

The Board of Directors' statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act

Motivation

For the 2018 AGM, the Board proposes that a cash dividend be paid in an amount of SEK 4.50 per share. This corresponds to approximately 98 percent in total dividend for the period in question, calculated as per the objectives. Calculated as total dividend amount in relation to profit after tax, this is equivalent to approximately 26 percent. In the long term, Catena's dividends should amount to 50 percent of profit from property management less standard rate tax.

Full coverage is available for the company's restricted equity after the proposed dividend. The proposed dividend to the shareholders is justifiable considering that stated in Chapter 17 Section 3 Paragraphs 2 and 3 in the Swedish Companies Act (the business' nature, scope and risks and consolidation needs, liquidity and position otherwise).

Nature, scope and risks of the business

The nature, scope and risks of the business are presented by the Articles of Association, published annual reports and interim reports.

The business conducted in Catena does not entail risks beyond what occurs or can be assumed to occur in the industries within which Catena is active or the risks that are generally associated with conducting business activities. As regards significant events, please refer to that stated by the Administration Report. In addition to this, no events have occurred that affected the company's ability to pay the proposed dividend or acquire own shares as per the proposed authorisation.

Consolidation needs, liquidity and position otherwise

The company's and the Group's financial situation as at 31 December 2017 is presented by the balance sheet of the Annual Report. The Annual Report also indicates which principles were applied to the valuation of assets, provisions and liabilities.

As at 31 December 2017, the company's equity ratio amounted to 32.3 percent. The equity ratio does not deviate from what occurs in the industries in which Catena is active. The proposed dividend does not put at risk the fulfilment of the investments required.

The company's liquidity forecast includes preparedness to manage variations in the continuous payment obligations. The proposed dividend does not affect the company's ability to meet existing and foreseen payment obligations.

The company can continue its operations and will be able to meet its obligations both in the short and long term.

The assessment of the Board of Directors is that the size of the equity, as reported in the latest Annual Report issued and considering the proposed dividend, is in reasonable proportion to the scope of the company's and the Group's operations and the risks associated with the conducting of the operations.