

YEAR-END REPORT 2012



*In the new Haga Norra area there will be modern townhouses with
access to private gardens*

YEAR-END REPORT 2012

Fourth quarter

- Rental revenue SEK 6.6 M (6.5)
- Operating profit SEK 228.6 M (12.3)
- Profit before tax SEK 226.8 M (10.1)
- Unrealized changes in property value SEK 224.6 M (9.2)
- Investments in remaining operations SEK 0.3 M (0.8)
- Profit after tax SEK 192.1 M (6.1), corresponding to SEK 16.61 per share (0.53)

The period January-December

- Rental revenue SEK 26.6 M (27.0)
- Operating profit SEK 255.3 M (94.5)
- Profit before tax SEK 246.5 M (90.7)
- Unrealized changes in property value SEK 238.5 M (86.7)
- Investments in remaining operations SEK 1.4 M (3.4)
- Profit after tax SEK 206.6 M (129.6), corresponding to SEK 17.86 per share (11.21)
- The Board of Directors proposes a dividend of SEK 1 per share

CEO Andreas Philipson comments

In late 2012 Catena achieved a major milestone when the zoning plan for our project properties in Haga Norra was approved by the City of Solna. Although it's been a lot of work, it has also been important to consider the big picture with parklands, local residents and other commercial operations in finding a long term sustainable solution.

As a precaution, we measured and made new calculations of for example carbon monoxide levels in conjunction with the zoning plan exhibition. After having gone through the results of our measurements, we have ensured that our continued development work follows rules and regulations, which has also been confirmed by the city's decision. Thus, we are ready for the appeal process, which is the last phase before our zoning plan will be finalized legally.

There has been a lot of focus on Solna in the quarter. It was manifested in the inauguration of Friends Arena and the start of construction of Mall of Scandinavia. From Haga Norra it will be walking distance to the shopping paradise that is intended to house 250 stores. In the fall, Vattenfall consolidated three of its offices with a total of 2,000 employees and moved to a new office in Arenastaden. The continuing efforts in the area contribute to making Haga Norra attractive while the value of our properties increases.

Catena's operations continued to show stable development. Profit before tax amounted to SEK 246.5 M, compared to SEK 90.7 M in 2011. Income before tax was SEK 228.6 M in the fourth quarter (12.3). After the zoning plan was approved our properties are now valued at SEK 850 M and the earnings improvement is primarily due to the unrealized increases in property value as a result.

THE GROUP'S REVENUE, EXPENSES AND EARNINGS

Fourth quarter

In the fourth quarter, rental revenue amounted to SEK 6.6 M (6.5). Property expenses were SEK 1.5 M (1.3) while the operating surplus was SEK 5.1 M (5.2). Administration costs amounted to SEK 1.1 M (2.2).

Change in property value amounted to SEK 224.6 M (9.2) in the quarter. The property value was appraised to a total of SEK 850 M. This value includes investments of SEK 0.3 M. The appraisal was conducted by two independent real estate appraisers, with a valuation date of December 31.

The positive change in property value is primarily due to the approval of the zoning plan by the City of Solna in the quarter.

Operating profit amounted to SEK 228.6 M (12.3) while financial net items were SEK -1.8 M (-2.2).

Current tax amounted to SEK 0.2 M (-4.0) and deferred tax was SEK -34.9 M (-5.2).

Twelve months

In the period January-December, rental revenue amounted to SEK 26.6 M (27.0). Property expense were SEK 4.1 M (6.4) while the operating surplus was SEK 22.5 M (20.6). Administrative costs amounted to SEK 5.7 M (12.9).

The change in property value for the period was SEK 238.5 M (86.7). The change in property value 2012 was primarily due to the successful conclusion of the zoning planning work with an approval from the City of Solna in December. Investments in properties for the period amounted to SEK 1.4 M (3.4)

Operating profit amounted to SEK 255.3 M (94.5), while financial net was SEK -8.8 M (-3.8). Current tax amounted to SEK -1.3 M (-5.0) and deferred tax was SEK -38.6 M (-24.7).

As a result of the reduced corporate tax from 26.3 to 22 percent at January 1 2013, the deferred tax, which primarily consists of unrealized property profits, has been calculated with the new tax rate. The tax reduction has had a positive impact on profit in 2012 of SEK 21 M.

Properties

The group's property portfolio consists of two properties in Haga Norra, Solna, Stockholm.

These properties have a leasable area of 40 723 sq. m. Total rental value as of December 31, 2012 amounted to SEK 27.1 M (27.8). The economic occupancy rate amounted to 98 % (97 %).

Valuation and applied valuation method

The fair values recognized in the balance sheet consist essentially of an appraised value of development rights that can be realized by the zoning work that has been completed for the properties. The development rights cover residential and commercial properties for Stora Frösunda 2 and Hagalund 2:2 in the City of Solna.

The valuation method applied for the development rights is based on a location price method, with values estimated through comparisons with land allocation contracts and agreements on transferring development rights in Stockholm and its suburbs. From the appraisal, which factors in the location of Catena's potential development rights in relation to comparable objects, the estimated costs for demolition, planning, etc. has been deducted. Deductions have also been made for processing periods and the assessed risk associated with the potential development rights. A small part of the total appraised fair value consists of the present value of the operating profit generated from current usage of the property.

In connection with the year-end report, two independent valuation companies have made a gross appraisal with valuation date of December 31, 2012. Exploitation costs that were assessed to be reasonable have been deducted from the gross appraisal. With these appraisals as a basis Catena

assesses that the total fair value of the properties amounts to SEK 850 M. Given that the zoning plan has not been finalized legally, these estimates are still subject to some uncertainty.

Beyond what is presented in this interim report, no other significant changes to valuation and valuation methods have taken place, compared to the review in the Annual Report.

Financing

As of December 31, 2012, the Catena group had loan agreements amounting to SEK 306.4 M.

At the end of the period, interest-bearing liabilities were SEK 306.4 M (306.4).

The loan is due in 2014.

The average fixed-interest period as of December 31, 2012 was 0.3 years (0.3). Average interest rate was 2.32% (4.14).

Catena only has loans denominated in Swedish krona.

Equity

Equity amounted SEK 481 M (297) as of December 31, 2012, and the equity/assets ratio was 52.0% (41.8). Over the long term, the equity/assets ratio should be in 25-35 % range.

Liquidity

As of December 31, 2012, cash and cash equivalents, which comprise cash and bank deposits, were SEK 57.7 M (94) of which blocked funds were SEK 20.3 M (20.3).

PARENT COMPANY

The operations of the Parent Company, CatenaAB, primarily consist of group-wide functions and management of the group's subsidiaries.

ORGANIZATION

Catena AB, corporate identity number 556294-1715, is the parent company of the Catena group. The Swedish property is held by a wholly owned Swedish subsidiary.

There were 2 (5) employees.

THE CATENA SHARE

The Catena share is listed on Nasdaq OMX Stockholm – Nordic Small Cap. The closing price on December 31, 2012, was SEK 63.00 per share, corresponding to market capitalization of some SEK 730 M.

As of December 31, 2013, there were 11,564,500 (11,564,500) shares in Catena, held by some 15,933 shareholders, compared to 16,011 shareholders at the end of 2012. New major shareholders are Fabega and Catella Fondförvaltning.

Shareholders as of January 31, 2013	No. of shares	Votes (%)
Endicott Sweden AB (CLS Holdings plc)	3,469,349	29.9
Fabege AB	3,469,342	29.9
Catella Fondförvaltning	1,218,313	10.5
Livförsäkrings AB Skandia (publ)	277,374	2.4
Banque Carnegie Luxembourg SA	190,018	1.6
CBNY-DFA-INT SML CAP V	100,232	0.9
Swedbank Robur fonder	60,208	0.5
Mellon US Tax Exempt Account	59,300	0.5
Handelsbanken fonder	57,161	0.5
CBNY-DFA-CNTL SML CO S	56,202	0.5
Total, 10 largest	8,957,499	77.2
Other	2,607,001	22.8
Total	11,564,500	100.0

DIVIDEND PROPSAL

The Board of Directors proposes a dividend of SEK 1 per share for the fiscal year 2012 (2.00).

ACCOUNTING PRINCIPLES

Catena applies IFRS as endorsed by the EU and their IFRIC interpretations. This Interim Report was prepared in accordance with IAS 34 and the Swedish Accounts Act for the group and in accordance with the Swedish Annual Accounts Act for the parent company. Accounting principles and computation methods are unchanged from those applied in the most recent Annual Report.

RISKS AND UNCERTAINTY FACTORS

Catena's operations, results of operations and position are subject to a number of risk factors, which are in some cases, especially for property valuation, based on assessments. The factors that primarily affect profit and cash flow are changes in rental revenues, occupancy rate, operating costs, the general cost development and the level of interest rates.

The group is exposed to a number of financial risks through its operations. These financial risks are comprised primarily of counterparty risks, liquidity risks, loan risks, interest rate risks, credit risks for receivables and valuation risks. Financial risk management is managed by Catena AB's treasury function, which also handles risk management for the Catena group. Work in the treasury function is governed by the financial policy determined by the board of directors. This policy is revised from time to time.

More information on the management of financial risks can be found on pages 42-43 in the Annual Report for 2011 and a more detailed description of risks and uncertainty factors are outlined on pages 13-14. The financial risks have not changed significantly compared to the description in the Annual Report.

Catena's Balance Sheet is dominated by properties and financing. The overall risk in property value is dependent on factors such as property type, property size, future value of development rights, the length of lease contracts, rental structure and technical standard.

Catena's investment properties are recognized at fair value. For further information on the applied valuation method, see page 3 in this report and Note 14 in the Annual Report for 2011.

The parent company's profit/loss and financial position are affected substantially by the other companies within the group, and consequently the above also applies to the parent company.

Parent Company

The parent company is exposed to the aforementioned risks through intragroup loans.

CALENDER

Interim report January-March	April 24, 2013
Annual General Meeting	April 24, 2013
Interim report January-June	August 9, 2013
Interim report January- September	October 25, 2013
Year-end report 2013	February 2014

TRANSACTIONS WITH RELATED PARTIES

There have not been any significant transactions made with related parties in 2012.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date.

BOARD OF DIRECTOR'S DECLARATION

The Board of Directors and the CEO certify that this year-end report gives a true and fair view of the Group's business, results and financial position. The information provided is in accordance with the facts and nothing of significance that could affect the production of the Group and parent company financial statements have been omitted.

This Interim Report has not been subject to a limited review by the company's auditor.

Solna, February 21, 2013

Catena AB (publ)

Board of Directors

The information in this Interim report is mandatory for Catena AB (publ) to disclose in accordance with the Swedish Securities Act.

The information was released to the public on February 22, 2013, at 08:00 a.m. CET.

CONSOLIDATED INCOME STATEMENT, CONDESED

SEK m	2012 Oct-Dec	2011 Oct- Dec	2012 Jan-Dec	2011 Jan-Dec
Continuing operations				
Rental revenue	6.6	6.5	26.6	27.0
Operating expenses	-0.2	-0.4	-0.6	-0.7
Repair and maintenance expenses	-0.6	-	-0.8	-0.3
Property tax	-0.7	-0.7	-2.7	-2.7
Property administration	-	-0.2	-	-2.7
Operating surplus	5.1	5.2	22.5	20.6
Other operating income	-	0.1	-	0.1
Central administration	-1.1	-2.2	-5.7	-12.9
Properties, unrealized value changes	224.6	9.2	238.5	86.7
Operating profit	228.6	12.3	255.3	94.5
Net financial items	-1.8	-2.2	-8.8	-3.8
Profit before tax	226.8	10.1	246.5	90.7
Current tax	0.2	-4.0	-1.3	-5.0
Deferred tax	-34.9	-5.2	-38.6	-24.7
Profit after tax for the period from continuing operations	192.1	0.9	206.6	61.0
Discontinued operations				
Profit after tax in discontinued operations				
Expenses	-	0.4	-	-
Profit before tax	-	0.4	-	-
Profit after tax	-	0.4	-	-
Capital gain/loss on divestment of discontinued operations				
Properties, realized value changes	-	3.8	-	2.6
Taxes attributable to above value changes	-	1.0	-	66.0
Profit/loss from restatement after tax	-	4.8	-	68.6
Total gain from discontinued operations after tax	-	5.2	-	68.6
Profit after tax for the period	192.1	6.1	206.6	129.6
Earnings per share*	16.61	0.53	17.86	11.21
Earnings per share from continuing operations*	16.61	0.08	17.86	5.27

*) There is no dilution effect.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	2012 Oct-Dec	2011 Oct- Dec	2012 Jan-Dec	2011 Jan-Dec
Profit after tax for the period	192.1	6.1	206.6	129.6
<i>Other comprehensive income for the period</i>				
Actuarial profit/loss	-	-	-	-2.1
Revaluation reserve transferred to net profit	-	-0.6	-	7.5
<i>Total other comprehensive income</i>	-	-0.6	-	5.4
Total comprehensive income for the period	192.1	5.5	206.6	135.0

CONSOLIDATED BALANCE SHEET, CONDENSED

SEK m	2012 Dec 31	2011 Dec 31
Assets		
Investment properties	850	610
Current receivables	16	7
Cash and cash equivalents/investments in securities, etc.	58	94
Total assets	924	711
Equity and liabilities		
Equity	481	297
Provisions	119	82
Interest-bearing liabilities	307	307
Non-interest-bearing liabilities	17	25
Total equity and liabilities	924	711
Pledged assets	2012 Dec 31	2011 Dec 31
Blocked account	20	20
Mortgages	306	306
Total pledged assets	326	326
Contingent liabilities		
Guarantee commitment, FPG/PRI	0.2	0.2

CHANGES IN CONSOLIDATED EQUITY, CONDENSED

SEK m	2012 Jan-Dec	2011 Jan-Dec
Opening equity	297	845
Dividend	-23	-683
Comprehensive income for the period	207	135
Closing equity	481	297

CONSOLIDATED CASH FLOW, CONDENSED

SEK m	2012 Jan-Dec	2011 Jan-Dec
Profit before tax	246	91
Adjustment for non-cash items	-239	-87
Tax paid	-1	-5
Changes in working capital	-18	36
Cash flow from operating activities	-12	35
Changes in investment properties/property, plant and equipment	-1	1,365
Cash flow from investing activities	-1	1,365
Paid dividend	-23	-683
Change in interest-bearing liabilities	-	-680
Cash flow from investing activities	-23	-1,363
Cash flow from continuing operations for the period	-36	-1,363
Total cash flow for the period	-36	37
Cash and cash equivalents at the beginning of the period	94	57
Cash and cash equivalents at the end of the period	58	94

KEY RATIOS, GROUP

SEK m	2012 Jan-Dec	2011 Jan-Dec
Financial (incl. Discontinued operations)		
Return on equity, %	53.0	22.7
Return on total equity, %	31.3	7.7
Equity/assets ratio, %	52.0	41.8
Interest coverage ratio, multiple	1.8	1.2
Loan to value ratio, properties, %	36.0	50.3
Debt/equity ratio, multiple	0.6	1.3
Share-related		
Earnings per share for the period, continuing operations, SEK	17.86	5.27
Profit before tax per share for the period, continuing operations, SEK	21.31	7.84
Operating profit per share for the period, continuing operations, SEK	22.08	8.17
Equity per share, SEK	41.58	25.68
Dividend per share, SEK	2.00	59.00
Number of shares at the end of the period, thousands	11,565	11,565
Average number of shares, thousands	11,565	11,565
There is no dilution effect		
Property-related, continuing operations		
Book value of properties, SEK m	850	610
Property yield, %	2.6	3.4
Leasable area sq. m.	40,723	40,723
Rental revenue, SEK per sq. m.	654	663
Operating surplus, SEK per sq. m.	553	506
Economic occupancy rate, %	98	97
Operating surplus margin, %	84.5	76.3

PARENT COMPANY INCOME STATEMENT, CONDENSED

SEK m	2012 Oct-Dec	2011 Oct-Dec	2012 Jan-Dec	2011 Jan-Dec
Rental revenue	-	-	-	-
Operating expenses	-	-	-	-
Operating surplus	-	-	-	-
Other operating income	1.1	1.0	4.1	4.1
Other operating expenses	-	0.4	-	-
Central administration	-1.3	-2.5	-5.8	-16.6
Operating profit	-0.2	-1.1	-1.7	-12.5
Profit/loss from sale of subsidiary	-	2.7	-	-10.8
Financial net	6.1	16.7	8.4	22.3
Profit/loss after financial items	5.9	18.3	6.7	-1.0
Profit before tax	5.9	18.3	6.7	-1.0
Tax	-1.5	-3.7	-1.7	-1.7
Net profit/loss for the period	4.4	14.6	5.0	-2.7

PARENT COMPANY BALANCE SHEET, CONDENSED

SEK m	2012 Dec 31	2011 Dec 31
Assets		
Financial assets	497	481
Current assets	2	2
Cash and cash equivalents/investments in securities etc.	43	85
Total assets	542	568
Equity and liabilities		
Equity		
<i>Restricted equity</i>		
Share capital	51	51
Statutory reserve	10	10
<i>Non/restricted equity</i>		
Accumulated profit/loss	102	128
Net profit/loss for the period	5	-3
Total equity	168	186
Provisions	10	10
Other liabilities	364	372
Total equity and liabilities	542	568
	Dec 31	Dec 31
Pledged assets	2012	2011
Blocked account	20.3	20.3
Contingent liabilities		
Guarantee commitment, FPG/PRI	0.2	0.2

DEFINITIONS

Returns are stated on a full-year basis in interim financial statements without consideration to seasonality.

Return on equity

Profit after tax as a percentage of average equity for the period.

Return on total capital

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

Loan to value ratio, properties

Interest-bearing liabilities in relation to the book value of properties.

Property yield

Annualized operating surplus as a percentage of the book value of properties at the end of the period.

Operating surplus per sq. m.

Annualized operating surplus divided by leasable area.

Equity per share

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

Economic occupancy rate

Rental revenue as a percentage of rental value.

Property expenses

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

Book value of properties

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

Rental revenue

Rents charged including supplements such as compensation for property tax etc.

Rental revenue per sq. m.

Annualized rental revenue divided by leasable area.

Rental value

Actual rental revenue and potential rental revenue for vacant premises estimated by Catena.

Management income per share after standard rate tax

Management income for the period less 26.3% tax, divided by the average number of shares.

Cash flow from operating activities per share

Management income for the period divided by the number of shares outstanding at yearend.

Interest coverage ratio

Profit before tax plus financial expenses and plus/minus unrealized value changes divided by financial expenses.

Debt/equity ratio

Interest-bearing liabilities divided by equity.

Equity/assets ratio

Reported equity as a percentage of total assets.

Lettable area

Total area available for letting.

Operating surplus margin

Operating surplus as a percentage of rental revenue.

Catena is publishing the information in this interim report in accordance with the Swedish Securities Markets Act (2007:528).

CATENA AB (publ)

Org.nr: 556294-1715
Box 3121 103 62 Stockholm
Phone: 08-410 999 30
www.catenafastigheter.se

The figures stated in this Interim Report have been rounded, while computations have been performed without rounding. This implies that the totals in certain tables may not appear accurate.