

## INTERIM REPORT JANUARY – JUNE, 2011



*The square in Stora Frosunda will offer various activities, contributing to the community spirit*

*Catena shall own, effectively manage and actively develop real estate offer the potential to generate steadily growing cash flow and healthy value growth. Catena's overriding objective, based on its focused orientation, is to provide shareholders with a favorable, long-term total return.*



## INTERIM REPORT JANUARY – JUNE, 2011

### Continuing operations

- **Rental revenue** totaled SEK 13.8 M (13.7).
- **Operating profit** amounted to SEK 31.5 M (63.7).
- **Profit before tax** was SEK 32.6 M (59.7).
- **Profit after tax** amounted to SEK 24.4 M (43,9) corresponding to SEK 2.11 per share (3,80).
- **Unrealized change in property value** amounted to SEK 30.3 M (60.0)
- **Investments** in continuing operations were SEK 1.7M (1.1).

### Discontinued operations

- **Comprehensive income from discontinued operations after tax** amounted to SEK 66.3 M (151,2) or SEK 5.73 per share (13,07)

### Profit from continuing and discontinued operations

- **Profit after tax** amounted to SEK 90.7 M (195.1) or SEK 7.84 per share (16.87)

### President and Chief Executive Officer Andreas Philipson comments:

“Catena sold its entire property portfolio on 15<sup>th</sup> February 2011, with the exception of its properties in Stora Frösunda. The sale generated a substantial liquidity surplus which led the AGM held on the 14<sup>th</sup> April 2011 to decide not only to pay ordinary dividend of SEK 6 per share, but also extra dividend of SEK 53 per share. All in all SEK 59 per share was paid in dividends, equalling a total of SEK 682,305,500.

“Catena is now focussing on developing the properties in Stora Frösunda by Haga Norra. Market conditions are attractive and development is favourable in terms of demographics, economic growth, construction, residential property prices and rent development. As a result of the expansion of the Stockholm region, Solna is becoming a more integrated part of Stockholm. The borough’s demographic makeup and pattern of movement are no longer determined by a suburban structure but rather by growth and expansion.

“Catena plans to establish a new town district with its own clear identity in Haga Norra. It will be characterised by attractive surroundings with parks and pleasant residential environments, good transport links and a comprehensive service structure. Planning work is ongoing and Catena expects that a detailed plan will be on display during the 3<sup>rd</sup> quarter of 2011. After consideration by Solna council we expect to start the building phase during the second half of 2012. The project is comprised of approximately 1,000 flats and 2,500 – 3,000 places of work which all will be of a high standard. Construction will be carried out in phases over 3 – 4 years. The preliminary total cost is expected to reach approximately SEK 4 billion and will lead to a significant increase of Catena’s own capital.

“Catena’s new organisation is optimized to run the project in its present phase. The company intends to carry out the entire project under its own management as the required resources and competency will be in place.”

## **SUMMARY OF STRATEGY AND DIRECTION**

Catena shall:

- Actively manage the real estate portfolio, focusing on stimulating long-term customer relationships by offering attractive premises in close cooperation with its tenants.
- Actively improve and develop the real estate portfolio by identifying and implementing value-adding measures that increase the properties' attractiveness and yield, with due consideration of risk.
- Divest properties for which the potential to create additional value growth is deemed limited.

### **FINANCIAL TARGETS**

Over a business cycle, Catena aims to achieve the following targets:

- Return on shareholders' equity exceeding the risk-free interest rate by at least 5 percentage points<sup>1</sup>.
- Interest-coverage ratio of not less than 1.75.
- Equity/assets ratio of not lower than 25% and not higher than 35%.

### **DIVIDEND POLICY**

Long-term, Catena's dividend shall amount to 75% of pretax profit<sup>2</sup>, excluding realized and unrealized changes in the value of properties and excluding unrealized changes in the value of derivative instruments.

## **REVENUES, EXPENSES AND EARNINGS**

The figures in parentheses show the result for the corresponding period in the preceding year.

### **GROUP**

#### **Continuing operations**

*Apart from the Parent Company, the data below pertains only to the properties Stora Frösunda 2/Hagalund 2:2 in Solna and the operations conducted in Catena Byggnads AB.*

#### **Rental revenue**

Rental revenue amounted to SEK 13.8 M (13.7).

#### **Property expenses**

Property expenses totalled SEK 3.3 M (3.5).

#### **Operating surplus**

The operating surplus for the year was SEK 10.5M (10.2).

#### **Other operating revenues**

Other operating revenues, SEK 0.0 M (0.3).

#### **Other operating expenses**

Other operating expenses of SEK 0.0 M (0.3).

#### **Central administration**

Costs for central administration amounted to SEK 9.3 M (6.5). The item comprises expenses for Group Management and other central functions. The increase is primarily due to nonrecurring items in connection with the retirement of some of its staff

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<sup>1</sup> Risk-free interest is defined as the interest on a five-year Swedish government bond.

<sup>2</sup> Pretax profit charged with 26.3% standard tax.

## Value change

### Properties

#### Valuation method applied

A combination of the location price method and the yield based method. When assessing value, a calculation technique has been used to assess the future cash flows of the property valued. These cash flows have been discounted to present value. The location price method has been applied to assess the size of the risk premium in the yield requirement used for assessment of residual value in the cash flow computations and when assessing the size of the discount rate used for present day computation of assessed future cash flows in the cash flow computation. The assessment of value has been made in cooperation with authorized property valuer at an external valuation company, Forum Fastighets-ekonomi.

The assessment of value has been made by assessing the fair value of the property valued on the basis of a conceivable situation where the current use provides the greatest and best benefit for the owner. An additional value has then been assessed for the properties based on the potential building rights that may be possible through zoning plan work in process for the properties. The value of the building rights has been assessed by comparisons with land allocation contracts and contracts on transfer of building rights in Stockholm's suburbs. A deduction has then been made taking into consideration costs, waiting periods, uncertainties etc. associated with construction.

The total fair value for the property including the assessed increase in value for the building rights amounts to SEK 552 million. The increase in value associated with the building rights has been assessed at SEK 172 million. Among other things, in the light of work with the zoning plan not yet being completed, great caution is attached to the quantification of these assessments. When zoning is established, there is a significant potential in the value of building rights.

#### Change in book value of the properties

SEK m	2011	2010
	Jan.-June	Jan.-June
Book value at the beginning of period	520	2,472
Value changes	30	62
Investments in existing portfolio	2	9
Divestments	-	-604
<b>Book value at the end of period</b>	<b>552</b>	<b>1,939</b>

## Operating profit

Operating profit amounted to SEK 31.5 M (63.7).

## Net financial items

Net financial items during the year amounted to a surplus of SEK 1.1 M (expense: 4.0). The annual average interest rate, including derivative instruments, on the balance-sheet date was 3.95% (2.15). The financial instruments limit the impact of interest rate fluctuations on the Group's borrowing costs. During the period, no interest was capitalized (2010: 0) in ongoing construction projects.

#### Financial items, continuing operations

SEK m	2011	2010
	Jan.-June	Jan.-June
Interest income	10.2	1.8
Interest expenses	-11.6	-10.7
Derivatives, unrel. changes in value	2.5	4.9
Net exchange rate fluctuations	-	0.0
<b>Net financial items</b>	<b>1.1</b>	<b>-4.0</b>

## Financial derivative instruments

Catena deploys interest swaps to achieve the interest rate structure stipulated in the Group's finance policy. The value of interest-rate swaps increases or decreases in line with the divergence in the contracted interest rate from the corresponding market interest rate as well as with the remaining time to maturity. The unrealized value of the aforementioned interest-rate swaps was a negative SEK 1.1 M (neg: 8.5) on the balance-sheet date, of which the value change was positive SEK 2.5 M (pos: 3.5). Hedge accounting is not applied. The unrealized changes in value have no impact on the Group's cash flow.

## Tax

Current tax for the period amounted to an expense of SEK 1.2 M (0.0) and deferred tax to an expense of SEK 7.0 M (expense 15.8).

## Profit after tax for the year from continuing operations

Profit after tax for the year from continuing operations totalled SEK 24.4 M (43.9).

## **Discontinued operations**

*The discontinued operations pertain for the current year all operations in the segments Gothenburg, Öresund, and Stockholm (sold to Balder), apart from the operations conducted at the properties in Solna (Haga Norra). For the previous year the discontinued operations pertain all properties in the Oslo region and one property in Denmark.*

### **Profit from discontinued operations after tax**

Profit from discontinued operations amounted to negative SEK 0.8 M (25.3), of which tax accounted for positive of SEK 0.3 M (expense: 17.8).

### **Profit from remeasurement to fair value**

Profit from the remeasurement for the above mentioned operations to fair value amounted to SEK 0.0 M (5.9), of which tax accounted of SEK 0.0 M (expense: 2.1).

### **Gain from divestment of discontinued operations**

Profit from the divestment of the discontinued operation, which for year 2011 includes all properties sold to Balder and for the year 2010 all the properties in the Oslo region and one property in Denmark, amounted to SEK 67.1 M (120.0), of which tax accounted for SEK 65.0 M (44.6).

### **Comprehensive income from discontinued operations after tax**

Comprehensive income from discontinued operations after tax was SEK 66.3 M (151.2).

## **Continued and discontinued operations**

### **Profit after tax**

Profit for the year after tax totalled SEK 90.7 M (195.1).

### **Other comprehensive income during the period**

Other comprehensive income during the period amounted to SEK 6.0 M (loss: 10.3), of which the remeasurement of the conversion reserve accounted for SEK 0.0 M (loss: 5.4) and re-

measurement of the translation reserve SEK 6.0 M (loss: 4.9).

### **Comprehensive income for the period**

Comprehensive income for the year amounted to SEK 96.7 M (184.8).

## **RISKS AND UNCERTAINTIES**

### **General**

Catena is exposed to a number of risks that could affect the company's business and earnings, and the value of property. Notable risks include the risks associated with leases, changes in operation and maintenance expenses, interest and financing risks and taxes. The properties are recognized in the balance sheet at fair value and changes in value of these properties are recognized in profit or loss. This means that the effects on Catena's income statements and balance sheets become more volatile, affecting in particular the Group's earnings, equity/assets ratio and loan-to-value ratio.

### **Value changes**

In this interim report, the valuation of the Group's management properties an independent property valuation was commissioned. The valuation of properties is associated with forward-looking assumptions, entailing a margin of error of +/- 5-10% at the property level.

The value of the Group's interest swaps is sourced externally. The value of these instruments varies in line with contractual interest rates and market interest rates.

Apart from what is stated in this interim report, no significant changes have occurred compared with the account made in the Annual Report.

For additional information concerning risks and uncertainties, refer to Catena's 2010 Annual Report, page 37 and page 50.

## Parent Company

The Parent Company is exposed to the aforementioned risks through liabilities to foreign subsidiaries and financial derivatives.

### PARENT COMPANY

The operations of the Parent Company, Catena AB, primarily consist of Group-wide functions and management of the Group's subsidiaries. The Parent Company's operating revenue derives 100% (100) from billing for internally provided services.

### PROPERTIES

#### Continuing operations

Following the completion of the divestment to Balder, the Group's real estate portfolio consists of two properties in Solna (Haga Norra)

The property has 40,723 square meters of leasable floor space. The carrying amount for the property is SEK 552 M, corresponding to the property's estimated market value. On July 1, 2011, the rental value totaled SEK 28.7 M and contractual rental revenues amounted to SEK 27.8 M on an annual basis. The revenue-related occupancy rate was 96.9% and the average lease duration was 10.2 years.

#### Investments in properties

Investments in the remaining property amounted to SEK 1.7 M.

## FINANCING

### Interest-bearing liabilities

As of June 30, 2011, Catena had loan agreements amounting to SEK 306 M

As of June 30, 2011, interest-bearing liabilities totaled SEK 306 M (1,052). The average outstanding fixed credit period was 2.8 (1.6) years on June 30, 2011.

The average fixed-interest period at June 30, 2011 was 0.5 years (0.4). The average rate of interest was 3.95% (2.15).

This fixed-interest period was achieved by using swap agreements to extend outstanding loans with short fixed-interest periods.

A change in the market interest rate of  $\pm 1\%$  has an impact of  $\pm$  SEK 1.8M, including swaps.

Catena only has loans in SEK.

### Provisions

Of provisions of SEK 58 M (152), provisions for deferred tax account for SEK 50 M (139).

### Term structure of interest rates and loan-maturity structure at June 30, 2011

Maturity, year	Loan amount SEK m	Av. interest rate %	Share %	Credit agreements SEK m	Utilized SEK m	Share %
Floating	176.4	4.00	57.6	-	-	-
2012	130.0	3.79	42.4	-	-	-
2014	-	-	-	306.4	306.4	100.0
<b>Summa</b>	<b>306.4</b>	<b>3.95</b>	<b>100.0</b>	<b>306.4</b>	<b>306.4</b>	<b>100.0</b>

## Shareholders' equity

Shareholders' equity at June 30, 2011 totalled SEK 261 M (1 001) and the equity/assets ratio was 39.1 % (43.5). Over the long term, the equity/assets ratio should remain in the range of 25 – 35%.

## Liquidity

At June 30, 2011, cash and cash equivalents, which comprise cash and bank deposits, totalled SEK 103 M (359) of which restricted funds amount to 20 M (0).

## ORGANIZATION

### Legal structure

Catena AB, corporate registration number 556294-1715, is the Parent Company of the Catena Group. The Swedish property is owned by a wholly owned Swedish subsidiary.

### Personnel

Of the 3 (10) employees, 0 (2) are women.

Senior management and the finance function are now located in Stockholm.

## CATENA SHARE

The Catena share is listed on the Nasdaq OMX Stockholm – Nordic List Small Cap.

The last price paid on June 30, 2011 was SEK 111,00 per share, corresponding to market capitalization of about SEK 1.284 M.

At June 30, 2011, the number of shares in Catena was 11,564,500 distributed among 16 972 owners.

Shareholders on June 30, 2011	Number of shares	Voting rights (%)
Endicott Sweden AB (CLS Holding plc)	3,389,000	29.3
Erik Selin gruppen	2,359,063	20.4
PEAB AB	2,310,000	20.0
Livförsäkrings AB Skandia (publ)	279,400	2.4
Banque Carnegie Luxembourg SA	212,778	1.8
CBNY-DFA-INT SML CAP V	77,854	0.7
Swedbank Robur fonder	60,208	0.5
Mellon US Tax Exempt Account	59,300	0.5
CBNY-DFA-CNTL SML CO S	56,762	0.5
Handelsbanken fonder	50,969	0.4
<b>Total, 10 largest shareholders</b>	<b>8,855,334</b>	<b>76.5</b>
Other shareholders	2,709,166	23.5
<b>Total</b>	<b>11,564,500</b>	<b>100.0</b>

## **ACCOUNTING POLICIES**

Catena applies the IFRS standards as adopted by the EU and the interpretations of them (IFRIC). This interim report was prepared in accordance with IAS 34 and the Swedish Annual Accounts Act for the Group and in accordance with the Swedish Annual Accounts Act for the Parent Company. IFRS 5, which addresses discontinued operations and available-for-sale fixed assets, has been applied. Otherwise, these accounting policies and computation methods comply with those applied in the most recent annual report.

## **CALENDAR**

Interim Report, January–September      October 27, 2011  
Year-end report 2011                      February 2012

This year-end report has not been reviewed by the company's auditors.

Stockholm, August 10, 2011

### **Catena AB (publ)**

*Henry Klotz*

*Chairman of the board*

*Jan Johansson*

*Board member*

*Christer Sandberg*

*Board member*

*Lennart Schönning*

*Board member*

*Erik Selin*

*Board member*

This information contained in this report is such that Catena AB (publ) is obligated to disclose in accordance with the Swedish Securities and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was released to the public on August 10, 2011 at 08.00 a.m.

## Consolidated income statement, condensed

	Result 2011 April-June	Result 2010 April-June	Result 2011 Jan.-June	Result 2010 Jan.-June.	Result 2010 Jan.-Dec.
<b>SEK m</b>					
<b>Continuing operations</b>					
Rental revenue	6.9	6.6	13.8	13.7	27.4
Operating expense	-0.2	-0.1	-0.2	-0.2	-0.2
Repair and maintenance expenses	-0.1	-0.2	-0.2	-0.4	-0.9
Property tax	-0.6	-0.7	-1.3	-1.3	-2.7
Ground rent	0.0	0.0	0.0	0.0	0.0
Property administration	-0.8	-0.7	-1.6	-1.6	-3.2
<b>Net operating income</b>	<b>5.2</b>	<b>4.9</b>	<b>10.5</b>	<b>10.2</b>	<b>20.4</b>
Other operating income	0.0	0.2	0.0	0.3	0.2
Other operating expenses	0.0	-0.2	0.0	-0.3	-0.2
Central administration	-5.0	-3.3	-9.3	-6.5	-12.9
Properties, unrealized value changes	1.3	60.0	30.3	60.0	130.0
<b>Operating profit</b>	<b>1.5</b>	<b>61.6</b>	<b>31.5</b>	<b>63.7</b>	<b>137.5</b>
Net financial items	-0.7	-1.7	1.1	-4.0	-9.3
<b>Profit before tax</b>	<b>0.8</b>	<b>60.0</b>	<b>32.6</b>	<b>59.7</b>	<b>128.2</b>
<b>Profit before tax</b>	<b>0.8</b>	<b>60.0</b>	<b>32.6</b>	<b>59.7</b>	<b>128.2</b>
Current tax	-0.2	0.6	-1.2	0.0	-1.5
Deferred taxes	-0.1	-17.0	-7.0	-15.8	-33.4
<b>Profit after tax for the period from continuing operations</b>	<b>0.5</b>	<b>43.6</b>	<b>24.4</b>	<b>43.9</b>	<b>93.3</b>
<b>Discontinued operations</b>					
<b>Profit after tax from the discontinued operations</b>					
Revenue	0.0	32.3	0.0	77.0	140.6
Cost	-1.1	-24.1	-1.1	-33.9	-26.4
<b>Profit before tax</b>	<b>-1.1</b>	<b>8.2</b>	<b>-1.1</b>	<b>43.1</b>	<b>114.2</b>
Taxes	0.3	-8.6	0.3	-17.8	-35.2
<b>Profit after tax</b>	<b>-0.8</b>	<b>-0.4</b>	<b>-0.8</b>	<b>25.3</b>	<b>79.0</b>
<b>Profit resulting from remeasurement to fair value</b>					
Properties, unrealized value changes	0.0	3.4	0.0	8.0	90.7
Tax attributable to the above value changes	0.0	-0.9	0.0	-2.1	-23.9
<b>Profit resulting from remeasurement after tax</b>	<b>0.0</b>	<b>2.5</b>	<b>0.0</b>	<b>5.9</b>	<b>66.8</b>
<b>Capital gain/loss on divestment of the discontinued operations</b>					
Properties, realized value changes	0.0	35.8	2.1	75.4	55.0
Tax attributable to the above value changes	0.0	-11.1	65.0	44.6	54.5
<b>Capital gain/loss from divestment after tax</b>	<b>0.0</b>	<b>24.7</b>	<b>67.1</b>	<b>120.0</b>	<b>109.5</b>
<b>Total gain from discontinued operations after tax</b>	<b>-0.8</b>	<b>26.8</b>	<b>66.3</b>	<b>151.2</b>	<b>255.3</b>
<b>Profit for the period after taxes</b>	<b>-0.3</b>	<b>70.3</b>	<b>90.7</b>	<b>195.1</b>	<b>348.6</b>
Earnings per share	-0.03	6.08	7.84	16.87	30.14
Earnings per share from continuing operations	0.04	3.77	2.11	3.80	8.07

## Consolidated statement of comprehensive income

SEK m	Result	Result	Result	Result	Result
	2011	2010	2011	2010	2010
	April-June	April-June	Jan.-June	Jan.-June.	Jan.-Dec.
Profit for the period after taxes	-0.3	70.3	90.7	195.1	348.6
<i>Other comprehensive income for the period</i>					
Change in revaluation reserve	-	-	-	-	-
Foreign currency translation adjustment	-	-	-	-5.4	-12.3
Translation reserve transferred to net profit for the period	-	6.0	6.0	-4.9	-4.9
<i>Total other comprehensive income for the period</i>	-	6.0	6.0	-10.3	-17.2
<b>Total comprehensive income for the period</b>	<b>-0.3</b>	<b>76.4</b>	<b>96.7</b>	<b>184.8</b>	<b>331.4</b>

## Consolidated balance statement, condensed

SEK m	Result	Result	Result
	Jun. 30, 2011	Jun. 30, 2010	Dec. 31, 2010
<b>Assets</b>			
Properties	552	1,939	520
Other tangible fixed assets	0	2	1
Current assets	13	3	2
Cash and cash equivalents	103	359	57
Assets held for resale	0	0	1,593
<b>Total assets</b>	<b>668</b>	<b>2,303</b>	<b>2,173</b>
<b>Equity and liabilities</b>			
Equity	261	1,001	847
Provisions	59	152	54
Long-term interest-bearing liabilities	306	1,052	987
Noninterest-bearing liabilities	42	98	56
Liabilities attributable to assets held for sale	0	0	229
<b>Total equity and liabilities</b>	<b>668</b>	<b>2,303</b>	<b>2,173</b>

## Changes in consolidated equity

SEK m	Result	Result	Result
	2011	2010	2010
	Jan.-June	Jan.-Jun.	Jan.-Dec.
Opening shareholders' equity	847	883	883
Dividend	-683	-66	-367
Total comprehensive income for the period	97	184	331
<b>Closing shareholders' equity</b>	<b>261</b>	<b>1,001</b>	<b>847</b>

## Consolidated cash-flow statement

SEK m	Result 2011 Jan.-June	Result 2010 Jan.-June	Result 2010 Jan.-Dec.
Management result	33	60	128
Adjustments for non-cash items	-35	-64	-142
Tax paid	-	-	-5
Change in working capital	-54	22	-31
<b>Cash-flow from operating activities</b>	<b>-56</b>	<b>18</b>	<b>-50</b>
Change in tangible fixed assets	1,526	-1	-
<b>Cash-flow from investing activities</b>	<b>1,526</b>	<b>-1</b>	<b>-</b>
Paid dividend	-683	-67	-367
Change in interest-bearing liabilities	-740	-	-5
<b>Cash-flow from financing activities</b>	<b>-1,423</b>	<b>-67</b>	<b>-372</b>
<b>Cash-flow for the period from continuing operations</b>	<b>47</b>	<b>-50</b>	<b>-422</b>
<b>Cash-flow for the period from divested operation</b>			
Cash-flow from operating activities	-1	15	126
Cash-flow from investing activities	-	594	550
Cash-flow from financing activities	-	-303	-300
<b>Net cash-flow from divested operation</b>	<b>-1</b>	<b>306</b>	<b>376</b>
<b>Total cash-flow for the period</b>	<b>46</b>	<b>256</b>	<b>-46</b>
Cash and cash equivalents at the beginning of the period	57	103	103
Exchange difference in cash	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>103</b>	<b>359</b>	<b>57</b>

## Key ratios, Group

	Result 2011 Jan.-June	Result 2010 Jan.-June
<b>Financial (incl discontinued operations)</b>		
Return on shareholders' equity, %	32.7	41.4
Return on total capital, %	5.3	16.4
Equity/assets ratio, %	39.1	43.5
Interest coverage ratio, management result, multiple	1.1	4.9
Loan-to-value ratio, properties, %	55.4	54.3
Debt/equity ratio, multiple	1.2	1.1
<b>Share-related (pertains to number of shares at the end of period)</b>		
Net profit for the period per share, continued operations, SEK	2.11	3.80
Pre-tax profit for the period per share, continued operations, SEK	2.82	5.16
Management result for the period per share, continued operations, SEK	2.72	5.51
Shareholders' equity per share, SEK	22.57	86.56
Dividend per share, SEK	59.00	5.75
Number of shares at the end of the period, thousands	11,565	11,565
Average number of shares at the end of the period, thousands	11,565	11,565
<b>Property-related, continued operations</b>		
Book value of properties, SEK m	552	450
Direct yield, %	3.80	4.53
Rentable area, sq.m.	40,723	40,689
Rental revenue per sq.m., SEK	700	673
Operating surplus, per sq.m., SEK	582	501
Revenue-based occupancy rate, %	96.9	96.9
Surplus ratio, %	76.1	74.5
<b>Employees</b>		
Number of employees at the end of the period	3	10

## Information per segment/region, continued operations

	Rental revenue		Net operating income		Book value		Investments		Rentable area sq. m.	
	2011 Jan.-June	2010 Jan.-June	2011 Jan.-June	2010 Jan.-June	2011 30 June	2010 30 June	2011 Jan.-June	2010 Jan.-June	2011 30 June	2010 30 June
SEK m										
Stockholm	13.8	13.7	10.5	10.2	552	450	1.4	1.1	40,723	40,689
<b>Total</b>	<b>13.8</b>	<b>13.7</b>	<b>10.5</b>	<b>10.2</b>	<b>552</b>	<b>450</b>	<b>1.4</b>	<b>1.1</b>	<b>40,723</b>	<b>40,689</b>

## Parent Company income statement

SEK m	Result	Result
	2011 Jan.-June	2010 Jan.-June
Rental revenue	-	1.6
Operating expense	-	-1.5
<b>Net operating income</b>	<b>-</b>	<b>0.1</b>
Other operating income	2.1	10.3
Other operating expenses	-0.4	-0.1
Central administration	-12.2	-9.6
<b>Operating profit</b>	<b>-10.5</b>	<b>0.7</b>
Net financial items	1.0	15.6
<b>Profit/loss after financial items</b>	<b>-9.5</b>	<b>16.3</b>
Income from sale of subsidiary	-10.3	238.3
<b>Pre-tax profit</b>	<b>-19.8</b>	<b>254.6</b>
Taxes	2.9	-1.5
<b>Net profit for the period</b>	<b>-16.9</b>	<b>253.1</b>

## Parent Company balance statement

SEK m	Result	Result
	June 30 2011	June 30 2010
<b>Assets</b>		
Investment properties	-	2
Financial fixed assets	473.0	2,097
Other current assets	2.0	2
Cash and cash equivalents	103.0	357
<b>Total assets</b>	<b>578.0</b>	<b>2,458</b>
<b>Equity and liabilities</b>		
Equity	172.0	753
Provisions	8.0	13
Long term debt	-	988
Short term debt	<b>398.0</b>	704
<b>Total equity and liabilities</b>	<b>578.0</b>	<b>2,458</b>

## Definitions

### **Average number of shares**

Weighted average of number of shares at the beginning and end of the period.

### **Book value of properties**

Book value of properties, land, construction in progress and building fixtures and fittings.

### **Cash flow for the period from operating activities per share**

Property management income for the period divided by the number of shares outstanding at year-end.

### **Debt/equity ratio**

Interest-bearing liabilities divided by equity.

### **Economic occupancy rate**

Rental revenue as a percentage of rental value.

### **Equity per share**

Equity at the end of the period in relation to the number of shares at the end of the period.

### **Equity/assets ratio**

Equity as a percentage of total assets.

### **Interest coverage ratio, current management**

Profit after financial items plus financial expenses and plus/minus unrealised changes in value divided by interest expense.

### **Lettable area**

Total area available for letting.

### **Loan-to-value ratio, properties**

Interest-bearing liabilities as a percentage of the book value of properties.

### **Management income for the period after standard tax per share**

Management income for the period less 28 per cents tax, divided by the average number of shares.

### **Net letting**

New lease contracts during the period less leases with notice of vacation.

### **Net operating income per sq.m.**

Net operating income on an annual basis divided by lettable area.

### **Net profit for the period per share**

Net profit for the period divided by the number of shares outstanding at year-end.

### **Number of properties**

Total number of properties owned by the Catena Group.

### **Number of shares**

Registered number of shares on a particular date.

### **Pre-tax profit for the period per share**

Profit before tax divided by the number of shares outstanding at year-end.

### **Property expenses**

Operating expense, repair and maintenance costs, site leasehold charges/ground rents, property tax and property administration.

### **Real estate property**

One or more registered properties that comprise a management unit.

### **Rental revenue**

Rents charged including supplements such as payment for property tax, etc.

### **Rental revenue per sq.m.**

Rental revenue on an annual basis divided by lettable area.

### **Rental value**

Contracted rental revenue and potential rental revenue for vacant premises assessed by Catena.

### **Return on equity**

Net profit for the period as a percentage of average equity.

### **Return on total capital**

Profit before tax for the period plus interest expense as a percentage of average total assets.

### **Surplus ratio**

Net operating income as a percentage of rental revenue.

### **Yield**

Net operating income on an annual basis as a percentage of the properties' book value at the end of the period.

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N.B. This is a translation from Swedish. The Swedish version shall always take precedence.