

CATENA Q4

Year-end report, January – December 2018

- Rental income rose by 22 percent to SEK 1,090.7 million (892.0).
- Net operating surplus increased by 23 percent to SEK 827.6 million (671.2).
- Profit from property management rose by 30 percent to SEK 571.3 million (440.1).
- Profit for the year increased to SEK 823.4 million (634.7), corresponding to earnings per share of SEK 21.93 (16.08), including changes in value of SEK 368.8 million (318.5).
- Net asset value per share, EPRA NAV rose to SEK 169.53 (149.85).
- The Board proposes a dividend of SEK 5.75 per share (4.50).

Significant events in the fourth quarter

- Catena acquired and took possession of the property Lagret 1 in Umeå at a property value of SEK 174 million.
- A lease was signed with Nowaste and Catena is investing another SEK 101 million in new construction in Helsingborg.
- Catena has signed an agreement to acquire 600,000 square metres of land adjacent to E-City Engelholm at a property value of SEK 42.5 million.



PROPERTIES FOR **SMARTER, BETTER AND FASTER** LOGISTICS SOLUTIONS

Note: The information in this interim report is such that Catena AB (publ) is required to publish pursuant to the Swedish Securities Markets Act. The information was submitted for publication on 15 February at 8:00 a.m.

Food logistics close to the city for Svensk Cater

Svensk Cater is one of Sweden's leading food wholesalers for the eating-out market and large-scale catering. The company operates nationwide and has 19 warehouses from Luleå in the north to Malmö in the south, all with carefully selected assortments that meet the needs of the local market. With more than 52,000 active product numbers, Svensk Cater is the wholesaler in Sweden with the broadest and deepest product range. Svensk Cater is a part of Euro Cater A/S and has sales of around SEK 4.5 billion with 1,000 employees and 14,000 customers.

In November 2018, Svensk Cater was able to move in to its new distribution centre close to the city at the Sunnanå Logistics Position outside Malmö. A warehouse in the populous region around Malmö has long been high on the list and Sunnanå proved optimal for Svensk Cater. The premises have been able to be customised for Svensk Cater's needs. The proximity to the restaurant-filled Malmö and its surroundings is important as well as the absolutely ideal logistics location with a direct off ramp from National Road 11 and just another 300 metres to the off ramp from the E6/E20 motorway.

Svensk Cater is the second establishment at the Sunnanå Logistics Position. DHL was already there with a terminal of 17,000 square metres. Other tenants who are already set are the food colleague Chefs Culinar with their own warehouse and DS Smith and Lekia that are to move into one of the two buildings totalling 36,000 square metres that have just been built and detailed planning work is under way for another more than 100,000 square metres.

“‘Last mile distribution’, being able to provide metropolitan areas with efficient in- and outbound deliveries, is becoming an increasingly important concept. Sunnanå Logistics Position is therefore unique in its size, good expansion possibilities, a location right next to Malmö and close to important connections and transport hubs,” says Jörgen Eriksson, Catena's Regional Manager.

Highly modern food warehouse

Svensk Cater's new distribution centre is completely customised and equipped for a full-range wholesaler in the eating out industry. In the 8,400-square-metre warehouse, there are six corridors divided into two freezer areas, two refrigerated areas with a number of temperature zones and two dry-goods storage and

one storage area for alcoholic beverages. Adjacent to the six corridors, there is a refrigerated loading and unloading hall that together with Svensk Cater's own fleet of lorries ensures that the refrigerated and frozen food chain is kept intact the whole way to the customer.

“Being close to our customers is very important. Our new customised warehouse not only gives us the best conditions for strengthening our role as a restaurant and institutional wholesaler in Skåne, but also for expanding to more customers,” says Jerry Blomberg, Svensk Cater's Wholesales Manager in Malmö.

Energy efficiency a requirement

The shift in interest towards more ethical business and sustainable solutions is deepening in pace with the increase in the knowledge of those who eat out and society's demands. Svensk Cater works conscientiously with various certifications to meet and exceed the customers' expectations. The company's sustainability focus also permeates the actual warehouse, which has a specially-adapted CO₂ facility that efficiently recycles surplus from refrigerators and freezers for the heating of other parts of the facility.

“Heating and energy is the single largest operating cost for properties. At Catena, we are very accustomed to working with optimised energy use for both better environmental performance and lower costs. The facility in Sunnanå is no exception,” confirms Jörgen Eriksson.

Capacity to double sales

In recent years, Svensk Cater has expanded its operations and the new warehouse in Malmö together with the Stockholm warehouse are the company's largest. At the same time, there is the possibility of expansion both in the existing facility and through extensions.

“The cooperation with Catena has worked very well and the possibilities of expansion are important to us. With our new warehouse, we have such a capacity that we can double today's capacity,” says Jerry Blomberg.



The Group in figures

	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Rental income, SEK M	285.3	233.4	1,090.7	892.0
Net operating surplus, SEK M	217.1	170.3	827.6	671.2
Surplus ratio, %	76.1	73.0	75.9	75.2
Profit from property management, SEK M	148.5	107.1	571.3	440.1
Profit for the period/year, SEK M	158.1	103.7	823.4	634.7
Earnings per share, SEK	4.19	2.89	21.93	16.08
Equity ratio, %	33.2	32.3	33.2	32.3
Economic letting ratio, %	95.9	94.7	95.9	94.7

Strong cash flows provide continued implementation capacity

With the fourth quarter's results, we are summarising a strong 2018. Our active project development work is successful and we maintain a high delivery rate where new projects are initiated continuously. An improved letting ratio contributes to a higher profit from property management, which in turn generates a good cash flow development.

The rental income for the year increased by 22 percent and the net operating surplus increased by 23 percent, a development that is mainly driven by large projects being completed and through acquisitions. Again this year, Catena's letting ratio improved and reached a record high 95.9 percent at the end of 2018. The profit from property management amounted to SEK 571.3 million, which is an increase by 30 percent compared with the previous year. We can note a generally slower financial market in winter 2018, which among other things impacted the price levels for bonds. However, in relative terms, Catena is well prepared with a small share of bond maturities in 2019 and a large share of bank loans of the total loan stock.

With our capacity, we have good conditions for continued growth. Our wise decisions over time generate the cash flows that are such an important prerequisite for our continued implementation capacity. We achieve the results with efficient management and administration that has succeeded in doing what we are best at even better.

Profitable situation

Our vision to link Scandinavia's goods flows, leads us right. The efficiency of the transports is a crucial factor for our customers' profitability and Sweden forms a natural logistics hub in the Scandinavian market where a large part of the population can be reached quickly. With a unit in the Stockholm area and one in the Öresund region, delivery will take place to a majority of Scandinavians within four hours. We are experiencing a growing interest in "Greater Copenhagen". The location is highly interesting as a hub in a comprehensive Scandinavian logistics network, but our strength is offering logistics facilities along all of the important transport routes. In October, Catena acquired a property in Umeå that strengthens our position in northern Sweden and from which the tenant PostNord can ensure a comprehensive goods supply in the Nordic market.

Changed goods flows, a higher share of digitally driven trade and increasingly complex logistics benefit our business and drive our cash flows. We see continued growth in our industry and Catena's focus on sustainable, efficient logistics facilities in strategic locations matches the growing needs more than enough.

Close partnerships – a success factor

By offering properties that meet high standards, we add value, but it is in our role as an active discussion partner that development takes place and trust is created. One example is our close cooperation with our customer, the third-party logistics



operator Nowaste. In close collaboration with others, we resolve Nowaste's needs and can quickly complete a new logistics warehouse with the best conditions for advanced automation solutions. The warehouse is partly comprised of a 20-metre tall high-bay warehouse and is being built next to Nowaste's existing logistics facility at the Tostarp Logistics Position in Helsingborg. Collaboration is also a keyword as the logistics and food cluster in Findus' former premises in Bjuv grow forth. The properties are co-owned with Backahill and Foodhills, the vision is to become the leaders in Europe in sustainable systems for circular food production. In 2018, we built for the future through project investments in the area. We see the return on the investments coming in the next few years, but we are ahead of plan and already have let more premises than estimated.

A good finish to a very good year

In 2018, Catena worked conscientiously on several fronts. We had a strong focus on project development and we have reached agreements on the acquisition of important logistics land to secure new logistics locations. I am incredibly proud of what we are achieving, but above all I am proud of the way that we are doing it. Catena's dedicated and committed employees always strive to exceed expectations in large and small – a winning concept for developing the logistics locations of the future.

Helsingborg, February 2019
Benny Thøgersen, CEO

Income and profit

Rental income

Rental income in the year increased by 22 percent to SEK 1,090.7 million (892.0). The increase is mainly due to the acquisition and completion of major projects.

Income from contracts with terms of more than three years accounted for approximately 67 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	No. of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2019	149	97.8	8
2020	90	86.9	8
2021	45	202.7	17
2022	42	132.7	11
2023	35	140.6	12
2024	13	99.0	9
2025+	56	407.0	35
Total	430	1,166.7	100

Property expenses

Property expenses increased to SEK 263.1 million (220.8) due to a larger property portfolio. The cold winter with an unusually high amount of snow also increased costs.

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, that have the greatest impact during the winter and summer months, are, to some extent, offset by a change in billed expenses to tenants.

Financial expenses

Financial expenses amounted to SEK 238.6 million (213.2) over the year. The increase in financial expenses is due in part to a larger property portfolio, but is mainly the result of the reorganisation of swaps carried out in the first quarter of 2017, which, in turn, affected financing expenses positively by

SEK 16.6 million as a non-recurring effect. Adjusted for the previous year's reorganisation of swaps, financial expenses increased by 4 percent, while the loan volume increased by 13 percent. This shows that Catena's efforts to reduce interest has yielded results. Compared with 2017, Catena has lowered its average interest rate by 0.5 percentage points to 2.7 percent (3.2).

Profit

Profit from property management rose by SEK 131.2 million to SEK 571.3 million, compared with the previous year – an increase of 30 percent. The biggest reason for the improved property management earnings is a larger portfolio and lower cost for financing in relation to the loan portfolio's size.

Profit for the year amounted to SEK 823.4 million, which is SEK 188.7 million higher than in the previous year. Changes in value of property and goodwill are SEK 41.1 million higher than in the corresponding period the previous year, while the change in value of derivatives is SEK 9.2 million higher than in the preceding year. This was an effect of long-term market interest rates having risen over the year. The unrealised changes in value are of an accounting nature and do not affect cash flow.

On 14 June, the Swedish Parliament passed new tax rules for the corporate sector, which among other things entails a two-step reduction in corporation tax to 21.4 percent as of 2019, and to 20.6 percent as of 2021. This enactment entails a reduction of the year's tax expense by SEK 79 million relative to tax calculated in accordance the current tax rate of 22 percent due to deferred tax assets and liabilities being valued at these lower tax rates.

Operating surplus, regions

	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Gothenburg	37.3	29.8	144.3	111.2
Helsingborg	30.3	27.3	123.5	100.9
Jönköping	16.6	14.2	63.9	67.4
Malmö	30.7	25.4	111.1	93.0
Stockholm	102.2	73.6	384.8	298.7
Total	217.1	170.3	827.6	671.2

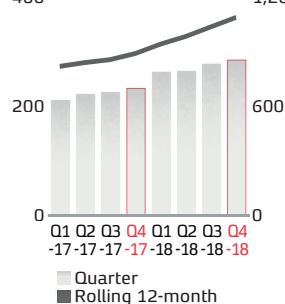
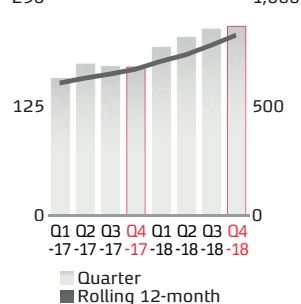
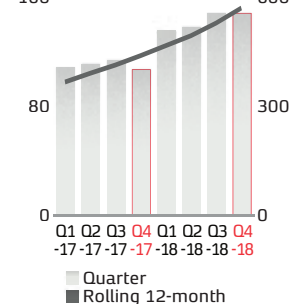
Rental income, regions

SEK M	Oct-Dec 2018		Oct-Dec 2017		Jan-Dec 2018		Jan-Dec 2017	
	Income	Of which re-invoiced.*	Income	Of which re-invoiced.*	Income	Of which re-invoiced.*	Income	Of which re-invoiced.*
Gothenburg	42.2	2.1	35.5	2.1	165.4	7.8	130.3	6.0
Helsingborg	47.1	3.2	41.7	2.7	175.9	12.5	146.1	10.4
Jönköping	24.7	3.4	22.1	2.3	94.8	12.1	93.9	10.8
Malmö	44.3	10.0	39.7	8.9	170.5	37.7	145.0	32.0
Stockholm	127.0	10.9	94.4	5.0	484.1	40.0	376.7	25.7
Total	285.3	29.6	233.4	21.0	1,090.7	110.1	892.0	84.9

* Of which, re-invoiced expenses.

Consolidated statement of comprehensive income

SEK M	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Rental income	285.3	233.4	1,090.7	892.0
Property expenses	-68.2	-63.1	-263.1	-220.8
Net operating surplus	217.1	170.3	827.6	671.2
Central administration	-7.8	-8.4	-31.4	-30.9
Other operating income	0.7	0.6	2.5	1.7
Other operating expenses	-0.1	-0.7	-0.3	-1.1
Share of profit of associates	-1.7	1.3	8.6	8.3
Financial income	0.8	0.6	2.9	4.1
Financial expenses	-60.5	-56.6	-238.6	-213.2
Profit from property management	148.5	107.1	571.3	440.1
Realised changes in value of investment properties	0.1	-	4.7	86.3
Unrealised changes in value of investment properties	63.0	20.6	329.1	291.1
Changes in value goodwill, etc.	-	-	-	-84.7
Changes in values of derivatives	-20.1	2.6	35.0	25.8
Profit before tax	191.5	130.3	940.1	758.6
Tax for the period/year	-33.4	-26.6	-116.7	-123.9
Profit for the period/year	158.1	103.7	823.4	634.7
Other comprehensive income				
Translation difference	-0.5	4.5	7.3	4.2
Comprehensive income for the period/year	157.6	108.2	830.7	638.9
Comprehensive income for the period/year distributed among the Parent Company's shareholders	157.6	108.2	830.7	579.5
Comprehensive income for the period/year distributed among non-controlling interests	-	-	-	59.4
Key data				
Shareholders' equity, SEK per share	140.82	122.86	140.82	122.86
Net asset value per share, EPRA NAV, SEK	169.53	149.85	169.53	149.85
Profit for the period/year, SEK per share	4.19	2.89	21.93	16.08
Number of shares outstanding, millions	37.7	37.4	37.7	37.4

Rental income
QSEK M
400Net operating surplus
QMkr
250Profit from property management
QSEK M
160

Financial position

Cash flow

SEK M	2018 Jan-Dec	2017 Jan-Dec
Profit before tax	940.1	758.6
Adjustments for non-cash items	-375.6	-337.0
Tax paid	-13.7	-2.9
Cash flow before changes in working capital	550.8	418.7
Change in operating receivables	-13.9	26.2
Change in operating liabilities	-19.2	-41.0
Cash flow from operating activities	517.7	403.9
Acquisition of assets via subsidiaries	-75.3	-632.0
Divestment of operations	24.3	174.3
Acquisition of minority share	-	-71.6
Investments in investment properties	-796.6	-520.3
Divestment of investment properties	4.8	-
Acquisitions of property, plant and equipment	-0.4	-0.6
Change in financial assets	28.1	238.7
Cash flow from investing activities	-815.1	-811.5
Change in loans	651.9	481.8
Dividend paid	-168.4	-125.1
Cash flow from financing activities	483.5	356.7
Cash flow for the year	186.1	-50.9
Opening cash and cash equivalents	94.8	145.5
Exchange rate difference in cash and cash equivalents	0.3	0.2
Closing cash and cash equivalents	281.2	94.8

Statement of financial position

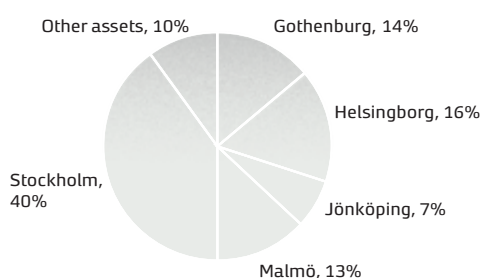
SEK M	2018 31 Dec	2017 31 Dec
Assets		
Fixed assets		
Goodwill	503.0	503.0
Investment properties	14,721.1	13,131.1
Property, plant and equipment	1.5	2.0
Financial fixed assets	227.0	241.6
Deferred tax assets	96.9	136.2
Current assets		
Current receivables	154.2	137.9
Cash and cash equivalents	281.2	94.8
Total assets	15,984.9	14,246.6
Equity and liabilities		
Equity attributable to Parent Company shareholders	5,308.8	4,596.5
Non-current liabilities		
Interest-bearing liabilities	6,170.2	6,251.5
Deferred tax liability	1,271.6	1,203.5
Other non-current liabilities	491.6	535.9
Current liabilities		
Interest-bearing liabilities	2,346.6	1,316.7
Other current liabilities	396.1	342.5
Total equity and liabilities	15,984.9	14,246.6

Cash flow for the year before changes in working capital improved by SEK 132.1 million to SEK 550.8 million (418.7).

Cash flow has been affected by significant investments in existing investment properties and by Catena acquiring the Magnet 6, Snesholm 1:16, Sunnanå 1:20 and 1:21 and Lagret 1 properties as share acquisitions and the Mappen 1 and Hästhagen 5 properties through property transactions.

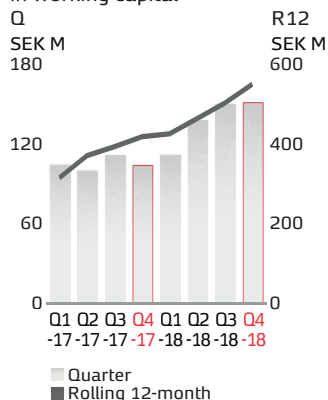
During the year, Catena issued commercial papers as a complement to its existing financing. At the end of the year, cash and cash equivalents amounted to SEK 281.2 million (94.8)

Distribution of assets

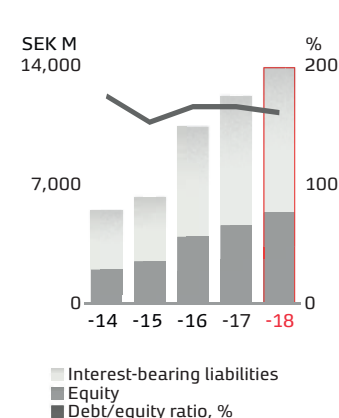


Total assets, SEK 15,984.9 million

Cash flow before change in working capital



Capital structure



Change in equity

SEK M	2018 31 Dec	2017 31 Dec
Opening balance	4,596.5	3,904.3
Dividend paid to shareholders	-168.4	-125.1
New share issue ¹⁾	50.0	250.0
Translation difference	7.3	4.2
Acquisition of minority share	-	-63.8
Transactions with minority owners	-	-7.8
Comprehensive income for the period/year attributable to non-controlling interests	-	59.4
Comprehensive income for the period/year attributable to Parent Company shareholders	823.4	575.3
Closing balance	5,308.8	4,596.5
Attributable to:		
Parent Company's shareholders	5,308.8	4,596.5

¹⁾ New share issues for SEK 50 million (2018) and SEK 250 million (2017) have been used to settle liabilities from acquisitions.

Interest-bearing liabilities

Interest-bearing liabilities amounted to SEK 8,516.8 million (7,568.2) and the loan framework amounted to SEK 9,056.6 million on 31 December 2018.

During the year, Catena has renegotiated financing agreements with a total framework of approximately SEK 1,683 million. The term to interest maturity amounted to 3.0 years.

Term to interest maturity including derivatives

Year	SEK M	Interest rate, % ¹⁾	Share, %
2019	3,145.2	1.4	36.9
2020	843.0	0.8	9.9
2021	762.7	4.9	8.9
2022	500.0	3.8	5.9
2023	500.0	3.2	5.9
2024	500.0	2.9	5.9
2025	1,122.0	3.8	13.2
2026	1,143.9	4.2	13.4
Total	8,516.8	2.7	100.0

¹⁾ Refers to the current average interest rate as per 31 December 2018. The margin is distributed evenly across the term to interest maturity.

Capital tied-up

Year	Contract volume, SEK M	Utilised, SEK M	Unutilised, SEK M
2019	2,733.6	2,293.8	439.8
2020	3,772.8	3,772.8	-
2021	2,489.0	2,389.0	100.0
>2023	61.2	61.2	-
Total	9,056.6	8,516.8	539.8

Bond financing

Catena's outstanding covered (through property mortgages) bond financing amounts to SEK 1,228 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.

During the year, Catena signed new financing agreements for SEK 350 million via SFF.

Commercial paper financing

During April, Catena established a commercial paper programme with a framework amount 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). The current backup facility matures until May 2021 with a framework amount of SEK 1 billion.

On the balance sheet date, the outstanding volume was a nominal SEK 900 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 410.5 million (445.5). The change in the 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 53 percent of consolidated interest-bearing liabilities.

Interest rate hedges through interest-rate swaps

Start year	End year	Interest rate, %	SEK M
2011	2021	2.9	500.0
2012	2021	2.7	191.7
2012	2022	2.3	500.0
2014	2023	1.7	500.0
2014	2024	1.4	500.0
2017	2021	2.8	22.0
2017	2021	2.8	49.0
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	4,528.6

The property portfolio

Property portfolio

SEK M	Fair value	Number of properties
Property portfolio at beginning of year	13,131.1	109
Acquisitions*	607.5	4
Investments in existing properties	684.3	
Sales	-46.5	-3
Translation differences, etc.	15.6	
Property settlements etc.	0.0	-3
Unrealised changes in value	329.1	
Total investment properties	14,721.1	107

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

Changes in the property portfolio

During the year, Catena acquired six properties, two of which are to be merged with existing properties, with a carrying amount of SEK 607.5 million, and sold three properties with a carrying amount of SEK 46.5 million.

In addition, investments of SEK 684.3 million have been made in existing properties. The largest ongoing project is at the Plantehuset 3 property at Tostarp Logistics Position in Helsingborg, where Catena has erected a 30,400-square-metre logistics warehouse for Nowaste and began construction of 11,000 square metres of logistics warehouse space for the same tenant. At the same time, the work of renting and project planning for new tenants continues.

At Sunnanå Logistics Position outside Malmö, Svensk Cater's distribution centre has now been completed and work on Chefs Culinar's 7,600 square-metre distribution centre is ongoing. The construction of a 36,000-square-metre warehouse for multiple tenants is under way.

At the Mappen 4 property in Linköping, work was completed on a new warehouse of more than 6,000-square-metres and Bring, Pågen and ICA moved into their new distribution centres.

At the Björöd 1:205 property in the Municipality of Härryda, Cramo has now moved into its new 3,400 square-metre logistics warehouse.

Property valuation

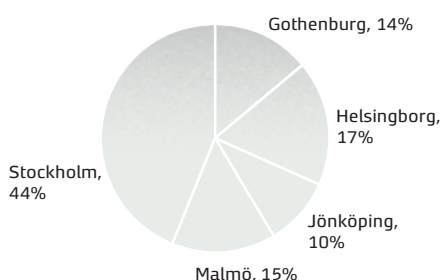
Unrealised changes in value of Catena's properties have arisen as a result of coordination, well-executed projects and good property management and amounted to SEK 329.1 million in the year. This corresponds to more than 2 percent of the value before adjustment.

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. During 2018, around SEK 10 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 55 of Catena's Annual Report for 2017.

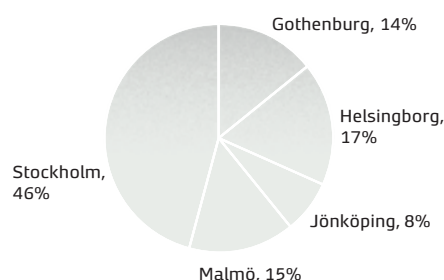
A certain discrepancy is permitted between the internal valuation and the fair value before the fair value is adjusted. The discrepancy should be within a range controlled by a permitted discrepancy from the established direct yield requirement of +/-0.25 percent. Only when the discrepancy exceeds or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

Rental value by region



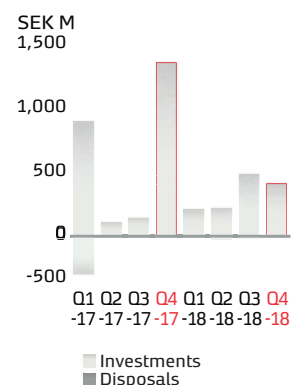
Rental value, SEK 1,216.1 million

Property portfolio by region



Fair value, SEK 14,721.1 million

Investments and 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	14	223.2	2,114.9	172.0	99	170.4	87
Helsingborg	23	382.4	2,564.6	214.6	94	201.3	70
Jönköping	12	209.6	1,109.6	117.1	91	106.4	67
Malmö	16	219.3	2,220.3	179.3	98	175.1	65
Stockholm	42	758.0	6,711.7	533.1	96	513.5	80
Total	107	1,792.5	14,721.1	1,216.1	96	1,166.7	76

Property acquisition

Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Rental income/year, SEK M
Mappen 1 *)	28 Feb 2018	Stockholm	Linköping	22,388	68.1	9.0
Magnetten 6	2 Jul 2018	Stockholm	Umeå	Land	20.0	0.6
Snesholm 1:16	2 Jul 2018	Stockholm	Heby	38,000	280.2	19.0
Sunnanå 1:20 and 1:21	4 Sep 2018	Malmö	Burlöv	Land	21.7	1.1
Hästhagen 5 *)	17 Sep 2018	Helsingborg	Helsingborg	11,575	45.0	0.2
Lagret 1	31 Oct 2018	Stockholm	Umeå	24,892	174.0	14.8
Total				96,855	609.0	44.7

* Merged with existing property.

Property sales

Property designation	Vacated	Region	Municipality	Space, sq. m.	Property value, SEK M	Earnings, SEK M
Sothönan 19	6 Mar 2018	Stockholm	Katrineholm	Land	1.8	0.7
Tappen 1	18 May 2018	Gothenburg	Borås	5,700	25.0	1.3
Kroksabeln 17	15 Aug 2018	Helsingborg	Helsingborg	7,416	21.2	0.1
Part of Sköns Prästbord 2:4	24 Sep 2018	Stockholm	Sundsvall	Part of plot	2.7	2.6
Total				13,116	50.7	4.7



Tostarp Logistics Position, Helsingborg

Property portfolio continued

A selection of current properties

Bulten 1, Kungälv

At Rollsbo industrial zone in Kungälv, Catena owns a 23,090-square-metre property. Catena is now making a stake on the property that is fully in line with the company's goal of reducing its climate impact. The property will be supplementally insulated and the façade will be replaced in connection with the work. The lighting will be replaced with more efficient fixtures. In connection with this, some office spaces will also be adapted and a new entrance will be built.



Tostarp Logistics Position, Helsingborg

Situated in eastern Helsingborg, where the E6 and E4 motorways meet, is one of southern Sweden's most expansive logistics areas, where several major logistics facilities have been built. Catena holds land of approximately 270,000 square metres here. For its customer Nowaste Logistics, Catena recently built a 30,400-square-metre logistics warehouse here (photo on page 9). Catena has now begun construction of another logistics warehouse of 11,060 square metres for Nowaste, of which 1,250 square metres is a 20-metre-tall high-bay warehouse. Catena already has another terminal here, which is leased by Freja Transport & Logistics. The process of leasing facilities and erecting additional logistics facilities is ongoing.

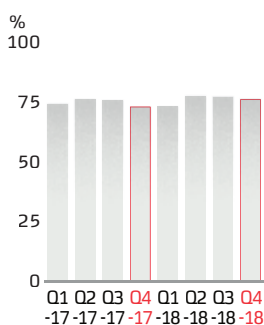


Mappen 3 & 4, Linköping

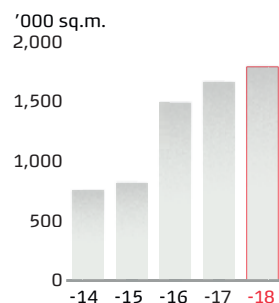
In Linköping, Catena completed the new construction of the property Mappen 4. The 6,225-square-metre building is fully let to Ica, Pågen and Bring Frigo. In the area, Catena has a total of more than 57,000 square metres in three buildings and a possibility of further new construction. Catena's focus in the future will be to let the facilities that remain vacant, build new facilities and raise the standard in the older part of the area.



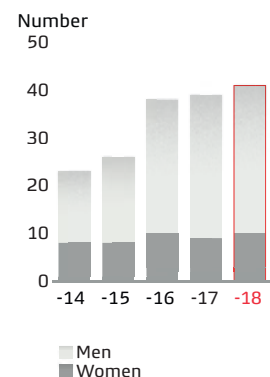
Surplus ratio



Logistics space



Personnel, Group



Current earnings capacity

SEK M	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 Mar	2017 31 Dec	2017 30 Sep
Rental income	1,158.0	1,112.8	1,085.7	1,061.9	1,042.6	939.7
Property expenses	-276.0	-276.3	-269.6	-263.6	-260.6	-234.9
Net operating surplus	882.0	836.5	816.2	798.3	782.0	704.8
Central administration	-32.4	-32.4	-32.4	-32.0	-32.0	-31.2
Participations in profit of associated companies	-5.0	-10.0	0.0	7.0	8.0	9.0
Net financial items	-223.9	-232.7	-231.1	-225.6	-230.5	-210.8
Profit from property management	620.7	561.4	552.7	547.7	527.5	471.8
Tax for the period	-132.8	-123.5	-121.6	-120.5	-116.0	-103.8
Profit for the period	487.9	437.9	431.1	427.2	411.5	368.0
Key data						
Profit for the period, SEK per share	12.9	11.6	11.5	11.4	11.0	10.3
Number of shares outstanding, millions	37.7	37.7	37.4	37.4	37.4	35.7

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 expenses for the current portfolio. Financial expenses are based on Catena's average interest rate level including hedges for current loan debt less deducted interest rate in normal project volume. The tax is calculated on a conventional basis according to the tax rate at any given time.

Yield

%	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 Mar	2017 31 Dec
EPRA NIY (initial yield)	6.2	6.0	6.1	6.2	6.3
EPRA "topped-up" NIY (normalised yield)	6.4	6.4	6.4	6.6	6.7

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, ground rent 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, contractual annual rent is used without deduction of initial discounts.



Stenvreten 8:33, Enköping

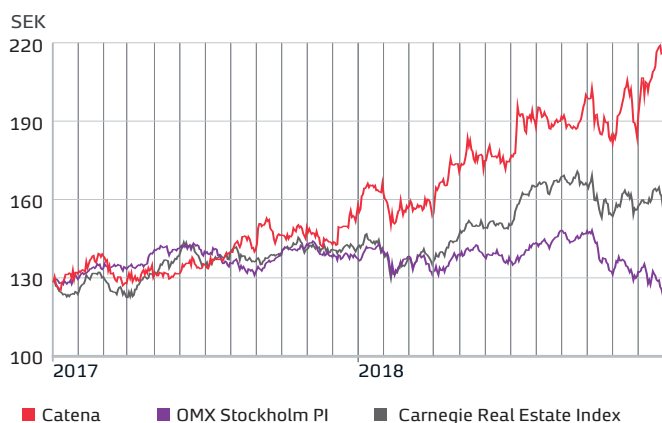
Shares and shareholders

The Catena share

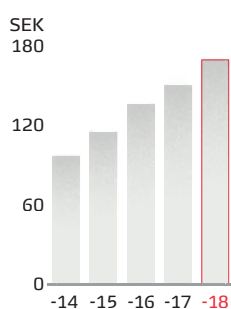
As at the closing date, the Catena share was registered on the Nasdaq Stockholm Nordic Mid Cap list. The closing price on 28 December 2018 was SEK 220.50, against the opening price of SEK 159.40 on 2 January 2018, representing an increase of 38.3 percent over the year. During the year, the highest price noted for the Catena share was SEK 224.50 and the lowest was SEK 148.00. Since the autumn of 2017, Catena's share has been included in the international property index EPRA.

As at 31 December 2018, Catena had 14,432 shareholders and the number of shares amounted to 37,698,853.

Share price trend 1 January 2017 – 31 December 2018



Net asset value per share, EPRA NAV



Shareholder structure as per 31 January 2019, largest shareholders

	No. of shares, 000s	Votes, %
Backahill	11,221	29.8
Endicott Sweden AB (CLS Holding plc)	3,971	10.5
Länsförsäkringar fondförvaltning AB	2,391	6.3
Cohen & Steers, Inc.	1,872	5.0
Kilen 134 Strängnäs AB	1,678	4.5
SFU Sverige AB	1,560	4.1
SEB Investment Management	963	2.6
Citi Switz AG AS Agent For Clients	921	2.4
Nordea Investment Funds	686	1.8
UBS Switzerland AB, NQI	542	1.4
UBS Switzerland AB, W8IMY	513	1.4
BNP Paribas Sec Services London, W8IMY	487	1.3
JPM Chase NA	420	1.1
Övriga aktieägare	10,474	27.8
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

25 April 2019	2019 Annual General Meeting
25 April 2019	Interim Report January – March 2019
8 July 2019	Interim Report January – June 2019
25 October 2019	Interim Report January – September 2019
20 February 2020	Year-end Report 2019
29 April 2020	2020 Annual General Meeting
29 April 2020	Interim Report January – March 2020

Contact

Benny Thøgersen, CEO
 benny.thogersen@catenafastigheter.se
 Telephone +46 (0)706 608 350

Peter Andersson, Deputy CEO, CFO
 peter.andersson@catenafastigheter.se
 Telephone +46 (0)42 449 22 44



Lagret 4, Nässjö

Parent Company's financial statements

Parent Company Income Statement

SEK M	2018 Jan-Dec	2017 Jan-Dec
Net turnover	47.6	44.0
Cost of services performed	-78.1	-73.8
Operating profit/loss	-30.5	-29.8
Financial income and expenses		
Other interest income and similar income	149.4	137.6
Profit from participations in Group companies	1,219.1	49.4
Interest expenses and similar expenses	-248.4	-259.7
Profit before appropriations and taxes	1,089.6	-102.5
Appropriations	-7.0	-17.1
Tax on profit for the period/year	-58.8	-45.2
Comprehensive income for the period/year	1,023.8	-164.8

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.

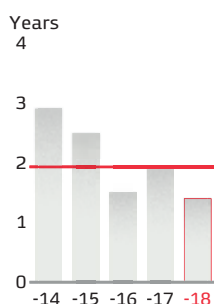
Balance Sheet, Parent Company

SEK M	2018 31 Dec	2017 31 Dec
Assets		
Fixed assets		
Property, plant and equipment	1.5	2.0
Financial fixed assets	3,236.2	3,263.3
Deferred tax assets	84.8	96.8
Non-current receivables	2.7	2.3
Current assets		
Receivables from Group companies	3,900.5	5,201.9
Receivables from associated companies	20.1	0.2
Current receivables	5.9	5.9
Cash and cash equivalents	195.7	38.7
Total assets	7,447.4	8,611.1
Equity and liabilities		
Equity	3,034.4	2,128.9
Untaxed reserves	24.2	17.2
Non-current liabilities		
Interest-bearing liabilities	898.6	-
Other non-current liabilities	411.5	439.2
Current liabilities		
Interest-bearing liabilities	-	439.0
Liabilities to Group companies	3,025.1	5,534.9
Liabilities to associated companies	1.0	6.1
Other current liabilities	52.6	45.8
Total equity and liabilities	7,447.4	8,611.1

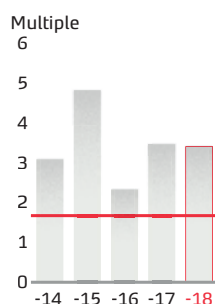


Financial targets

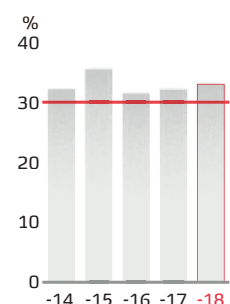
Average capital tied-up



Interest coverage ratio



Equity ratio



Significant events during the period

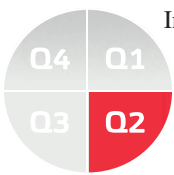


In late February, Catena signed a seven-year agreement with Chefs Culinar and is investing SEK 115 million in a new distribution centre at the Sunnanå 12:52 property outside Malmö.

In the spring, construction commenced of the 7,600 square-metre warehouse which, when completed, will contain a warehouse section for dry goods as well as chilled and frozen goods. The agreement is expected to generate a net operating surplus of approximately SEK 8 million annually. The building will be the third built by Catena in its development area at the Sunnanå Logistics Position outside Malmö.

On February 28, Catena acquired and took possession of the Mappen 1 property in Linköping. The acquisition is being conducted as a property transaction at a value of SEK 68.1 million. The lettable area comprises 22,600 square metres and the building plot area is 110,000 square metres with development rights for approximately 30,000 square meters. The rental value, for the largely leased property, amounts to more than SEK 9 million with a remaining lease term of approximately two years. The property is located next to Catena's two other properties in the area, Mappen 3 and Mappen 4.

In cooperation with Foodhills AB and Backahill AB, Catena has started a jointly owned company, Foodhills Fastighet AB. Catena has a 45 percent holding, Backahill 45 percent, and Foodhills AB owns the remaining 10 percent of the property company. The appointed CEO of the company is Mikael Halling, who was previously Executive Vice President and Senior Advisor at Catena for many years. On 1 March, Foodhills Fastighet AB acquired the properties Bjuv 23:1, part of Selleberga 17:1 and Lunnahus 4:2 in Bjuv Municipality from Findus, which had been the owner of the property for many years with both its headquarters and production at the site. The transaction was conducted as a property transaction at a value of SEK 85 million, with possession as of 1 March. The property has a lettable area of approximately 100,000 square metres. At the time of acquisition, the property had no tenants. The estimated rental value amounts to approximately SEK 35 million.



In mid-April, Catena established a commercial paper programme with a framework amount of SEK 2 billion. 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 4 May, an investor presentation was held and, on 7 May, Catena issued commercial papers for SEK 750 million with maturities of four, six and nine months under the newly established commercial paper programme, with an average interest rate of 0.39 percent. The commercial papers will have a maximum maturity of 364 days.

On 27 April, Catena signed a lease with DS Smith and Lekia and is investing a further SEK 358 million at the Sunnanå logistics location, just outside Malmö. This will be the fourth facility that Catena establishes in the area and will encompass two buildings with a shared loading yard and parking area. The buildings will provide warehousing for multiple tenants, with a total of 36,000 square metres of warehouse and office space. Lekia will be leasing 6,000 square metres and DS Smith 5,800 square metres, and they are scheduled to move in during the third quarter of 2019. Fully leased, the two new buildings are estimated to have a rental value of approximately SEK 26 million.

On 8 May, Catena signed a seven-year contract with Procurator with an annual rent of SEK 9.4 million and will be investing SEK 107 million in the Take 1:64 property, located on the Torsvik industrial estate, adjacent to the E4 motorway in Jönköping. The property is being extended by 16,000 square metres to a total 41,800 square metres. With this contract, almost all of the property's logistics space has been leased. Procurator is expected to be able to move into the property towards the end of 2019.



On 2 July, Catena and Domarbo Skog AB signed an agreement for Catena to acquire the Snesholm 1:16 property in the Municipality of Heby in the County of Uppsala, north of Stockholm. The property was acquired through a corporate transaction at a predetermined property value of SEK 280 million. The purchase consideration for the shares amounted preliminarily to SEK 77 million, of which SEK 50 million will be paid with newly issued shares in Catena.

The subscription price for the issue of approximately SEK 175 per Catena share was based on the average closing price over the ten trading days preceding the possession date, meaning that Domarbo Skog AB holds 285,330 new shares in Catena, corresponding to 0.76 percent of the total number shares following the issue. The property sits on a plot of approximately 83,000 square metres and has a lettable area of approximately 38,000 square metres that is fully leased to Apotea, a rental value of slightly more than SEK 18 million and a remaining lease term of 11.5 years.

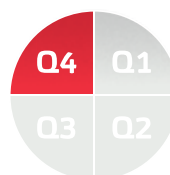


Björöd 1:205, Hårryda

On 31 July, Catena announced an increase in the number of shares and votes in Catena AB (publ) due to a directed new share issue. The total number of shares in Catena increased by 285,330 shares and votes. On 31 July 2018, Catena's registered share capital amounted to SEK 165,874,953.20 distributed between 37,698,853 shares. All shares are of the same class of shares and each share entitles the holder to one (1) vote at Catena's General Meetings.

Catena has signed an agreement to sell the remaining 50 percent of Huddinge Regulatorn 2 AB at an underlying property value of SEK 390 million. The transaction was conducted as a corporate disposal with the buyer being, as previously, WA Fastigheter AB, which took possession of the entire property on 3 September 2018. The purchase consideration for the remaining participation in the joint venture amounted to slightly more than SEK 95 million, which was on the same level as the carrying amount. The property has more than 45,000 square metres of lettable space and a land area of 62,000 square metres. The annual rental income amounts to more than SEK 32 million and the property is currently almost fully leased. In Catena's assessment, the location of the property is not suited to logistics purposes in the longer term.

In mid-September, Catena signed an agreement with Smedberg Logistik- & Industrimark AB for the acquisition of 450,000 square metres of land at the new Stockholm Syd logistics location in the Municipality of Nykvarn. The area, which is part of the Ånsta 1:1 property is located alongside the E20 motorway and close to the E4 motorway, just 45 kilometres south of central Stockholm. The area forms part of the emerging Stockholm Syd (Stockholm South) logistics centre between Södertälje and Nykvarn, which, in addition to its motorway-adjacent location, also offers proximity to ports, industrial rail sidings and an airport. Planning for the acquired property is ongoing and the detailed development plans for warehouses, logistics buildings and industrial buildings at the site are expected to come into force in 2019. The acquisition will be conducted as a corporate transaction at a predetermined property value of SEK 315 million. The transaction also includes a number of commitments, including surface water treatment, streets, etc., which are paid for by the seller. The agreement is conditional on the detailed development plan being approved and coming into force by 2020 at the latest, which is also when Catena will gain access.



In October, a new Nomination Committee was appointed for Catena's 2019 Annual General Meeting. The Nomination Committee consists of representatives of the four largest shareholders at the time and the Chairman of the Board. Fredrik Widlund appointed by Endicot Sweden AB (CLS Holdings plc), Anders Nelson appointed by Backahill Kil AB, Johannes Wingborg appointed by Länsförsäkringar Fondförvaltning AB, Gustaf Hermelin, Chairman of the Board and appointed by SFU Sverige AB.

At the end of October, Catena signed an agreement with land owner Peter Valtinat to acquire 600,000 square meters of land adjacent to E-City Engelholm where, for example, e-commerce company Boozt has its warehouse. The property, Kärra 1:9 in the Municipality of Ängelholm is situated in an excellent logistics location with nearby access to both the E6 and E4 motorways. The acquisition will allow construction of modern and efficient logistics facilities with an estimated area of more than 200,000 square metres with an investment over time of approximately SEK 1 billion. The acquisition is being conducted through Catena's wholly owned subsidiary Queenswall Två AB, at a property value of SEK 42.5 million. The agreement is conditional on an acquisition license being granted. Planning for the acquired property has commenced and is expected to take slightly more than two years.

On 31 October, Catena acquired the property Lagret 1 in Umeå at a property value of SEK 174 million. The property is situated on a plot of approximately 77,000 square metres and has a lettable area of approximately 25,000 square metres. The rental value amounts to SEK 14.8 million and the property is fully leased with a remaining lease term of seven years. The building mainly houses warehouse and logistics premises with both low and high-bay storage and is connected to the rail network.

In November, an eight-year agreement was signed with Nowaste on the letting of a new logistics warehouse of around 11,000 square metres at Tostarp Logistics Position in Helsingborg. The warehouse, which will be Catena's third in the area, is adapted for e-commerce and 1,250 square metres of the building will become a 20-metre tall high-bay warehouse. Catena is investing SEK 101 million and will receive an annual rent of SEK 7 million.

At the beginning of December, Jörgen Eriksson was named the new Regional Manager in Malmö and Johan Franzén, the Gothenburg Regional Manager, will become the new Regional Manager for the Jönköping region as well. Former Regional Manager Christian Berglund is leaving Catena.



Snesholm 1:16, Heby

Other

Market outlook

Over time, the market for logistics properties is driven by increased cargo flows and growing retail trade, particularly e-commerce. Therefore, demand for Catena's logistics spaces, which are well-situated and well-suited for their purposes as well as environmentally efficient, is expected to be good in the beginning of 2019.

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 meter for our newer holdings of larger buildings and newly developed properties.

We note a generally slower financial market in winter 2018, which among other things impacted the price levels for bonds. However, in relative terms, Catena is well prepared with a small share of bond maturities in 2019 and a large share of bank loans of the total loan stock.

We assess that the transaction market for efficient, energy-smart and properly located logistics properties is stable, and we see good opportunities to expand our operations through acquisitions and property development in the next few years. 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 strategic areas. Our work focuses on participating in social progress by establishing the conditions for more sustainable logistics, reducing environmental impact and being an attractive employer. Catena has daily contacts with numerous stakeholders, and the annual Logistics Trends conference is one example of a contact forum for Catena. Read more about Catena's sustainability work on pages 34-43 of the 2017 Annual Report.

Catena is now choosing to invest more in its sustainability work by strengthening the expertise and establishing a new role of the sustainability manager. The new position will be filled beginning on 1 March 2019. Catena's sustainability manager will, together with the others in the organisation, focus on driving Catena's committed sustainability efforts to take responsibility over time.

Related parties

This year's earnings include minor related-party transactions with Hansan AB.

Quarterly overview

	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Rental income, SEK M	285.3	277.9	264.3	263.2	233.4	225.0	222.1	211.5
Net operating surplus, SEK M	217.1	213.9	204.0	192.6	170.3	170.6	173.6	156.7
Surplus ratio, %	76.1	77.0	77.2	73.2	73.0	75.8	78.2	74.1
Economic letting ratio, %	95.9	95.8	95.2	94.6	94.7	93.4	92.8	94.0
Profit from property management, SEK M	148.5	148.6	138.3	135.9	107.1	113.7	110.9	108.4
Profit for the period, SEK M	158.1	294.1	194.6	176.6	103.7	194.8	159.9	176.3
Return on equity, %	3.0	5.9	4.1	3.8	2.3	4.6	3.9	4.4
Equity ratio, %	33.2	33.2	31.5	32.5	32.3	32.9	32.3	32.1
Share price at end of period, SEK	220.50	199.00	174.80	164.80	155.50	146.50	135.50	132.00
Cash flow before change in working capital per share, SEK	4.01	3.99	3.69	2.97	2.89	3.11	2.79	2.91
Earnings per share, SEK	4.19	7.81	5.20	4.72	2.89	4.40	3.86	4.94
Net asset value per share, EPRA NAV, SEK	169.53	164.88	156.40	155.92	149.85	143.73	141.08	139.18

Key financial figures for the Group

Key figures ^{1, 2)}

Definitions

	2018 Jan-Dec	2017 Jan-Dec	
Property-related			
Rental income, SEK M	1,090.7	892.0	Rental income according to Statement of comprehensive income
Net operating surplus, SEK M	827.6	671.2	Rental income less operating and maintenance costs, property tax, ground rents and property administration costs.
Surplus ratio, %	75.9	75.2	Net operating surplus as a percentage of income from property.
Rental value, SEK M	1,216.1	1,109.9	Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.
Economic letting ratio, %	95.9	94.7	Contractual annual rents under leases valid at the end of the period/year as a percentage of rental value.
Loan-to-value ratio, %	57.9	57.6	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.	1,792.5	1,661.6	Total area available for letting.
Financial			
Profit from property management, SEK M	571.3	440.1	Pre-tax profit with reversal of changes in value.
Pre-tax profit, SEK M	940.1	758.6	Profit before tax in accordance with Statement of comprehensive income.
Profit for the period/year, SEK M	823.4	634.7	Profit for the period/year in accordance with Statement of comprehensive income
Total assets, SEK M	15,984.9	14,246.6	
Return on equity, %	16.6	14.9	Profit for the period/year as a percentage of average equity.
Return on assets, %	7.6	7.1	Pre-tax profit plus financial expenses as a percentage of average total assets.
Interest-coverage ratio, multiple	3.4	3.5	Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.
Average interest rate, %	2.7	3.2	Average interest on the loan portfolio with derivatives being taken into account.
Term to interest rate maturity, years	3.0	4.1	Average term to interest rate maturity on the loan portfolio with derivatives being taken into account.
Capital tied-up, years	1.4	1.9	The average remaining period for which capital is tied up in the loan portfolio.
Equity ratio, %	33.2	32.3	Equity including non-controlling interests as a percentage of total assets.
Equity ratio, excluding goodwill, %	34.3	33.4	Equity including non-controlling interests as a percentage of total assets less goodwill.
Share-related			
Share price at year-end, SEK	220.50	155.50	
Cash flow before change in working capital per share, SEK	14.67	11.70	
Equity per share, SEK	140.82	122.86	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	15.21	12.30	Profit from property management in relation to the number of shares outstanding at the end of the period/year.
Earnings per share, SEK	21.93	16.08	
Net asset value per share, EPRA NAV, SEK	169.53	149.85	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	37.4	
P/E ratio	10	10	Share price at the end of the period/year in relation to earnings per share for the period/year.

¹⁾ For division into categories IFRS, alternative and other key figures, please refer to Catena's Annual Report for 2017, p. 132-133.

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 of the Swedish Financial Reporting Board.

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. The accounting principles are unchanged compared with the annual report for the preceding year. None of the other IFRS or IFRIC interpretations that apply effective from 1 January 2018 are deemed to have any material impact on the Group.

From 1 January 2018, Catena applies IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers". In accordance with the transitional rules for IFRS 9, the Group will not re-calculate comparative figures for the 2017 financial year. Neither classification, valuation, nor the new impairment model are expected to have an effect on the Group's financial position and earnings. With regard to IFRS 15, which regulates revenue recognition, Catena has determined that the transition to IFRS 15 will not affect the Group's contracts and revenue recognition. In making the transition to IFRS 15, Catena has chosen a forward-looking application, with information.

The implementation does not involve retroactive adjustment in equity but may include additional information.

On 1 January 2019, a new leasing standard, IFRS16 "Leases", will enter into effect that will replace IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. Implementation of the standard will entail almost all leases being reported in the balance sheet, since no distinction is made between operational and financial 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 essentially be unchanged. The standard is deemed to have no significant effects for Catena as a lessor. In the Group's capacity as a lessee, the impact will consist of the present value of ground rents and leased cars being booked up in the balance sheet. Other identified leases for office machines and software, for example, are deemed to be immaterial. With regard to leasehold agreements, Catena will recognise a leasing 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, where the new rules are applied retroactively, entails no effect on equity and comparative figures for 2018 will not be restated. The income statement and cash-flow statement will primarily be affected by the ground rents being reclassified from Property expenses to Financial expenses. For 2018, the ground rents amounted to SEK 10.4 million.

Risks and uncertainty factors

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 91-93 of the 2017 Annual Report. No material changes have occurred since its publication.

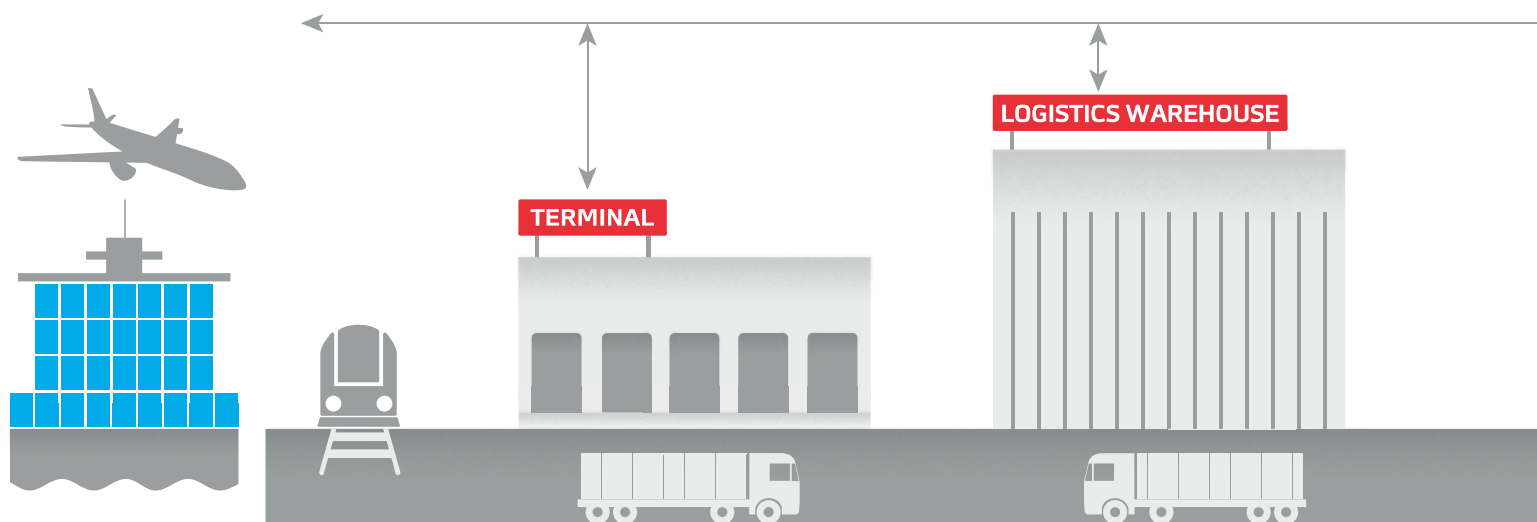
The Board of Directors and the Chief Executive Officer certify that this report gives a true and fair view of the Group's financial position and results of operations and describes material risks and uncertainties facing the Group and the companies included in the Group.

Helsingborg, 14 February 2019

Catena AB

Board of Directors

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



Catena in brief

Catena is a leading property company in logistics, offering companies and third party operators customised, cost-effective and sustainable logistics facilities in strategic locations adjacent to the country's cargo flows. In this way, the company generates strong cash flow, enabling stable development of operations and dividends for shareholders.

Vision

Catena links Scandinavia's cargo flows.

Today, flows of goods to and from Scandinavia make use of maritime and air transport, rail and road, individually or in combination, to collect and store goods at selected logistics points, from which goods can be re-distributed to shops and/or end users. At these locations, from which the metropolitan regions of Scandinavia can also easily be reached, Catena continues to develop modern and well-suited logistics facilities.

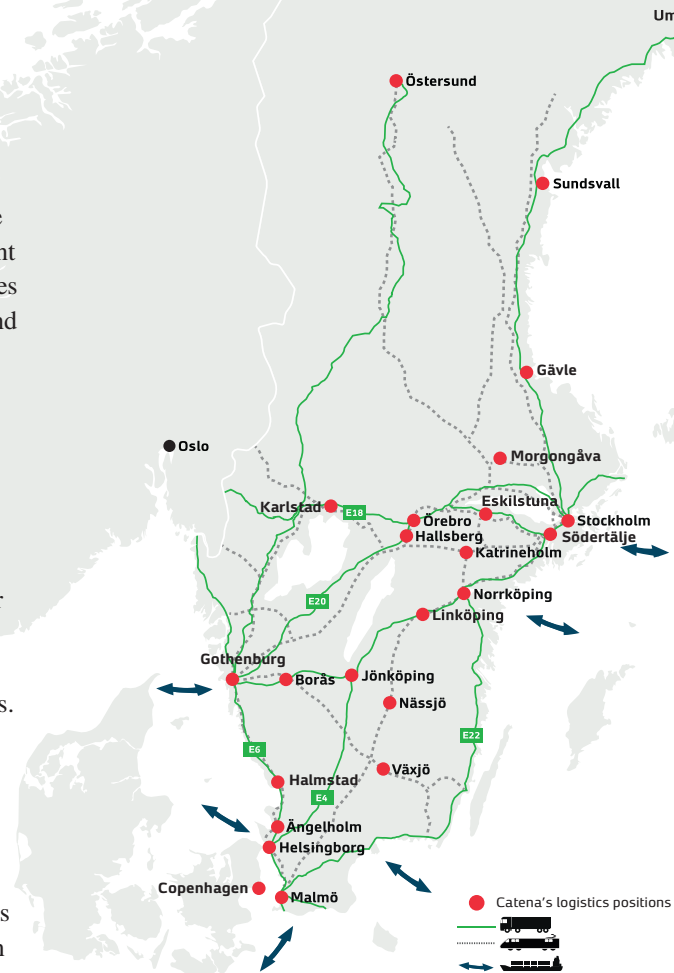
Business concept

Catena shall sustainably and through partnerships develop efficient logistics facilities that serve the metropolitan regions of Scandinavia.

In Sweden, with its substantial distances, transport efficiency is an important factor in companies' profitability. Catena's vision is to link Scandinavia's goods flows by developing and offering strategically located cost-efficient and environmentally efficient logistics facilities that can supply growing metropolitan regions with goods.

Customer offering

Logistics solutions is a collective term for buildings whose purpose is the collection, storage and distribution of goods. The goods, volumes, timing and, above all, the task impose different requirements on logistics premises. Consequently, Catena provides different types of premises.



Contact

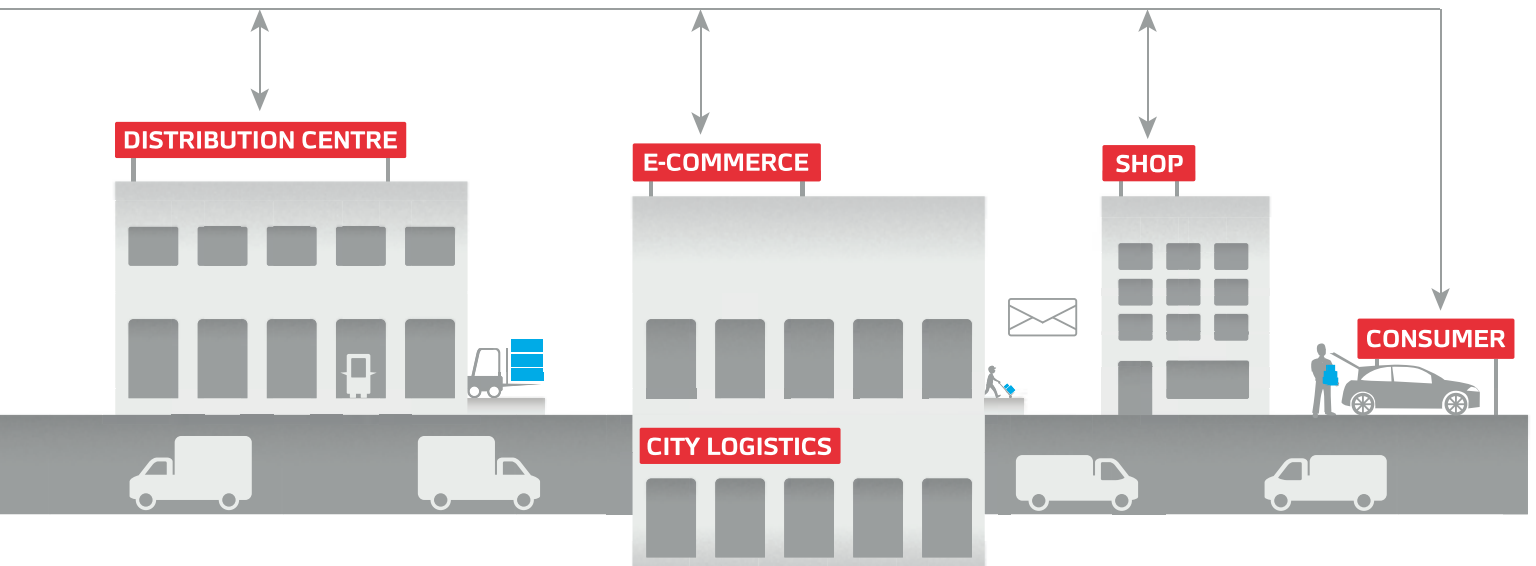
Region Göteborg, Johan Franzén, tel +46 (0)42-449 22 60
 Email: johan.franzen@catenafastigheter.se

Region Helsingborg, Göran Jönsson, tel +46 (0)42-449 22 66
 Email: goran.jonsson@catenafastigheter.se

Region Jönköping, Johan Franzén, tel +46 (0)42-449 22 60
 Email: johan.franzen@catenafastigheter.se

Region Malmö, Jörgen Eriksson, tel +46 (0)42-449 22 42
 Email: jorgen.eriksson@catenafastigheter.se

Region Stockholm, Maths Carreman, tel +46 (0)730-70 22 12
 Email: maths.carreman@catenafastigheter.se



CATENA

Catena owns, actively develops and manages efficient logistics properties in prime locations. The overriding objective is to show strong cash flow to enable stable development and dividends for shareholders. Catena AB is listed on the Nasdaq Stockholm exchange.



Head office

Catena AB (publ)

Box 5003
SE-250 05 Helsingborg,
Sweden
Switchboard
+46 42 449 22 00

Visiting address:

Landskronavägen 7a
SE-252 32 Helsingborg,
Sweden

Regional office

Catena AB/Gothenburg

Fibervägen 2
435 33 Mölnlycke,
Sweden
Switchboard
+46 42 449 22 00

Catena AB/Helsingborg

See Head Office

Catena AB/Jönköping

See Catena AB/Malmö

Switchboard

+46 42 449 22 00

Catena AB/Malmö

Lagervägen 4
SE-232 37 Arlov,
Sweden

Switchboard

+46 42 449 22 00

Catena AB/Stockholm

Östra Längdgatan 1
SE-611 35 Nyköping,
Sweden

Switchboard

+46 42 449 22 00