan 2019	Stockholm	Karlstad	3,430	20.4	2.1
Sockret 7	1 Apr 2019	Malmö	Malmö	2,707	9.2	0.3
Muttern 6	29 May 2019	Gothenburg	Kungälv	7,800	52.1	0.0
Total				13,937	81.7	2.4

Property sales

Property designation	Vacated	Region	Municipality	Space, sq. m.	Property value, SEK M	Earnings, SEK M
Mörby 5:28	7 Nov 2019	Stockholm	Nykvarn	186	83.0	0.6
Total				186	83.0	0.6



Nowaste Logistics' 11,100 square-metre high-bay warehouse is the third building to be completed at Logistics Position Tostarp. At the Logistics Position, located at the junction of the E4 and E6 motorways, east of Helsingborg, construction is in progress and a total 82,600 square metres of logistics space has been completed.

Property portfolio continued

A selection of current properties

Mätaren 6, Umeå

In 2016, Catena acquired the 24,484 square-metre Mätaren 6 property in Umeå. There was a need to improve energy efficiency in the property and Catena's persistent efforts have resulted in an energy efficiency enhancement project being carried out. Of the 14 ventilation units in the building, three were retained and modernised, while eleven units lacking heat recovery were scrapped and replaced by two new units with heat recovery. This has resulted in air flow being reduced by 9,300 l/s, air that was previously over-ventilating the property. Catena has also installed LED lighting and invested in a new control system for heating and ventilation, enabling more efficient operation. Total consumption of electricity is estimated to decrease by 25 percent and consumption of heating by 26 percent.



Sockret, Malmö

On Lodgatan, located in the district of Östra hamnen in Malmö, Catena owns a 42,000 square-metre plot of land. Today, the plot contains older, inefficient buildings that are to be demolished and replaced by approximately 25,000 square metres of newly constructed logistics premises. The plot is centrally located, near Malmö Central Station and the port. The leasing process is in full progress, with tenants expected to start moving in during the summer of 2021.

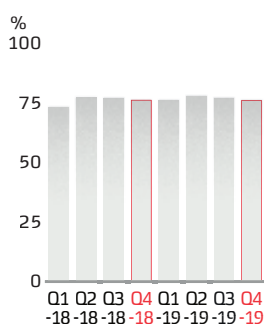


Mappen, Linköping

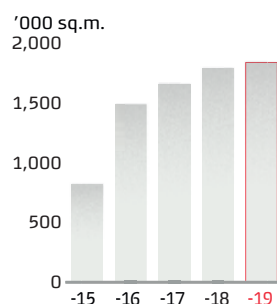
Located at Catena's site, adjacent to the airport, in eastern Linköping, are the Mappen 3 and 4 properties. Rusta has outgrown its former premises here and moved into new, 4,000 square-metre larger premises that recently became vacant. In turn, Rusta's former premises of about 14,000 square metres have been leased to a new tenant that has also moved in. Adjustments are currently being made to both premises to adapt them to the needs of the new tenants.



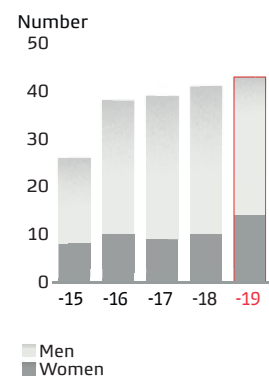
Surplus ratio



Logistics space



Personnel, Group



Current earnings capacity

SEK M	2019 31 Dec	2019 30 Sep	2019 30 Jun	2019 31 March	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 March
Rental income	1,208.9	1,183.6	1,169.6	1,157.7	1,158.0	1,112.8	1,085.7	1,061.9
Property expenses	-276.0	-272.4	-268.2	-265.5	-276.0	-276.3	-269.6	-263.6
Net operating surplus	932.9	911.2	901.4	892.2	882.0	836.5	816.2	798.3
Central administration	-36.4	-32.4	-32.4	-32.4	-32.4	-32.4	-32.4	-32.0
Interest in profits from associated companies	-5.0	-5.0	-5.0	-5.0	-5.0	-10.0	0.0	7.0
Net financial items	-223.4	-224.6	-216.8	-216.2	-223.9	-232.7	-231.1	-225.6
Ground rent	-9.8	-9.7	-10.5	-10.5	-	-	-	-
Profit from property management	658.3	639.5	636.7	628.1	620.7	561.4	552.7	547.7
Tax for the period	-140.9	-136.9	-136.3	-134.4	-132.8	-123.5	-121.6	-120.5
Profit for the period	517.4	502.6	500.4	493.7	487.9	437.9	431.1	427.2
Key share data								
Profit for the period/year, SEK per share	13.7	13.3	13.3	13.1	12.9	11.6	11.5	11.4
Number of shares outstanding, millions	37.7	37.7	37.7	37.7	37.7	37.7	37.4	37.4

In the table, Catena presents its earnings capacity on a 12-month basis. As the table is not equivalent to a forecast, but is intended to reflect a normal year, actual outcomes may differ because of decisions that affect the outcome positively as well as negatively in relation to normal years, like unforeseen events. The presented earnings capacity does not include any assessment of changes in rent, vacancy or interest rate. Catena's income statement is also affected by changes in value and changes in the property portfolio as well as changes in the value of derivative instruments. None of this has been

taken into account in the current earnings capacity. The net operating surplus is based, at the balance sheet date, on contracted leases and normalised property costs for the current portfolio. Financial expenses are based on Catena's average interest rate level including hedges for current loan debt less capitalised interest in normal project volume. As of 2019, ground rents are no longer recognised as property expenses, but rather as interest on the liability for the right-of-use assets. The tax is calculated on a conventional basis according to the tax rate at any given time.

Yield

%	2019 31 Dec	2019 30 Sep	2019 30 Jun	2019 31 March	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 March
EPRA NIY (initial yield)	5.8	6.0	6.1	6.2	6.2	6.0	6.1	6.2
EPRA "topped-up" NIY (normalised yield)	6.1	6.3	6.3	6.5	6.4	6.4	6.4	6.6

Catena presents a direct yield here in the form of "Net Initial Yield (NIY)" and "topped-up" Net Initial Yield in accordance with EPRA's definitions. Both key figures are calculated on the basis of Investment properties according to the consolidated balance sheet plus addition of ownership of investment properties in joint ventures and after deductions for development land and projects not yet completed. Net initial yield (NIY) is based on contractual annual rent for properties in Catena's own portfolio as well as our share of contractual annual rent in properties owned by joint ventures after deduction of initial discounts. From these annual rents, deductions are made for

expected operating and maintenance expenses, property tax and property administration. The net operating surplus calculated in this way differs from current earnings capacity mainly because contracted annual rent and expenses for projects not yet completed are not included.

In the calculation of EPRA "topped-up" NIY, contracted annual rent is used without deduction of initial discounts. Up to 31 December 2018, ground rents were also included in the property expenses. The change affects the yield by around 0.1 percentage points.



At the Bulten 1 property in Kungälv, the process of optimising the energy consumption of the property has now been completed. The picture shows the new facade and customer Arvid Nilsson's loading house.

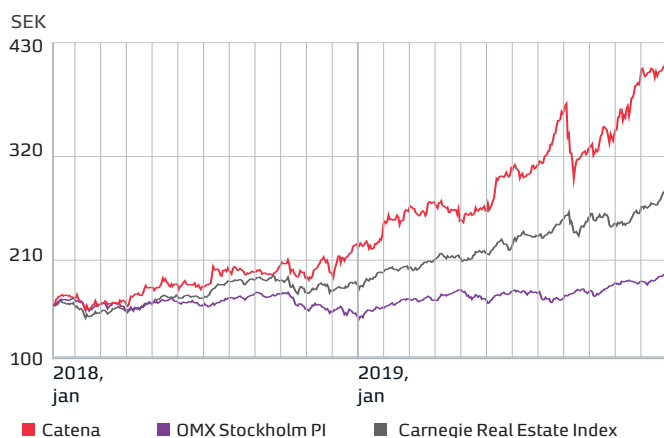
Shares and shareholders

The share

As at the closing date, the Catena share was registered on the Nasdaq Stockholm Nordic Mid Cap list. The closing price on 30 December 2019 was SEK 413.50, against the closing price of SEK 220.50 on 28 December 2018, representing an increase of 88 percent over the year. During the year, the highest price noted for the Catena share was SEK 421.50 and the lowest was SEK 213.00. Since the autumn of 2017, Catena's share has been included in the international property index EPRA.

As of 30 December 2019, Catena had 14,477 shareholders and the number of shares amounted to 37,698,853.

Share price trend 31 December 2017 – 31 December 2019



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Contact

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phone +46 (0)42 449 22 44

Ownership structure as at 31 January 2020, major shareholders

	No. of shares, 000s	Votes, %
Backahill	11,221	29.8
PGGM Pensioenfonds	3,531	9.4
Länsförsäkringar Fonder	2,977	7.9
Jan Persson	1,678	4.5
Gustaf Hermelin	1,310	3.5
Vanguard	809	2.1
BlackRock	699	1.9
Fjärde AP-Fonden (AP4)	627	1.7
Cohen & Steers	612	1.6
SEB Fonder	575	1.5
Norges Bank	506	1.3
BMO Global Asset Management	433	1.1
Swedbank Robur Fonder	347	0.9
Degroof Peterkam	344	0.9
Other shareholders	12,030	31.9
Total	37,699	100.0

Dividend policy

In the long term, Catena's dividends shall amount to at least 50 percent of profit from property management less standard rate tax.

Financial reporting

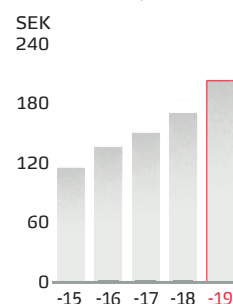
29 April 2020	2020 Annual General Meeting
29 April 2020	Interim Report, January – March 2020
7 July 2020	Interim Report January – June 2020
28 October 2020	Interim Report, January – September 2020
19 February 2021	Year-end Report 2020
29 April 2021	2021 Annual General Meeting
29 April 2021	Interim Report, January – March 2021

Catena's Year-end Report for 2019 will be presented online on 20 February at 10.00 a.m. CET – to participate, please see the instructions given on Catena's website. Up-to-date financial information is always available in both Swedish and English on Catena's website.

Catena is the proud sponsor of ice hockey team Rögle BK's arena, Catena Arena.



Net asset value per share, EPRA NAV



Parent Company's financial statements

Parent Company Income Statement

SEK M	2019 Jan-Dec	2018 Jan-Dec
Net sales	50.6	47.6
Cost of services performed	-85.0	-78.1
Operating profit/loss	-34.4	-30.5
Financial income and expenses		
Other interest income and similar income	212.4	149.4
Profit from participations in Group companies	58.1	1,219.1
Interest expenses and similar expenses	-109.3	-248.4
Profit before appropriations and taxes	126.8	1,089.6
Appropriations	-	-7.0
Tax on profit for the period/year	-37.0	-58.8
Comprehensive income for the period/year	89.8	1,023.8

No items in the Parent Company are recognised in other comprehensive income and total comprehensive income is therefore consistent with profit for the period/year.

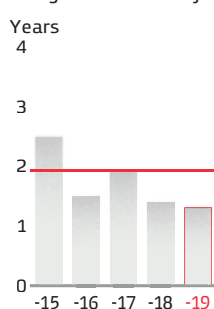
Balance Sheet, Parent Company

SEK M	31 Dec 2019	31 Dec 2018
Assets		
Fixed assets		
Tangible fixed assets	1.0	1.5
Financial non-current assets	3,236.2	3,236.2
Deferred tax assets	78.9	84.8
Non-current receivables	25.4	2.7
Current assets		
Receivables from Group companies	3,728.5	3,900.5
Receivables from associated companies	34.9	20.1
Current receivables	24.7	5.9
Cash and cash equivalents	90.0	195.7
Total assets	7,219.6	7,447.4
Equity and liabilities		
Shareholders' equity	2,907.5	3,034.4
Untaxed reserves	24.1	24.2
Non-current liabilities		
Interest-bearing liabilities	674.3	898.6
Provisions	2.1	-
Other non-current liabilities	381.1	411.5
Current liabilities		
Liabilities to Group companies	3,194.0	3,025.1
Liabilities to associated companies	-	1.0
Other current liabilities	36.5	52.6
Total equity and liabilities	7,219.6	7,447.4

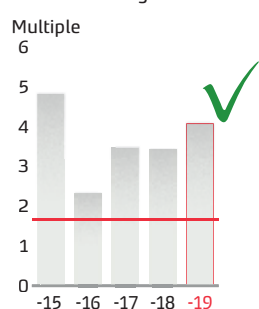


Financial targets, Group operations

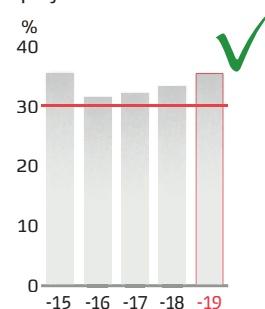
Average debt maturity



Interest coverage ratio



Equity/assets ratio



Events during the period



Ahead of the Annual General Meeting on 25 April 2019, the Nomination Committee submitted a proposal regarding the composition of the Board of Directors. The Nomination Committee proposed that Henry Klotz, Katarina Wallin, Tomas Andersson, Ingela Bendrot and H el ene Briggert be re-elected as

Board Members and that Gustaf Hermelin be re-elected as the Chairman of the Board. It was also proposed that Magnus Sw ardh be newly elected as Board Member, since Bo Fors en had declined re-election. The Annual General Meeting adopted the Nomination Committee's proposal.

On 26 February 2019, Catena signed a 15-year lease with PostNord and commenced the new construction of a 18,300 square-metre terminal for handling of piece goods, packages and letters, at Logistics Position Tostarp located where the E4 and E6 motorways meet outside Helsingborg. The investment amounts to SEK 250 million and the rental value amounts to slightly more than SEK 16 million. PostNord is expected to move into the new premises in summer 2020.

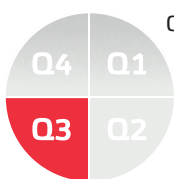
At the end of January, it was decided that Catena would be a new arena sponsor for R ogle BK's home arena, which as of 1 May will change name to Catena Arena. The agreement extends for two years.



At the beginning of April, Catena signed a lease with PostNord and commenced construction of a logistics facility of some 2,000 square metres, including offices, parking and marshalling areas. Construction will take place at Catena's Soth onan 3 property, adjacent to the Katrineholm logistics centre, a modern node and an excellent location for cargo flows where goods transported by rail and truck can be handled efficiently. The lease extends over ten years.

At the end of May, Catena acquired the Muttern 6 property in Kung alv at a value of SEK 52 million. The property comprises a 7,800 square-metre logistics building. The property was acquired vacant but is now fully let.

In June, Catena signed an agreement with third-party logistics company Speed Logistics and invested a total of SEK 65 million in the Rosersberg 11:81 property north of Stockholm, which is being expanded by 7,500 square metres. Following the investment, which also includes modernising the existing premises, the property will be slightly more than 30,000 square metres in size. The extension is scheduled for completion in the spring of 2020.



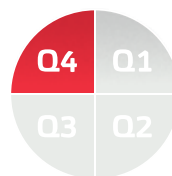
On 11 July, Catena signed a ten-year lease, with an annual rent of approximately SEK 10.5 million, with DHL Express and is investing SEK 150 million at Logistics Position Sunnan , just outside Malm . The new building will be an air freight warehouse of approximately 10,200 square metres, Catena's fifth building

at the site. Tenants are scheduled to move in during the autumn of 2020. The new building will be adjacent to the DHL terminal that was the first facility established by Catena in the area, since which facilities in the area have also been leased to Chefs Culinar, Svensk Cater, DS Smith and Lekia.

In early September, Catena was released from an option agreement signed with the Kilenkryssset entitling Catena to

acquire logistics land in the municipality of Staffanstorp. Kilenkryssset, which had intended to sell the land to another player, repurchased the option agreement for a remuneration of SEK 59 million, which, following deduction of transaction costs, is reported as a realised change in value in the third quarter financial statements.

On 20 September, Catena signed a lease with Boozt Fashion and invested SEK 193 million in an additional building at E-City Engelholm. The new building of approximately 22,800 square metres will be erected adjacent to Boozt's existing facility. The contract has a duration of 11 years and 4 months, with an estimated operating surplus of slightly more than SEK 12 million. The new building will be environmentally certified in accordance with the Sweden Green Building Council's Milj o-byggnad Silver certification, with strict requirements regarding energy, indoor environment and choice of materials and will also be equipped with a photovoltaic cell facility with an output of 255 kWh. The tenant is scheduled to move in during the autumn of 2020.



On 2 October, Catena signed a lease with Nowaste Logistics and is investing SEK 132 million in a 18,000 square-metre extension.

The extension will be constructed adjacent to third-party logistics company Nowaste's first facility at Logistics Position Tostarp, which was completed in the autumn of 2018. The extension is the third stage in Nowaste's expansion at the site alongside the E6 and E4 motorways outside Helsingborg – with a 30,400 square-metre logistics building previously having been erected in 2018, as well as an 11,000 square-metre high-bay warehouse that was completed in November, both of which bear Green Building environmental certification. The extension project, which is also being environmentally certified, also includes the redevelopment of approximately 1,500 square metres of existing premises. Through the project, Nowaste plans to add additional capacity for warehousing and logistics, as well as for outlet sales and a photo studio. The length of the contract is five years with an estimated net operating surplus of slightly more than SEK 9 million.

In mid-October, Catena sold the M rby 5:28 property in the municipality of Nykvarn. Tenant S derenergi acquired the plot of approximately 95,400 square metres on which a smaller building of 186 square metres is also located. S derenergi's lease agreement included the possibility of acquiring the land in question. The divestment was conducted as a corporate disposal at an underlying value of approximately SEK 83 million with control being transferred in the fourth quarter of 2019.

In October, the Nomination Committee ahead of Catena's Annual General Meeting 2020 was appointed. The Nomination Committee consists of: Anders Nelson, appointed by Backahill Kil AB, Johannes Wingborg appointed by L nsf rs kringar Fondf rvaltning AB, Jan Persson appointed by Kilen 134 Str ngn s AB, and Gustaf Hermelin, Chairman of the Board and appointed by SFU Sverige AB.

On 31 October, Catena appointed Sofie Bennsten as Deputy CEO and CFO. Sofie will succeed the current Deputy CEO and CFO, Peter Andersson, who has expressed his desire to reduce his current involvement following many successful years in this position. Peter will continue to be involved in Catena in a new role as Treasurer. In connection with this change, J rgen Eriksson, Regional Manager Malm , was also appointed

Deputy CEO of the company. All of these management changes will be implemented at the end of April 2020.

In November, Catena acquired 50 percent of the company Södertuna Utveckling AB. The purpose is to develop 1,000,000 square metres of land in Järna (in the Municipality of Södertälje) for logistics purposes. For a purchase consideration of SEK 50 million, Catena is acquiring 50 percent of the company Södertuna Utveckling AB, a newly formed company in which the remaining 50 percent is held by Gerstaberger Gård AB. The new company owns the Södertälje Gerstaberger 1:7 property, situated in an excellent logistics location closely adjacent to the E4 motorway and the railway in the Municipality of Södertälje.

Looking ahead, the purpose of the jointly-owned company is to advance the detailed planning process for the land concerned. Within the framework of the collaboration, Catena has preferential rights to purchase land from Södertuna Utveckling as detailed planning is completed. The objective is to establish building rights for all or part of the area. Combined with Catena's development plans for Stockholm Syd in the Municipality of Nykvarn, this initiative, can make Catena a leading player in locations near the southern approach routes to Stockholm.

Significant events after the end of the year

On 9 January, Catena acquired three properties in Hilleröd, Horsens and Odense, in Denmark, from PostNord, which is also a tenant in the relevant properties. The acquisitions were conducted as a corporate transaction at a total underlying property value of SEK 235 million following the deduction of deferred taxes. The properties are situated on plots with a combined area of approximately 61,000 square metres and have a combined lettable area of 12,700 square metres. Development rights for about 20,000 square metres are also associated with the properties, offering opportunities for future expansion. PostNord is signing a ten-year lease in connection with the transaction and the estimated net operating surplus for the properties amounts to approximately SEK 12.7 million. The acquired properties are modern, space-efficient, terminal-style

distribution hubs, strategically located near access roads to urban areas, making them suitable for handling last-mile deliveries. Catena took possession of the properties in Hilleröd and Horsens on 31 January. The building in Odense is under construction, with Catena being scheduled to take possession on 1 September 2020.

Catena and Coop Logistik have agreed to continue discussions with the intention of Catena acquiring a property and constructing an approximately 105,000 square-metre automated warehouse in the Municipality of Eskilstuna. For Catena, this statement of intent entails acquiring part of the Aspestahult 1:1 property in Eskilstuna Logistik Park, and constructing and automating the new facility. Catena's total investment is estimated at between SEK 3.7 billion and SEK 3.9 billion. If the planned schedule holds, the facility is expected to be brought into operation in 2023. The process will continue with negotiations on the final terms of the collaboration. The parties involved will disclose further information in connection with the signing of a binding agreement.

Johan Franzén will be stepping down effective 1 April 2020 and will continue in his current role as Regional Manager for Gothenburg and Jönköping during his period of notice. The process of recruiting a successor has been initiated.

On 17 February, Catena signed an agreement to acquire the Magasinet 3 property, with a plot area of slightly more than 66,100 square metres. The property is situated adjacent to the 1,000,000 square-metre Gerstaberger 1:7 site that Catena intends to develop through its partnership holding in the company Södertuna Utvecklings AB. The property now being acquired encompasses building rights of approximately 10,000 square metres and a lettable area with tenants of approximately 21,000 square metres. The combined rental value amounts to approximately SEK 12 million. The acquisition is being conducted as a corporate transaction at a value of SEK 130 million. The site is being sold by Folkpolarna AB.

Sorundahallarna and Västberga Åkeri are among the tenants at the 25,617 square-metre Nattskiftet 11 property, located alongside the southern part of the Stockholm orbital route and the E4/E20 motorway.



Other

Market outlook

Over time, the market for logistics properties is driven by increased cargo flows and growing retail trade, particularly e-commerce. Demand for Catena's well-situated, purpose-appropriate and environmentally efficient logistics spaces is therefore expected to remain favourable in the first part of 2020.

The availability of modern, strategically located logistics premises, preferably adjacent to container terminals, is limited. For this reason, we expect the letting ratio at our properties to remain high. The availability of developable land with suitable planning permission is also limited within certain geographical areas, providing opportunities for increased rent levels. Accordingly, this provides good opportunities to move forward with new construction at our existing development sites.

Concluded agreement negotiations also indicate stable rent levels in our existing portfolio. In addition, as a result of increased space efficiency, we expect increased rental income per square metre for our newer holdings of larger buildings and newly developed properties.

We believe that the transaction market for efficient, energy-smart and appropriately situated logistics properties remains highly attractive, and we see good opportunities, through acquisitions and property development, to expand the operations over the upcoming years.

The credit market is generally favourable for property companies and the supply of capital is good. A global economic downturn, combined with defensive and hesitant central banks, is encouraging expectations of low interest rates for the foreseeable future.

We are closely monitoring the development of the world's financial markets and are well-prepared regardless of what directions these take. Opportunities for transactions are not generated by upswings alone.

Catena's sustainability activities

Sustainability is one of Catena's four prioritised areas. Our sustainability work focuses on participating in social progress by establishing the conditions for more sustainable logistics, reducing the environmental impact of our properties and being an attractive employer.

Catena has begun implementing the Sweden Green Building Council's Miljöbyggnad Silver certification for all new buildings. This certification imposes stricter demands on energy consumption, indoor environment and choice of materials than the legal requirements under the Swedish National Board of Housing, Building and Planning's regulations. All projects are verified by a third party that reports back on an ongoing basis and Catena is also examining opportunities to certify existing buildings.

Catena is working in a number of ways to improve energy efficiency in existing buildings and, in new construction projects, generally prepares for future installation of photovoltaic cell facilities. Catena also serves as the specifier to contractors and suppliers regarding sustainability aspects and by participating in networks and monitoring external trends, the sustainability work is further developed. These projects bring an increased focus on issues of sustainability while also strengthening the partnership with customers. The sustainability efforts are compiled in the Sustainability Report and bring solid commercial benefits by, among other things, generating conditions for green financing.

Related parties

Profit for the year includes minor related party transactions with Hansan AB and with companies owned by Board Members Ingela Bendrot and Katarina Wallin.



Quarterly overview

	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1
Rental income, SEK M	297.8	300.1	291.0	294.0	285.3	277.9	264.3	263.2
Net operating surplus, SEK M	220.9	226.8	231.9	223.2	217.1	213.9	204.0	192.6
Surplus ratio, %	74.2	75.6	79.7	75.9	76.1	77.0	77.2	73.2
Economic letting ratio, %	95.0	96.0	95.5	95.8	95.9	95.8	95.2	94.6
Profit from property management, SEK M	148.8	160.1	162.0	155.9	148.5	148.6	138.3	135.9
Profit for the period, SEK M	372.0	344.3	261.7	245.8	158.1	294.1	194.6	176.6
Return on equity, %	6.1	6.0	4.7	4.5	3.0	5.9	4.1	3.8
Equity ratio, %	35.6	33.7	33.0	33.7	33.4	33.4	31.7	32.7
Share price at end of period, SEK	413.50	323.00	292.00	257.50	220.50	199.00	174.80	164.80
Cash flow before change in working capital per share, SEK	3.75	4.29	4.40	3.81	4.01	3.99	3.69	2.97
Earnings per share, SEK	9.87	9.13	6.94	6.52	4.19	7.81	5.20	4.72
Net asset value per share, EPRA NAV, SEK	202.87	194.07	182.01	178.50	169.53	164.88	156.40	155.92

Key financial figures for the Group

Key figures ^{1,2)}	Definitions		
	2019 Jan-Dec	2018 Jan-Dec	
Property-related			
Rental income, SEK M	1,182.9	1,090.7	Rental income according to Statement of comprehensive income
Net operating surplus, SEK M	902.8	827.6	Rental income less operating and maintenance expenses, property tax and property administration (including ground rent deductions in 2018).
Surplus ratio, %	76.3	75.9	Net operating surplus as a percentage of income from property.
Rental value, SEK M	1,264.8	1,216.1	Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.
Economic letting ratio, %	95.0	95.9	Contractual annual rents under leases valid at the end of the period/year as a percentage of rental value.
Loan-to-value ratio, %	54.0	57.9	Interest-bearing liabilities attributable to the properties as a percentage of the carrying amounts of the properties at the end of the period/year.
Lettable area, thousand sq. m.	1,842.7	1,792.7	Total area available for letting.
Financial			
Profit from property management, SEK M	626.8	571.3	Pre-tax profit with reversal of changes in value.
Pre-tax profit, SEK M	1,522.5	940.1	Profit before tax in accordance with Statement of comprehensive income.
Profit for the period/year, SEK M	1,223.8	823.4	Profit for the period/year in accordance with Statement of comprehensive income
Total assets, SEK M	17,770.1	15,905.9	
Return on equity, %	21.1	16.6	Profit for the period/year as a percentage of average equity.
Return on assets, %	10.2	7.6	Pre-tax profit plus financial expenses as a percentage of average total assets.
Interest-coverage ratio, multiple	4.1	3.4	Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.
Average interest rate, %	2.6	2.7	Average interest on the loan portfolio with derivatives being taken into account as per the balance sheet date.
Interest maturity, years	2.3	3.0	Average weighted interest maturity on the loan portfolio including the effect of derivatives.
Debt maturity, years	1.3	1.4	Weighted average debt maturity on the loan portfolio.
Equity ratio, %	35.6	33.4	Equity including non-controlling interests as a percentage of total assets total assets.
Equity/assets ratio, excluding goodwill and lease assets, %	37.3	34.5	Equity including non-controlling interests as a percentage of total assets less goodwill and lease assets.
Share-related			
Share price at end of period, SEK	413.50	220.50	
Cash flow before change in working capital per share, SEK	16.25	14.67	
Equity per share, SEK	167.59	140.82	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at the end of the period/year.
Profit from property management per share, SEK	16.63	15.21	Profit from property management in relation to the number of shares outstanding at the end of the period/year.
Earning per share, SEK	32.46	21.93	Profit for the period/year attributable to the Parent Company's shareholders in relation to the average number of shares outstanding.
Net asset value per share, EPRA NAV, SEK	202.87	169.53	Shareholders' equity with reversal of the fair value of interest rate derivatives and deferred taxes in the balance sheet less goodwill associated with the deferred tax, calculated per share.
Number of shares outstanding, millions	37.7	37.7	Number of shares on the balance sheet date
P/E ratio	13	10	Share price at the end of the period/year in relation to earnings per share for the period/year.

¹⁾ For division into IFRS categories, alternative and other key figures, please refer to Catena's Annual Report for 2018, pages 136–137.

²⁾ On remaining properties at the end of the period.

Accounting and valuation principles

Catena AB draws up its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and also with interpretive statements from the International Financial Interpretations Committee (IFRIC), as approved by the European Commission for application in the EU.

The Parent Company applies the same accounting policies as the Group, with due consideration of the recommendations of the Swedish Council for Financial Reporting: RFR 2, Accounting for Legal Entities.

This interim report was drawn up in accordance with IAS 34, Interim Financial Reporting, for the Group and according to the Swedish Annual Accounts Act for the Parent Company. Catena notes that, in the accounting for of Svensk FastighetsFinansiering AB (SFF), its participation is described as having been reported in accordance with the equity method. Svensk FastighetsFinansiering AB (SFF) is, in fact, a joint operation and, with the exception of a minor reclassification, has actually been reported as such. Accordingly, Catena's holding in Svensk FastighetsFinansiering AB (SFF) has been defined as a joint operation rather than as a participation in an associated company. This change entails no effect on shareholders' equity, profit or cash flow. The principal change entails an adjustment of the balance sheet through the elimination of the shareholding and liabilities and Catena's participation in current investments instead being recognised among current receivables. Comparison figures have been adjusted where necessary. The accounting principles applied are otherwise unchanged compared with the annual report for the preceding year, with the following exceptions. None of the other IFRS or IFRIC interpretations that apply effective from 1 January 2019 are deemed to have any significant impact on the Group, with the exception of IFRS16 "Leases".

On 1 January 2019, a new leasing standard, IFRS16 "Leases", entered into effect that replaces IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. Implementation of the standard means that all leases are reported in the balance sheet, since no distinction is made between operating and finance leases. According to the new standard, an asset (the right to use a leased asset) shall be reported, as well as a financial liability to pay lease payments. Short-term contracts and contracts of smaller value are excluded. The accounts of the lessor will be essentially unchanged. The

standard has had no significant effects for Catena as a lessor. In the Group's capacity as a lessee, the impact mainly consists of the present value of ground rents and leased cars being booked up in the balance sheet. Leaseholds have been discounted by interest on ground rent of 3 percent and cars by their implicit contract interest. Short-term leases (of 12 months or less) and leases where the underlying asset is of a low value are exempt and expensed on a straight-line basis in the income statement. With regard to leasehold agreements, Catena recognises a right-of-use asset of SEK 349.2 million and a leasing liability of SEK 346.6 million at the transition to IFRS 16 as of 1 January 2019 and SEK 3.5 million for cars. The transition, in which Catena applied the forward-looking method, does not have any effect on equity and, in accordance with the standard, the comparison year has not been restated. The income statement was affected by the ground rents being reclassified from Property expenses to Financial expenses. For 2019, the ground rents amounted to SEK 9.7 million.

Risks and uncertainty factors

In order to draw up the accounts according to generally accepted accounting principles, the company management must make assessments and assumptions that affect the asset and liability items and the income and expense items disclosed in the annual accounts, and also other information provided. Actual outcomes may diverge from these assessments. Catena's financial risks are described in Note 19 on pages 77–79 of the 2018 Annual Report and in the Corporate Governance Report on pages 111–115. No essential changes have occurred since its publication.

The Board of Directors and the Chief Executive Officer certify that this report gives a true and fair view of the financial position and results and describes significant risks and uncertainties that the Group and the companies included in the Group face.

Helsingborg, 19 February 2020
Catena AB

Board of Directors

This report has not been subject to special review by the company's auditors.



At Logistics Position Sunnanå, a 1,850 square-metre extension is being added to the 16,940 square-metre terminal leased by DHL that was the first building at the Logistics Position and was completed in 2016.

Catena in brief

Catena's mission is to develop, own and efficiently manage, through cooperation and in a sustainable manner, strategically located logistics facilities that supply Scandinavia's metropolitan regions and have conditions to generate stable growing cash flows and good value growth.

Vision

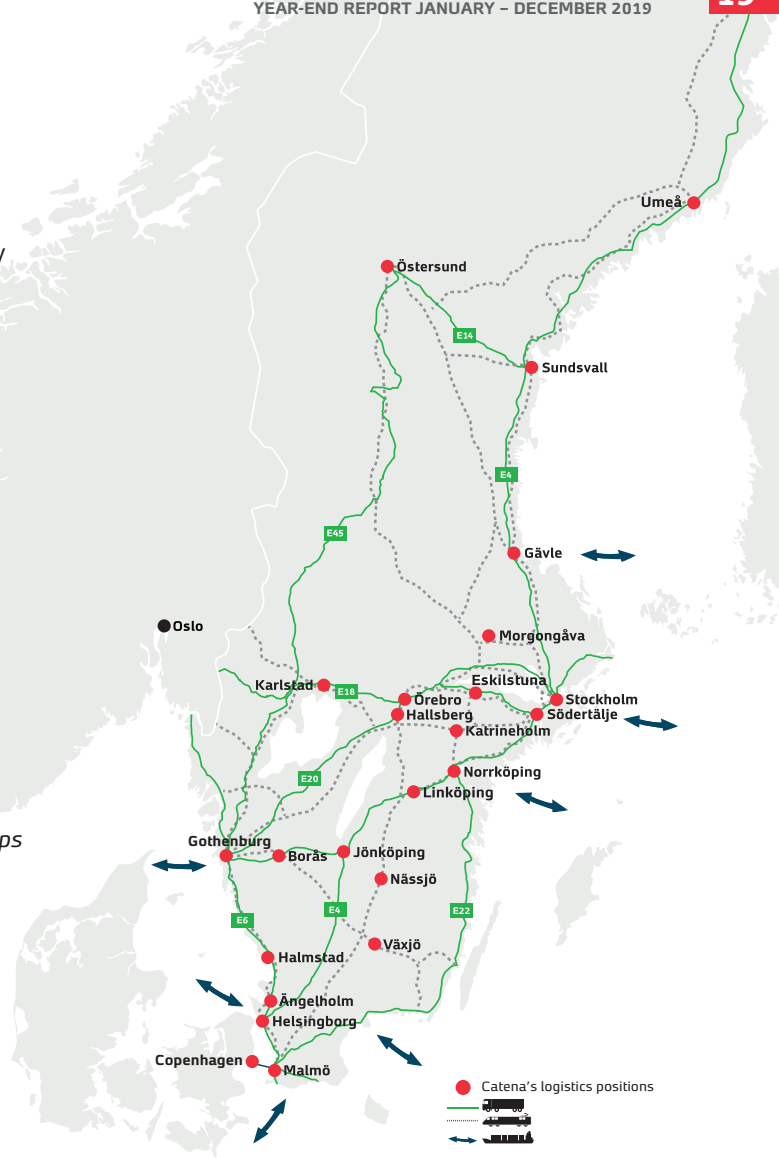
Catena's good insights regarding future freight and cargo flows are absolutely crucial to the ability to offer the right locations, the right premises and the right service. By generating strong cash flows, development takes place towards the vision – *Catena links Scandinavia's cargo flows.*

Business concept

Catena offers logistics facilities for today's and tomorrow's cargo flows along the most important transport routes and at the most important hubs. Efficient logistics and transports are an important success factor that provides both financial and environmental advantages. In close cooperation with the customers and with good knowledge of the market, Catena develops its part of the chain. The business concept clarifies the mission – *Catena shall sustainably and through partnerships develop efficient logistics facilities that serve the metropolitan regions of Scandinavia.*

Customer offering

Logistics solutions is a collective term for properties whose purpose is the collection, storage and distribution of goods. The goods, volumes, timing and, above all, the task impose different requirements on the facility.



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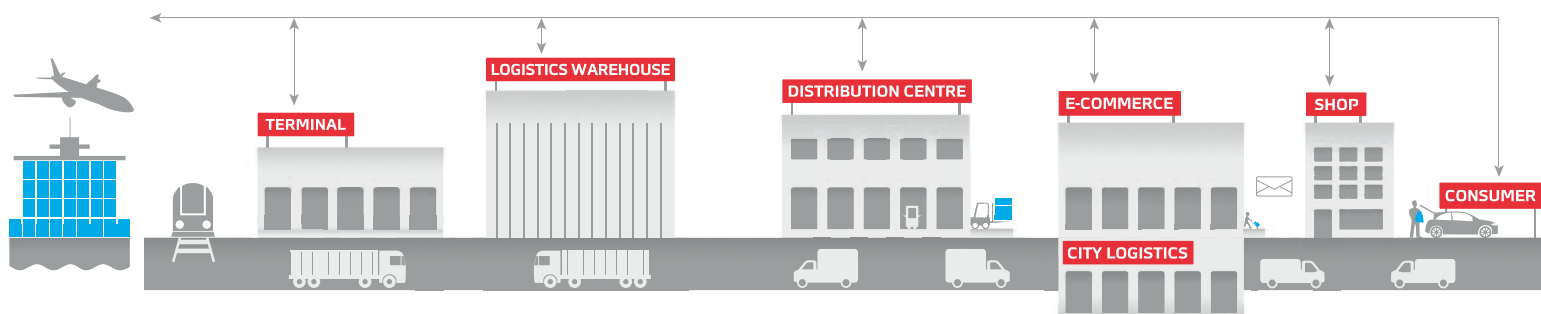
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CATENA

Catena is a listed property company that through collaboration and in a sustainable manner develops, owns and manages efficient logistics facilities. The strategically located properties supply Scandinavia's metropolitan regions and are suitable for both today's and tomorrow's cargo flows. The overriding objective is to show strong cash flow, enabling stable development of operations and providing a good long-term total return. The Catena share is traded on NASDAQ Stockholm, Mid Cap.

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