



CASTELLUM

Annual Report 2010

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The audited legal Annual Report, which comprises director's report and financial reports, is audited and comprises the pages 6-106. Comparisons shown in brackets are made with the corresponding amount previous year.

In the event of conflict in interpretation or differences between this report and the Swedish version, the latter will have priority.

FINANCIAL REPORTING

Interim Report January-March 2011	19 April 2011
Half-year Report January-June 2011	12 July 2011
Interim Report January-September 2011	18 October 2011
Year-end Report 2011	24 January 2012

FURTHER INFORMATION

Further information may be obtained from the company's CEO Håkan Hellström or Finance Director Ulrika Danielsson telephone +46 31-60 74 00 and on www.castellum.se

Year Summary

- Rental income for 2010 amounted to SEKm 2,759 (SEKm 2,694 previous year).
- Income from property management improved by 1% to SEKm 1,141 (1,130), equivalent to SEK 6.96 (6.89) per share.
- Changes in value on properties amounted to SEKm 1,222 (–1,027) and on interest rate derivatives to SEKm 291 (102).
- Net income after tax amounted to SEKm 1,964 (160), equivalent to SEK 11.98 (0.98) per share.
- The investments amounted to SEKm 1,506 (1,165) of which SEKm 881 (1,039) refer to new constructions, extensions and reconstructions and SEKm 625 (126) to acquisitions.
- The Board proposes a dividend of SEK 3.60 (3.50) per share, equivalent to an increase of 3%.

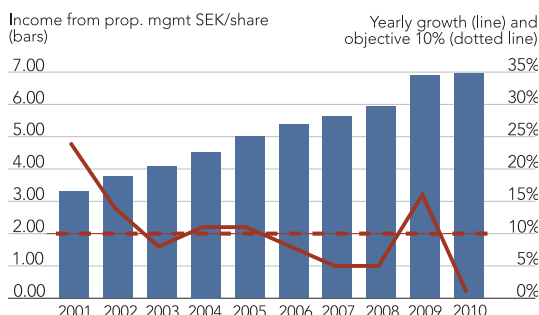
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Income from property management, SEK/share	6.96	6.89	5.93	5.63	5.38	5.00	4.52	4.07	3.77	3.30
<i>Change previous year</i>	<i>+1%</i>	<i>+16%</i>	<i>+5%</i>	<i>+5%</i>	<i>+8%</i>	<i>+11%</i>	<i>+11%</i>	<i>+8%</i>	<i>+14%</i>	<i>+24%</i>
Net income after tax, SEK/share	11.98	0.98	– 4.04	9.07	10.21	7.89	5.59	2.68	4.00	5.68
<i>Change previous year</i>	<i>+1,122%</i>	<i>pos.</i>	<i>neg.</i>	<i>–11%</i>	<i>+29%</i>	<i>+41%</i>	<i>+108%</i>	<i>–33%</i>	<i>–30%</i>	<i>+39%</i>
Dividend, SEK/share (for 2010 proposed)	3.60	3.50	3.15	3.00	2.85	2.62	2.38	2.13	1.88	1.63
<i>Change previous year</i>	<i>+3%</i>	<i>+11%</i>	<i>+5%</i>	<i>+5%</i>	<i>+9%</i>	<i>+11%</i>	<i>+12%</i>	<i>+13%</i>	<i>+15%</i>	<i>+18%</i>
Properties fair value, SEKm	31,768	29,267	29,165	27,717	24,238	21,270	19,449	18,015	17,348	16,551
Investments, SEKm	1,506	1,165	2,738	2,598	2,283	1,357	1,268	1,108	1,050	1,741
Loan to value	50%	52%	50%	45%	45%	45%	45%	48%	48%	50%
Interest coverage ratio	299%	309%	255%	287%	343%	315%	277%	256%	240%	231%

Castellum – a short description

Business concept

Castellum's business concept is to develop and add value to its real estate portfolio, focusing on the best possible earnings and asset growth, by offering customized commercial properties, through a strong and clear presence in five growth regions - Greater Gothenburg, the Öresund Region, Greater Stockholm, Mälardalen and Eastern Götaland.

Income from property management per share

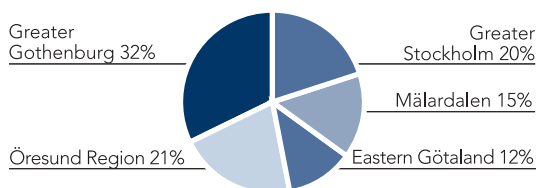


Focus on cash flow

The objective is to focus on cash flow growth, which along with a stable capital structure provide the preconditions for good growth in the company, while at the same time offering shareholders a competitive dividend. The objective is an annual growth in cash flow, i.e. income from property management per share, of at least 10%. In order to achieve this objective, investments of at least SEKm 1,000 per year will be made. All investments will contribute to the objective of growth in income from property management within 1-2 years and have a potential asset growth of at least 10%.

+ 1%

Real Estate value by region



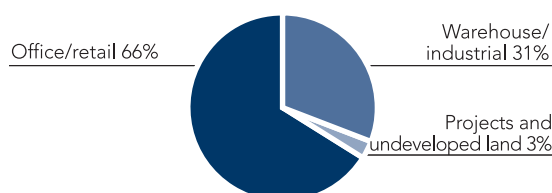
Real estate portfolio with commercial focus

Castellum is one of the major listed real estate companies in Sweden. The fair value of the real estate portfolio amounts to approx. SEK 32 billion and comprises premises for office, retail, warehouse, logistics and industrial purposes. Within each of the regions where Castellum is present focus is placed on market areas and sub-markets where sufficient volume can be found to provide the prerequisites for good business opportunities by rational management and strong presence.

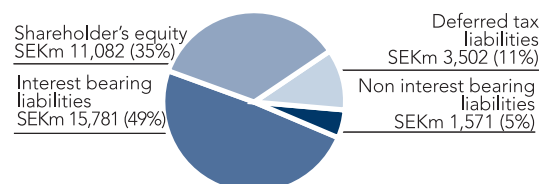
Investments, i.e. enhancement and development of existing properties, acquisitions of new properties and new construction, are carried out in areas with high growth rates where opportunities are found for increased occupancy rates, increased rental levels and improved cash flows.

32 billion

Real estate value by category



Financing 31-12 2010



Stable capital structure

Castellum's strategy is to have a stable capital structure, meaning a loan to value ratio not permanently exceeding 55% and an interest coverage ratio of at least 200%. The loan to value ratio as at 31 December, 2010 was 50% and the interest coverage ratio for the year was 299%.

Castellum's dividend policy is that at least 60% of income from property management after full tax deduction will be distributed, however investment plans, consolidation needs, liquidity and financial position in general will be taken into account.

50%

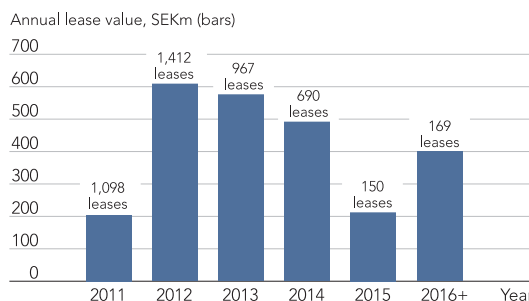
Customers

Good and long-term customer relations and hence satisfied customers is a prerequisite for creating long-term growth in Castellum. This is achieved by providing efficient and well situated premises meeting the customers' needs regarding both appropriate premises as well as service.

Castellum has just approx 4,500 commercial contracts, with good risk exposure regarding geography, type of premises, length of contracts and fields of business of the customer.

4,500 contracts

Lease maturity structure



Decentralized and small scale organization

Castellum's operations are run in a small-scale organization comprising six subsidiaries which own and manage the properties under their own brands. By having local roots the subsidiaries have close relations with the customers, and good knowledge of the market situation and rental development within each market area. Property management is mainly carried out by own personnel.

At the turn of the year the Castellum group had 229 employees and each subsidiary has about 35 employees.

Castellum views a sustainable development with economic growth, social development and environmental concern a prerequisite for successful business operations.



Örebro, Uppsala
and Västerås



Malmö, Lund and
Helsingborg



Greater Stockholm



Jönköping, Linköping,
Värnamo and Växjö



Central, Northern and Eastern
Gothenburg



Southern Greater Gothenburg,
Borås, Halmstad and Alingsås

The Castellum share

Castellum will work for a competitive total return in the company's share in relation to the risk and for a high liquidity. The company's actions will be made from a long term perspective. The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap.

Income from property management before tax for 2010 amounted to SEK 6.96 per share, which compared to the share price at the year-end gives a multiple of 13.

The long term net asset value (EPRA NAV) can be calculated to SEK 15,158 corresponding to SEK 92 per share. The share price at the year-end was thus 99% of the long term net asset value.

The proposed dividend of SEK 3.60 corresponds to a yield of 3.9% based on the share price at the year-end.

+ 31%

Total Yield (including dividend)

	2010	3 years average/ year	10 years average/ year
Castellum	31%	15%	16%
NASDAQ OMX Stockholm (SIX Return)	27%	6%	6%
Real Estate Index Sweden (EPRA)	49%	13%	16%
Real Estate Index Europe (EPRA)	20%	-6%	6%

CEO's comments

Both rental as well as the real estate market has strengthened, which enable Castellum to continued growth. The result has improved, the balance sheet has strengthened and the customer's view on Castellum has improved further.

In 2010 the income from property management increased by 1%, to SEKm 1,141. It is the best income from property management ever, but the growth is moderate compared with the 10% target. The main reason for the low growth were a low momentum from 2009 with negative net leasing, limited investments and negative inflation, but also a cold and snowy 2010.

Even this year's result reached an all time high, SEKm 1,964 compared with SEKm 160 previous year. The improvement in result is largely a result of an improved real estate market and rising property prices, which for Castellum can be estimated to SEKm 1,222, equivalent to 4%.

In light of the result, a dividend of SEK 3.60 per share is proposed, an increase of 3% compared with previous year.

The balance sheet has strengthened further during the year and the investment rate increased to SEKm 1,500 while the loan to value ratio has decreased to 50% and unutilized long-term credit facilities have increased to SEKm 2,800.

It is not just financial measures which strengthened. In a service-oriented organization it is important to satisfy both customers and employees. Surveys during the year have shown that we from already high levels have been able to further improve. Continued environmental work has resulted in both lower energy consumption and better carbon dioxide emissions than targets set.

Total yield per share was in 2010 31%, slightly better than the Stockholm Stock Exchange and the majority of foreign real estate indexes, but slightly worse than the Swedish real estate index.

With the results from 2010 in view, in my opinion the global finance crisis which accelerated during 2008 hardly affected Castellum at all. During the last three years, income from property management increased by 24%. Despite investments of SEKm 5,000, depreciations of SEKm 1,000 and dividend increase by 20%, is the loan to value ratio on the low 50 %.

But 2010 is already history, and what expectations can you have for 2011?

In an international perspective Sweden has strong state finances and a high growth in GDP. We have not yet seen the full impact of employment growth in the *Labor market*, which is the most important factor for the real estate sector. Most seems to agree about that the Swedish economy will further strengthen during the next few years, with growth in GDP and employment and increased inflation and interest rates as a result.

With this growth, the *Rental Market* will be strengthened – by increased demand and decreased vacancies. In Castellum we can already see improvement in net lease and more submitted tenders, which means that existing vacancies represents the greatest potential. My assessment is that property costs are stable and the net operating income, therefore, will improve.

On the *Interest Rate Market* short-term interest rates have increased in line with the Riksbank's repo rate, while long-term interest rates are at roughly the same level as one year ago. It is obvious that short-term interest rates will continue upward, but we are gladly paying the price for economic growth and inflation, which over time favors the asset class properties.

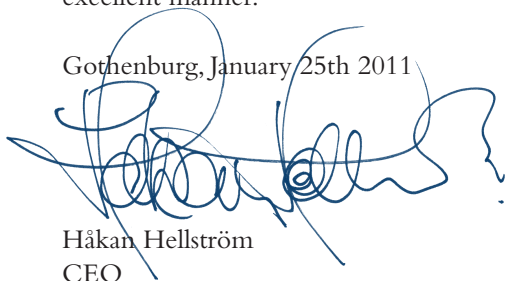
An increased interest in property investments and a clear improvement to borrow money in the *Credit Market* have meant that liquidity in the *Property Market* is back to normal levels. My assessment is that real estate prices will continue upward, perhaps more as a result of improved net operating income and less of reduced yield.

With good earnings and a strong balance sheet follows high investment capacity – in Castellum about SEKm 2,000 net per year. We will, like previous years, mainly focus more on better yielding new constructions, extensions and reconstructions for existing and new customers, but of course also on the acquisition of properties with development potential.

If the momentum was low at the turn of 2009/2010, I believe it will be built up gradually in 2011 to reach full effect in 2012.

Finally, I want to extend a big ‘thank you’ to everyone employed at Castellum. In a service-oriented organization with a focus on the customer, you are the most important resource, which you manage in an absolutely excellent manner.

Gothenburg, January 25th 2011



Håkan Hellström
CEO



Operations

Business Concept

Castellum's business concept is to develop and add value to its real estate portfolio, focusing on the best possible earnings and asset growth, by offering customized commercial properties, through a strong and clear presence in five growth regions.

Objectives

Castellum's operations are focused on cash flow growth, which along with a stable capital structure provide the preconditions for good growth in the company, while at the same time offering shareholders a competitive dividend.

The objective is an annual growth in cash flow, i.e. income from property management per share, of at least 10%. In order to achieve this objective, investments of at least SEKm 1,000 per year will be made. All investments will contribute to the objective of growth in income from property management within 1-2 years and have a potential asset growth of at least 10%. Sales of properties will take place when justified from a business standpoint and when an alternative investment with a higher yield can be found.

Strategy for Funding

Capital structure

Castellum will have a stable capital structure, meaning a loan to value ratio not permanently exceeding 55% and an interest coverage ratio of at least 200%.

Purchase or transfer of own shares shall be available as a method to use for adjusting the company's capital structure and as a payment or funding or real estate investments. Own shares may not be traded for the sole purpose of capital gain.

Dividend

At least 60% of income from property management after full tax deduction will be distributed, however investment plans, consolidation needs, liquidity and financial position in general will be taken into account.

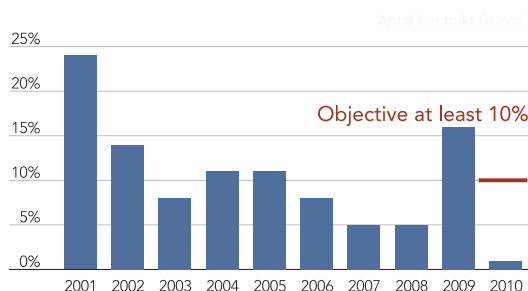
The stock and credit market

Castellum will work for a competitive total return in the company's share in relation to the risk and for a high liquidity.

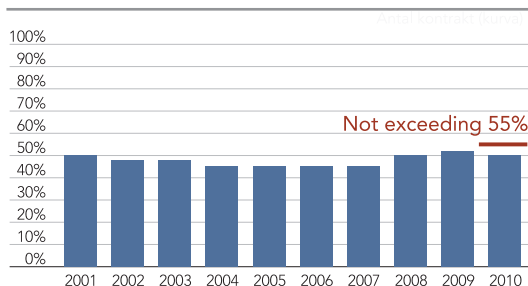
However, all actions will be made from a long term perspective and the company will have a frequent, open and fair reporting to shareholders, the capital and credit markets as well as media, yet without disclosing any individual business relation.

In the long term Castellum will be one of the largest listed real estate companies in Sweden.

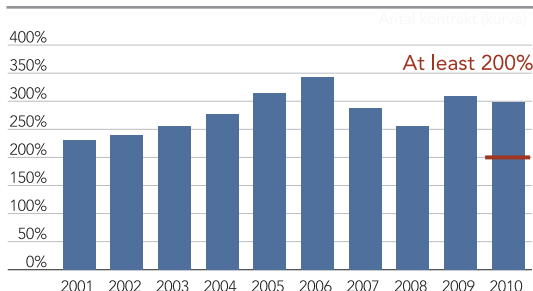
Growth in income from property management



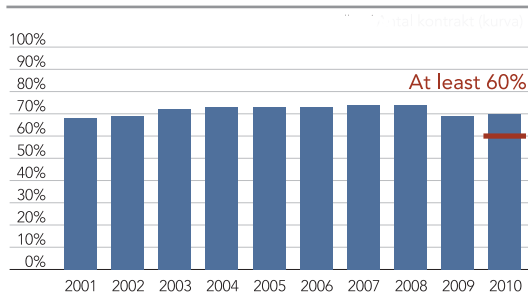
Loan to value ratio



Interest coverage ratio



Dividend ratio



Strategy for the Real Estate Portfolio and Property Management

Geography

Castellum's real estate portfolio is located in the five growth regions Greater Gothenburg, Öresund Region, Greater Stockholm, Mälardalen and Eastern Götaland. This together with rational property management and a strong presence in the market, provide for good business opportunities.

The development of the real estate and rental markets are, both nationally as well as regionally, dependent on the long-term economic growth. Important prerequisites for economic growth are a young well educated work force, access to good infrastructure and entrepreneurship. To make sure that investments are concentrated to areas within the nation with expected high economic growth, Castellum is continuously analyzing the development on different sub-markets.

Type of property

The real estate portfolio shall consist of commercial properties with general and flexible premises for office, retail, warehouse, logistics and industry purposes. The distribution among the different categories is determined by business opportunities, cash flow, risk exposure and asset growth.

Development of the real estate portfolio

The real estate portfolio shall be continuously enhanced and developed in order to improve cash flow.

Castellum shall continue to grow with customers' demand, mainly through new constructions, extensions and reconstructions which is expected to give high returns, but also through acquisition of buildings and land with building rights for future development.

Customers

Castellum shall be perceived as a service management company. This is achieved by having long-term relations and supplying premises and service meeting customer demands. In order to develop the customer relations the customers' level of satisfaction shall be measured regularly. The risk within the circle of customers shall be kept low by spreading over many fields of business, length of contracts and size of contracts.

Property management/employees

Castellum shall deliver service and manage properties by a decentralized and small-scale organization with wholly owned subsidiaries and strong presence on the sub-markets. Property management shall be carried out mainly by own personnel.

Castellum shall have skilled and committed employees, which is achieved as the group shall be an attractive workplace with good development possibilities. In order to develop the group in being an attractive workplace the employees' level of satisfaction shall be measured regularly.



Cash flow focus

- An annual growth in cash flow, i.e. income from property management per share, of at least 10%
- Investments of at least SEKm 1,000 per year



Commercial properties in growth regions

- Concentrated to 15 growth regions
- Premises for office/retail and warehouse/industrial
- One of the three largest real estate owners in each local market

Castellum's 4 corner stones



Customer focus through local organizations

- Decentralized and small-scale organization
- Property management carried out with own personnel
- Environmental work with focus on reduced energy consumption
- Regular measurement of customers and employees satisfaction

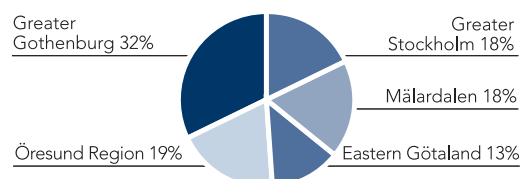


Strong balance sheet and low financial risk

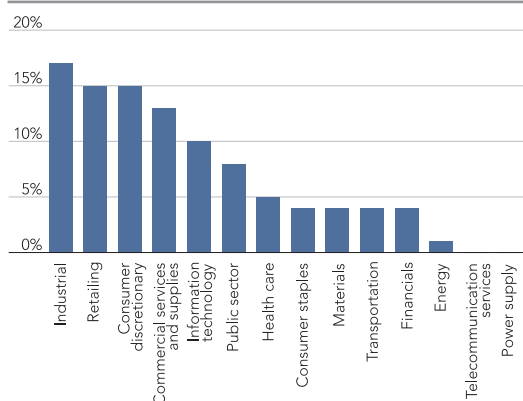
- Loan to value ratio not permanently exceeding 55%
- Interest coverage ratio at least 200%
- Geographic exposure allocated on different types of premises
- Commercial contracts in many fields of industry

Customers

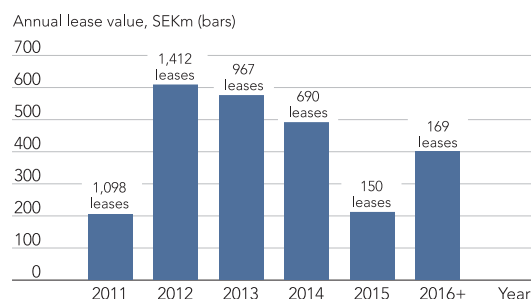
Lease value by region



Distribution of leases by industry



Lease maturity structure



Thanks to the local presence, Castellum's employees get a close relation to their customers and knowledge both about their needs and the local situation and development. Good and long-term customer relations are a prerequisite for creating growth in Castellum. The work is regularly followed-up in customer questionnaires.

The Customer Satisfaction survey carried out during 2010 shows that a high proportion of the customers are satisfied or very satisfied with Castellum as a landlord. During the year a high leasing activity has been carried out resulting in new contracts with a total annual value of SEKm 257.

Being close to the customer

Castellum's organization with local subsidiaries provides close relations to the customers and short decision making processes. The employees at Castellum work near the market which gives a natural opportunity to receive information about the customers' current and future needs. Thereby the customers can be offered solutions with premises corresponding to their needs, good personal service and quick answers.

As one of the largest real estate owners on each of the local markets Castellum co-operates with municipalities and is active in local networks, such as company associations.

The subsidiaries regularly distribute information through customer newspapers and the web.

Castellum's customers reflect Swedish economy

Castellum has a good risk exposure in the commercial contracts regarding both geography, type of premises, size, length of contracts and fields of industry of the customer. This means that Castellum's commercial contracts is a reflection of the Swedish trade and industry and Swedish economy.

Castellum has approx. 4,500 commercial contracts and the single largest contract makes up for approx. 1% of Castellum's total rental income.



Commercial leases

The most common terms for a new lease is 3-5 years with a nine months notice and rents are paid quarterly in advance. The rental level can be changed when the lease in question is due for renegotiation. Lease contracts usually contain a so called base-rent, i.e. the rental level at the time of signing, and an index clause which provides for a yearly upward adjustment by a certain percentage, of the inflation previous year or a minimum upward adjustment.

Lease contracts usually contain an addition for the tenant's share of the property's total cost for heating, cooling and property tax.

Satisfied customers

It is important that Castellum meets the customers' expectations. To follow up and evaluate efforts made, an external customer survey is carried out annually, Customer Satisfaction Index. The survey shows both the customers' general opinion about Castellum and how Castellum performs within areas such as service, business relation, premises, the property, environment and information.

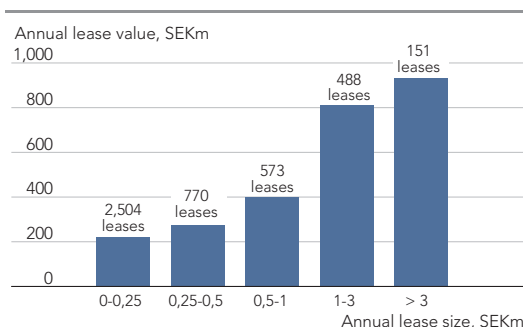
The survey which was carried out 2010 and included offices, retail, warehouses and industry properties, comprised a majority of Castellums' larger customers. The survey shows a weighted index of 76 out of 100, which is higher than the benchmark in the industry. Service willingness shows the highest index and includes parameters such as personal attention, service and availability

A large portion of the surveyed customers, 89%, replies willingness to lease from Castellum again and gladly recommends Castellum as a landlord to others.

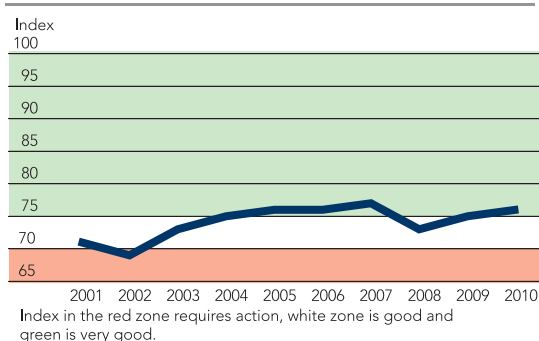
Leasing activity

Castellum has a high lease activity. During 2010, the organization signed new contracts with a total annual value of SEKm 257. The leasing activity shows the importance of taking care of the customers and the networks. Of the new signed contracts 74% came from own contact networks, recommendations or existing customer expansions, while 19% came from web pages, and 7% came through agents.

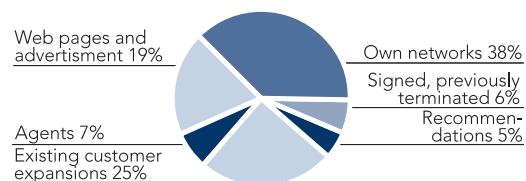
Lease size structure



Customer Satisfaction Index 2001-2010



Leasing activity



Organization

CASTELLUM



Örebro, Uppsala and Västerås



BRIGGEN

Malmö, Lund and Helsingborg

BROSTADEN

Greater Stockholm



Jönköping, Linköping, Värnamo and Växjö



Central, Northern and Eastern Greater Gothenburg



Southern Greater Gothenburg, Borås,
Halmstad and Alingsås

Castellum's strategy is to manage its properties in a decentralized and small-scale organization with wholly owned subsidiaries and strong presence on the sub-markets. By having local presence the subsidiaries get close relations with the customers and knowledge of their operations and needs. The companies also get good knowledge of the local real estate and rental markets, market changes and business opportunities.

Subsidiaries with strong brands

Castellum has six wholly owned subsidiaries which each has about 35 employees. The subsidiaries' organizations are not identical but are in principal made up of a Managing Director, 3-4 market areas, business developers and 3-5 employees within finance and administration. Each market area employs one property manager with one assistant, one person working with leasing and 3-5 facility managers, where everyone has customer contacts. The flat organization gives short decision making processes and creates a customer oriented and active organization.

Castellum's subsidiaries operate under their own names which are strong brands on each sub-market. Each subsidiary is larger than the smallest Swedish real estate companies listed on the stock exchange.

Property management is mainly carried out by own personnel and in cases where external services are purchased, high demands are placed on suppliers in terms of quality, customer contact, service and environmental awareness.

Engagement in the local markets

Castellum's subsidiaries are involved in the local business community through business associations where important contacts are taken with both current and prospective customers.

Castellum, as one of the largest owners of real estate properties on the local markets, is through co-operation with community developing bodies such as municipalities, universities/colleges and local enterprises contributing to the development of the places where the local subsidiaries are operating.

Measuring and comparing

Castellum measures and compares the subsidiaries' management efficiency and asset value growth in the real estate portfolio. Within the group experiences are shared between the companies and specialist expertise can therefore be made available to the whole organization.

Castellum's operations are controlled by rules for decision making and work allocation, policies and instructions. Policies are in place for finance and financial work, information, information safety, environment, insurance, electricity and personnel.

Parent company

The parent company Castellum AB is responsible for matters concerning the stock market (such as consolidated reports and stock market information) and the credit market (such as funding and financial risk management) as well as overall IT/IS strategies and personnel matters. Castellum AB has 14 employees.

The parent company takes part in operations by involvement in the Board of the subsidiaries.

Employees

In order to achieve Castellum's objective to be an attractive workplace with possibilities for personal development, Castellum works with competence development, exchange of experience and developing work tasks.

During 2010 the competence development has continued including two programs. In order to develop the Castellum group, the employees' attitudes are regularly measured. The survey 2010 show an index of 86 on a scale of 100, which shows that the employees enjoy their working situation, have a high confidence towards the concern, the subsidiaries and the managements.

Attractive workplace

To be an attractive employer with skilled and dedicated employees Castellum is working with both skills and a motivating work situation that creates commitment and job satisfaction.

The flat organization means that each employee has well defined areas of responsibility with high level of freedom, leading to professional as well as personal development. Employee evaluations are performed yearly with all employees and are an important tool for following up and setting objectives, as well as identifying the need for competence development.

Castellum works with preventive health care and offers good corporate health services and beneficial health insurance. A bonus sharing program is applied, providing each employee with an opportunity to obtain a part of their respective company's improvement in the result.

Once a year all employees in the Castellum group meet in order to share experiences and strengthen the group spirit.

Education and sharing experiences

Within Castellum, both internal and external education and training programs are provided. In 2009, two new development programs began, a leadership program for senior management, which in total will cover approx. 40 people during a 2-years period, and also a program for all employees suited to different tasks. In addition to group-wide development individual competence development takes place.

To create conditions for sharing of experiences between the companies, projects are run with participants from every company, covering topics such as web based operation monitoring and lease contracts. Apart from the projects there are fixed groups, which regularly discuss issues within specific areas, such as market, finance, IT, environment and personnel.

Castellum's employees

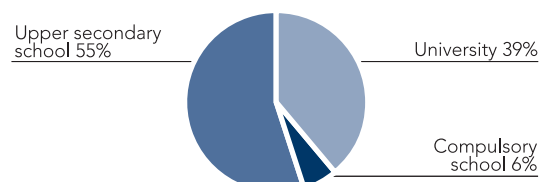
At the year end, the group had 229 employees (227), of which 39% were women (36%). Employee turnover during the year has been 9% (7%) and absence due to sickness 2% (2%).

Satisfied employees

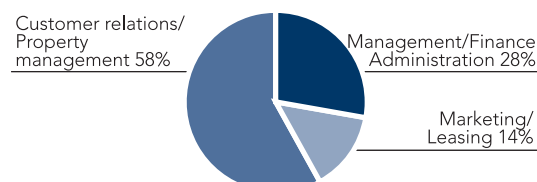
The employees' view on Castellum is measured regularly in a Satisfied Employees Index showing their attitudes towards their own working situation, the company and its management. The latest survey carried out 2010 continues to show a very high index, 86 on a scale of 100, which can be set against a benchmark of 75. The response rate was 100%, demonstrating deep commitment.



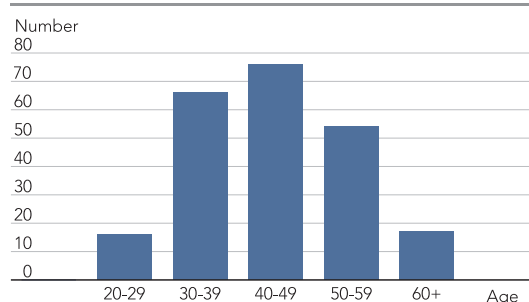
Level of education



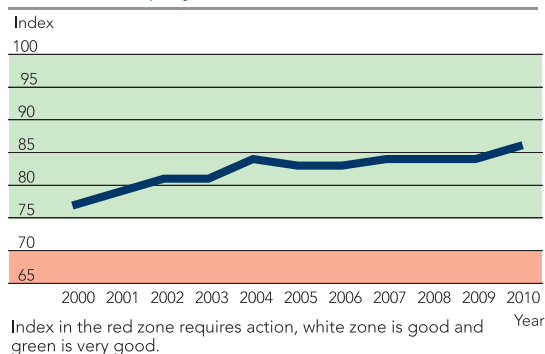
Distribution of work



Age distribution - number of employees



Satisfied Employees Index



Responsible Business



A sustainable development for Castellum involves both acting ethically towards customers, employees and other parties and developing the operations with least possible influence on the environment.

The driving forces for this work, besides contributing to a sustainable society, is an added value through good management and hence customer satisfaction, lower costs, stronger brand and increased competitiveness.

Social responsibility

The social responsibility covers the employees and the setting where the company is operating. Castellum has since the company was founded been working on creating a corporate culture with a good work environment, where the employees' skills and commitment are utilized and developed. The work is regularly followed up in employee and customer surveys which both show high results.

Castellum, as one of the largest owners of real estate properties on the local markets, is through co-operation with municipalities, universities, colleges and local enterprises contributing to the development of the places where the local subsidiaries are operating.

Responsibility also means to put demands on the counterparties. For larger purchases and procurements Castellum put demands on the contractor's environmental and quality work.

Castellum works with common corporate values governing the daily work. The values Castellum applies with regards to human rights, labor conditions and environmental issues are largely in line with the UN's Global Compact Code of Conduct.

Castellum is a company operating exclusively in Sweden and is therefore governed by Swedish laws and regulations. Castellum also has policies covering personnel issues like work environment, equality of opportunities, salaries, pensions and company cars.

Environmental responsibility

To contribute to a long term sustainable development, Castellum's strategy is to develop its real estate portfolio in a resource-effective way and with least possible impact on the environment.

Castellum's environmental work is focused on achieving more efficient use of energy, removing fossil fuels and improving the environmental status of the properties, thus reducing the company's environmental impact.

Company culture through ethics and values

The company culture is a foundation for how a company acts, both externally towards customers and other parties involved as well as internally between colleagues.

Castellum's objective is to make business which is ethically correct and sound in all respects and where actions are characterized by professionalism, with high competence, high business ethics and responsibility. The base of Castellum's code of conduct is to offer good quality and service, to follow laws and regulations, not to discriminate against anyone and to create good working environment and safety.

Corner stones for Castellum's company culture has been: The decentralized organization, which creates responsibility and committed employees, where each single colleague is a business collaborator. The geographical proximity to customers, community, suppliers and other parties involved creates a responsibility to act

correctly and businesslike. Close relation to the customers is a key factor and Castellum meets its customers with its own staff, which establish responsibility among the employees and confidence among the customers. High scores in both Customer Satisfaction Survey and Employee Satisfaction Survey is proof that this works well.

In Castellum's flat organization each employee has an important role and new ideas are valued, as well as a high level of competence is available within the organization.

When Castellum was established clear guidelines were formed, where the work is carried out in structured processes, creating order and clarity and thus guarantee credibility and quality in the work. The flat organization provides a natural transparency and quality assurance.

Castellum is among the first Exchange-listed companies to report their economic results; resulting in coverage of new laws and regulations, and evaluation of its meaning.

More efficient energy use

Castellum is striving towards more efficient energy utilization through for instance adaptation of heating and ventilation according to the users' need, extension of computerized control systems for heating and ventilation and motion controlled lighting. Castellum follows up and analyzes all energy consumption in a common follow-up system. In addition web based surveillance is installed in approx. 20% of the portfolio.

In 2010, the normalized energy consumption in heating increased slightly per sq. m., while the electricity for management decreased, which resulted in that the total energy consumption decreased 3% per sq.m.

The energy declarations, which were carried out 2009 according to established legislation, shows that Castellum's consumption was approx. 30% lower than the consumption for similar properties.

With the aim to reduce emissions, there is ongoing work to remove fossil fuels, i.e. convert oil and gas heating. Six properties remain using oil-heating among the investment properties. Ground heating/cooling is installed in 21 properties totalling 109,000 sq. m.

As a user of district heating, Castellum is dependent on the district heating plant's fuel mix, when it comes to emissions of carbon dioxide. Today Castellum makes use of 24 district heating facilities, amounting to 82% of the Castellum group's total carbon dioxide emissions. Castellum has a dialogue with the district heating suppliers which show the highest emissions per kWh, both to demonstrate how Castellum's environmental impact is depending on their work, but also to learn about their plans on how to reduce their emissions. Out of Castellum's carbon dioxide emissions, 4% is possible to influence directly, namely emissions from oil and transports, while the rest can only be influenced indirectly.

Castellum has chosen not to buy emission rights corresponding to the company's emissions. Instead, Castellum is investing in the ongoing work to further reduce the direct energy consumption.

Since 2001, only electricity labeled "environmental friendly" is used by the Castellum group.

Known and continuously improved status of the properties

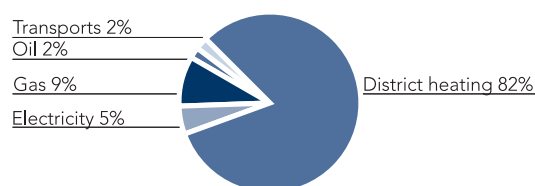
An environmental inventory has been completed for all properties owned for at least one year. The inventory covers environmental and health risks such as hazardous substances, ground pollution, moist/mould and operations requiring special permits. Environmental risk in Castellum's real estate portfolio is considered small.

Two of Castellum's subsidiaries, Fastighets AB Brostaden and Harry Sjögren AB have, as the first and third company in Europe respectively, been appointed Green Building Corporate Partner, meaning that the

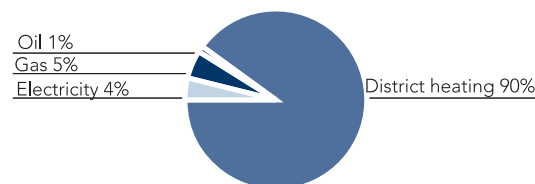
Outcome 2010;

- Castellum has reduced energy consumption by 3% per square meter.
- Castellum has reduced carbon dioxide emissions by 3% per square meter.
- In Castellum there are 86 Green Building-classified buildings of 400 thousand square meters. Fastighets AB Brostaden has during the year been awarded as Green Building Corporate Partner of the Year.

Distribution of emissions of carbon dioxide



Distribution of energy consumption for heating



Examples from Castellum's environmental work since 1995

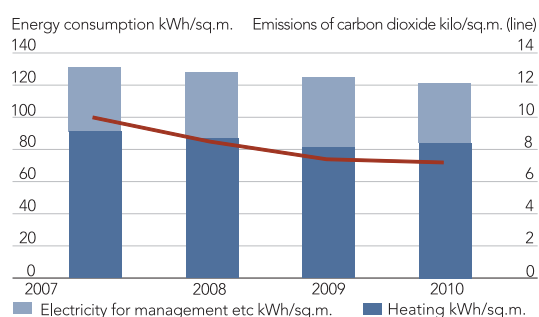


Energy and water consumption

	2010			2009		
	Heating	Other	CO ₂ 1000	Heating	Other	CO ₂ 1000
	GWh	GWh	tonnes	GWh	GWh	tonnes
District heating	232	8	18	182	7	14
Electricity	12	91	1	7	100	1
Gas	12	0	2	10	0	2
Oil	2	2	1	3	2	1
Consumption	258	101	22	202	109	18
<i>Adjustments*</i>	<i>-28</i>	<i>2</i>	<i>-2</i>	<i>17</i>	<i>4</i>	<i>1</i>
Norm. consumption	230	103	20	219	113	19
Area, thousand sq.m.	2,748 2,734			2,701 2,584		
Norm. consumption, kWh/sq.m.	84	37	6,9	81	44	7,1
Water, thous. m ³	831			830		

* Normalized consumption according to degree days and vacancy.
"Other" refers to electricity for management etc

Consumption and emission of carbon dioxide per sq.m. and year



energy consumption has been reduced by at least 25% in at least 30% of the real estate portfolio. The appointment is recognition for the work with energy savings which has been carried out during the last several years. Fastighets AB Brostaden has during the year been awarded Green Building Corporate Partner of the Year. Within Castellum there are a total of 86 Green Building classified buildings, comprising 400 thousand sq.m., which can be compared with the total number of Green Building-classified buildings in Sweden of 175.

In 2008 Eklandia Fastighets AB completed a property, which during 2009 received Sweden's first BREEAM certificate. BREEAM is a method for environmental certification of real estates, taking an overall view of environmental and sustainability issues of the property.

Stakeholders, communication and co-operation

As a driving force for change, communication about the Castellum group's environmental work is continuously carried out with stakeholders as customers, shareholders, competitors municipalities and universities. The customers are informed by visits and web pages. Co-operation with many parties is carried out to gain knowledge about new technologies and to share experiences. Castellum is for instance active in "Beställargruppen för lokaler" within the Swedish Energy Agency, and in the Ecocycle Council, an association and Sweden Green Building Council.

Organization

The environmental work is managed through an environmental management system consisting of a common environmental policy, guidelines and overall measurable targets. The environmental work is performed locally by each subsidiary and is followed up every year and regularly reported to the executive management. There is an environmental task group in common for the whole Castellum group, which meets regularly in order to share experiences and to monitor and learn from the development taking place in the world at large. The environmental work covers all activities and operations and the work is regularly examined by an external part.

All employees have a basic education within the environmental fields.

Targets	Outcome		
	2010	2009	2008
More efficient energy use			
- Energy consumption shall be reduced by at least 1% per square meter and year	- 3%	- 3%	- 2%
- Carbon dioxide emission shall be reduced by at least 2,5% per square meter and year	- 3%	- 13%	- 14%
By;			
- optimize operation of existing equipment and gradually make the technical installations in the properties more efficient,	Constantly ongoing work		
- give priority to environmentally adapted and environmentally friendly energy sources. Replace remaining oil fired boilers in investment properties by other heating sources,	6 properties using oil-heating remains		
- phase out all use of gas produced from non-renewable sources,	Constantly ongoing work 32 investment properties using gas remains		
- influence our district heating power suppliers to minimize their carbon dioxide emissions,	Ongoing dialogue through letters and meetings		
- minimize travel and transportation in the business.	Constantly ongoing work		
Known and continuous improvement of the environmental status of the properties	2010	2009	2008
- All properties owned for more than one year, shall be environmentally evaluated.	100%	99%	91%
By;			
- all new construction, conversion, extension and maintenance shall be carried out from a sustainable development point of view, valid for planning, projecting, production, management and recycling or demolishing,	Constantly ongoing work		
- substances, ecologically harmful or hazardous, shall be identified and gradually removed,	Constantly ongoing work		
- together with the tenants reduce their impact on the environment and follow up on those tenants which for environmental reasons need authorization to carry out their activities,	Constantly ongoing work		
- all tenants shall be offered on site waste separation, adapted to their activities, in order to reduce the amount of waste for landfill,	Approx. 80% has access to waste separation		
- optimize water consumption and minimize discharge of environmental disturbing agents in the drainages.	Constantly ongoing work		

For more information see www.castellum.se

Real Estate Portfolio

Real estate properties in general

The rental market, i.e. the market for rental of premises (and rental levels), and the real estate market, i.e. the market for sales and purchasing of real estate properties, are both in a long term perspective depending on the development in the domestic economy.

Swedish economy

Sweden, with more than 9 million inhabitants is a country with an open and strong economy, owing to among other things a stable and transparent business climate, high level of education, healthy State finances and high productivity in the industry. Sweden has during the last few years shown a positive trade balance. Sweden has a long and broad experience from international trade and international relations, which becomes evident from its relatively large share of world leading corporations, such as Ericsson, H&M, IKEA, SCA and Volvo. The high export dependency contributes to the fact that Sweden historically has shown good ability to adjust and restructure the economy to market changes.

Global growth and increasing world trade are positive factors for an exporting country like Sweden, but as the rest of the world Sweden was in 2008 struck by the financial crisis followed by a heavy decrease in the growth. 2010 has been a year of recovery for the world economy even if the picture is mixed, particularly regarding how the state's financial situation in some countries in the euro area can affect the economic growth in Europe.

Swedish economy has developed very strongly during 2010, and GDP is expected to increase by approx. 5%. The recovery has been relatively rapid and broad – consumption, investments and exports are increasing at the same time as the labor market is improving. The production volume is back at the same levels as before the crisis and the labor market is expected to be there in 2011. This means that Sweden's growth is expected to be higher than in many other countries in 2011, mainly due to the large dependence on exports, where Sweden benefits from the recovery in world trade.

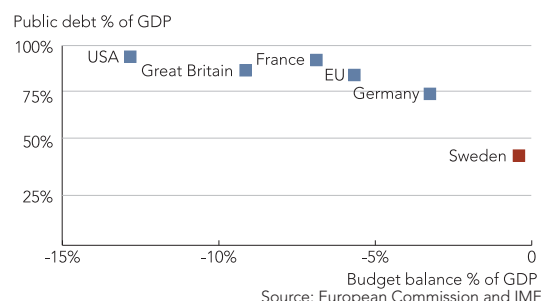
By those means, Sweden has, in comparison with a fair amount of other countries, a good position with lower public debt and budget balance according to GDP and banks in better shape than many other countries.

The real estate portfolio

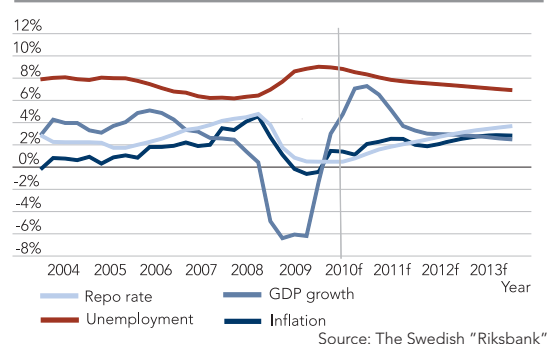
In Sweden there are almost three million properties with a total tax assessment value of approx. SEK 6,000 billion, of which the majority are residential properties. Out of the commercial properties in Sweden, Castellum, one of the major real estate owners in the country, is estimated to own roughly 1-2% while all of the listed Swedish real estate companies together are estimated to own roughly 10%. Apart from the listed companies, the largest real estate owners in Sweden are publicly owned companies, as well as Swedish and foreign institutional investors. In addition, there are a large number of smaller real estate owners, such as smaller real estate and construction companies, users and private owners.

Due to the scattered ownership without any dominating real estate owner, the competitors differ between different local markets.

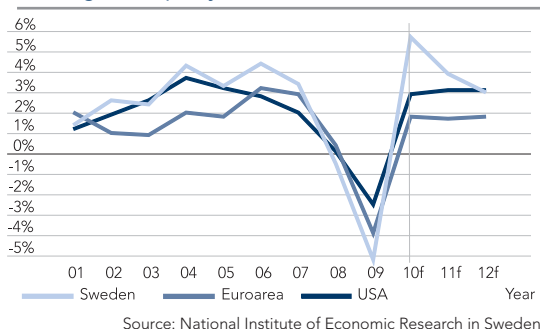
Public debt/budget balance in % of GDP, forecast 2011



Macro Sweden



GDP growth per year

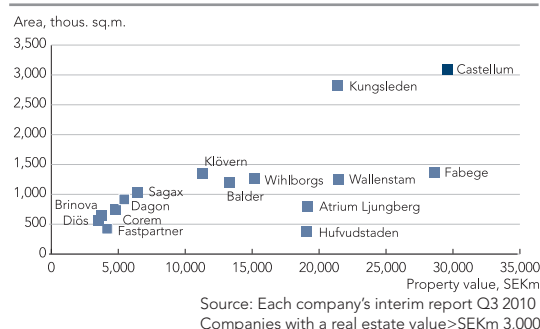


The five largest trading partners of Sweden

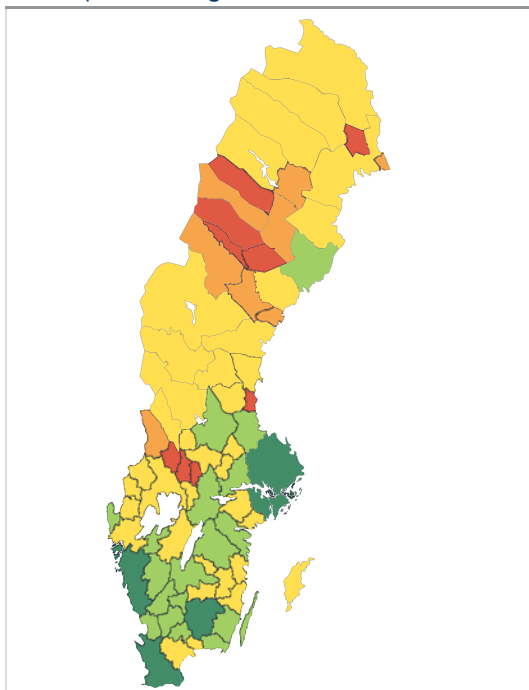
Export	Import
1. Germany	1. Germany
2. Norway	2. Norway
3. Great Britain	3. Denmark
4. USA	4. The Netherlands
5. Denmark	5. Great Britain

Source: SCB (Sweden Statistics), import relates to sending countries

Property portfolio listed real estate companies



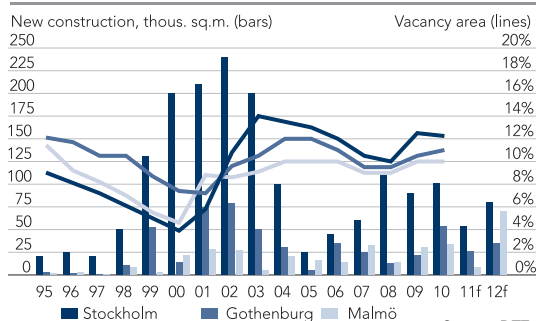
Development strenght in Sweden's labor markets



Green color indicates the best labor markets and red color the worse.

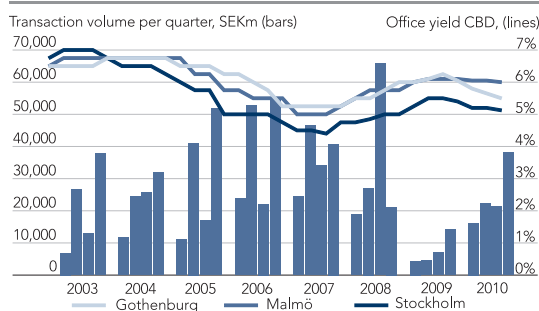
Source: West Sweden Chamber of Commerce and Industry

New construction and vacancy rates



Source: DTZ

Real estate transactions in Sweden



Source: Newsec and NAI Svefa

Sweden's labor markets

Sweden can be divided into a number of local labor markets where each market has different development strength. The development strength depends on population growth, demographics, employment rates, new businesses, business employees, amount of wages, level of education and health.

The picture to the left shows the development strength of the Swedish local labor markets. The three major urban regions in Sweden have the greatest development potential which is explained by a larger population, which in turn creates a larger labor market, a diversified industrial structure, research opportunities of research and greater variety of shopping, entertainment and culture.

The rental market

The rental market is mainly depending on the growth in Swedish economy, but is also affected by the amount of new construction. Economic growth normally leads to increased demand for premises and hence a decreasing number of vacancies, with a potential for increasing market rents, which in turn facilitates new construction. A stagnation in growth leads to a reversed case.

During 2010 the demand has improved on all Castellum's property markets with the growth in the Swedish economy and improved employment. This together with already high occupancy rates will probably result in increased new construction. In some property categories there is already a shortage, i.e. efficient logistic premises in good locations.

Rental levels are assessed to remain stable or, on some submarkets, increase slightly. The index clauses present in a majority of commercial rental agreements lead to reduced rents during 2010 as inflation was negative. For 2011 the index clauses are assessed to have a positive impact on rental levels.

As rental agreements normally are signed for 3-5 years with nine months' notice of termination, changes in market rents in a short-term perspective have a relatively small impact on total rental income.

The real estate market

The property market in Sweden has recovered in 2010 after the international turmoil in 2009. The transaction volume for 2010 related to transactions over SEKm 100 amounted to approx. SEK 100 billion, which is three times as much as during 2009. This year's volume represents an average volume over the past 10 years. The increased volume of transactions means that Sweden in 2010 was the fourth largest European market for commercial properties.

Significantly for the property market in 2010 was that business was conducted throughout the whole country and areas outside major urban areas accounted for 56% of the transactions. In Stockholm the pension funds dominated as purchaser of large office buildings, while the property market in the rest of the country was more widespread referring to both buyers and property type. The national actors accounted for, as in previous years, the major of the transactions, equivalent to 86%.

The transactions during the last quarter exceeded the entire 2009 volume, which indicates a continued increase in transaction volume in 2011 with sales of both commercial and residential properties.

Castellum's real estate portfolio

Geographical markets

Castellum is present on the nation's major growth regions and approx. 60% of Sweden's 9.4 million inhabitants live within Castellum's regional market areas.

Economic growth is best measured as the development in a market area's total sum of wages. Average growth per year in total employment rates as well as growth in the sum of wages was during the period 2001–2010 within Castellum's market areas, 0.7% and 2.4% respectively. This may be compared with 0.5% and 2.2% for the nation.

In order to analyze the regional markets' growth and risk, the average annual growth in the sum of wages for each market may be studied at the same time as the risk (standard deviation in growth) is measured over time. Some markets are due to their size and business structure less dependent on changes in the world around than others and have their own inherent power to grow. The most favorable is high growth and low risk. The following figure shows Sweden's regional markets where Castellum's markets are shown in red.



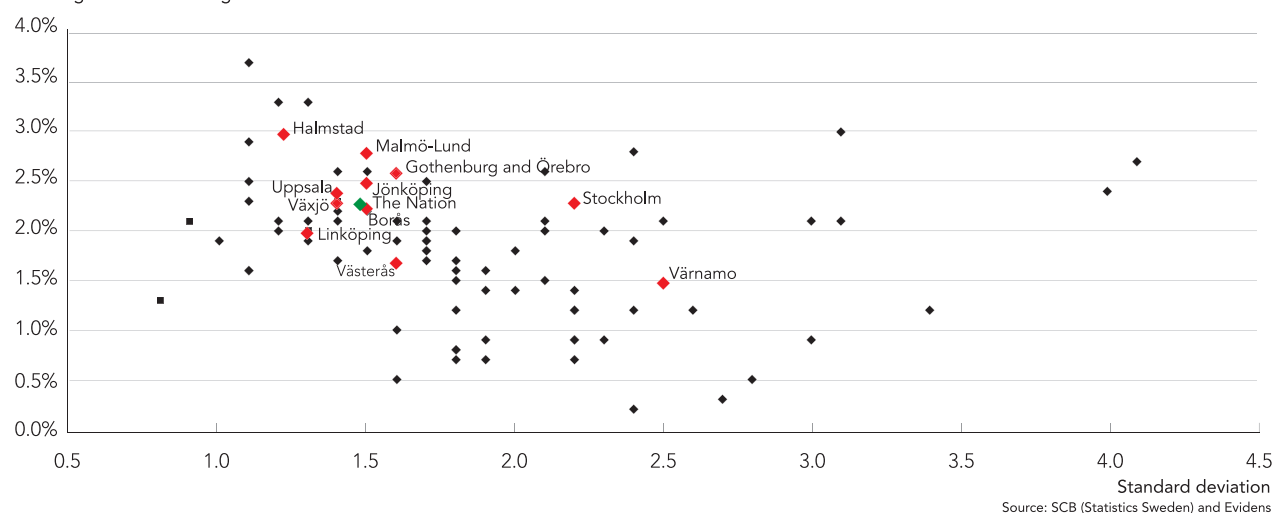
Real estate portfolio

Castellum's real estate portfolio is concentrated to a few selected sub-markets where the local subsidiaries have a strong position. Castellum's geographical submarkets can be characterised as stable, with good prospects for long-term positive. The real estate portfolio is found in 15 locations in five growth regions: Greater Gothenburg, the Öresund region, Greater Stockholm, Mälardalen and Eastern Götaland. The main focus with 75% of the portfolio is in the three major urban regions.

The commercial portfolio consists of 66% office and retail properties as well as 31% warehouse and industrial properties. The properties are located from inner city sites (except in Greater Stockholm from inner suburbs) to well-situated working-areas with good means of communication and services. The remaining 3% consists of project and undeveloped land. Castellum owns 820,000 sq.m. unutilized building rights.

Growth and risk in the long term (2001-2010)

Annual growth in total wages



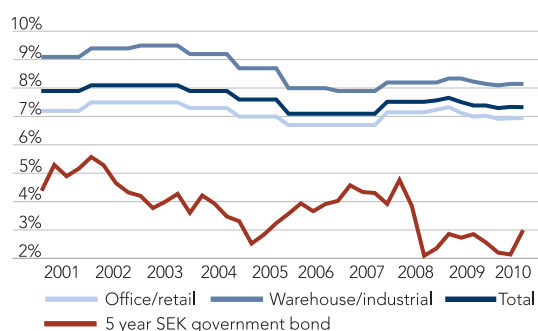
Changes in real estate portfolio

	Value, SEKm	Number
Real estate portfolio on January 1, 2010	29,267	590
+ Acquisitions	625	14
+ New constructions, extensions and reconstructions	881	–
– Sales	– 204	– 6
+/- Unrealized changes in value	1,199	–
Real estate portfolio Dec. 31, 2010	31,768	598

Average valuation yield (SEKm) (excl. project/land and building rights)

	2010	2009
Net operating income properties	1,987	1,935
+ Estimated index adjustment 2011, 1.5%	45	– 15
+ Real occupancy rate, 94% at the lowest	225	197
+/- Property costs to a normal year	25	–
– Property administration, 30 SEK/sq.m.	– 98	– 94
Normalized net operating income	2,184	2,023
Valuation (excl. building rights of SEKm 496)	30,213	27,742
Average valuation yield	7.2%	7.3%

Average valuation yield over time



On December 31, 2010 Castellum's real estate portfolio comprised 598 properties (590) with a total rental value of SEKm 3,190 (3,054) and a total lettable area of 3,311,000 sq.m. (3,199,000). For properties owned at the year-end the net operating income over the year was SEKm 1,840 (1,784).

During the year investments totaling SEKm 1,506 (1,165) were made, of which SEKm 881 (1,039) were new constructions, extensions and reconstructions and SEKm 625 (126) were acquisitions. Of the total investments SEKm 464 relates to Mälardalen, SEKm 374 to Greater Stockholm, SEKm 315 to Greater Gothenburg, SEKm 187 to the Öresund Region and SEKm 166 to Eastern Götaland. Castellum has on-going projects with remaining investments of approx. SEKm 700.

Property value

The fair value of the properties at the year-end amounted to SEKm 31,768 (29,267), corresponding to approx. SEK 9,500 per sq.m (9,000). The average valuation yield over time for Castellum's real estate portfolio, excluding development projects, undeveloped land and building rights, can be calculated to 7.2% (7.3%). Of the total property value 90% represents properties with right of possession and 10% is site leasehold properties.

Castellum assesses the value of the properties through internal valuations. The valuations are based on a 10-year cash flow-based model with an individual assessment for each property of both its future earnings capacity and the required yield. In assessing a property's future earnings capacity has, besides an assumed level of inflation of 1.5%, consideration been taken to potential changes in rental levels, changes in occupancy rate and property costs. Projects in progress have been valued using the same principle, but with deductions for remaining investments. Sites with building rights have been valued on the basis of an estimated market value per square metre, on average approx. SEK 970 per sq.m. (1,000).

In order to provide further assurance and validation of the valuation, 130 properties representing 50% of the value of the portfolio have been valued externally by NAI Svefa. The properties were selected on the basis of the largest properties in terms of value, but also in order to reflect the composition of the portfolio as a whole in terms of category and geographical location of the properties. NAI Svefa's valuation of the selected properties amounted to SEKm 15,614, with an uncertainty range of +/- 5-10% on property level, depending on each property's category and location. Castellum's valuation of the same properties amounted to SEKm 15,982 i. e. a net deviation of SEKm 368 or to 2%. Gross deviation was SEKm +291 respectively SEKm –659 with an average deviation of 6%.

Rental income

Group rental income amounted to SEKm 2,759 (2,694). For office and retail properties, the average contracted rental level, including charged heating, cooling and property tax, amounted to SEK 1,201 per sq.m. (1,210), whereas it for warehouse and industrial properties amounted to SEK 711 per sq.m. (699). Rental levels, which are considered to be in line with the market, have increased by approx. 1% in comparable portfolio compared with previous year.

The average economic occupancy rate was 89%, which is lower than corresponding period previous year. The total annual rental value for vacant premises during the year amounted to approx. SEKm 374 (323).

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 257 (251), of which SEKm 46 (31) was leasing in connection to new constructions, extensions and reconstructions. Notices of termination amounted to SEKm 221 (288), of which bankruptcies were SEKm 12 (31), hence net leasing for the year were SEKm 36 (-37). The share of terminations for renegotiation has been limited. The time difference between reported net leasing and the effect in income thereof is estimated to between 9-18 months.

Property costs

Property costs amounted to SEKm 960 (942) corresponding to SEK 298 per sq.m. (300). During the year the costs related to snow removal have been approx. SEKm 25 higher than 2009. Costs for heating have increased as the energy consumption for heating during the period has been calculated to 116% (93%) of a normal year, according to the degree day statistics. Increased operating costs are compensated by lower costs for maintenance and property administration.

Rental losses, i.e. charged not paid rents with the risk of loss, amounted to SEKm 6 (10) corresponding to 0.2% (0.4%) of rental income.

Changes in value

Castellum assesses that the gradual increase in demand during the year has led to increasing property prices, where the main change relates to central properties and properties with long term leases. In view of this, the required yield in the internal valuation has been reduced by an average of 0.2%-units. The change in value during the year has been estimated to 4% corresponding to SEKm 1,222 (-1,027) of which approx. two-thirds refers to reduced required yields and the rest to slightly improved cashflow. The changes in value include SEKm 23 related to sales of six properties where the sales price of SEKm 227 exceeded the valuations with 11%.

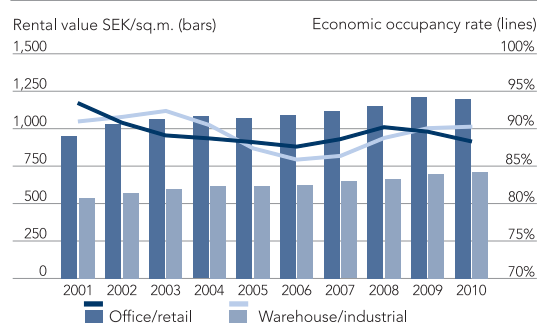
The net increase in value, including this year's change, over the past 10 years has been just under 2% per year, which is slightly higher than the rate of inflation.

It should be noted that, since property valuations include an uncertainty range of normally 5-10%, also the changes in value include a not insignificant uncertainty.

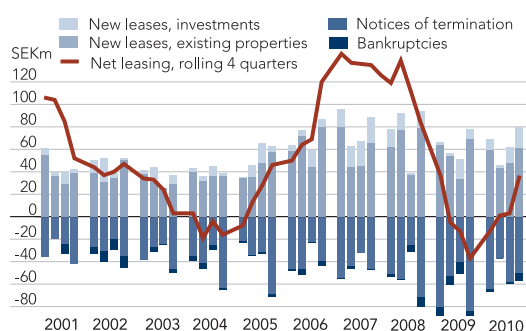
Income over time

Income from property management past 10 years has had a stable development and has grown by an average of 10% per year. Changes in value of properties has been volatile and on average had a growth the past 10 years about 2% per year.

Rental value and economic occupancy rate



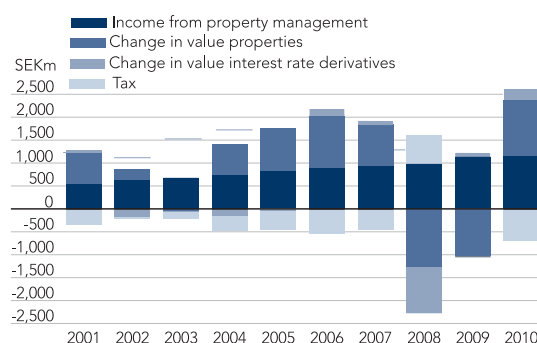
Net leasing



Property costs, SEK/sq.m

	Office/ Retail	Ware- house/ Industrial	2010 Total	2009 Total
Operating expenses	205	127	169	163
Maintenance	44	21	34	40
Ground rent	7	6	6	7
Real estate tax	66	17	43	40
Direct property costs	322	171	252	250
Leasing and property administration (indir.)	-	-	46	50
Total	322	171	298	300
Previous year	325	166	300	

Income over time

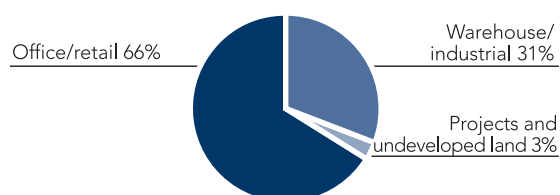


Castellum's real estate portfolio 31-12-2010

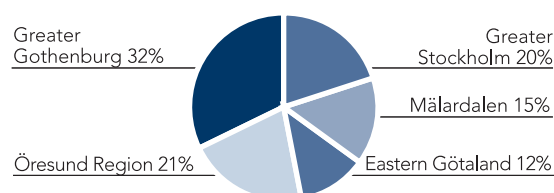
	31-12-2010				January-December 2010						
	No. of properties	Area thous. sq.m.	Fair value SEKm	Fair value SEK/sq.m.	Rental value SEKm	Rental value SEK/sq.m.	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m.	Net operating income SEKm
Office/retail											
Greater Gothenburg	76	399	5,502	13,804	508	1,275	95.1%	483	128	321	355
Öresund Region	52	323	4,907	15,185	455	1,408	87.6%	398	113	351	285
Greater Stockholm	49	332	4,039	12,175	434	1,307	79.2%	343	105	318	238
Mälardalen	74	361	3,609	10,007	375	1,041	90.2%	339	112	311	227
Eastern Götaland	52	319	2,883	9,026	310	970	88.3%	274	100	312	174
Total office/retail	303	1,734	20,940	12,079	2,082	1,201	88.3%	1,837	558	322	1,279
Warehouse/industrial											
Greater Gothenburg	100	647	4,570	7,069	469	726	93.1%	437	106	164	331
Öresund Region	41	298	1,717	5,765	204	684	84.5%	172	49	163	123
Greater Stockholm	42	210	1,837	8,727	192	912	91.0%	175	50	238	125
Mälardalen	38	158	906	5,720	109	690	91.8%	100	28	178	72
Eastern Götaland	35	186	739	3,970	92	495	86.6%	80	23	123	57
Total warehouse/industrial	256	1,499	9,769	6,515	1,066	711	90.4%	964	256	171	708
Total	559	3,233	30,709	9,499	3,148	974	89.0%	2,801	814	252	1,987
Leasing and property administration									149	46	- 149
Total after leasing and property administration									963	298	1,838
Development projects	9	78	732	–	42	–	–	15	13	–	2
Undeveloped land	30	–	327	–	–	–	–	–	–	–	–
Total	598	3,311	31,768	–	3,190	–	–	2,816	976	–	1,840

The table above relates to the properties owned by Castellum at the end of the year and reflects the income and costs of the properties as if they had been owned during the whole year. The discrepancy between the net operating income of SEKm 1,840 accounted for above and the net operating income of SEKm 1,799 in the income statement is explained by the deduction of the net operating income of SEKm 8 on properties sold during the year, as well as the adjustment of the net operating income of SEKm 49 on properties acquired/completed during the year, which are recalculated as if they had been owned or completed during the whole year.

Property value by property type



Property value by region



Property related key ratios

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	974	969	921	896	864	851	859	829	799	747
Economic occupancy rate	89.0%	89.8%	89.7%	87.9%	87.1%	88.1%	89.6%	90.7%	91.5%	93.0%
Property costs, SEK/sq.m.	298	300	268	262	259	247	255	246	237	239
Net operating income, SEK/sq.m.	569	571	559	527	494	502	514	506	494	455
Fair value, SEK/sq.m.	9,499	9,036	8,984	9,098	8,466	7,930	7,706	7,296	7,132	6,681
Number of properties	598	590	587	549	515	494	492	500	508	526
Lettable area, thousand sq.m.	3,311	3,199	3,172	3,003	2,787	2,651	2,505	2,437	2,381	2,338

Investments

Castellum's strategy for growth includes constant improvement and development of the real estate portfolio by new constructions, reconstructions and extensions as well as acquisitions. The investments are made in order to improve cash flow and increase the value of the properties. New development projects are added on an ongoing basis through the acquisition of both properties with development potential and unutilized building rights.

Castellum has in the last 10 years invested SEKm 1,700 on average per year.

During 2010, Castellum invested a total of SEKm 1,506 (1,165), of which SEKm 881 (1,039) were new constructions, extensions and reconstructions and SEKm 625 (126) were acquisitions. Castellum completed major projects for a total value of over SEKm 700 and has ongoing projects with a remaining investment volume of approx. SEKm 700.

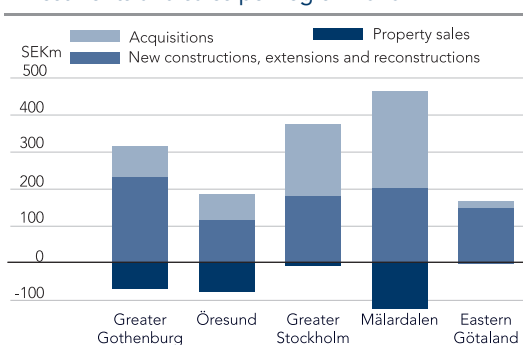
Castellum's project portfolio has a good risk exposure with many projects in several locations and with a large number of customers.

During the year, 6 (3) properties have been sold for SEKm 227 (36) which exceeded the valuations by 11%.

Investments and sales per year



Investments and sales per region 2010



Larger ongoing development projects

Castellum has ongoing projects with a remaining investment volume of approx. SEKm 700. Some of the larger projects are presented below.



Forskaren 2 in Lund

Location: Ideon-area in Lund
Area: 7,900 sq.m.
Time plan: Completed Q2, 2012

At the Ideon area, close to Lund University of Technology and Lund University, Castellum are since 2001 completing a buildings comprising 27,500 sq.m. office premises on the property Forskaren 2, also known as Edison Park.

During 2010, Castellum started a new construction project of another 7,900 sq.m. office premises with high standard on Edison Park, which is the final stage before completion of the property. The investment is calculated to SEKm 150.

The new construction has an occupancy rate of 10%.

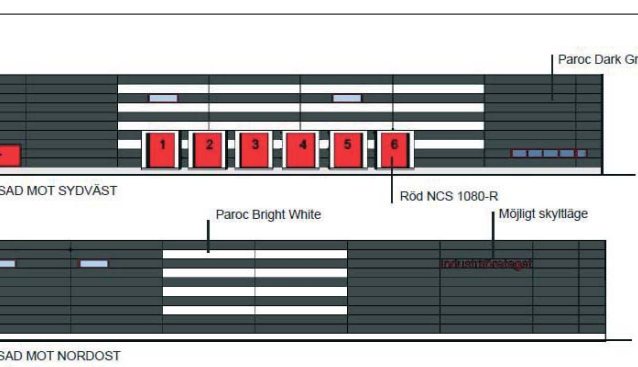


Boländerna 30:2 in Uppsala

Location: Retail area Boländerna in Uppsala
Area: Recontruction 9,700 sq.m. and extension 4,300 sq.m.
Time plan: Completed Q4, 2011

Castellum owns several properties in the retail area Boländerna, which today is the strongest outer city retail area in Uppsala. The properties have been developed in stages and in the beginning of 2010, Castellum decided on reconstruction of 9,700 sq.m. retail and warehouse premises and new construction and extension of 4,300 sq.m. retail and restaurant premises on Boländerna 30:2.

The total investment is calculated to SEKm 64. The reconstruction and extension has an occupancy rate of 55%.



Saltmossen 3 in Botkyrka

Location: Eriksberg in Botkyrka
Area: 5,300 sq.m.
Time plan: Completed Q 3, 2011

In the working area Eriksberg, near highway E4 in Botkyrka, Castellum has during the end of 2010 started a new construction of 5,300 sq.m. warehouse premises. The new building will have a flexible and adaptable construction.

The investment is calculated to SEKm 45. The property is vacant.

Larger ongoing projects 2010

Name of property	Area sq.m.	Econ.occup. Jan 2011	Investment SEKm			
			Total	Remaining	Completed	Comment
Forskaren 2, Lund	7,900	10%	150	148	Q 2 2012	New construction office premises
Boländerna 30:2, Uppsala	14,000	55%	64	39	Q 4 2011	New construction and reconstruction of retail premises
Saltmossen 3, Botkyrka	5,300	0%	45	44	Q 3 2011	New construction warehouse premises
Kärra 72:36, Gothenburg	6,450	100%	39	28	Q 3 2011	New construction warehouse/logistic premises

Larger completed projects

During 2010 larger projects were completed to a value of SEKm 700. Some of the projects are presented below.

Betongblandaren 10 in Stockholm

Location: Mariehäll in Bromma
Area: 14,900 kvm
Time plan: Completed Q 4, 2010

During 2005 Castellum acquired the property Betongblandaren 10, which is centrally located in Mariehäll, close to Bromma Airport in Stockholm. The property was acquired as a development project. During 2008 a decision was made to carry out a reconstruction of the property.

The existing industrial property of 14,900 sq.m. has been reconstructed into a modern retail property focused on interior decoration and home furnishing. The investment amounted to SEKm 130. The property has an occupancy rate of approx. 50%.



Visionen 3 in Jönköping

Location: A6-area in Jönköping
Area: 7,700 sq.m.
Time plan: Completed Q 4, 2010

In 2004, Castellum acquired the property Visionen 3 in Jönköping. The property held a building of approx. 10,000 sq. m. and an unutilized building right of approx. 5,000 sq. m. The property is located in the A6 area, comprising one of Sweden's largest shopping centres, and has a location which offers good exposure and communications alongside the European highway E4.

During 2008, a new construction project started of approx. 7,700 sq. m. office premises. The building is built in four floors and is a functional high profile building with flexible office premises, which over time can be adapted to different needs. The property has an occupancy rate of approx. 85%.

The investment amounted to SEKm 115.



Varuhuset 1 in Jönköping

Location: A6-area in Jönköping
Area: 11,000 sq.m.
Time plan: Completed Q 4, 2010

The A6 area is located close to highway E4, slightly east of Jönköping city and is an attractive shopping area with approx. 10 million visitors each year. Castellum has during 2010 completed a new construction of a building for retail, started in 2009, with a very good location at the south entrance to the A6 area.

The new property has an area of 11,000 sq. m. The investment amounted to SEKm 105 and the property is fully let on one long term rental agreement.





Boländerna 28:3 and 30:2 in Uppsala

Location: Retail area Boländerna in Uppsala
 Area: Reconstruction 10,900 sq.m. and extension 1,000 sq.m.
 Time plan: Completed Q 4, 2010

Castellum owns several properties in the retail area Boländerna, which today is the strongest outer city retail area in Uppsala. On two adjacent properties, Boländerna 28:3 and 30:2 Castellum during 2010 completed a reconstruction of 10,900 sq.m. warehouse premises to modern retail premises, an extension of 1,000 sq.m. and a parking lot for 850 cars.

The total investment amounted to to SEKm 96 and the reconstruction and extension has an occupancy rate of 100%.



Vägmästaren 5 in Kungälv

Location: Central Kungälv
 Area: 3,000 sq.m.
 Time plan: Completed Q 4, 2010

In central Kungälv, Castellum has completed new construction of an office building with an area of 3,000 sq. m. The new building has a flexible and adaptable construction, with high quality.

The investment amounted to SEKm 49. The property is fully let on a long term agreement.



Grusbädden 3 in Helsingborg

Location: Väla Södra in Helsingborg
 Area: 6,300 sq.m.
 Time plan: Completed Q 3, 2010

Grusbädden 3 was acquired in 2007 and is located by the eastern approach to Helsingborg in the expansive industrial area Södra Väla.

On the existing property Castellum has completed an extension which consist of flexible space for warehouse operations.

The new extension is 6,300 sq.m. and the investment amounted to SEKm 35. The property is fully let.

Larger completed projects 2010

Name of property	Area, sq.m.	Econ. occup Jan 2011	Investment, SEKm		Comment
			Total	of which 2010	
Betongblandaren 10, Stockholm	14,900	50%	130	62	Reconstruction retail premises
Visionen 3, Jönköping	7,700	85%	115	14	New construction office premises
Varuhuset 1, Jönköping	11,000	100%	105	71	New construction retail premises
Boländerna 28:3 och 30:2, Uppsala	11,900	100%	96	48	Reconstruction and extension retail premises
Vägmästaren 5, Kungälv	3,000	100%	49	35	New construction office premises
Grusbädden 3, Helsingborg	6,300	100%	35	35	Extension warehouse premises

Larger acquisitions and sales during 2010

During the year, Castellum has acquired 14 properties for a total amount of SEKm 625. Six properties were sold and the sales price was SEKm 227.

Dragarbrunn 20:4 and Boländerna 5:12 in Uppsala

Location: Central Uppsala and the area Boländerna in Uppsala
Area: 16,500 sq.m. in total
Access: November 2010

Castellum has acquired two properties in Uppsala for a total of SEKm 190.

One of the properties is situated in central Uppsala, adjacent to Castellum's existing properties. The property consists of 10,450 sq.m. office and retail premises. The occupancy rate at the time of acquisition was 60%.

The other property is situated in the working area Boländerna in Uppsala near parts of Castellum's existing properties. The property consists of 6,050 sq.m. office and retail premises. The occupancy rate at the time of acquisition was 75%.



Veddesta 2:66 and 2:49, Bredgården 1:7 in Järfälla Skälby 2:9 in Upplands Väsby and Skarpnäs 5:10 in Nacka

Location: Järfälla, Upplands Väsby and Nacka
Area: 19,120 sq.m.
Access: January 2011

In the Stockholm area Castellum has acquired five properties for a total of SEKm 137. Two of the properties are situated in Järfälla and consists of 10,400 sq.m., of which 3,200 sq.m. is office and 7,200 sq.m. is industrial premises. The buildings have an occupancy rate of approx. 90%. One property is situated in Upplands Väsby and consists of 3,070 sq.m. fully let industrial premises. One property is situated in Nacka and consists of 5,650 sq.m. office/industrial/warehouse premises with an occupancy rate of 90%.

All properties are located adjacent to Brostaden's existing portfolio.



Backa 107:4 in Gothenburg

Location: Retail area Bäckebo on Hisingen in Gothenburg
Area: 22,700 sq.m.
Access: April 2010

Castellum has acquired a well-situated warehouse/logistic property in Gothenburg. The property is adjacent to the retail area Bäckebo.

The lettable area amounts to 22,700 sq.m. of which 20,900 sq.m. is warehouse/logistic and the rest is office premises.

The investment amounted to SEKm 82 and the property is fully let.





Svänghjulet 1 in Örebro

Location: Örnbro in Örebro
 Area: 9,500 sq.m.
 Access: December 2010

In the area Örnbro, Örebro, Castellum has acquired a property for SEKm 70. The property is well-situated near the exit to E18/E20 and consists of 9,500 sq.m. office and retail premises.

The property is fully let.



Domnarvet 28 and Furudal 4 in Stockholm

Location: Spånga in Stockholm
 Area: 5,000 sq.m.
 Access: November 2010

In Spånga, northern Stockholm, Castellum has acquired two fully let warehouse properties of 5,000 sq.m. The properties are well-situated near E18 and close to the company's existing properties.

The investment amounted to SEKm 44.



Sändaren 1 in Malmö

Location: Jägersro in Malmö
 Area: 11,550 sq.m.
 Access: December 2010

In the Jägersro-area, Malmö Castellum has acquired a well-situated property near Yttre and Inre Ringvägen. The property consists of 11,550 sq.m. of which 7,050 sq.m. is office premises, 4,180 sq.m. warehouse premises and 320 sq.m. other premises.

The investments amounted to SEKm 39. The property was vacant at the acquisition.

Larger acquisitions 2010

Property	Area sq.m.	Occupancy rate Jan 2011	Acquisition- SEKm	Access	Category
Dragarbrunn 20:4 och Boländerna 5:12, Uppsala	16,500	75%	190	Nov 2010	Office and retail
Veddesta 2:66 & 2:49, Bredgården 1:7, Järfälla Skälby 2:9, Upplands Väsby, Skarpnäs 5:10, Nacka	19,120	90%	137	Jan 2011	Warehouse, industrials and office
Backa 107:4, Gothenburg	22,700	100%	82	April 2010	Industrial
Svänghjulet 1, Örebro	9,500	100%	70	Dec 2010	Office and retail
Domnarvet 28 and Furudal 4, Stockholm	5,000	100%	44	Nov 2010	Warehouse
Sändaren 1, Malmö	11,550	0%	39	Dec 2010	Office and warehouse

Larger property sales 2010

Property	Area, sq.m.	Sales price SEKm	Access	Category
Tryckeriet 13, Örebro	6,900	102	Sept 2010	Hotel
Folke 3, Malmö	4,200	63	Oct 2010	Office and residential
Backa 22:3, Gothenburg	5,000	33	March 2010	Warehouse

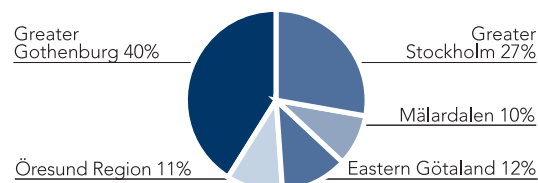
Building Rights and Potential Development Projects

Part of Castellum's strategy is to build new premises when this is a competitive alternative. In order to be able to offer the customer new premises with the shortest possible time for moving in, it is a competitive advantage to own building rights in attractive locations with approved plans. Castellum has 820,000 sq.m. unutilized building rights. For a number of the unutilized building rights there are finalized projects plans which can be started relatively promptly.

Unutilized building rights are valued at SEKm 790 corresponding to SEK 970 per sq.m. on average. Of the building rights 350,000 sq.m. corresponding to approx. SEKm 300 are reported as development projects and undeveloped land. The remaining are reported among office/retail and warehouse/industrial properties since they are additions to already developed properties. During 2010 Castellum has utilized 38,000 sq.m. of the existing building rights.

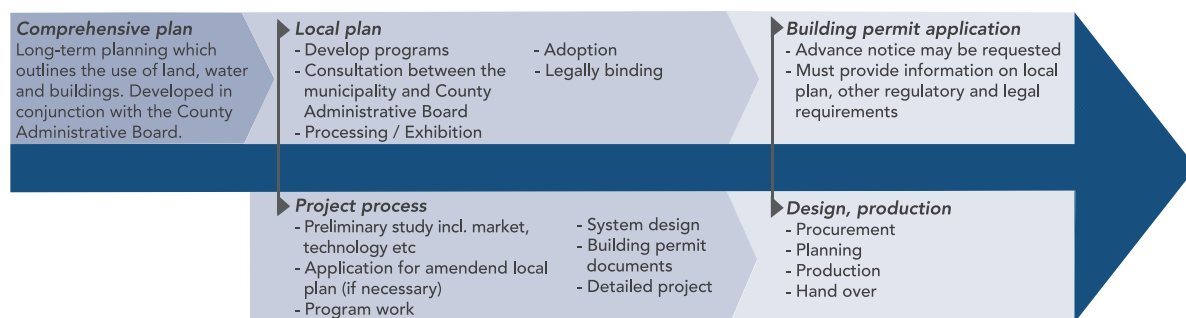
The process from land to completion can be time consuming and may differ between different municipalities in the country. Below is a schematic representation of the process.

Building rights by region and sq.m.



Project and building stage

Plan stage

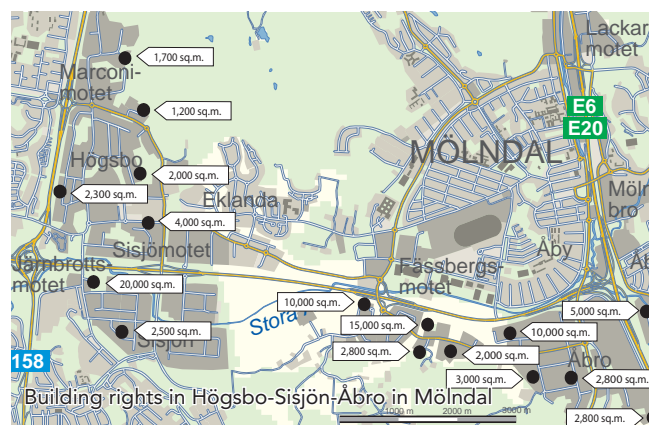


Greater Gothenurg

In Högbo-Sisjön-Åbro, which is one of Sweden's largest industrial estates, Castellum owns a large number of building rights totalling approx. 102,000 sq.m. One example is Generatorn 1 which is a well exposed building right of 15,000 sq.m.

A number of properties with unutilized building rights for a total of approx. 46,000 sq.m. are found on Hisingen, which is one of Castellum's largest market areas in Greater Gothenburg. The building rights are located in different industrial estates and permit almost only new construction of retail, warehouse and industrial premises.

In the areas Hede and Varla in northern Kungsbacka, approx. 30 km south of Gothenburg, Castellum owns a number of properties with unutilized building rights of approx. 30,000 sq.m.



Greater Gothenburg - Unutilized building rights 31-12-2010

Area	Building rights sq.m.	Comment
Högsbo-Sisjön-Åbro	102,000	Most of the unutilized building rights are shown on the map above
Hisingen	46,000	Building rights in industrial estates, permits almost only new construction of warehouse and industrial premises
Gothenburg	52,000	Kallebäck 2:5 consists of a building right of 36,000 sq.m.
Kungsbacka	30,000	Building rights in Varla of 16,000 sq.m. focused on office/warehouse/industrial
Remaining of Greater Gothenburg	97,000	Tjärblomman 2 and Tusenskönan 4 in Mölndal with building rights of 15,000 resp 10,000 sq.m.
Total Greater Gothenburg	327,000	



Photomontage Höjdunkten 2, Lund

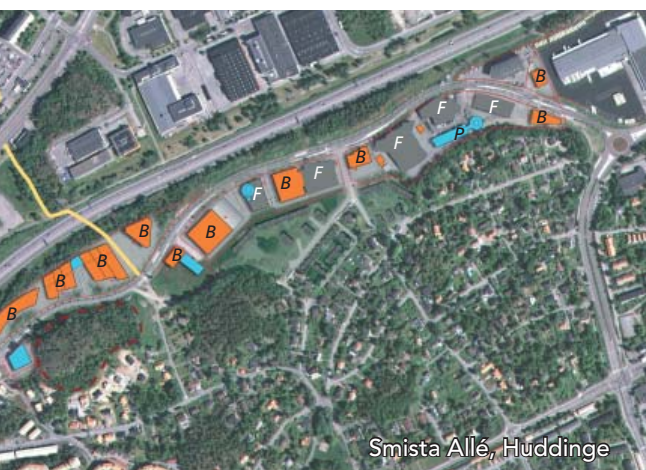
Öresund Region

Next to the Ideon area is Brunnsbög which is under development and seen as the next step in the expansion of the research area Ideon. In Brunnsbög the European Spallation Source (ESS) for material research is planned which is considered to attract 5,000 researchers to Lund. During the end of 2010 the new construction of a synchrotron plant started in the area, MAX IV.

Castellum's property, Höjdunkten 2, with a very strategic location at the entrance to Brunnsbög and close to the E22, has a potential for new construction of approx. 18,000 sq.m. and an option to acquire additional building rights of 30,000 sq.m.

Öresund Region - Unutilized building rights 31-12-2010

Area	Building rights sq.m	Comment
Malmö	42,000	Building rights in industrial estates, permits mainly new construction of warehouse and industrial premises
Lund	31,000	Building rights in the Ideon area close to Lunds University of Technology
Helsingborg	20,000	Kulan 1 with building rights of 10,000 sq.m.
Total Öresund Region	93,000	



Smista Allé, Huddinge

Greater Stockholm

By the E4/E20, at Kungens kurva in Huddinge Smista Allé is located, which is one of the largest sites with building rights in Greater Stockholm. For building rights of approx. 60,000 sq.m. the plan permits offices, retail of capital goods and warehouses. The picture below shows the area and the completed buildings (F), started projects (P) and unutilized building rights (B).

In Johanneshov, in southern Stockholm, Castellum owns several neighbouring properties with unutilized building rights. One example are the properties in Linde Torp, close to the Globen area, where there are 23,500 sq.m. potential building rights, specializing in retail, office and hotel premises. The area is well served by subway and Southern Link road and the highway E4.

Greater Stockholm - Unutilized building rights 31-12-2010

Area	Building rights sq.m	Comment
Sollentuna	115,000	110,000 sq.m. in Norrviken with good connections to E4/E20 north of Stockholm
Huddinge	60,000	Smista Allé located at Kungens Kurva
Johanneshov	38,000	Several adjacent properties with unutilized building rights permitting coordinated development of the area
Remaining Greater Stockholm	9,000	
Total Greater Stockholm	222,000	

Mälardalen

In Kopparlunden, which is one of the most interesting development areas in Västerås, Castellum owns properties permitting future new construction and extensions of approx. 10,000 sq.m.

In Örebro, Castellum owns Inköparen 1, on which a new construction of 3,600 sq.m. office/retail premises was completed during 2009, with good exposure towards the E18/E20. The property holds further building rights with a plan permitting new construction of 4,000 sq.m. office and retail premises.

The area Boländerna in Uppsala has an attractive location and in the area several large companies with focus on retail are established, making Boländerna Uppsala's largest retail area. Castellum owns approx. 5,000 sq.m. unutilized building rights in the area, with focus on retail, in addition to utilized building rights in completed and ongoing projects in 2010.



Kopparlunden in Västerås

Mälardalen - Unutilized building rights 31-12-2010

Area	Building rights sq.m	Comment
Örebro	41,000	Inköparen 1 with building right of 4,000 sq.m. and potential building rights in central Örebro with a total of 6,000 sq.m.
Västerås	26,000	Kopparlunden with building rights of 10,000 sq.m.
Uppsala	5,000	Building rights in the area Boländerna
Sigtuna	5,000	
Total Mälardalen	77,000	

Eastern Götaland

During 2009 Castellum acquired the property Gården 15 in Linköping with a building right allowing approx 11,000 sq.m. industrial and retail premises. The property is attractively located close to highway E4 and Tornby shopping center. Another building right that provides 5,000 sq.m. office premises exist on the property Idémannen 2 in Linköping.

Bagaren 10 in Växjö is located in the industrial area Västra Mark. In connection to the existing building there is an additional building rights of approx. 10,000 sq.m. for new construction of office, retail and warehouse premises.

In Värnamo Castellum owns unutilized building rights in the area Hornaryd totalling 14,000 sq.m.



Sketch Tornby business park 10 in Växjö

Eastern Götaland - Unutilized building rights 31-12-2010

Area	Building rights sq.m	Comment
Växjö	28,000	Bagaren 10, approx. 10,000 sq.m. with possibilities for new construction of office/retail/warehouse premises
Värnamo	26,000	Among others, building rights of 14,000 sq.m. in Hornaryd
Jönköping	21,000	Among others building rights of Vingen 4 directed at retail
Linköping	17,000	Of which 11,000 sq.m. in Tornby Industrial Park and 5,000 sq.m. in Mjärdevi Science Park
Remaining Eastern Götaland	7,000	
Total Eastern Götaland	99,000	

Greater Gothenburg



Castellum's real estate portfolio in Greater Gothenburg comprises the regions Greater Gothenburg including Alingsås, Borås and Halmstad. These regions combined have approx. 1.3 million inhabitants, which corresponds to approx. 13% of Sweden's total population. Greater Gothenburg is one of three big-city regions in Sweden and one of the country's most important centers for transport and industry.

Greater Gothenburg is centrally located with a well developed infrastructure, including Gothenburg harbour, the airports and the highways E6 and E20, all contributing to the notion that the region is the best logistical centre in Scandinavia. Greater Gothenburg forms a large local labour market, mainly due to good communication and commuting possibilities. The infrastructure will be further improved in future years by a new overpass over Göta Älv.

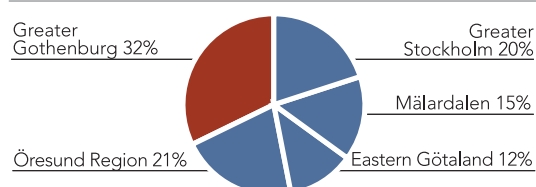
As a traditional industrial city, Gothenburg has been depending on its export industry. Today, business is extensive and diversified, spread over all branches, even though manufacturing industry, trade and logistics have historically been important areas. The business structure is now broader and has created growth in knowledge-intensive and hi-tech companies as well as in traditional businesses.

The Åbro district in Mölndal and Högsbo/Sisjön in the municipality of Gothenburg, together form one of Sweden's largest continuous industrial and enterprise areas.

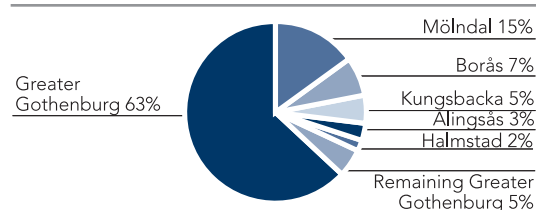
In Borås, commerce and logistics are strong sectors, which together with textile and clothing industry create an intensive international trade, supported by the proximity to Göteborg Landvetter Airport and Port of Gothenburg.

The economy in the Halmstad region is multifaceted and dominated by small and medium-sized companies within manufacturing, service, commerce and tourism, where three fourth of the companies have less than ten employees. The region has a well developed infrastructure with road, train, air and sea connections.

Castellum's real estate portfolio



Castellum's portfolio in Greater Gothenburg



	Greater Gothenburg incl. Alingsås	Borås	Halmstad
Population	987,000	154,000	115,000
Growth in population 2001-2010 / year (the nation 0.6%)	0.9%	0.4%	0.7%
Students at university/college	51,000	11,000	11,000
Growth in employment 2001-2010 / year (the nation 0.5%)	1.1%	0.3%	1.0%
Growth in gross wages 2001-2010 / year (the nation 2.2%)	2.6%	2.3%	2.9%

Source: Evidens and SCB

The five largest real estate owners

Greater Gothenburg	Premises thous. sq.m.	Borås	Premises thous. sq.m.	Halmstad	Premises thous. sq.m.
Castellum (Eklandia and Harry Sjögren)	922	SveaReal	137	Apartment Bostad	71
Wallenstam	463	Castellum (Harry Sjögren)	94	Fem Hjärtan	62
Vasakronan	320	Hemsö Fastighets AB	82	Försäkringsbolaget Alecta	53
Platzer	310	Klövern	79	Fragerus Fastigheter	46
Diligentia / Skandia Liv	293	Cernera Fastigheter	73	Dagon	40
				Castellum (Harry Sjögren)	30

Number of commercial premises (excl. residential) owned as at 31-12-2010. Municipal and State-owned companies and government institutions have been excluded.
Source: Byggstatistik and Castellum

Rental market

The companies in the Greater Gothenburg region have recovered better than expected from the economic downturn. The low new construction rate of commercial buildings, combined with a continued strong demand has led to an increased lack of efficient space for logistics. The vacancy rates for office and retail premises has been stable in all subareas.

Rental levels in the region have been stable for the most part of 2010. At the end of the year they increased due to continuing low vacancy rates.

Real estate market

In 2010, the transaction volume in Greater Gothenburg increased, both in terms of number of transactions and in volume, and property prices have increased.

Real estate transactions for about SEK 5.5 billion were carried out in the region in 2010, compared with about SEK 2.2 billion in 2009 and SEK 4.6 billion in 2008. Four of the five largest transactions dealt with sales of offices – four took place in Gothenburg and one in Halmstad. In two transactions, the buyers were foreign. The single largest transaction in Gothenburg amounted to SEKm 600 and in Halmstad to SEKm 500.

Several transactions were conducted in central Gothenburg with a yield of 5.0%–5.5%.

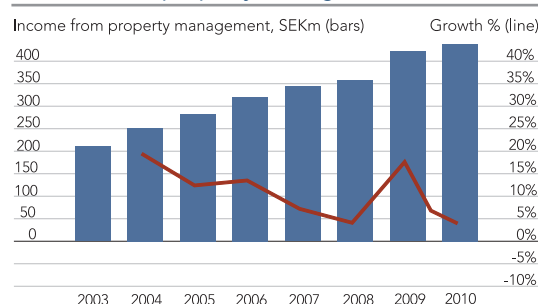
Of total commercial transaction volume, the category office/commercial amounted to approximately 58% and industrial/warehouse to about 42%.



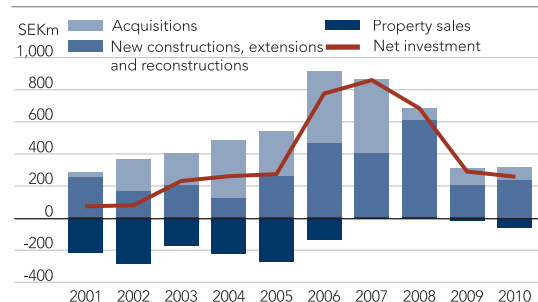
	Gothenburg			Borås			Halmstad		
	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.
Office									
AA-area	1,500 - 2,350	5.25% - 6.50%	17,000 - 33,000						
A-area	1,250 - 2,100	5.75% - 6.75%	11,000 - 27,000	800 - 1,300	6.75% - 8.50%	8,000 - 12,000	800 - 1,300	6.50% - 8.25%	6,000 - 13,000
B-area	1,000 - 1,500	6.50% - 7.75%	6,000 - 18,000	575 - 800	8.00% - 10.00%	5,000 - 7,500	700 - 1,100	7.00% - 8.75%	4,000 - 12,000
C-area	600 - 1,200	7.25% - 8.75%	4,000 - 13,000	400 - 600	9.00% - 11.00%	2,700 - 4,000	550 - 900	8.00% - 10.00%	4,000 - 8,000
Retail									
AA-area	4,000 - 8,500	5.00% - 6.25%	25,000 - 90,000						
A-area	2,500 - 6,000	5.50% - 6.75%	20,000 - 75,000	1,400 - 3,000	6.00% - 7.50%	11,000 - 25,000	1,250 - 3,250	5.75% - 6.75%	6,000 - 28,000
B-area	1,000 - 3,500	6.00% - 7.00%	10,000 - 27,500	700 - 1,500	7.50% - 9.00%	5,000 - 10,000	800 - 2,000	6.00% - 7.50%	5,000 - 18,000
C-area	700 - 1,500	6.50% - 8.50%	2,500 - 12,500	400 - 650	9.00% - 11.00%	3,000 - 5,000	450 - 1,500	7.50% - 9.50%	4,000 - 10,000
Warehouse/industrial									
A-area	450 - 900	7.25% - 8.50%	4,000 - 11,000	300 - 500	8.25% - 10.00%	2,500 - 7,500	350 - 650	7.25% - 9.00%	2,000 - 7,500
B-area	450 - 750	8.00% - 9.00%	3,500 - 8,000	275 - 400	9.00% - 11.00%	1,700 - 2,500	300 - 500	8.00% - 9.00%	2,000 - 5,000
C-area	350 - 600	8.50% - 9.50%	2,000 - 6,000	175 - 250	10.00% - 13.00%	1,000 - 2,000	250 - 450	9.00% - 11.50%	1,500 - 3,000

Source: NAI Svefa

Income from property management



Investments and sales



Greater Gothenburg summary

	December 31, 2010						January-December 2010						
	No of prop.	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m	Investments, SEKm		Rental value SEKm	Rental value SEK/sq.m	Econ. occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail	76	399	5,502	13,804	138	–	508	1,275	95.1%	483	128	321	355
Warehouse/industrial	100	647	4,570	7,069	83	82	469	726	93.1%	437	106	164	331
Total	176	1,046	10,072	9,637	221	82	977	935	94.1%	920	234	224	686
Leasing and property administration											42	40	– 42
Development projects and undeveloped land	12	–	104	–	12	–	–	–	–	–	–	–	–
Total	188	1,046	10,176	–	233	82	977	–	–	920	276	264	644

Castellum's real estate portfolio

Castellum's real estate portfolio in Greater Gothenburg comprises 188 properties (190) with a total area of 1,046,000 sq. m. (1,028,000) and a fair value of SEKm 10,176 (9,618). For properties owned at the year-end the rental value amounted to SEKm 977 (944) on an annual basis and net operating income to SEKm 644 (619). Investments during the year amounted to SEKm 315 (308).

Central and eastern Gothenburg consist mainly of office and retail properties, a district corresponding to 63% of Castellum's real estate portfolio in Greater Gothenburg. The portfolio on Hisingen and in Högsbo/Sisjön consists of office properties as well as warehouse and industrial properties.

In the municipality of Mölndal, corresponding to 15% of Castellum's real estate portfolio in Greater Gothenburg, there are mainly warehouse and industrial properties. In Åbro and Lackarebäck offices are also found.

The real estate portfolio in Borås municipality corresponds to 7% of Castellum's real estate portfolio in Greater Gothenburg. Castellum mainly owns office and retail properties in central Borås, but also a smaller share of warehouse and industry properties.



In addition there are also mixed property holdings in Alingsås, Halmstad, Partille, Kungälv, Kungsbacka, Lerum and Härryda.

See also the section Castellum's Real Estate Schedule 2010, with real estate schedule, maps and financial information.

Rental development

Castellum's average rental level is SEK 1,275 per sq.m. for office/retail and SEK 726 per sq.m. for warehouse/industrial premises. Rental levels have increased by 2.6% in comparable portfolio compared with previous year.

The average economic occupancy rate was 94.1%, which is 0.1%-units higher than previous year.

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 61 (42), of which SEKm 10 (5) related to leasing in new constructions, extensions and reconstructions. Notices of terminations amounted to SEKm 57 (54), of which bankruptcies were SEKm 4 (6), hence net leasing for the year were SEKm 4 (-12).

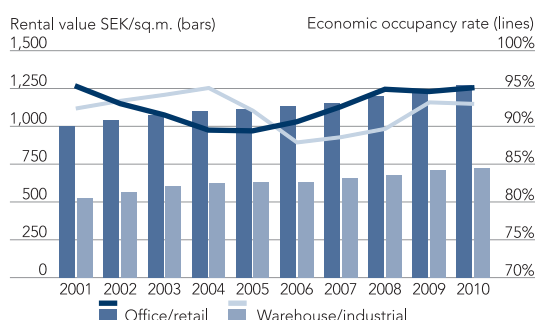
Subsidiaries

Castellum's properties in Greater Gothenburg are owned and managed by the wholly owned subsidiaries Eklandia Fastighets AB, with its head office in Gothenburg, and Harry Sjögren AB with its head office in Mölndal. Eklandia's real estate portfolio is mainly concentrated to central and eastern Gothenburg and Hisingen while Harry Sjögren's properties are located mainly in Högsbo/Sisjön in southern Gothenburg, Mölndal, Borås, Halmstad, Kungsbacka, Lerum, Partille, Alingsås and Härryda. At the year-end Eklandia had 39 employees and Harry Sjögren had 29 employees.

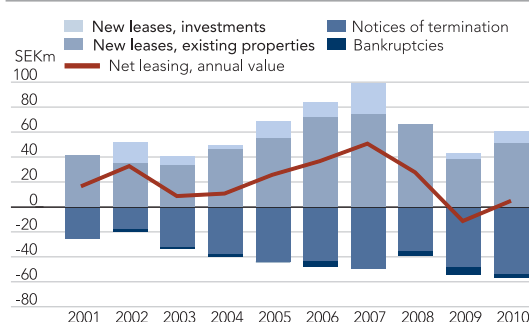


Harry Sjögren AB

Rental value and economic occupancy rate



Net leasing



Annedal 21:10, Gothenburg

The Öresund Region



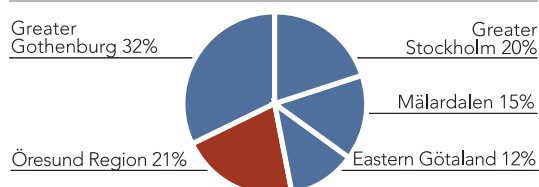
Malmö, Lund and Helsingborg, together with 22 other municipalities, form the Malmö region. Approx. one million people live in the region, or about 11% of Sweden's population. Another 2.7 million people are living on the Danish side. The entire Malmö region, together with Copenhagen, has during the last few years had a very strong progress. Castellum's real estate portfolio in the Öresund region is located in Malmö, Lund and Helsingborg.

The infrastructure in Malmö is highly developed, with the Öresund Bridge, a number of European highways, Sturup airport and the proximity to Kastrup airport, a modern harbour and good railroad connections. Structural investments in infrastructure like the Öresund bridge and the new City railroad tunnel drives the development forward. Malmö has been transformed from an industrial to a knowledge city and the business that earlier consisted of few large industrial companies has shifted and is now made up by several small enterprises in a number of branches. New establishments of industrial and warehouse premises in Malmö are now located alongside Yttre Ringvägen, while the central industrial area slowly is being transformed into residential areas.

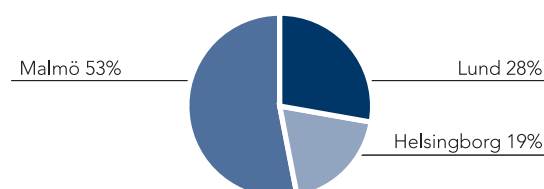
Lund has a highly developed infrastructure with highways E22 and E6 and the airports Sturup and Kastrup close by. Lund's economy has a knowledge based profile with many smaller research intensive companies with connections both to the university and to established companies. Several of those have emerged out of Ideon, Sweden's first and largest Science Park, where the last year's new production of office areas has been concentrated. The Brunnsköp area is an upcoming area for exploitation, partly because of plans for the research establishment European Spallation Source (ESS) to be located to the area, with possibly up to approx. 5,000 scientists working there. During the end of 2010 the new construction of a synchrotron plant, MAX IV, was started in the area.

Helsingborg has a strategic location and good infrastructure, with the highways E4 and E6 and Sweden's third largest harbour for goods, all of which have transformed the city into a centre for sea and land transport.

Castellum's real estate portfolio



Castellum's portfolio in the Öresund Region



	Malmö Region	of which Lund	of which Helsingborg
Population	1,037,000	111,000	130,000
Growth in population 2001-2010 / year (the nation 0.6%)	1.1%	1.2%	1.0%
Students at university/college	58,000	39,000	–
Growth in employment 2001-2010 / year (the nation 0.5%)	0.9%	0.8%	1.2%
Growth in gross wages 2001-2010 / year (the nation 2.2%)	2.8%	2.6%	3.1%

Source: Evidens and SCB

The five largest real estate owners

Malmö Region	Premises thous. sq.m.	of which Lund	Premises thous. sq.m.	of which Helsingborg	Premises thous. sq.m.
Wihlborgs	1,232	Castellum (Briggen)	125	Wihlborgs	502
Castellum (Briggen)	646	Wihlborgs	104	Castellum (Briggen)	155
Vasakronan	282	Hemsö Fastighets AB	89	Brinova	94
Kungsleden	249	Vasakronan	81	Norrporten	93
Dagon	191	North Bridge Capital Partners	77	Northern Logistics Properties	75

Number of commercial premises (excl. residential) owned as at 31-12-2010. Municipal and State-owned companies and government institutions have been excluded.
Source: Byggstatistik och Castellum

The city is a trade and logistics centre, but also food, pharmaceutical and manufacturing industry are important businesses.

Rental market

The beginning of 2010 was characterized by temporarily low activity on the rental market in the Öresund region. During the latter part of the year the demand increased, especially in the Malmö area and Västra Hamnen, where a number of new construction projects are planned.

In Lund, a number of major companies made cutbacks which may temporarily affect the vacancies, but this is countered by the city's stable industry, which works closely with the University and the future investment in the ESS and MAX IV facilities.

Rental levels in the region for new constructed premises and locations close to communications have been stable or slightly increasing during the year, while older and not so central portfolios have remained at stable levels. In 2010 vacancies have been unchanged throughout the region.

Real estate market

The offering of properties in 2010 was higher than previous year. The transaction activity increased in the third quarter and continued to be at a high level throughout the rest of the year. Price levels in transactions carried out show that property prices have increased during the year.

The transaction volume for 2010 amounted to SEK 4.3 billion, compared with SEK 2.1 billion in 2009 and SEK 5.8 billion in 2008. The five largest transactions in the Malmö region represent 41% of the volume and consist mainly of office space. The largest single purchase was made for SEKm 500. In Malmö and Lund, several sales of office premises were made with a yield of 5.5%-6.0%.

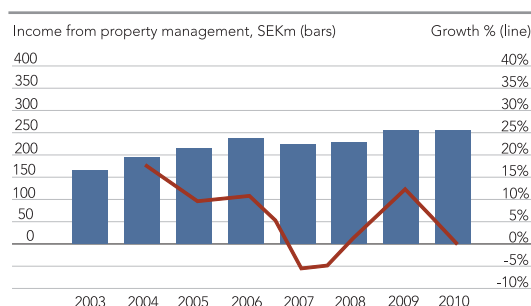
Of the total commercial transaction volume, the category office/commercial makes up for approximately 74% and industrial/warehouse for about 26%.



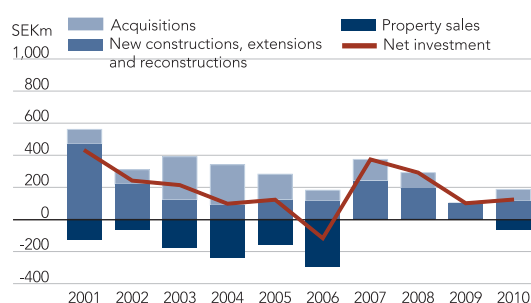
	Malmö			Lund			Helsingborg		
	Market rents SEK/sq.m.	Yields at sales	Estimated values. SEK/sq.m	Market rents SEK/sq.m.	Yields at sales	Estimated values. SEK/sq.m	Market rents SEK/sq.m.	Yields at sales	Estimated values. SEK/sq.m
Office									
AA-area	1,450 - 2,350	5.25% - 6.25%	20,000 - 30,000						
A-area	1,350 - 1,850	5.75% - 6.50%	14,000 - 20,000	1,300 - 1,950	6.25% - 6.75%	15,000 - 22,000	1,250 - 1,800	6.50% - 7.00%	12,000 - 16,000
B-area	800 - 1,400	6.50% - 7.75%	7,000 - 13,000	700 - 1,350	6.75% - 7.75%	8,000 - 12,000	800 - 1,200	7.25% - 8.25%	7,000 - 10,000
C-area	600 - 1,000	7.75% - 9.00%	5,000 - 7,000	600 - 1,000	7.50% - 9.00%	5,000 - 7,000	600 - 850	8.00% - 9.75%	4,500 - 7,000
Retail									
AA-area	4,000 - 5,750	5.25% - 6.00%	40,000 - 45,000						
A-area	3,200 - 4,500	5.75% - 6.25%	25,000 - 35,000	2,500 - 4,400	6.00% - 6.50%	25,000 - 35,000	2,500 - 4,000	6.25% - 7.00%	22,000 - 32,000
B-area	1,000 - 2,400	6.50% - 7.50%	10,000 - 20,000	1,200 - 2,200	6.50% - 7.25%	15,000 - 25,000	1,200 - 1,900	7.00% - 7.75%	9,000 - 14,000
C-area	650 - 1,300	7.50% - 9.00%	5,000 - 12,000	650 - 1,100	7.25% - 8.50%	6,000 - 10,000	600 - 900	7.50% - 9.50%	4,000 - 8,000
Warehouse/industrial									
AA-area	650 - 850	7.25% - 7.75%	5,000 - 9,000						
A-area	550 - 700	7.50% - 8.00%	4,000 - 7,000	450 - 800	7.50% - 8.50%	4,000 - 8,000	350 - 650	7.75% - 8.75%	3,000 - 7,000
B-area	350 - 650	8.00% - 9.50%	3,500 - 5,000	350 - 650	8.00% - 9.50%	2,000 - 5,500	250 - 500	8.25% - 10.00%	2,500 - 4,500
C-area	250 - 500	9.00% - 10.50%	3,000 - 4,000	250 - 400	9.00% - 12.00%	1,500 - 3,000	225 - 400	9.00% - 12.00%	1,500 - 3,000

Source: NAI Svefa

Income from property management



Investments and sales



Malmö region summary

	December 31, 2010				January-December 2010								
	No of prop.	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m	Investments, SEKm		Rental value SEKm	Rental value SEK/sq.m	Econ. occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail	52	323	4,907	15,185	63	–	1,408	1,408	87.6%	398	113	351	285
Warehouse/industrial	41	298	1,717	5,765	49	–	684	684	84.5%	172	49	163	123
Total	93	621	6,624	10,667	112	–	1,060	1,060	86.6%	570	162	261	408
Leasing and property administration											34	54	– 34
Development projects and undeveloped land	8	25	124	–	3	72	8	–	–	–	4	–	– 4
Total	101	646	6,748	–	115	72	667	–	–	570	200	315	370

Castellum's real estate portfolio

Castellum's real estate portfolio in the Öresund region comprises 101 properties (100) with a total area of 646,000 sq. m (620,000) and a fair value of SEKm 6,748 (6,347). For properties owned at the year-end the rental value amounted to SEKm 667 (658) on an annual basis and net operating income to SEKm 370 (372). Investments during the year amounted to SEKm 187 (101).

53% of Castellum's portfolio in the Öresund region is located to Malmö and comprises mainly a mix of commercial properties in the established market areas Jägersro, Fosie, Bulltofta and Norra Hamnen. In central Malmö there is also a portfolio of larger office and retail properties.

In Lund, corresponding to 28% of the company's real estate portfolio in the Öresund region, the portfolio comprises office as well as warehouse and industrial properties in the industrial estates Råbyholm and Gunnesbo, and office properties close at the Ideon science park. There is also a smaller portfolio of office and retail properties located to central Lund.

The portfolio in Helsingborg, 19%, comprises mainly office, warehouse and industrial properties situated primarily in Berga industrial estate and in central Helsingborg.



Stockholmsledet 8, Lund

See also the section Castellum's Real Estate Schedule 2010, with real estate schedule, maps and financial information.

Rental development

Castellum's average rental level is SEK 1,408 per sq.m. for office/retail and SEK 684 per sq.m. for warehouse/industrial premises. Rental levels have increased by 0.3% in comparable portfolio compared with previous year.

The average economic occupancy rate was 86.6%, which is 0.1%-units higher than previous year.

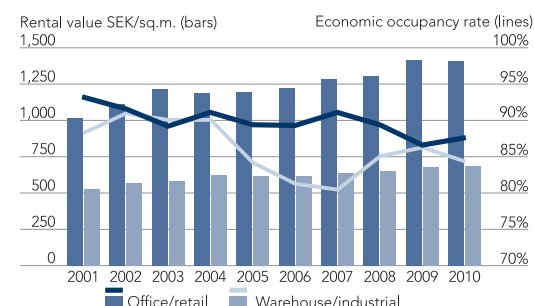
The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 66 (49), of which SEKm 14 (4) related to leasing in new constructions, extensions and reconstructions. Notices of terminations amounted to SEKm 75 (72), of which bankruptcies were SEKm 2 (6), hence net leasing for the year were SEKm -9 (-23).

Subsidiaries

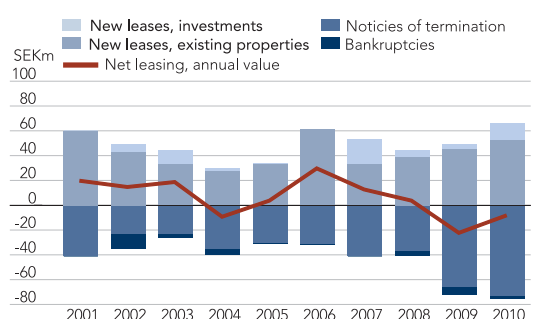
Castellum's properties in the Öresund region are owned and managed by the wholly owned subsidiary Fastighets AB Briggen, with its head office in Malmö and a local office in Helsingborg and Lund. At the year-end Briggen had 40 employees.



Rental value and economic occupancy rate



Net leasing



Greater Stockholm

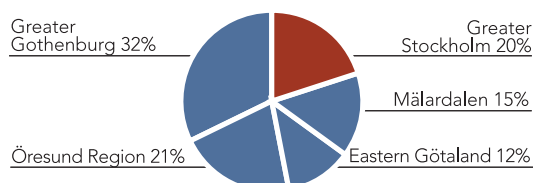


The Stockholm region is Sweden's largest employment area with more than two million inhabitants, or 22% of the nation's total population. Castellum's region Greater Stockholm includes the municipalities of Stockholm, Botkyrka, Huddinge, Järfälla, Nacka, Sigtuna, Sollentuna and Upplands-Väsby.

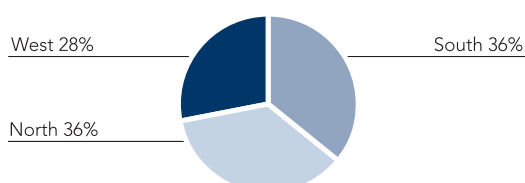
Stockholm is characterized by being the nation's capital, where major political institutions as well as a large number of Swedish companies are residing. The whole region with Stockholm city, suburbs and surrounding cities is growing and under continuous progress. The region has Sweden's largest service sector spread over many business areas, making up for approx. 60% of total gross wages. Both employment and population growth in the region have during the last decade been highest in the country.

Greater Stockholm can be divided into the inner city and areas north and south of the city centre. In the northern area there are mainly service-based companies, while there is a larger share of companies dedicated to manufacturing and distribution in the south. Both in the north and the south, the increasing number of workplaces have gradually been concentrated to larger business districts.

Castellum's real estate portfolio



Castellum's portfolio in Greater Stockholm



North

Infrastructure in the northern part of Greater Stockholm is well developed with highways E4 and E18, as well as airports at Arlanda and Bromma. There are also several harbours, which to a large extent are used for passenger transportation. New businesses and growth in the northern areas have mainly been concentrated to the stretch between Stockholm and Arlanda, where a number of large business areas have been established such as Kista, parts of Sollentuna and parts of Upplands-Väsby.

Sollentuna municipality, with a strategic location between Stockholm city and Arlanda airport, consists of a number of submarkets and has expanded particularly within retail and service.

The municipalities Solna and Sundbyberg and the districts Mariehäll and Ulvsunda in Bromma are geographically concentrated with proximity to Stockholm city and have a well developed infrastructure.

Stockholm

Population	2,095,000
Growth in population 2001-2010 / year (the nation 0.6%)	1.1%
Students at university/college	92,000
Growth in employment 2001-2010 / year (the nation 0.5%)	0.7%
Growth in gross wages 2001-2010 / year (the nation 2.2%)	2.3%

Source: Evidens and SCB

The five largest real estate owners

Greater Stockholm

Premises thous. sq.m
(Municipalities Botkyrka, Huddinge, Järfälla, Nacka, Sigtuna, Sollentuna, Solna, Stockholm, Upplands-Väsby)

Vasakronan	1,780
Fabege	1,225
Castellum (Brostaden)	569
Atrium Ljungberg	546
AMF Pension	537

Number of commercial premises (excl. residential) owned as at 31-12-2010. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggstatisik and Castellum

The total office market in the area is, next after the inner city, the largest within the entire Stockholm region and has shown strong growth in the number of employees in office intensive businesses.

Kista Science City, located in Kista, is one of northern Europe's most dynamic business parks and one of the Stockholm region's largest business areas, where approx. 67,000 people work. Kista is dominated by companies operating mainly in the fields of information technology and telecommunication. Also the retail sector has grown strongly.

South

In southern Stockholm there are a number of office and industrial areas. The Globen area, including Johanneshov, is dominated by service companies, retail and communication. The area has good means of communication. Marievik/Liljeholmen is a more typical office area just outside Stockholm's inner city and Södermalm. Västberga, with proximity to highway E4 and the trunk line, is dominated by transportation and logistics companies, warehouses, manufacturing and construction companies.

Skärholmen, located to the most southern part of Stockholm, is dominated by trade and the area Kungens Kurva is one of the largest shopping areas in the Nordic countries.

Rental market

The economic downturn in 2009 affected both rental and vacancy levels on the market. The levels stabilized in late 2009 and this trend continued during the beginning of 2010.

The activity on the rental market has during the latter part of 2010 been higher than last year which led to greater demand for warehouse and industrial premises, resulting in a lack of effective logistics areas. Demand for office space remained relatively high throughout the region, resulting in unchanged vacancy and rental levels during the year.

Real Estate Market

The turnover in the real estate market in the Stockholm region was high throughout 2010, both in terms of transactions and in volume. During the last quarter, the transaction volume was higher than during the entire 2009.

Property prices in the greater Stockholm area have risen during the year. In central Stockholm Blåmannen 20 (Klara Zenit) was sold, one of the single largest property deals in Sweden ever. In 2010 real estate transactions were conducted at a value of about SEK 24.0 billion, compared with SEK 7.4 billion in 2009 and SEK 22.2 billion in 2008. Of the transactions carried out five were at higher value than SEK 1.0 billion. In all five cases the buyers represent pension capital, directly or indirectly.

Of the total commercial transaction volume, the category office/commercial amounted to approx. 93% and industrial/warehouse to approx. 7%.

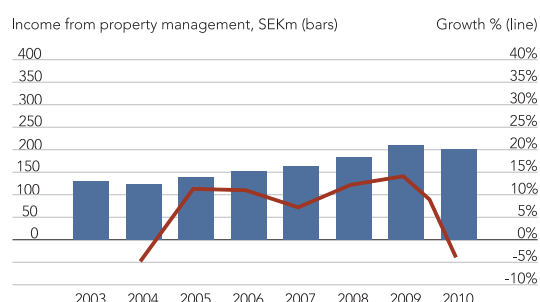


Stockholm (inner suburbs)

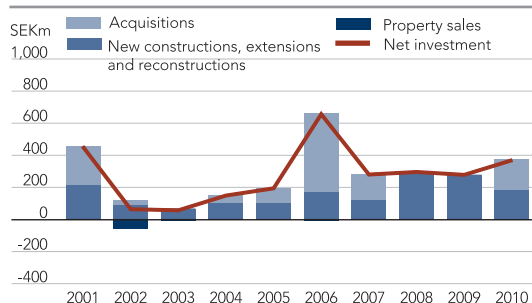
	Market rents SEK/sq.m.	Yields at sales	Estimated values, SEK/sq.m
Office			
A-area	1,700 - 2,300	5.75% - 6.50%	15,000 - 35,000
B-area	1,100 - 1,600	6.50% - 7.50%	10,000 - 20,000
C-area	750 - 1,100	7.25% - 8.75%	5,000 - 8,000
Retail			
A-area	1,500 - 5,000	5.75% - 6.50%	20,000 - 60,000
B-area	1,100 - 2,500	6.25% - 7.00%	10,000 - 25,000
C-area	600 - 1,500	7.00% - 8.00%	5,000 - 10,000
Warehouse/industrial			
A-area	800 - 1,200	7.00% - 8.00%	5,000 - 12,000
B-area	550 - 800	7.50% - 8.50%	4,500 - 8,000
C-area	450 - 650	7.75% - 9.00%	3,500 - 6,000

Source: NAI Svefa

Income from property management



Investments and sales



Greater Stockholm summary

	December 31, 2010				January-December 2010								
	No of prop.	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m	Investments, SEKm		Rental value SEKm	Rental value SEK/sq.m	Econ. occupancy rate	Rental income SEKm	Property costs SEKm	Property operating costs SEK/sq.m	Net operating income SEKm
Office/retail	49	332	4,039	12,175	63	25	434	1,307	79.2%	343	105	318	238
Warehouse/industrial	42	210	1,837	8,727	23	168	192	912	91.0%	175	50	238	125
Total	91	542	5,876	10,836	86	193	626	1,154	82.8%	518	155	287	363
Leasing and property administration											32	58	- 32
Development projects and undeveloped land	6	27	494	-	95	-	9	-	-	3	3	-	0
Total	97	569	6,370	-	181	193	635	-	-	521	190	345	331

Castellum's real estate portfolio

Castellum's real estate portfolio in Greater Stockholm comprises 97 properties (90) with a total area of 569,000 sq. m (534,000) and a fair value of SEKm 6,370 (5,695). For properties owned at the year-end the rental value amounted to SEKm 635 (601) on an annual basis and net operating income to SEKm 331 (328). Investments during the year amounted to SEKm 374 (278).

In the northern suburbs, comprising 36% of Castellum's real estate property portfolio in Greater Stockholm, larger office and retail properties are located in Mariefält in Bromma, Kista and Solna.

Properties in the southern suburbs, corresponding to 36% of Castellum's real estate portfolio in Greater Stockholm, are located in areas such as Johanneshov, Skärholmen/Kungens kurva and Nacka. In these areas there are mainly larger office and retail properties. In Botkyrka warehouse and industrial properties can also be found.

In the western suburbs, comprising 28% of Castellum's real estate property portfolio in Greater Stockholm, larger office and properties are located in Upplands-Väsby and Sollentuna. In the areas Veddesta/Lunda and Rosersberg there are mainly warehouse and industrial properties.

Ekplantan 4, Sollentuna

See also the section Castellum's Real Estate Schedule 2010, with real estate schedule, maps and financial information.

Rental development

Castellum's average rental level is SEK 1,307 per sq.m. for office/retail and SEK 912 per sq.m. for warehouse/industrial premises. Rental levels have increased by 0.3% in comparable portfolio compared with previous year.

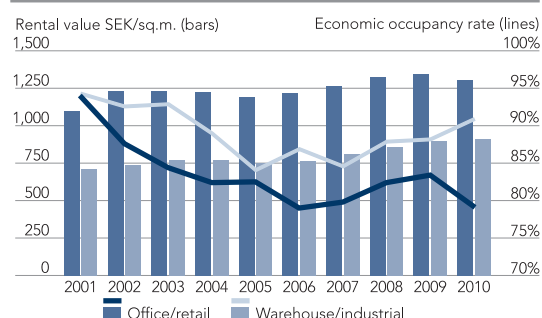
The average economic occupancy rate was 82.8%, which is 2%-units lower than previous year.

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 47 (49), of which SEKm 4 (0) related to leasing in new constructions, extensions and reconstructions. Notices of terminations amounted to SEKm 42 (54), of which bankruptcies were SEKm 3 (8), hence net leasing for the year were SEKm 5 (-5).

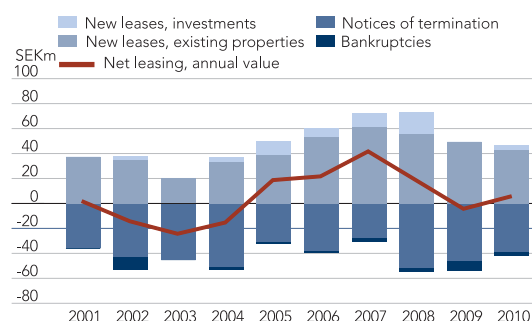
Subsidiary

Castellum's properties in Greater Stockholm are owned and managed by the wholly owned subsidiary Fastighets AB Brostaden, with its head office in Stockholm. Brostaden's operations are divided into five market areas. At the year-end Brostaden had 37 employees.

Rental value and economic occupancy rate



Net leasing



BROSTADEN



Ekenäs 1, 3 and 4, Stockholm

Mälardalen



Castellum's region Mälardalen comprises the areas of Örebro, Uppsala and Västerås, with a combined population of approx. 760,000 inhabitants, or 8% of Sweden's population. The region has had a positive population growth and has a good business structure.

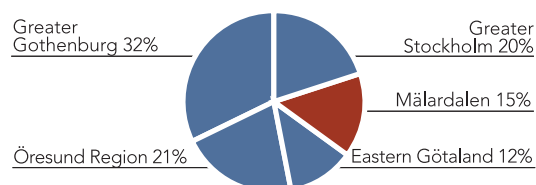
The two railroads Mälar Line and Svealand Line have improved commuting between Stockholm and Örebro, via Västerås and Eskilstuna respectively.

Örebro's strategic location with the intersection of several roads, with good railroad connections and an airport close by, has transformed Örebro into a centre for logistics. Business in Örebro is diversified, with activities found in commerce, service, administration, a variety of manufacturing industries and several governmental and municipal administrative bodies.

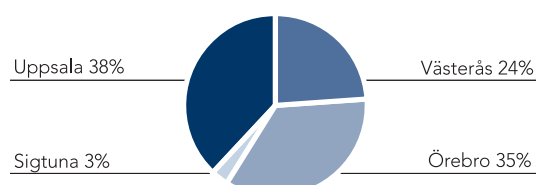
Uppsala is the country's fourth largest city and one of the most important university cities, with good communications and a well developed and diversified business with focus on IT, medical science and commerce. The university, good infrastructure and vicinity to Stockholm are some of the explanations why Uppsala has been showing a good growth.

Västerås has a strategic location by highway E18, good railroad connections, an airport and the largest inland port of the Nordic countries. The local business is characterized by both multinational companies and many new enterprises. Collaboration between the university and the local business is a strong growth factor. In central Västerås, there is a transformation from former industry premises to modern offices going on.

Castellum's real estate portfolio



Castellum's portfolio in Mälardalen



	Örebro	Uppsala	Västerås
Population	228,000	306,000	230,000
Growth in population 2001-2010 / year (the nation 0.6%)	0.5%	0.8%	0.4%
Students at university/college	15,000	38,000	12,000
Growth in employment 2001-2010 / year (the nation 0.5%)	0.5%	0.6%	0.3%
Growth in gross wages 2001-2010 / year (the nation 2.2%)	2.6%	2.4%	1.7%

Source: Evidens och SCB

The five largest real estate owners

Örebro	Premises thous. sq.m	Uppsala	Premises thous. sq.m	Västerås	Premises thous. sq.m
Castellum (Aspholmen)	210	Vasakronan	254	NR Nordic & Russia Properties	475
Brinova	96	Uppsala Akademiförvaltning	157	Klövern	193
Alecta Pensionsförsäkring	92	Castellum AB (Aspholmen)	154	Castellum AB (Aspholmen)	164
Norrporten	75	Klövern	66	Hemfosa Fastigheter	117
Behn Fastigheter	71	Diligentia / Skandia Liv	55	Northern Logistic Property	105

Number of commercial premises (excl. residential) owned as at 31-12-2010. Municipal and State-owned companies and government institutions have been excluded.
Source: Byggstatisik and Castellum

Rental market

The rental market in Mälardalen has been stable during 2010 with an increased activity on some locations. In Uppsala the demand for offices and prime retail space has increased in 2010. In Västerås, the rental market improved in 2010, while the rental market in Örebro has been stable. The increased demand for premises during the year has led to a stable or positive development of rental levels in all submarkets.

The vacancy rate has remained stable in all types of commercial premises, where efficient office and logistics buildings have the lowest vacancy rates, due to continued limited new construction.

Real estate market

In 2010 the turnover of real estate in Mälardalen was SEK 3.0 billion, compared with SEK 0.4 billion in 2009 and SEK 2.2 billion in 2008. Of registered transactions Uppsala accounted for 58% of the volume. Four of the major transactions in Mälardalen were acquisition of retail properties, equivalent to 38% of total transaction volume where two of the deals were bigger than SEK 500 million each. In all transactions except one the buyers were Swedish actors. Transactions carried out show that property prices have risen over the year, as centrally located properties were acquired at a yield of 6.0%-6.5%.

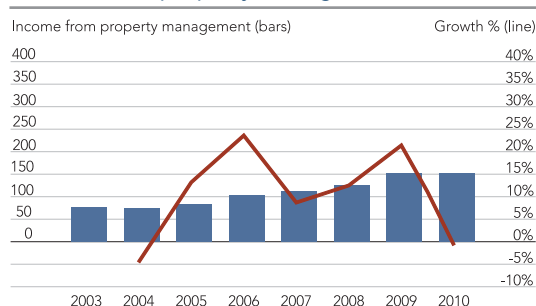
Out of total commercial transaction volume, the category office/commercial amounted to about 63% and industrial/warehouse to about 37%.



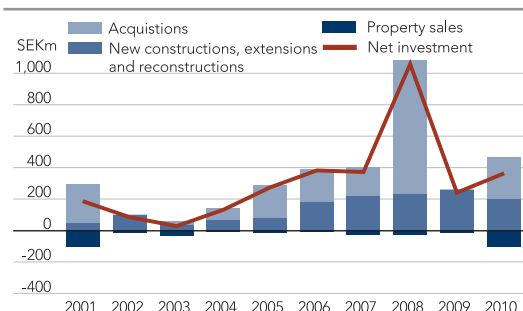
	Örebro			Uppsala			Västerås		
	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m
Office									
A-area	900 - 1,600	6.50% - 8.00%	7,500 - 15,000	1,200 - 2,200	6.25% - 7.50%	10,000 - 22,000	1,000 - 1,600	6.50% - 8.00%	8,000 - 13,000
B-area	700 - 1,200	7.50% - 8.50%	4,500 - 9,000	900 - 1,800	6.75% - 7.75%	7,000 - 14,000	800 - 1,500	7.25% - 8.25%	6,000 - 10,000
C-area	600 - 800	8.50% - 9.50%	3,000 - 5,500	700 - 1,100	8.00% - 9.50%	5,000 - 9,000	650 - 1,000	8.00% - 9.00%	4,000 - 7,500
Retail									
A-area	2,000 - 4,000	6.00% - 7.50%	15,000 - 35,000	2,200 - 4,500	6.00% - 7.25%	15,000 - 40,000	1,500 - 3,500	6.00% - 7.50%	15,000 - 30,000
B-area	1,000 - 2,000	7.00% - 8.00%	7,500 - 17,500	1,000 - 2,200	6.75% - 8.00%	7,000 - 17,000	1,000 - 1,600	6.50% - 8.00%	10,000 - 18,000
C-area	700 - 1,100	8.00% - 9.00%	4,000 - 9,000	800 - 1,200	7.50% - 9.00%	5,000 - 10,000	700 - 1,000	7.50% - 9.00%	5,000 - 10,000
Warehouse/industrial									
A-area	500 - 700	7.50% - 9.00%	3,500 - 7,000	550 - 750	7.50% - 8.50%	4,000 - 7,000	550 - 800	7.50% - 9.00%	3,500 - 8,000
B-area	400 - 600	8.00% - 10.00%	2,500 - 5,000	450 - 600	8.00% - 9.50%	3,500 - 5,500	400 - 600	8.25% - 9.50%	3,000 - 5,000
C-area	300 - 500	9.00% - 11.50%	1,000 - 3,500	350 - 500	9.25% - 11.00%	1,500 - 4,000	300 - 450	9.25% - 10.50%	1,500 - 3,500

Source: NAI Svefa

Income from property management



Investments and sales



Castellum's real estate portfolio

Castellum's real estate portfolio in Mälardalen comprises 116 properties (115) with a total area of 545,000 sq.m (516,000) and a fair value of SEKm 4,829 (4,297). For properties owned at the year-end the rental value amounted to SEKm 509 (478) on an annual basis and net operating income to SEKm 277 (265). Investments during the year amounted to SEKm 464 (259).

Castellum's real estate portfolio is concentrated to Örebro, Uppsala and Västerås, from central office properties to warehouse and industrial properties in well-situated employment areas.

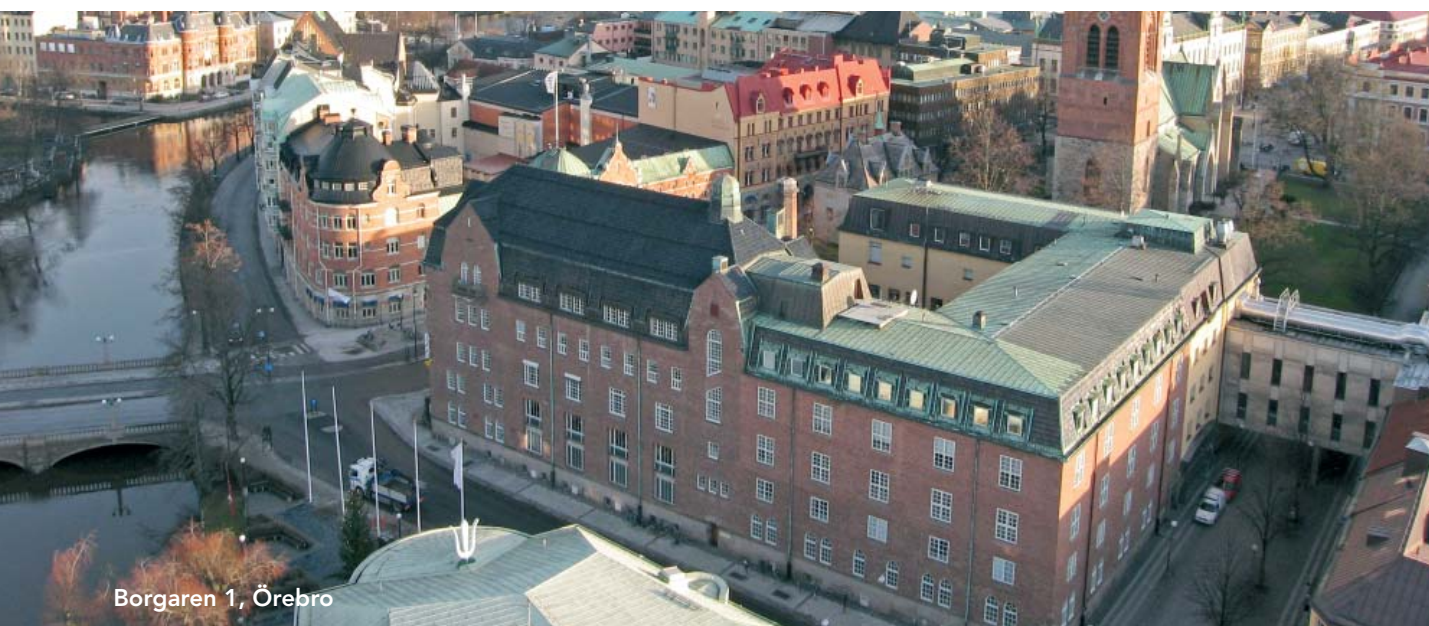
Castellum's real estate portfolio in Örebro corresponds to 35% of their total real estate portfolio in region Mälardalen and consists of a mix of office and retail properties and warehouse and industrial properties, concentrated to the area Aspholmen and central Örebro.

In Uppsala, with 38% of Castellum's total real estate portfolio in Mälardalen, mainly office and retail properties are found, but also warehouse and industrial properties. The properties have attractive locations in Fyrislund, Boländerna and along Kungsgatan in central Uppsala.

In Västerås, corresponding to 24%, there is a mix of office and retail properties and warehouse and industrial properties. The real estate

Mälardalen summary

	December 31, 2010						January-December 2010						
	No of prop.	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m	Investments, SEKm		Rental value SEKm	Rental value SEK/sq.m	Econ. occupancy rate	Rental income SEKm	Property costs SEKm	Property operating costs SEK/sq.m	Net operating income SEKm
Office/retail	74	361	3,609	10,007	109	261	375	1,041	90.2%	339	112	311	227
Warehouse/industrial	38	158	906	5,720	16	-	109	690	91.8%	100	28	178	72
Total	112	519	4,515	8,699	125	261	484	934	90.6%	439	140	270	299
Leasing and property administration											28	55	-28
Development projects and undeveloped land	4	26	314	-	78	-	25	-	-	12	6	-	6
Total	116	545	4,829	-	203	261	509	-	-	451	174	325	277



Borgaren 1, Örebro

portfolio is situated in the established market areas Kopparlunden, Tunbytorp, Bäckby and Hälla.

Castellum also owns a minor real estate portfolio in Märsta, in the municipality of Sigtuna.

See also the section Castellum's Real Estate Schedule 2010 with real estate schedule, maps and economic information.

Rental development

Castellum's average rental level is SEK 1,041 per sq.m. for office/retail and SEK 690 per sq.m. for warehouse/industrial premises. Rental levels have increased by 0.3% in comparable portfolio compared with previous year.

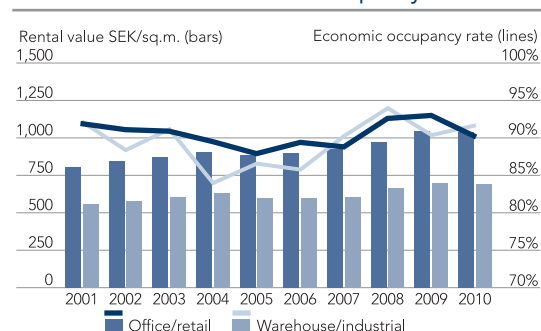
The average economic occupancy rate was 90.6%, which is 1.8%-units lower than previous year.

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 56 (66), of which SEKm 10 (5) related to leasing in new constructions, extensions and reconstructions. Notices of terminations amounted to SEKm 33 (73), of which bankruptcies were SEKm 2 (7), hence net leasing for the year were SEKm 23 (-7).

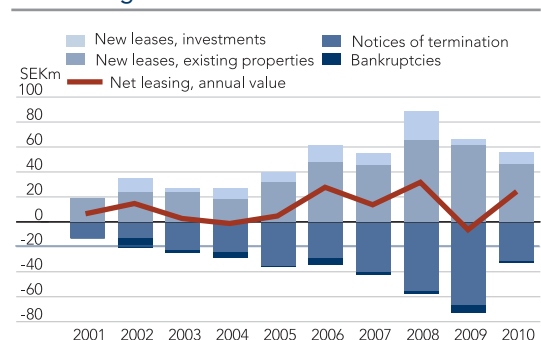
Subsidiary

Castellum's properties in Mälardalen are owned and managed by the wholly owned subsidiary Aspholmen Fastigheter AB with its head office in Örebro. The company has local management offices in Västerås and Uppsala. At the year-end Aspholmen had 41 employees.

Rental value and economic occupancy rate



Net leasing



Dragarbrunn 16:2, Uppsala

Eastern Götaland



Castellum's real estate portfolio in Eastern Götaland comprise Värnamo, Jönköping, Växjö, and Linköping, which together form a region with approx. 630,000 inhabitants, or slightly less than 7% of Sweden's population.

The province of Småland is well known for its entrepreneurial spirit and is one of Sweden's most interesting and successful regions, in terms of small enterprises.

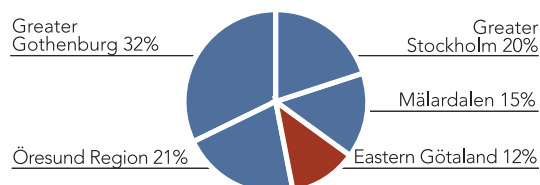
Jönköping has a strategic location, with several major highways and access to airport and railroad, which has developed Jönköping into a logistics centre. Many large companies have established warehouses and distribution in Jönköping.

Värnamo has a small labor market, though the number of people in the city's reception area for commerce is three times as large as its population. The infrastructure, with highway E4 and good railroad connections provide for good accessibility and a successful industry. Värnamo has a strong tradition of small enterprises and is today a centre for commerce and services. The industry is to a high degree export orientated.

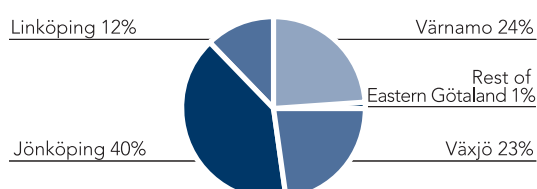
Växjö is an attractive city with good means of communication, a variety of educations and a positive business climate, which all have contributed to the high growth. There is a good mix of companies in basic industries such as foresting and manufacturing, and companies with a hi-tech profile.

Linköping has a strategic location in the centre of Östergötland, and good means of communication with roads, railroad and an airport close to the city centre. Traditional business is clearly diversified, but consists mainly of companies within the technical field. The region has a close co-operation between local businesses and the university, for instance in Mjärdevi Science Park, with more than 6,000 employees.

Castellum's real estate portfolio



Castellum's portfolio in Eastern Götaland



	Jönköping	Värnamo	Växjö	Linköping
Population	211,000	33,000	132,000	253,000
Growth in population 2001-2010 / year (the nation 0.6%)	0.6%	0.2%	0.6%	0.5%
Students at university/college	15,000	–	12,000	23,000
Growth in employment 2001-2010 / year (the nation 0.5%)	0.8%	0.2%	0.5%	0.1%
Growth in gross wages 2001-2010 / year (the nation 2.2%)	2.5%	1.5%	2.3%	2.0%

Source: Evidens och SCB

The five largest real estate owners

Jönköping	Premises thous. sq.m	Värnamo	Premises thous. sq.m	Växjö	Premises thous. sq.m	Linköping	Premises thous. sq.m
Castellum (Corallen)	157	Castellum (Corallen)	146	Castellum (Corallen)	128	Klövern	293
Norrporten	90	Remnes i Värnamo AB	21	Norrporten	86	Acta	99
Tosito	87	Värnabo Fastigheter AB	8	Valad Property Group	73	Ikano Fastigheter	72
Alecta Pensionsförsäkring	71	Nivika Förvaltning AB	7	Northern Logistic Property	69	Norrporten	67
Fastighets AB Eric Ekblad	59	Om Igen Fastighet AB	3	Corem Property Group	64	Botrygg Bygg AB	65
						Castellum (Corallen)	41

Number of commercial premises (excl. residential) owned as at 31-12-2010. Municipal and State-owned companies and government institutions have been excluded.
Source: Byggstatistik and Castellum

Rental market

The rental market in the Östra Götaland region was in 2010 positive and stable with strong demand in all subareas of both warehouse and office premises.

Linköping has to some extent been influenced by the recession, but the central parts and Mjärdevi Science Park are attractive areas where the vacancies have remained unchanged.

In Jönköping, the rental market has seen positive growth in 2010, primarily relating to central office and retail properties. Despite a high level of activity in respect of new constructed premises, rents have been stable to increasing.

In 2010 Värnamo and Växjö showed a somewhat lower activity in the rental market, but rents as well as vacancies have remained stable.

Real Estate market

The transaction volume on the property market in Östra Götaland amounted to SEK 2.2 billion in 2010, SEK 1.0 billion in 2009 and SEK 3.7 billion in 2008. Transactions in Linköping constituted over half of the volume, of which the majority of the value consisted of a portfolio of 37 commercial properties. Apart from this, no major transactions were carried out in the region. Deals closed during the year indicate a stable price scenario, where commercial properties were sold at a yield of around 6% and centrally located office properties in Jönköping at approximately 6.75%.

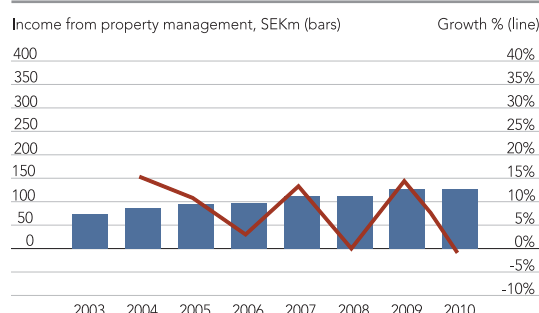
Of total commercial transaction volume the category office/commercial amounted to about 61% and industrial/warehouse to about 39%.



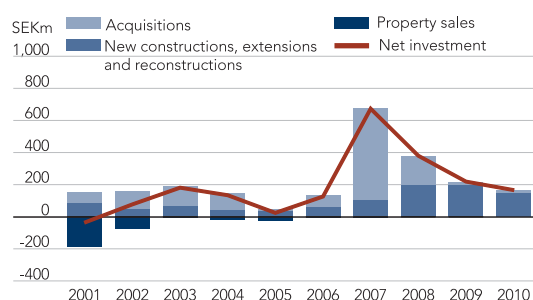
	Jönköping			Värnamo			Växjö		
	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.	Market rents SEK/sq.m.	Yields at sales	Estimated values SEK/sq.m.
Office									
A-area	900 - 1,700	6.75% - 7.25%	10,000 - 15,000	800 - 1,200	6.75% - 8.00%	8,000 - 12,000	900 - 1,300	7.00% - 8.00%	10,000 - 15,000
B-area	700 - 1,500	7.00% - 8.50%	6,000 - 9,000	700 - 900	7.50% - 8.50%	5,000 - 8,000	700 - 1,000	7.50% - 8.50%	4,000 - 8,000
C-area	500 - 1,000	8.00% - 9.50%	3,000 - 5,000	500 - 700	8.50% - 9.50%	4,000 - 6,000	500 - 800	8.00% - 9.00%	3,000 - 4,500
Retail									
A-area	1,500 - 4,400	6.00% - 6.75%	15,000 - 35,000	1,000 - 1,800	6.50% - 7.50%	9,000 - 15,000	1,200 - 2,200	6.50% - 7.25%	12,000 - 22,000
B-area	800 - 1,500	6.25% - 7.75%	7,000 - 15,000	800 - 1,200	7.00% - 8.00%	6,000 - 11,000	750 - 1,400	6.75% - 7.50%	7,000 - 15,000
C-area	500 - 900	7.25% - 9.00%	3,000 - 9,000	600 - 800	8.00% - 9.25%	4,000 - 7,000	600 - 900	7.75% - 9.00%	3,000 - 6,000
Warehouse/industrial									
A-area	400 - 650	7.25% - 9.00%	3,000 - 7,000	450 - 650	8.25% - 9.50%	3,500 - 5,500	450 - 650	8.00% - 9.50%	4,000 - 6,000
B-area	350 - 600	8.00% - 10.00%	2,500 - 6,000	350 - 550	9.00% - 10.00%	3,000 - 4,000	400 - 500	9.00% - 9.75%	2,500 - 3,500
C-area	300 - 550	9.00% - 11.00%	1,750 - 5,000	300 - 400	10.00% - 11.00%	2,000 - 3,000	300 - 400	9.75% - 11.50%	2,000 - 3,000

Source: NAI Svefa

Income from property management



Investments and sales



Eastern Götaland summary

	December 31, 2010						January-December 2010						
	No of prop.	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m	Investments, SEKm		Rental value SEKm	Rental value SEK/sq.m	Econ. occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office Retail	52	319	2,883	9,026	138	17	310	970	88.3%	274	100	312	174
Warehouse/industrial	35	186	739	3,970	11	-	92	495	86.6%	80	23	123	57
Summa	87	505	3,622	7,163	149	17	402	795	88.0%	354	123	242	231
Leasing and property administration											13	26	-13
Development projects and undeveloped land	9	-	23	-	0	-	-	-	-	-	-	-	-
Totalt	96	505	3,645	-	149	17	402	-	-	354	136	268	218

Castellum's real estate portfolio

Castellum's real estate portfolio in Eastern Götaland comprises 96 properties (95) with a total area of 505,000 sq.m. (501,000) and a fair value of SEKm 3,645 (3,310). For properties owned at the year-end the rental value amounted to SEKm 402 (373) on an annual basis and net operating income to SEKm 218 (200). Castellum's real estate portfolio is located in Jönköping, Värnamo, Växjö and Linköping. Investments during the year amounted to SEKm 166 (219).

In Jönköping, with 40% of Castellum's real estate portfolio in Eastern Götaland, the portfolio consists mainly of office and retail properties situated in attractive areas such as Rosenlund, central Jönköping and shopping center area A6.

In Värnamo, corresponding to 24% of Castellum's real estate portfolio in Eastern Götaland, the portfolio is mainly concentrated to centrally located office and retail properties as well as warehouse and industrial properties in expansive industrial estates.

In Växjö, corresponding to 23% of the portfolio in the region, Castellum owns mainly office and retail properties in the central parts and in the expansive area Västra Mark where also warehouse and industrial properties are found.



Idétorget 1, Linköping

In Linköping, the real estate portfolio is concentrated to office properties in the area of Mjärdevi Science Park.

See also the section Castellum's Real Estate Schedule 2010 with real estate schedule, maps and economic information.

Rental development

Castellum's average rental level is SEK 970 per sq.m. for office/retail and SEK 495 per sq.m. for warehouse/industrial premises. Rental levels have increased by 0,9% in comparable portfolio compared with previous year.

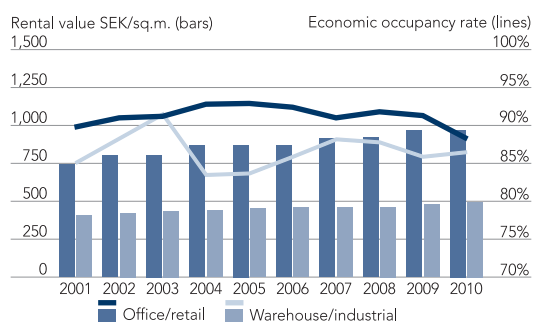
The average economic occupancy rate was 88,0%, which is 2%-units lower than previous year.

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 27 (45), of which SEKm 8 (17) was leasing in connection to new constructions, extensions and reconstructions. Notices of terminations amounted to SEKm 14 (35), of which bankruptcies were SEKm 1 (4), hence net leasing for the year were SEKm 13 (10).

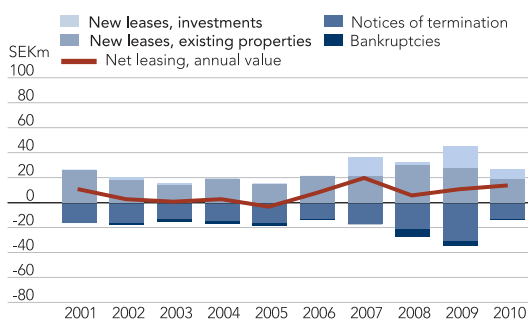
Subsidiary

Castellum's properties in Eastern Götaland are owned and managed by the wholly owned subsidiary Fastighets AB Corallen, with its head office in Värnamo. The company also has local management offices in Jönköping, Linköping and Växjö. At the year-end Corallen had 29 employees.

Rental value and economic occupancy rate



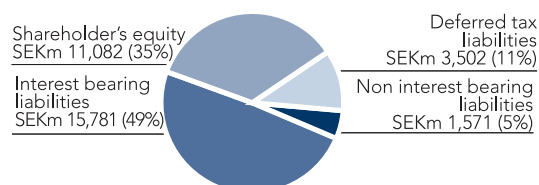
Net leasing



Visionen 3, Jönköping

Financing

Financing 31-12-2010



Property ownership is a capital intensive business and access to funding is one of the fundamentals to ensure successful development of the real estate portfolio.

Loan to value ratio and capital tied up

Properties are long term assets and demand long term funding where the ratio between equity and interest bearing debt is set to obtain necessary funding. The loan to value ratio is the financial key ratio that describes the proportion of the property's value covered by loans. Castellum's objective is a loan to value ratio not exceeding 55% in the long run.

Castellum's assets had a value of SEKm 31,936 (29,476) at 31 December 2010 and these are financed by SEKm 11,082 (9,692) in equity and SEKm 20,854 (19,784), in liabilities, of which SEKm 15,781 (15,294) are interest bearing. The loan to value ratio was 50% (52%).

Demands for long-term funding make Castellum look for long term capital in credit agreements in order to minimize the risk of refinancing. Regularly existing agreements are renegotiated and new agreements are signed. At the year end Castellum had unutilized binding long-term credit agreements with banks totalling SEKm 2,293 (1,176) giving Castellum easy access to new funding for investments in new construction, extensions, reconstruction and acquisitions. During the year new long term credit agreements totalling SEKm 1,600 have been signed and existing credit agreements totalling SEKm 9,800 have been renegotiated and extended.

Castellum has, after the period, signed further new agreements of SEKm 500.

Interest rate risk and interest coverage ratio

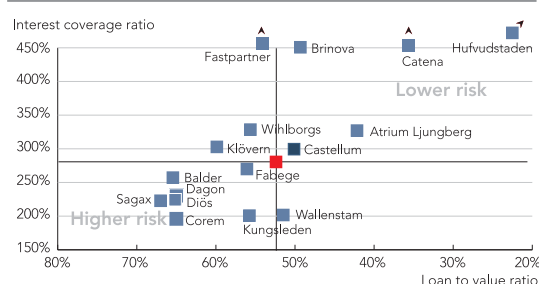
Interest expense is the single largest cost item and affects the growth of income from property management. The interest rate cost is mainly affected by changes in the market interest rates but also by changes in the conditions on the credit market which in turn affect the spread lenders demand in return for lending money. Both markets can change rapidly and cannot be influenced by Castellum. Rising interest rates are generally assumed to result from economic growth and rising inflation, which in turn are assumed to lead to increased demand for commercial premises and hence increasing rents and/or reduced vacancies. Falling interest rates are assumed to have the opposite causes and effects. Thus over time rising or falling financial expenses will coincide with rising or falling rental income.

Changes in market interest rates affect net financial items. How quickly and by how much largely depends on the chosen fixed interest term. To ensure low and stable net financial items in terms of cash flow Castellum has generally chosen to fix interest rates for a relatively long period. This limits the immediate effect in net financial items caused by changes in the market interest rates.

For the same reason Castellum has chosen to sign mainly long-term credit agreements with agreed spreads with banks. However changes in both of these markets will over time affect net financial items.

Policy	Objective/Mandate	Outcome
Loan to value ratio	Not in the long run exceeding 55%	50%
Interest coverage ratio	At least 200%	299%
Interest rate risk		
– average fixed interest term	0.5-3 years	2.6 years
– Proportion maturing within 6 months	No more than 50%	33%
Currency risk	Not allowed	No exposure
Funding risk	At least 50% of credit agreements have a duration of at least 2 years	100%
Counterparty risk	Credit institutions with high ratings at least "investment grade"	Satisfied
Liquidity risk	Liquidity reserve in order to fulfil payments due	SEKm 3,013 in unutilized credit agreements

Listed real estate companies



Source: Rolling annual values based on each company's report Q3 2010.

The interest coverage ratio is the financial key ratio that describes a company's resistance and level of risk for changes in net financial items. As shown in the figure on the previous page Castellum has lower loan to value ratio and higher interest coverage ratios than the industry average.

Castellum's objective is an interest coverage ratio of at least 200%. For 2010 the interest coverage ratio was 299% (309%). The average fixed interest term at 31 December, 2010 was 2.6 years (2.8) and the average term to maturity for agreed spreads was 2.6 years (3.2). A change in the market rate in accordance with the Riksbank's in December published repo rate path would for 2011 have an effect on Castellum's interest rate costs of approx. SEKm -30.

Financial policy

The financial operations in Castellum are conducted in accordance with the objectives adopted by the Board in the financial policy. The objectives in the financial policy are:

- Maintaining a capital structure with a loan to value ratio not exceeding 55% in the long run and an interest coverage ratio of at least 200%.
- Securing the required liquidity and long-term funding.
- Achieving low and stable net interest expense within the given risk authorization.

The financial policy outlines the authorizations and limits for managing financial risk, overall delegation of responsibilities and how financial risk shall be reported and followed-up. The financial risks are followed up and reported quarterly to the Board of Directors. The Board of Directors reviews the financial policy each year.

Organization

All financial risk management is centralized in the parent company. The treasury department's responsibilities include the Group's funding, interest rate risk management, financing for subsidiaries and cash management. The treasury department consists of two persons. The parent company also includes a function that provides accounting and independent control of the financial operations a so called back-office and compliance function.

Interest bearing liabilities and interest rate derivatives

Castellum's interest bearing debt is mainly made up of short-term loans under long-term credit agreements. Short term loans means great flexibility in the interest rate base and fixed interest rate term and allows amortization payment or repayment without marginal breaking costs or other compensation to the lender. To increase or decrease the amount of outstanding loan in the long-term credit agreements further means that the amount of interest bearing loans at each time can be minimized. The credit agreements are mainly bilateral credit agreements with Scandinavian banks. In order to limit the interest rate risk and achieve the desired fixed interest rate term Castellum uses different types of interest rate derivatives, which is a cost effective and flexible method for extending loans with short-term interest rates compared to loans at fixed rates.



Kungsgatan, Gothenburg

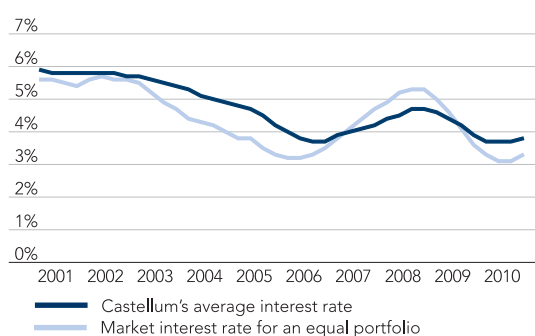
Loan maturity structure 31-12-2010

Long term, SEKm	Credit agreements	Utilized
1 - 2 years	200	–
2 - 3 years	5,500	4,930
3 - 4 years	500	–
4 - 5 years	4,800	2,500
5 - 10 years	7,062	6,562
Total long-term credit agreements	18,062	13,992
Total short-term credit agreements (0-1 year)	2,097	1,777
Total credit agreements	20,159	15,769
Unutilized credit in long term credit agreements		2,293

Interest rate maturity structure 31-12-2010

	Loan SEKm	Interests rate derivatives SEKm	Amount SEKm	Average interest rate
0 - 1 year	15,769	– 9,150	6,619	3.1%
1 - 2 year	–	600	600	4.3%
2 - 3 year	–	3,000	3,000	4.5%
3 - 4 year	–	1,000	1,000	4.6%
4 - 5 year	–	1,450	1,450	4.6%
5 - 10 year	–	3,100	3,100	4.6%
Total	15,769	–	15,769	3.9%

Interest rate levels



In terms of cash flow the outcome is the same. However, the two methods are accounted for differently, interest rate derivatives are marked to market, which is normally not the case for loans with fixed rates of interest.

After deducting liquidity of SEKm 12 (8), net interest bearing liabilities totaled SEKm 15,769 (15,286) at December 31, 2010, of which SEKm 1,377 (0) refers to outstanding commercial papers. At the same date Castellum had binding long-term credit agreements with banks totalling SEKm 18,062 (16,262), bond loans totalling SEKm 200 (500), binding short-term credit agreements with banks totalling SEKm 520 (1,220) and a SEKm 4,000 (4,000) commercial paper program. At the year-end, the average duration of Castellum's long-term credit agreements was 5.0 years (5.5).

Net financial item

Net financial items were SEKm –574 (–541). The average interest rate level was 3.7% (3.7%). The average effective rate as of 31 December, 2010 was 3.9% (3.8%). The market interest rate for an equal portfolio, regarding both current market rates and spreads, can be assessed to 4.0% (3.1%). Castellum's interest rate costs are made up of the market interest rate at the time of the loan and a spread to the lender. All credit margins are allocated in the segment 0-1 year.

Valuation of interest rate derivatives

According to the accounting standard IAS 39, interest rate derivatives should be marked to market, resulting in a theoretical surplus or negative value if the contractual interest rate varies from the applicable market rate, and in Castellum's case the change in value should be recognized in the income statement.

Due to changes in long-term market interest rates and the time factor the value has changed SEKm 291 (102), and at the year-end the value was SEKm –574 (–865).

Securing of interest-bearing liabilities

Long-term credit agreements with banks are secured mainly through the company's properties and by credit agreements in the contracts, financial covenants. Issued commercial papers, bonds, and short-term credit agreements with banks such as bank overdraft facilities are unsecured.

Utilized credit facilities secured through mortgage deeds totaled SEKm 13,998 (14,583) at 31 December, 2010 and utilized unsecured credit facilities totaled SEKm 1,771 (703). The committed financial covenants are a loan to value ratio not exceeding 65% and an interest coverage ratio of at least 150%. There are also general commitments that Castellum should provide the lenders with financial information such as annual reports and interim reports and in some cases a right to renegotiate the credit agreements due to a material adverse change in business or discontinued stock exchange listing.

Tax

The Swedish corporate tax rate is 26.3% and is based on the company's total taxable income, which is made up of income before tax adjusted for items according to the current tax legislation.

Castellum's reported income from property management for 2010 amounted to SEKm 1,141, while taxable income from property management amounted to SEKm 208. In the absence of tax loss carry forwards, a paid tax of about SEKm 55 would occur, attributable to the income from property management, equivalent to 5% effective tax paid. The taxable income from property management is thereafter completed with tax effects resulting from sales of properties and changes in value and utilization of tax loss carry forwards to reach taxable income for the Group.

Tax depreciations

Investments in real estate can be allocated to different parts – building, land, land improvement and inventory, which among other things affect the size of depreciation. Buildings are depreciated on the basis of the Swedish Tax Authority's specified percentages: 2% for office/retail/residential, 3% for department store/hotel, 4% for industrial/warehouse, and 5% for farm buildings and industrial buildings with limited purpose. Land is not depreciated. Most types of land improvement are depreciated by 5%, while inventories (accessories designed to directly service the use of the building and the activities therein) are depreciated by 20% or 30%.

Deductible reconstructions

Costs for repairs and maintenance of a building may be deducted immediately. For tax purposes an extended repair concept may be used, i.e. direct deduction is allowed for some types of reconstruction, even if it is a value-adding improvement and has been set up as an asset in the accounts.

Property sales

Property managing companies' holdings of real estate and shares in property managing subsidiaries, are fixed assets. If the holding company instead is conducting trade with real estate, the assets mentioned above are from a taxation point of view considered current assets.

Taxable income from sales consists of the sales price with deductions for costs and the asset's fiscal written down value. Properties can be sold directly or indirectly through companies, which have different tax consequences. For properties or shares which fiscally speaking represents current assets a profit is always taxable, while a loss is tax deductible. Profits and losses on properties and shares that fiscally speaking represent fixed assets, however, face different tax consequences. Regarding properties a profit is always taxable, while a loss is put in a "fold" and can only be netted against profits within the Group from direct sales of properties that represents fixed assets. Profit on sales of shares which from a taxation point of view are considered fixed assets is not taxable, while a loss is not tax deductible.

Since the tax exemption on sales of shares, which fiscally speaking represents fixed assets, was enforced, the trend in the Swedish real estate market is that sales of real estate are done indirectly through companies.

Tax Calculation 31-12-2010		Basis	Basis
SEKm		current tax	deferred tax
Income from property management	1,141		
Deductions for tax purposes			
depreciations	– 629		629
reconstructions	– 277		277
reconstructions, adjustment previous year	– 18		18
Other tax allowances	– 9		31
Taxable income from property management	208		955
Properties sold	0		– 30
Changes in value on properties	–		1,199
Changes in value on interest rate derivatives	291		–
Taxable income before tax loss carry forwards	499		2,124
Tax loss carry forwards, opening balance	– 1,885		1,885
Tax loss carry forwards, closing balance	1,406		– 1,406
Taxable income	20		2,603
Of which 26.3% current/deferred tax	– 5		– 685

Net Deferred Tax Liability 31-12-2010		Tax
SEKm	Basis	26.3%
Tax loss carry forwards	1,406	307
Properties	– 14,829	– 3,901
Total	– 13,423	– 3,531
Properties, asset acquisition	109	29
In accordance with the balance sheet	– 13,314	– 3,502



Changes in value on properties and derivatives

Swedish accounting laws do not allow reporting of properties at fair value in a legal entity, meaning that changes in value of properties is only reported in the consolidated accounts and hence do not affect the taxation.

Some types of financial instruments such as interest rate derivatives may be reported at fair value in a legal entity. For Castellum, changes in value resulting in a negative value on the instrument is a tax deductible item and changes in value up to the acquisition value of the instrument is a taxable income.

Tax loss carry forwards and Group contributions

Tax loss carry forwards are made up of previous years' taxable losses. The losses, which are not limited in time, are carried forward to the following year and are used by netting of future taxable income.

The Castellum Group includes both companies which from a taxation point of view are considered property managing companies and companies which are considered to be property trading companies. In the case when a property trading company is owned by a property managing company there are limitations for the owners to receive group contributions. There is also a "block" for group contributions up to six years following a change in ownership. Since acquisitions of properties are mainly made indirectly through acquisitions of companies new legal entities are regularly added to the Group. In Castellum these blocks for group contributions however are limited.

The tax assessment process

The income tax return for a fiscal year is sent to the tax authority during the spring of the following year and towards the end of the year the notice of assessment is received. The Tax Authority has the right to call for a review of the tax return for two years following the fiscal year. Thereafter the tax authority may assess for arrears only if there is false information for an additional four years, giving that first after six years is the tax return for the fiscal year finally assessed. Hence, the fiscal year 2010 will be finally assessed in 2017.

The tax authority carried out a tax audit in Castellum in 2009 which was completed without comments. Neither has Castellum any ongoing tax disputes.

Deferred tax in the balance sheet

The accounting regulations demand that deferred tax shall be reported undiscounted based on the difference between an asset's or a debt's book value and its fiscal value. This is in order to reflect the tax liability or receivable which is realized if the asset or debt is sold directly. The legislation however makes an exception for assets which at the time of acquisition is classified as a asset acquisition, where no deferred tax from the acquisition may be reported.

Castellum has two entries which make up the basis for deferred tax - properties and tax loss carry forwards. All tax loss carry forwards are reported since expected future taxable income may be used to net the tax loss carry forwards. Deferred tax deriving from properties occurs mainly due to increased valuation, tax deductions such as depreciation and deduction of certain reconstructions which are capitalized in the account.

Opportunities and Risks

Opportunities and risks may roughly be divided into two sections – changes in cash flow and changes in value.

Opportunities and risks in the cash flow

Rental income

Rental levels as well as vacancies for commercial contracts are mainly depending on the growth in Swedish economy, but are also affected by the amount of new construction. Economic growth is supposed to lead to increased demand for premises and hence decreasing vacancies, with a potential for increasing market rents, which also provide opportunities for new construction. A weaker growth in the growth has an opposite effect. Since the commercial contracts are signed for a certain period of time, a change in the market rents does not give an immediate effect on the rental income. The most common term on a new lease is currently 3–5 years with nine months' notice of termination and an index clause linked to the inflation. The average remaining duration of leases in Castellum's portfolio is 3.2 years. Castellum's lease portfolio is considered to be in line with market rents. The positive inflation during the year will however cause an index adjustment upwards of rents of approx. 1.5% for 2011.

A state of economic recession leads to an increased risk for bankruptcies, which may give an immediate effect on the rental income. The risk for major changes in vacancies increases with few and large tenants. Castellum has approx. 4,500 commercial contracts of which the single largest contract accounts for approx. 1% of total rental income. Castellum's current lease maturity structure, together with the lease portfolio's make up of geography, type of premises, leases sizes and sectors provide a good spread of risk. Vacancies during 2010 amounted to approx. SEKm 374 and make up a potential for possible new leases.

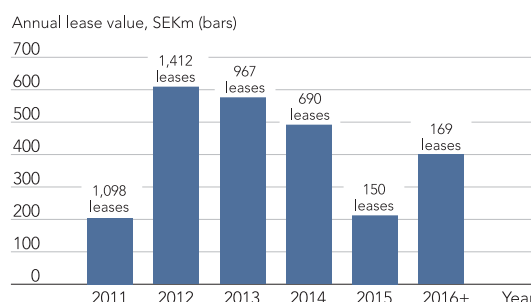
Property costs

Operating costs are largely made up of costs for electricity, garbage disposal, heating and water, where electricity and heating costs have the largest effect on the result. The price of electricity is determined by supply and demand on the open market for electricity. Castellum limits the risk by hedging a certain amount of electricity. Most of the costs are passed on to the tenants, why Castellum's exposure to cost fluctuation in the short term is relatively limited. Castellum's properties have a good standard and maintenance situation.

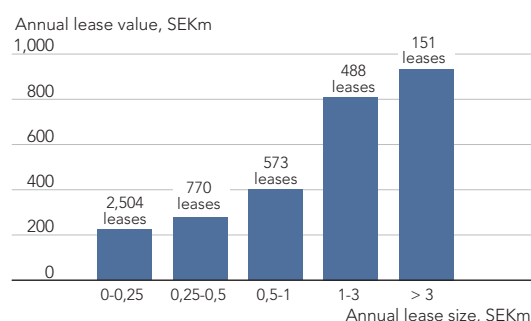
Castellum holds around 80 properties by site leasehold. The ground rent for these is currently calculated in such a way that the municipality receives a fair real interest rate, based on the estimated market value of the site. The site leasehold is typically renegotiated with 10 to 20 years intervals. It can not be ruled out that the ground rent levels or the basis for the calculation may change in the future.

The real estate tax is a federal tax based on the properties' tax assessment value and completely dependent on political decisions such as tax rate and tax assessment value, which Castellum cannot control. Also the real estate tax is passed on to the tenants, provided that the premises are not vacant; in such a case the owner of the property has to carry the real estate tax cost.

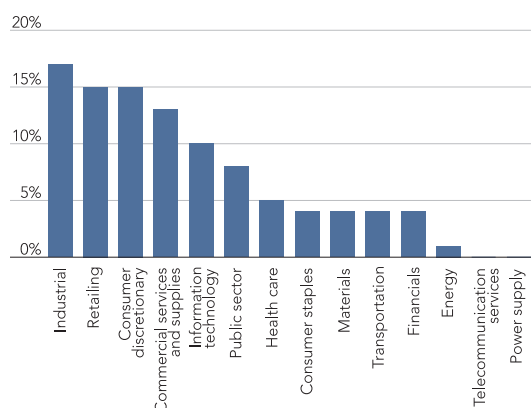
Lease maturity structure



Lease size structure



Distribution of leases by industry



Sensitivity analysis - cash flow*Effect on income next 12 months*

	Effect on income, SEKm +/- 1% (units)	Probable scenario	
		Boom	Recession
Rental level / Index	+28/-28	+	-
Vacancies	+31/-31	+	-
Property costs	-10/+10	-	0
Interest costs	-57/+57	-	+

Sensitivity analysis - change in value

Properties	-20%	-10%	0	+10%	+20%
Changes in value, SEKm	-6,354	-3,177	0	3,177	6,354
Loan to value ratio	62%	55%	50%	45%	41%

Value range - simplified example

		Net operating income	
		- 5%	+5%
Yield	+0.5%	$\frac{95}{7.5\%} = 1,267$	$\frac{105}{7.5\%} = 1,400$
	-11%	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Net op. inc. $\frac{100}{7.0\%} = 1,429$ Value Yield </div>	
	+2%		
	-0.5%	$\frac{95}{6.5\%} = 1,462$	$\frac{105}{6.5\%} = 1,615$

The blue figures relate to change in value.

Interest costs

Interest costs are the single largest cost item for Castellum and consists of the market interest rate and the credit margin the lenders demand in return for their loans. The conditions on the interest rate market may change quickly. The market interest rate is affected by the Riksbank's monetary policy, expectations of economic development both internationally as well as nationally and of unexpected events. In order to limit this influence the interest rate maturity structure has been spread over different terms and Castellum signs mainly long term credit agreements with fixed margins.

There are clauses in the credit agreements, with the effect that lenders shall be compensated for increased costs which might occur due to new or revised laws or regulations. This can lead to higher borrowing costs for Castellum.

Castellum's average fixed interest term was 2.6 years and margins and fees in long term credit agreements are fixed with an average duration of 2.6 years.

Taxes

Castellum is affected by political decisions such as changes in the corporate tax rate, real estate tax, the fiscal legislation or interpretations thereof. Future income tax reforms or interpretations of these may have both positive as well as negative effects on Castellum's fiscal position.

Summary of opportunities and risks in cash flow

Increasing market interest rates is generally an effect of economic growth and increasing inflation, which is thought to give higher rental income. This is partly because the demand for premises is thought to increase, leading to reduced vacancies and hence a potential for increasing market rents, and partly because the index clause in the commercial contracts is compensating for the rising inflation. An economic boom therefore means higher interest costs but also higher rental income, while the opposite relationship is true during a recession. The change in rental income and interest costs does not take place at exactly the same time, why the effect on the result in the short term may occur at different points in time. Economic shocks can occur from time to time and may need shorter or longer adjustment periods, i.e. the time needed to restore a new economic equilibrium, which may cause disturbances in the relation mentioned above.

Opportunities and risks in values**The value of the properties**

Castellum reports its properties at fair value with changes in value in the income statement. This means that the result in particular but also the financial position is volatile. Assuming a normal credit market, the value of the properties is determined by supply and demand, where the price mainly depends on the properties' expected net operating income and the buyer's required yield. An increasing demand, lower required yields and positive real development in net operating income lead to an upward adjustment in prices, while a weaker demand, higher required yields and negative real growth have the opposite effect.

During 2010 the demand in the Swedish real estate market has increased gradually which has led to increased property prices. The sensitivity analysis enclosed shows how Castellum's loan to value ratio is affected by a change in value of +/- 10-20%.

Property valuations are calculations according to accepted principles and on the basis of certain assumptions. Consideration should therefore be taken to a value range, typically $\pm 5\text{--}10\%$ in a functioning market, in order to reflect the uncertainty that exists in assumptions and calculations made. The example shows how the value may vary depending on changes in net operating income of $\pm 5\%$ and changes in the required yield of $\pm 0.5\%$, which together give a value range of -11% to $+13\%$.

Castellum does not have any outstanding rental guarantees.

All of Castellum's properties are insured to their full value.

Interest bearing liabilities and financial risk

All property ownership requires a functioning credit market. Castellum's greatest financial risk is not having access to funding. The conditions in the credit market can be changed as for example shown by the international agreement to establish a new regulatory framework for banks as a result of the financial crisis. Discussions are ongoing within the EU and at national level to implement rules and reporting obligation to achieve greater transparency in the credit market. Castellum's possibility to receive new credits depends on future regulatory framework.

A low loan to value ratio enables long-term credit agreements, which limits both the risk for not having access to funding and the immediate impact of a changed credit market. Existing credit agreements are regularly renegotiated and new credit agreements are entered into when needed, in order to secure Castellum's capital need. Loans in banks are secured by pledged mortgages and/or a guarantee to maintain certain financial key ratios. Financial covenants issued state a loan to value ratio not exceeding 65% and an interest coverage ratio of at least 150%, which may be compared to the actual outcome on 31 December, 2010 of 50% respectively 299%, showing that there is room for a further decrease in value of SEKm 7,500, corresponding to 24%.

Castellum currently has an average duration of long term credit agreements of 5.0 years and an unutilized volume of long term credit agreements of SEKm 2,293. Counterparty risk may occur if any party cannot meet its obligations. To limit this risk Castellum only works with counterparties with high credit ratings (at least investment grade), and limits the share of credit agreements and derivatives signed with each single counterparty.

In order to manage the interest rate risk in a cost effective way Castellum uses interest rate derivatives. If the agreed interest rate deviates from the market interest rate from time to time, there is a theoretical overvalue or undervalue, which is reported in the income statement. The lesser risk taken in interest payments, the greater risk is taken in the value of the derivatives, since the time factor increases the risk for large fluctuations in value. An upward parallel adjustment of the discounting interest rate used in valuation of the interest rate derivative portfolio at 31 December, 2010 of $\pm 1\%$, would alter the value of the interest rate derivative portfolio by approx. SEKm ± 400 .

Deferred tax

In the balance sheet the deferred tax liability is based on that properties are sold today with worst possible taxation outcome, i.e. a direct sale. The effective tax is lower because of both the possibility to sell properties in a tax efficient manner, and the time factor that causes the tax to be discounted. At present, the actual discounted deferred tax liability is considered to be approx. 5%, giving a value of SEKm 671 which is considerably lower than the SEKm 3,502 accounted for.



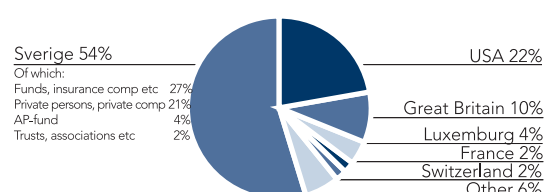
Visionen 3, Jönköping

The Castellum Share

Shareholders as at 31-12-2010

Shareholders	Number of shares	Percentage of voting rights/capital
AFA Sjukförsäkrings AB	8,670,184	5.3%
AMF Pensionsförsäkrings AB	5,390,000	3.3%
László Szombatfalvy	5,000,000	3.0%
Magdalena Szombatfalvy	4,935,000	3.0%
Andra AP-fonden	3,718,729	2.3%
Länsförsäkringar Fastighetsfond	2,844,160	1.7%
Lannebo Småbolag	2,452,367	1.5%
Nordea Funds Sweden	2,173,167	1.3%
AMF Aktiefond Sverige	1,800,000	1.1%
AFA Trygghetsförsäkring AB	1,652,646	1.0%
Tredje AP-fonden	1,586,950	1.0%
Fjärde AP-fonden	1,392,312	0.9%
Swedbank Robur Småbolagsfond Sverige	1,365,360	0.8%
Caceis Bank / 18129	1,220,502	0.7%
KAS Depositary Trust Company	1,208,007	0.7%
Livförsäkrings AB Skandia	1,154,554	0.7%
SEB Sverige Småbolag	1,092,800	0.7%
Bengt Norman	1,000,000	0.6%
Handelsbanken Sverige Småbolagsfond Index	947,760	0.6%
Folksam Ömsesidig Livförsäkring	913,898	0.6%
KPA Pensionsförsäkring AB	908,588	0.6%
Akademinvest AB	858,300	0.5%
Handelsbankens Svenska Småbolagsfond	760,000	0.5%
SEB Världenfond	700,300	0.4%
SEB Sverige Småbolag Chans/Risk	680,270	0.4%
SEB Stiftelsefond Sverige	598,081	0.4%
Skandia Fond Småbolag Sverige	586,500	0.4%
Nordea Allemansfond Alfa	573,932	0.3%
Handelsbanken Nordiska	573,600	0.3%
Swedish shareholders < 500,000 shares:		
49 holders, 100,000-499,999 shares	11,626,968	7.1%
352 holders, 10,000-99,999 shares	9,746,610	5.9%
2,836 holders, 1,000-9,999 shares	8,534,573	5.2%
4,961 holders, 1-999 shares	2,448,166	1.5%
634 shareholders registered abroad	74,885,716	45.7%
Total outstanding shares	164,000,000	100.0%
Repurchased shares	8,006,708	
Total registered shares	172,006,708	

Shareholders distributed by country 31-12-2010



Shareholders

At the year-end, Castellum had approx. 10,000 shareholders. The amount of shares registered abroad at the year-end was 46%. Shareholders registered abroad can not be broken down in terms of directly held and nominee registered shares except when the shareholder is required to declare substantial share acquisitions. One foreign shareholder has a declared holding over 5%, Stichting Pensioensfonds ABP. Castellum has no direct registered shareholders with holdings exceeding 10%.

Proposed dividend

The Board intends to propose the annual general meeting to decide on a dividend of SEK 3.60 per share, an increase of 3% compared with previous year. The dividend ratio is 70% of income from property management after a 26.3% tax deduction.

If the annual general meeting decides to accept the Board's dividend proposal, of Tuesday March 29, 2011 as the record day for payment of the dividend, the share will be traded including the dividend up to and including the day of the annual general meeting, Thursday March 24, 2011. Payment of the dividend is expected to take place on Friday April 1, 2011.

The dividend falls within Castellum's objective of distributing at least 60% of income from property management after nominal tax, having taken into account investment plans, consolidation needs, liquidity and financial position in general. Unrealized changes in value, positive or negative, are thus not included in the distributable result.

Share capital, number of shares and repurchase

The share capital amounts to SEKm 86, distributed among 172,006,708 A-shares with a par value of SEK 0.50 per share. Each share, except the company's own repurchased shares, entitles the holder to one vote and carries an equal right to a share in Castellum's capital. Changes in the share capital and the number of shares over time are displayed in note 13.

During 2000, Castellum repurchased 8,006,708 of the company's own shares for a total of SEKm 194, equivalent to 4.7% of the total registered number of shares. Since then no repurchases of the company's own shares have been made. As repurchasing is a good method of adapting the capital structure to the capital requirements from time to time, the Board's will propose the AGM to decide on extending the mandate to repurchase shares until the next AGM. This mandate provides the facility to repurchase or transfer shares.

The number of outstanding shares, i.e. the number of registered shares less the number of repurchased shares, totals 164,000,000.

The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap.

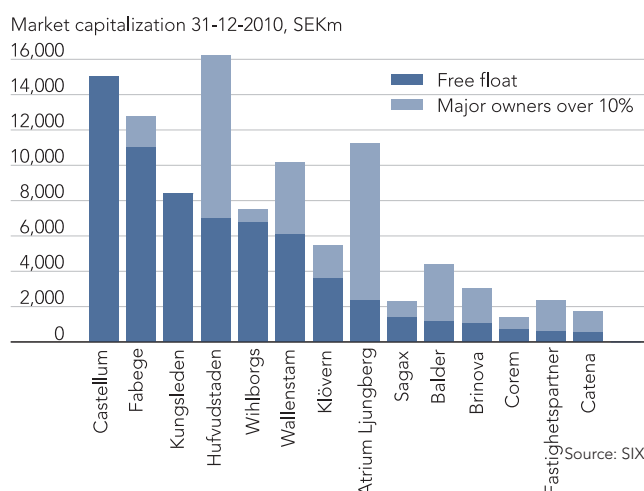
Market capitalization and liquidity

Castellum's market capitalization, i.e. the value of all outstanding shares in Castellum, amounted to SEKm 15,000 as per December 31, 2010.

During 2010, a total of 152 million (191) shares were traded, equivalent to an average of 602,000 shares per day (761,000), corresponding to an annual turnover rate of 93% (117%).

The total market capitalization of Swedish real estate companies operating solely in this field was approx. SEK 107 billion at the year-end, equivalent to approx. 2% of the total market capitalization of listed Swedish companies totalling approx. SEK 4.5 billion.

Listed Real Estate Companies



Growth, yield and financial risk

The Castellum share price at the year-end was SEK 91.55 (72.50). During 2010, the total yield of the share, including dividend of SEK 3.50, was 31% (25%). Growth, yield and financial risk are shown below for both the present year as well as the average for three and ten years. The average over a number of years is important considering the fact that changes in value on properties may vary between different years.

		3 years average/year	10 years average/year
Total yield of the share (incl. dividend)			
Castellum	31%	15%	16%
NASDAQ OMX Stockholm (SIX Return)	27%	6%	6%
Real estate index Swedish (EPRA)	49%	13%	16%
Real estate index Europe (EPRA)	20%	- 6%	6%
Growth			
Income from property management SEK/share	1%	7%	10%
Net income for the year after tax SEK/share	1,122%	10%	11%
Long term net asset value SEK/share	12%	1%	8%
Net asset value SEK/share	16%	0%	7%
Dividend SEK/share	3%	6%	10%
Real estate portfolio SEK/share	9%	5%	8%
Change in property value, unweighted	4%	-1%	2%
Yield			
Return on net asset value	21.5%	4.9%	14.1%
Return on total capital	9.8%	4.4%	8.5%
Financial risk			
Interest coverage ratio	299%	288%	282%
Loan to value ratio	51%	50%	48%

Investor relations

Castellum's objective is to continuously provide frequent, open and fair reporting on the company's real estate portfolio, results and financial position to shareholders, the capital market, the media and other interested parties, yet without disclosing any individual business relations.

Investor relations are based above all on quarterly financial reports, press releases on significant commercial events and presentations of Castellum.

During the year, a large number of presentations of Castellum were held at meetings with investors and analysts, and at investment meetings both in Sweden and abroad. The large share of foreign shareholders means that there are extensive contacts with foreign investors.

Some 20 Swedish and foreign stockmarket analysts track the development of both Castellum and the Swedish real estate sector.

All press releases, quarterly reports and annual reports, both in Swedish and English, are available immediately after publication on www.castellum.se.

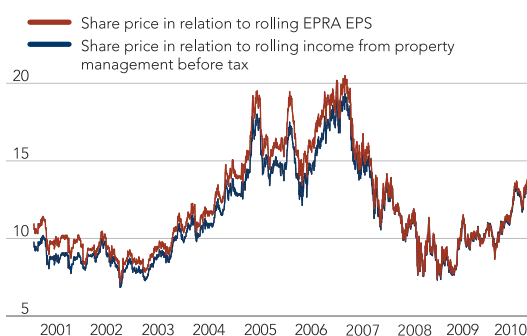
On the website, it is possible to subscribe to Castellum's press releases and quarterly reports. Other information about Castellum, such as the real estate portfolio and continuous updates of the Castellum share price are also disclosed on the website.

Press releases 2010

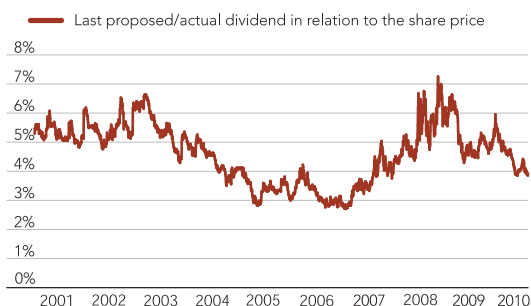
14-01-2010	The election committee's proposal regarding the board of directors etc in Castellum AB
20-01-2010	16% growth in income from property management allows a dividend proposal in 3.50 SEK per share
28-01-2010	The Swedish version of Castellum's annual report 2009 is now available on www.castellum.se
17-02-2010	Summons to the annual general meeting of shareholders in Castellum AB
25-03-2010	Annual General Meeting in Castellum AB
12-04-2010	Castellum invests SEKm 217 and sells for SEKm 57
15-04-2010	Brostaden – Greenbuilding Partner of the Year in Europe
20-04-2010	More stabilized market, but decreased income from property management
13-07-2010	Continued improvements on the rental and property markets and stable earnings
10-09-2010	Castellum sells two properties for SEKm 162
19-10-2010	Continued stable earnings and demand for premises
19-11-2010	Castellum invests for SEKm 343
30-11-2010	Castellum invests for SEKm 208

Net asset value	SEKm	SEK/ share
Equity according to the balance sheet	11,082	68
Reversed		
Interest rate derivatives acc to balance sheet	574	3
Deferred tax according to balance sheet	3,502	21
Long term net asset value (EPRA NAV)	15,158	92
Deduction		
Interest rate derivatives as above	- 574	- 3
Estimated real liability, deferred tax 5%	- 671	- 4
Actual net asset value (EPRA NNNAV)	13,913	85

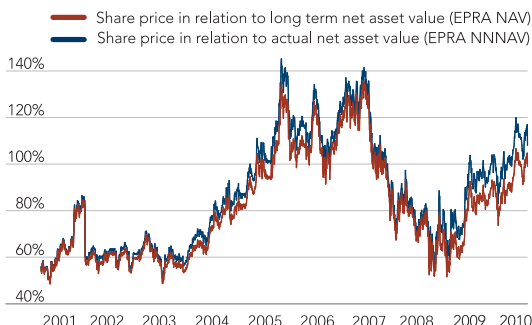
The share's earnings multiple



The share's dividend yield



Share price/net asset value



Valuation - share price related key figures

Earnings Capacity

Income from property management before tax for 2010 amounted to SEK 6.96 per share (6.89), which compared to the share price at the year-end gives a multiple of 13 (11).

Income from property management after tax relating to taxable income from property management (EPRA EPS) amounted 2010 to SEK 6.62 (6.93) which gives a multiple of 14 (10).

Net income for 2010 amounted to SEK 11.98 per share (0.98), giving a multiple of 8 (74).

Net asset value

When assets and liabilities are valued at fair value the net asset value can be calculated using shareholders' equity in the balance sheet. However, consideration should be taken to that the effective tax is lower than the reported nominal tax rate, in part due to the possibility to sell properties in a tax efficient way, and in part due to the time factor for which the tax should be discounted.

The long term net asset value (EPRA NAV) can be calculated to SEKm 15,158 (13,381) corresponding to 92 SEK per share (82). The share price at the year-end was thus 99% (88%) of the long-term net asset value.

The actual net asset value (EPRA NNNAV) can be calculated to SEKm 13,913 (11,979), corresponding to 85 SEK/share (73). The share price at the year-end was thus 108% (99%) of the actual net asset value.

Dividend Yield

The proposed dividend of SEK 3.60 (3.50) corresponds to a yield of 3.9% (4.8%) based on the share price at the year-end.

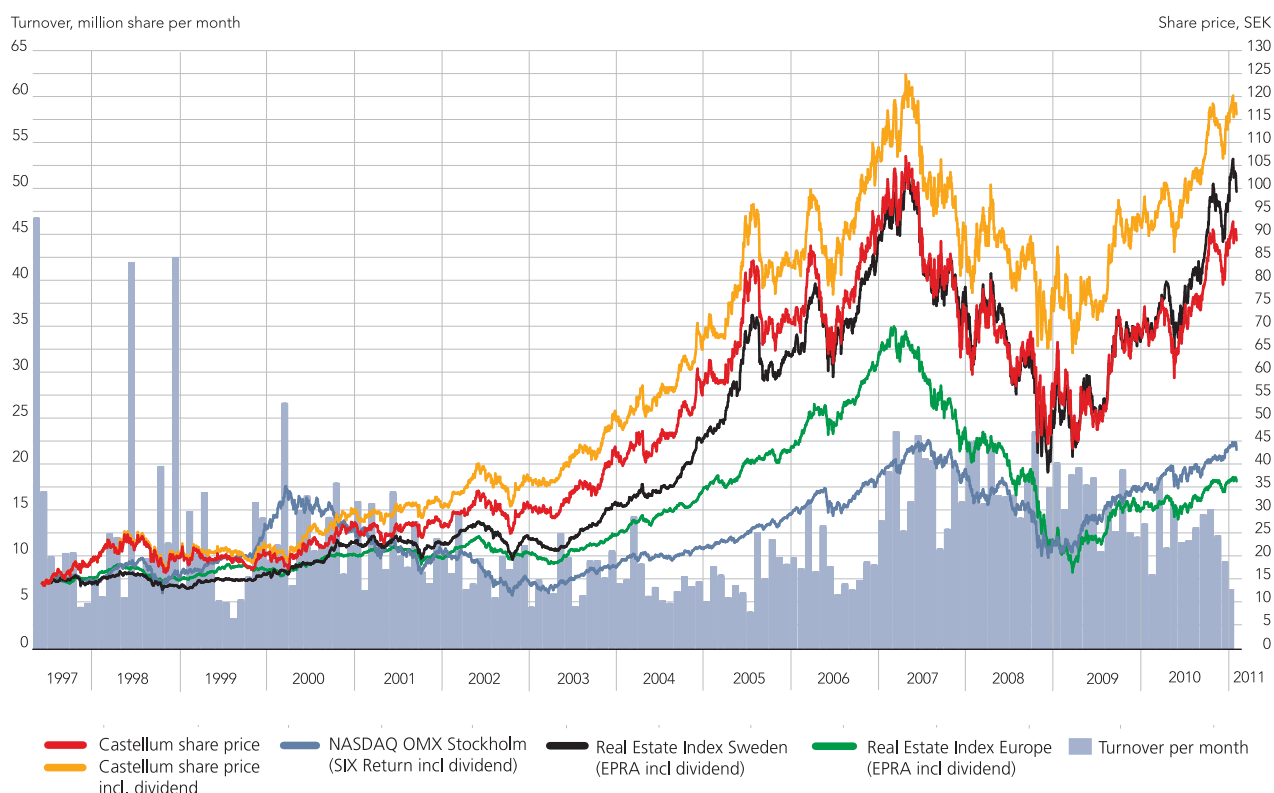
EPRA

EPRA, European Public Real Estate Association, is an association for listed real estate owners and investors in Europe, which among other things, sets standards for financial reporting. A part of such standards are key ratios EPRA EPS (Earnings Per Share), EPRA NAV (Net Asset Value) and EPRA NNNAV (Triple Net Asset Value).

Ten year summary

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Share price, SEK										
last paid during the last day for trading	99.55	72.50	60.75	67.25	91.25	71.50	59.50	42.50	30.50	27.13
highest paid during the year	91.75	73.75	80.00	107.00	95.50	85.00	60.75	45.13	34.25	28.75
lowest paid during the year	58.50	42.80	41.40	62.00	56.50	55.00	39.38	28.25	24.63	22.63
average (high/low per day)	75.70	58.57	63.42	87.55	78.54	68.29	47.32	33.86	29.78	25.95
Dividend, SEK (for 2010 proposed)	3.60	3.50	3.15	3.00	2.85	2.62	2.38	2.13	1.88	1.63
The share's dividend yield	3.9%	4.8%	5.2%	4.5%	3.1%	3.7%	4.0%	5.0%	6.1%	6.0%
Dividend ratio	70%	69%	74%	74%	73%	73%	73%	72%	69%	68%
Total yield, the Castellum share	31.1%	24.5%	- 5.2%	- 23.2%	31.3%	24.2%	45.0%	45.5%	18.4%	9.6%
Real Estate Index Sweden (EPRA)	48.5%	24.0%	- 21.4%	- 18.5%	35.8%	40.2%	48.8%	32.5%	3.2%	-2.2%
Real Estate Index Europe (EPRA)	19.8%	33.7%	- 48.8%	- 32.2%	49.4%	25.8%	41.7%	21.4%	2.3%	-0.6%
NASDAQ OMX Stockholm (SIX Return)	26.7%	52.5%	- 39.0%	- 2.6%	28.1%	36.3%	20.8%	34.2%	-35.9%	-14.8%
Number of shares, thousand										
average	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
outstanding	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
registered	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008
Number of shareholders	10,000	8,900	7,300	7,300	7,700	7,900	8,900	8,800	8,300	7,100
Percentage of shareholders registered abroad	46%	46%	47%	9%	53%	46%	37%	33%	31%	34%
Market capitalization, SEKm	15,014	11,890	9,963	11,029	14,965	11,726	9,758	6,970	5,002	4,448
Turnover, thousand shares per year	152,186	191,129	218,304	207,442	107,710	93,268	86,289	92,067	107,587	132,720
Turnover rate per year	93%	117%	133%	126%	66%	57%	53%	56%	66%	81%
Income from property mgmt per share, SEK	6.96	6.89	5.93	5.63	5.38	5.00	4.52	4.07	3.77	3.30
Share price/pre tax income from property management per share	13.2	10.50	10.2	11.9	17.0	14.3	13.2	10.4	8.1	8.2
Income from prop management after tax (EPRA EPS), SEK	6.62	6.93	5.85	5.50	5.09	4.49	4.15	3.82	3.52	3.16
Share price/Income from property management after tax per share	13.8	10.50	10.4	12.2	17.9	15.9	14.3	11.1	8.7	8.6
Long term net asset value per share (EPRA NAV) SEK	92	82	84	88	79	69	61	55	53	49
Share price/Long-term net asset value per share	99%	88%	72%	76%	116%	104%	98%	77%	58%	55%
Net asset value per share (EPRA NNAV), SEK	85	73	75	85	76	65	57	52	50	48
Share price/Net asset value per share	108%	99%	81%	79%	120%	110%	104%	82%	61%	57%

The Castellum share's price trend and turnover since IPO may 23, 1997 until January 20, 2011



Corporate Governance Report



Corporate governance covers the different means of decision making by which the shareholders directly and indirectly control the company. A high level of transparency in the information to shareholders and the capital market helps the decision making process run efficiently and provide different owners good insight into the operations of the company. Corporate governance has evolved through laws, recommendations, the so called "code", and through self regulation.

Articles of association

The name of the company is Castellum Aktiebolag and the company is a public limited company. The registered office of the Board is in Gothenburg.

The objective of the company's activities is to acquire, administer, develop and sell real estate and securities – directly or indirectly through wholly or partially owned companies – and to carry out other activities compatible with these. Changes in Castellum's articles of association are made in accordance with the regulations in the Companies Act. The articles of association, which also includes information on share capital, number of board members and auditors as well as rules for summons and agenda for the annual general meeting is available as a whole on the company's web site.

Annual General Meeting 2010

According to the Companies Act the annual general meeting is the highest decision making forum in a public limited company. The annual general meeting elects the Board of Directors and the company's auditors as well as makes decisions on changes in the articles of association and on changes in the share capital.

The latest AGM was held on March 25, 2010 in RunAn, Chalmers Kårhus in Gothenburg. At the AGM approx. 309 shareholders were present, representing 34.82% of the total number of shares and votes.

The AGM adopted the financial reports for 2009 and discharged the Board of Directors and the Chief Executive Officer from liability regarding the operations for 2009.

Dividend to the shareholders was decided according to the Board's proposal of SEK 3.50 per share.

The AGM decided that the Board of Directors shall consist of seven board members with no deputies and that the Board shall receive a fixed remuneration of SEK 1,825,000 of which SEK 475,000 to the Chairman of the Board and SEK 225,000 to each of the remaining board members. The remuneration includes work on the committees. To the Board of Directors Jan Kvarnström, Marianne Dicander Alexandersson, Per Berggren, Ulla-Britt Fräjdin-Hellqvist, Christer Jacobsson, Göran Lindén and Johan Skoglund were re-elected. The AGM appointed Jan Kvarnström as Chairman of the Board.

The AGM decided to approve the Board's proposed guidelines for remuneration to the executive management and a new incentive plan for members of the executive management, which in principle is an extension of the previous incentive program.

The AGM also decided to authorize the Board – in order to adjust the company's capital structure and be able to transfer own shares as a payment or financing of real property investments – to resolve on acquisition and transfer of own shares.

Minutes of the annual general meeting held on March 25 2010 are available on the company's web site.

Share capital

The share capital amounts to SEK 86,003,354, distributed among 172,006,708 shares with a par value of SEK 0.50. Each share, except the company's own repurchased shares of 8,006,708, entitles the holder to one vote and carries an equal right to a share in Castellum's capital. Castellum has no directly registered shareholder owning more than 10%.

Board of Directors

According to the articles of association, Castellum's Board shall consist of no less than four and no more than eight members. Board members are elected at the annual general meeting for the time until the end of the first annual general meeting held after the year the board member was elected. During 2010, the Board was made up of seven regular members. The Board works according to a set of procedural rules containing instructions on the allocation of work between the Board and the CEO. No board member is entitled to remuneration if leaving the assignment.

New board members receive an introduction of the company and its operations and take the stock exchange's training program according to the agreement with the stock exchange. The Board receives regularly information of regulatory changes and issues concerning the operations and board responsibilities for a listed company.

For Board decisions the rules of the Companies Act applies, stating that at least half of the board members present and more than one third of the total number of board members must vote in order for a decision to be made. On equal count the Chairman has the deciding vote.

The Board of Directors responsibility

The Board appoints the company's Chief Executive Officer and sets remuneration and other terms of employment benefits for the CEO. According to the Swedish Companies Act and the Board of Directors' rules of procedure the Board is responsible for outlining overall, longterm strategies and objectives, budgets and business plans, review and establish the accounts, as well as making decisions on issues regarding investments and significant changes in Castellum's organization and operations.

The Board of Directors' rules of procedure

The Board of Directors' rules of procedure is set annually. The rules of procedure describes the work of the Board and the distribution of responsibility between the Board and the Chief Executive Officer. The rules of procedure also states topics which should be dealt with at each board meeting and instructions regarding the financial reporting to the Board of Directors.

The rules of procedure also prescribes that the Board shall have an audit committee and a remuneration committee made up of all members of the Board who are not employed by the company. The Chairman of the committees shall be the Chairman of the Board of Directors.

The Chairman of the Board of Directors

The Chairman of the Board of Directors is responsible for making sure that the members of the Board regularly receive information needed from the Chief Executive Officer in order to follow up on company's financial position, results, liquidity, financial planning and development. The Chairman of the Board of Directors is also obliged to fulfil decisions made by the Annual General Meeting regarding establishing an Election Committee and to take part in the work of the committee.

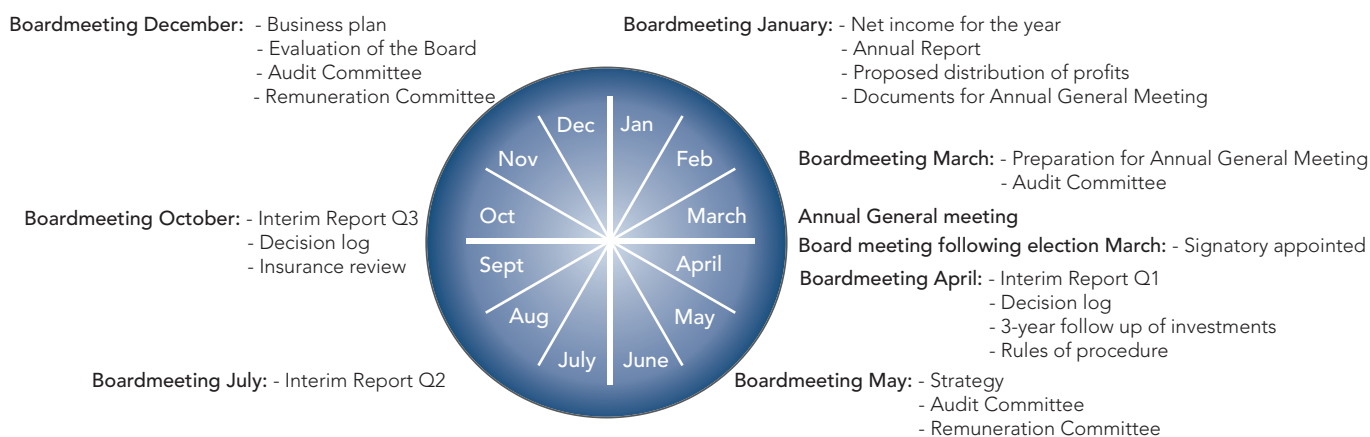
The Board of Directors' activities during 2010

During 2010, Castellum's Board has held eight meetings of which one was a board meeting following election. According to the prevailing procedural rules, the Board must hold at least seven scheduled board meetings each calendar year, of which one is a board meeting following election.

Board meetings are held in connection with the publication of the company's reports, the year-end, proposed appropriation of profits and issues relating to the AGM are being dealt with in January, interim accounts in April, July and October, strategy in May and the business plan for the next year at the meeting held in December.

At each of the scheduled board meetings, matters of significance for the company, such as investments and sales of properties as well as funding are covered. Furthermore, the Board is informed about the current state of operations, the rental and real estate markets as well as the credit and stock markets.

The Board's year - issues besides current state of operations, prospects, investments, sales och financing





The regular matters dealt with by the Board during 2010 included the business plan, company-wide policies, overall strategies, the procedural rules for the Board, the capital structure and funding needs, and the company's insurance situation.

The Board has during 2010 made an external evaluation of its work. The evaluation has been handed over to the Election Committee and the Board for discussion. The evaluation covers topics such as working climate, working procedures in the business process, crisis management, follow-up and control, moral, ethics and communication.

No other compensation beside the remuneration has been paid.

Remuneration Committee

The Remuneration Committee has, in relation to the Board, a preparatory function in matters of remuneration principles, remuneration and other employment terms. The Remuneration Committee shall monitor and evaluate the application of the guidelines for compensation, remuneration structures and levels of remuneration of senior executives that the Annual General Meeting decided on, as well as prepare proposals for new guidelines on remuneration policies and other terms of employment.

Decisions are made by the Remuneration Committee regarding the outcome during the current incentive program. The Committee shall monitor and evaluate ongoing and ended incentive plans and prepare proposals for new incentive program for the AGM. Further, drawing up proposals for the Board's accounting of the remuneration committee's evaluation of variable remuneration, the application of guidelines and compensation structures and levels. The evaluation will be presented on the company's website. The Remuneration Committee shall annually evaluate the work of the Chief Executive Officer and, where appropriate, deal with issues concerning appointing CEO.

The Remuneration Committee shall meet at least twice a year. During 2010, the Committee has held two meetings.

Audit Committee

The Audit Committee has, in relation to the Board of Management, a preparatory function in matters of auditing and financial reporting. The Audit Committee's role is to monitor the company's financial reporting and the effectiveness of the internal controls, internal audit and risk management, keep informed about the audit of financial statements and meeting regularly with the auditors to obtain information on auditing and the company's risks. The Audit committee shall review and monitor the auditor's impartiality and independence, and evaluate the audit work and inform the Nomination Committee of the outcome of the evaluation. The Audit Committee shall also assist the committee in preparing proposals for auditors and compensation to them. The Audit Committee shall meet at least three times a year, of which the auditors must attend at least twice. At one of those times when the audit committee meets with the auditors, no one from the corporate management shall be present. In 2010, the committee met on three occasions.

Board of Directors, number of meetings and attendance during 2010 in Castellum AB

Name	Elected/resigned	Independent	Attendance of the total number of meetings			Remuneration SEK thousand
			Board meetings	Audit Committee	Remuneration Committee	
Jan Kvarnström	1994	No*	8 of 8	3 of 3	2 of 2	475
Per Berggren	2007	Yes	8 of 8	3 of 3	2 of 2	225
Marianne Dicander Alexandersson	2005	Yes	7 of 8	2 of 3	1 of 2	225
Ulla-Britt Fräjdin-Hellqvist	2003	Yes	7 of 8	2 of 3	1 of 2	225
Christer Jacobson	2006	Yes	8 of 8	3 of 3	2 of 2	225
Göran Lindén	1999	Yes	8 of 8	3 of 3	2 of 2	225
Johan Skoglund	2010	Yes	6 of 6	2 of 2	2 of 2	225

* As Jan Kvarnström has been a member of the Board of Directors in Castellum since 1994 he is considered to be dependent.

Board of Directors

Jan Kvarnström, *Chairman of the Board*

Born 1948, Master of Business Administration and Economics and MBA.

Own business in von Deska GmbH and Kvarnström & Kvarnström. Has been CEO of Securum AB, Esselte AB and Dresdner Bank AG and different executive positions in the Bonnier-group and PK-banken (now Nordea).

Other assignments: Chairman of the Board of Collector AB, Deputy Chairman of Sjätte AP-fonden and senior advisor in Investcorp. Shareholdings: 34,600



Per Berggren, *Board member*

Born 1959, Master of Science and economic education from Stockholm University.

Present CEO of Hemsö Fastighets AB. Previously CEO of Jernhusen AB, division manager in Fabege AB, CEO of Drott Kontor AB and property manager in Skanska Fastigheter Stockholm AB.

Other assignments: Director of Arenastaden with Swedbank Arena.

Shareholdings: 2,300



Marianne Dicander Alexandersson, *Board member*

Born 1959, Master of Science.

Deputy CEO of Apoteket AB. Previous positions within Volvo, ICI, Pharmacia and latest as CEO of Kronans Droghandel AB. Other assignments: Director of Chalmers University of Technology and Confederation of Swedish Enterprise.

Shareholdings: 3,030



Ulla-Britt Fräjdin-Hellqvist, *Board member*

Born 1954, Master of Science.

Own operations in Fräjdin & Hellqvist AB. Previous executive positions within Volvo Personvagnar and Head of Department in Confederation of Swedish Enterprise. Other assignments: Chairman of the Board in Kongberg Automotive ASA, SinterCast AB, Stiftelsen för Strategisk Forskning and Ruter Dam. Director of Rymdbolaget, Fouriertransform, Stockholm Environment Institute, Tällberg Foundation Service and e-man. Shareholdings: 800



Christer Jacobson, *Board member*

Born 1946, Master of Business Administration and Economics DHS.

Own operations in Bergsrådet Kapital AB. Previously stock commentator and market manager at Affärsvärlden and Head of Analysis and CEO of the Alfred Berg-group. Other assignments: Director in Viscogel AB and Max Matthiessen Värdepapper AB. Shareholdings: 30,000



Göran Lindén, *Board member*

Born 1944, Bachelor of Business Administration and Economics.

Has been CEO of ABBA AB, BCP AB, Fortos AB, Swedish Match AB and deputy CEO of Procordia AB and member of the executive board in AB Volvo. Other assignments: Chairman of the Board of Inspanet AB, Procordia's retirement fund, Rölunda AB, Flodins Filter AB, Retail House AB and Västana Slott AB and Director of Wicanders Förvaltnings AB, Plockmatic Int. AB and Grimaldi Industrier AB.

Shareholdings: 0



Johan Skoglund, *Board member*

Born 1962, Master of Science KTH and the program of Master of Science Handelshögskolan, Stockholm. CEO JM.

Has 23 years experience from JM in different positions. Other assignments: Director of Sveriges Byggindustrier and Mentor Sverige. Shareholdings: 1,000



Johan Ljungberg, *Secretary to the Board*

Born 1974. Secretary to the Board since 2008. Lawyer, Mannheimer Swartling Advokatbyrå. Shareholdings: 0

The information above refers to the situation at the end of January 2011. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies and holdings through capital assurance.



Carl Lindgren
Born 1958
Company's auditor
since 2007



Ingemar Rindstig
Born 1949
Company's auditor
since 2003



Conny Lysér
Born 1962
Company's deputy
auditor since 2003

Audit

Castellum's auditors are elected by the AGM for a period of four years. The present period began in 2007 and the next election will therefore take place at the AGM in 2011. The company's auditors are Carl Lindgren, working at KPMG, Ingemar Rindstig, working at Ernst & Young and deputy auditor Conny Lysér, working at KPMG. All of them are authorized public accountants.

Remuneration to auditors

Remuneration to auditors during the year was SEK 4,379,000 (3,377,000) of which SEK 2,682,000 (2,125,000) related to auditing assignments, SEK 287,000 (252,000) audit and SEK 1,410,000 (1,000,000) to tax consultation. The corresponding amounts for the parent company were SEK 1,136,000 (1,185,000) and SEK 795,000 (758,000) and SEK 341,000 (427,000) tax consultation. Of the group's total remuneration of SEK 4,397,000 (3,377,000), SEK 4,103,000 (3,194,000) refer to KPMG and the remainder to Ernst & Young.

Election Committee

The Annual General Meeting 2010 decided that an Election Committee should be appointed for the AGM 2011 in order to present proposals for the number of members of the Board of Directors, election of members of the Board of Directors, chairman of the Board of Directors, remuneration to members of the Board of Directors and election of auditors and their remuneration.

The Election Committee is appointed according to the AGM's decision that the Election Committee should be established by the Chairman contacting the three largest shareholders at the end of the third quarter in order for them to each appoint one member to the Election Committee. The appointed members, together with the Chairman of the Board of Directors as convener, should constitute the Election Committee. The Election Committee would appoints chairman amongst its members.

The Election Committee includes: Maj-Charlotte Wallin representing AFA Försäkring, Rutger van der Lubbe representing Stichting Pensioenfonds ABP, Lars-Åke Bokenberger representing AMF Pension, and the Chairman of the Board Jan Kvarnström. Maj-Charlotte Wallin is the chairman of the Election Committee.

The Election Committee has held four meetings with minutes where all the issues the Election Committee are obliged to address according to the Swedish Code for corporate governance has been dealt with.

The Election Committee has decided to propose re-election of the board members Jan Kvarnström, Per Berggren, Marianne Dicander Alexandersson, Ulla-Britt Fräjdin-Hellqvist, Christer Jacobson and Johan Skoglund. Mr Göran Lindén, who has been a member of the board since 1999, has declined re-election. Jan Kvarnström is proposed as chairman of the Board. The proposed Board of Directors is considered to possess the versatility and competence, experience and background required with respect to Castellum's business, phase in the development and other circumstances.

In order to be able to judge the proposed board member's independency in relation to Castellum and its executive management as well as to the larger shareholders in Castellum, the Election Committee has gathered information on the proposed members of the Board of Directors. Out of this, the Election Committee has assessed that only Mr Jan Kvarnström, member of the Board of Directors since 1994, is to be considered in a position of dependence in relation to Castellum and its executive management.

Remuneration to the Board of Directors is proposed to SEK 500,000 to the Chairman and SEK 240,000 for each of the remaining board

members, SEK 1,700,000 in total. Finally, the Election Committee has informed Castellum about the work of the Election Committee and which proposals the Election Committee has decided to put forward.

The election committee proposes further re-election of authorized public accountant Carl Lindgren and new election of authorized public accountant Magnus Fredmer. Present auditor Ingemar Rindstig, who has been auditor of the company for two terms, is as result of current regulations prevented for re-election. The election committee proposes also re-election of authorized public accountant Conny Lysér as deputy auditor.

The annual general meeting 2011

For the AGM on March 24, 2011 the Board of Directors proposes:

- a dividend of SEK 3.60 per share and March 29, 2011 as record day,
- to amend the Articles of Association regarding notice procedures and auditors' term of office in accordance with amended legislation,
- guidelines for remuneration to members of the executive management,
- a renewed mandate for the Board to decide on purchase or transfer of the company's own shares.

The election committee proposes for the AGM;

- re-election of the present board members Mr. Jan Kvarnström, Mr. Per Berggren, Mrs. Marianne Dicander Alexandersson, Mrs. Ulla-Britt Fräjdin-Hellqvist, Mr. Christer Jacobson and Mr. Johan Skoglund, as members of the board of directors. Mr. Jan Kvarnström is proposed re-elected as chairman of the board of directors,
- re-election of auditor Carl Lindgren, new election of auditor Magnus Fredmer and re-election of deputy auditor Conny Lysér,
- that remuneration to the Board of Directors should be SEK 1,700,000 out of which SEK 500,000 should be allocated to the Chairman of the Board and SEK 240,000 to each one of the remaining members of the Board of Directors. The remuneration include work on the committees,
- fee to the auditors shall, during the term of office, should be based on approved account,
- for AGM to decide on appointing an election committee for the AGM 2012 and for the Chairman to contact the three largest registered or in an other way known shareholders at the end of the third quarter 2011 and invite them to each appoint one member to the election committee, and that the three appointed members together with the Chairman of the Board of Directors shall constitute the election committee. The election committee will appoint a chairman amongst its members.

Swedish code for corporate governance

Castellum applies the code which purpose is to create good preconditions for practicing the role of an active and responsible ownership. The code is meant to make up one step in the self-regulation of the Swedish business environment. It is based upon the principle comply or explain, meaning that all rules must not always be followed and there is no crime in deviating from one or more particular rules of the code if there are motives and explanations. Swedish code for corporate governance is conducted by the Swedish Corporate Governance Board and is found on www.bolagsstyrning.se.

Castellum deviates from the paragraph, "making the members of the Election Committee public", which according to the code shall be made six month prior to the AGM. The AGM 2010 decided, according to previous practice, that an Election Committee should be established at the end of the third quarter, and that the names of the members of the Election Committee should be published in the company's third interim report for the year. According to this composition of the Election Committee was published approximately five months prior to the AGM.





Internal control

According to the Swedish Companies Act and Swedish code for corporate governance the Board of Directors is responsible for the internal control. This report has been drawn up in accordance with the Swedish Annual Accounts Act and the code for corporate governance and is hence limited to internal control regarding the financial reporting.

The internal control in Castellum follows an established framework, Internal Control – Integrated Framework, "COSO", comprising the following five components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The basis for the internal control regarding the financial reporting is made up of the control environment, which consists of different parts that together form the culture and values Castellum is managed from. The fundamentals for Castellum's internal control is the decentralized small-scale organization with over 600 properties, as well as cost centres, which are managed by six subsidiaries, each with approx. 30-40 employees. The decision making processes, authorizations and responsibilities which have been drawn up and communicated in documents such as the Board of Directors' rules of procedure, rules for decision making, rules for authorization, accounting and reporting manuals, internal policies and manuals are also important for the internal control. Documents in use are updated regularly to changes in legislation, accounting standards or listing requirements etc.

Risk assessment

In Castellum risk management is built into the processes and different methods are used to evaluate and limit risks and to secure that the risks Castellum is exposed to are managed in accordance with set policies and guidelines. In accordance with the rules of procedure, the Board of Directors, also the audit committee, reviews the internal control once a year. Identified risks are assessed and measures are set to reduce these risks. The important risks Castellum has identified in the financial reporting are errors in the accounting and valuation of properties, interest bearing liabilities, taxes and VAT, as well as the risk of fraud, loss or embezzlement of assets.

Control activities

The risks identified regarding the financial reporting are taken care of by the company's structure for control resulting in a number of control measures. The control measures aim to prevent, discover and correct errors and deviations and comprise analytical reviews on many levels in the organization and comparisons of income statement items, reconciliation of accounts, follow-up and reconciliation of board decisions and policies set by the board, authorization and reporting of business transactions, structure for proxy and authorization, authorized signatory, compliance officer function, group-wide definitions, templates, tools for reporting as well as accounting and valuation principles.

Castellum's subsidiaries have their own financial functions which take part in the planning and follow-up of their units' financial results. Their regular analysis of their own units' financial reporting are together with the analysis made at group level an important part of the internal control in order to ensure that the financial reporting do not contain any significant errors.

Information and communication

Castellum has ways for information and communication that aim to ensure an effective and correct distribution of information regarding the financial reporting. This demands that all parts of the operation communicate and share relevant and important information. Policies and guidelines regarding the financial reporting as well as updates and changes are made available and aware to the personnel concerned. The executive management as well as the Board of Directors regularly receive financial information about the subsidiaries with comments on financial results and risks. The Board of Directors also receives additional information regarding risk management, internal control and financial reporting from the auditors through the audit committee. In order to ensure that the external distribution of information is correct and complete there are both a policy for communicating with the stock market and an information security policy.

Monitoring

Regular follow-ups take place on many levels in the group, on both property level and subsidiary level as well as group level. The Board of Directors, which also makes up the audit committee, regularly evaluates the information provided by the company management and the auditors. The company's auditors also report in person directly to the audit committee at least twice a year of their observations from the audit and their assessment of the internal control. In addition the audit committee makes an annual review of the risk assessments and the decided measures. The audit committee's and the Board of Directors' monitoring are of particular importance for the development of the internal control and for ensuring that measures are taken for possible shortcomings and suggestions that emerge.

The need for internal audits

Castellum has a small scale organization with approx. 30–40 employees in each company which together manages over 600 cost centres. All property management are run by the subsidiaries while financial management is taken care of by the parent company's treasury department, meaning that Castellum AB is not a profit centre. This gives the financial function of the parent company the role of a controlling function for the subsidiaries and a compliance officer function for the treasury department. In all this provides for the assessment that there is no need for a special unit for internal audits.





Executive Group Management

The executive group management includes the Chief Executive Officer, the Deputy Chief Executive Officer with responsibility for business development, the Financial and Finance Directors of Castellum AB and the six Managing Directors of the subsidiaries. Each member of the executive group management has their own area of responsibility and at the meetings mostly issues of overall operations are covered. The executive management has had 10 meetings in 2010.

The Chief Executive Officer and the Deputy Chief Executive Officer together with Managing Director of each subsidiary is the Board in each local subsidiary.

The Chief Executive Officer

The Chief Executive Officer is responsible for the company's day-to-day operations and for leading the operations according to the guidelines and directives submitted by the Board of Directors and for providing the Board with information and necessary basis for decision making. The Chief Executive Officer also reports at the Board meetings and shall make sure that members of the Board regularly receive the information needed in order to follow the company's and the group's financial position, results, liquidity, and development.

Guidelines for remuneration for Senior Executives

The AGM 2010 decided on the following guidelines for remuneration for senior executives:

Castellum shall uphold the remuneration levels and terms of employment required in order to recruit and maintain a good management with competence and capacity to achieve set objectives. A fixed salary will be paid for work performed in a satisfactory manner. In addition, flexible remunerations under an incentive plan may also be offered. Such flexible remuneration shall aim to promote long-term value creation within The Group. Flexible remuneration, which generally can not exceed the fixed salary is determined by how far in advance its objectives for growth in property management earnings per share and share price development are achieved, and how soft factors such as customer and employee satisfaction are developed. Flexible remuneration is paid as non pensionable salary. Executives who receive flexible remuneration is committed to acquire Castellum-shares for at least half the amount of flexible remuneration after tax.

The pension terms of the executive management shall be set according to general market practice and shall be based on pension plans with fixed payments.

Such period of notice shall, upon termination by the Company not exceeding 24 months for the Chief Executive Officer and 12 months for other executives, with the obligation to work the first six months. During the notice period full salary and other benefits is paid, less pay and compensation received from other employment.

Castellum has followed the guidelines decided by the AGM 2010.

The proposed guidelines for remuneration for senior executives which will be put forward at the AGM on March 24, 2011 are on principle unchanged compared to those put forward at the AGM in 2010.

The AGM 2010 decided on a new incentive plan for members of the executive management, which in principle is an extension of the existing program. In respect of the annual profit based bonus, the incentive program shall be applicable for 2011–2013, and, in respect of the share priced based bonus for the period June 2011–May 2014.

For further information regarding remuneration for the management see note 10.

Executive Group Management

Håkan Hellström

Chief Executive Officer, Castellum AB

Born 1956, Master of Business Administration and Economics. Employed since 1994 as Financial and Finance Director. CEO since 2006. Has previously worked as Authorized Public Accountant. Other assignments: Member of the Board of West Sweden Chamber of Commerce and Industry and Rabbalshede Kraft AB. Shareholdings: 114,300



Henrik Saxborn

Deputy Chief Executive Officer, Castellum AB, with responsibility for business development

Born 1964, Master of Science. Previous experience from management and acquisitions of properties. Employed since 2006. Shareholdings: 14,300

Anette Asklin

Financial Director, Castellum AB

Born 1961, Master of Business Administration and Economics. More than 20 years experience from bank and finance. Employed since 2000 and Financial Director since 2006.

Shareholdings: 27,700



Tage Christoffersson

Managing Director, Eklandia Fastighets AB

Born 1952, upper secondary schooling and real estate/economy at KTH. Has been working in the real estate business since 1976. Employed since 1994 and Managing Director of Eklandia since 1995.

Shareholdings: 49,000

Ulrika Danielsson

Finance Director, Castellum AB

Born 1972, Master of Business Administration and Economics. Experience within the financial and controlling function. Employed since 1998 and Finance Director since 2006.

Shareholdings: 4,500



Claes Junefelt

Managing Director, Fastighets AB Corallen

Born 1960, Master of Science. More than 15 years experience from building construction as team manager/district manager. Employed and Managing Director of Corallen since 2005.

Shareholdings: 7,400

Claes Larsson

Managing Director, Aspholmen Fastigheter AB

Born 1957, Master of Science. More than 10 years experience from building construction as team manager/district manager. Employed and Managing Director of Aspholmen since 2002.

Shareholdings: 20,200



Anders Nilsson

Managing Director, Fastighets AB Brostaden

Born 1967, Master of Science. More than 15 years experience from the real estate business. Employed since 1993 and Managing Director of Brostaden since 2006.

Shareholdings: 6,300

Christer Sundberg

Managing Director, Harry Sjögren AB

Born 1955, Master of Science. More than 25 years experience from banks and real estate companies. Employed and Managing Director of Harry Sjögren AB since 1993.

Shareholdings: 44,000



Gunnar Östenon

Managing Director, Fastighets AB Briggen

Born 1956, Master of Business Administration and Economics. Previous experience from real estate management and the construction industry. Employed and Managing Director of Briggen since 2006.

Shareholdings: 5,250

The information above refers to the situation in the end of January 2011. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies and holding through capital assurance.

Financial review

Summary

Rental income amounted to SEKm 2,759 (2,694). The average economic occupancy rate was 89% which is lower than corresponding period previous year. Average contracted rental level amounted to SEK 974 per sq.m. (969) corresponding to an increase by approx 1% in comparable portfolio compared with previous year. During the year new lease contracts were signed with a total annual value of SEKm 257 (251), while notices of termination amounted to SEKm 221 (288). Hence, net leasing for the year was SEKm 36 (-37).

Property costs amounted to SEKm 960 (942) corresponding to SEK 298 per sq.m. (300). During the year the costs related to snow removal has been approx. SEKm 25 higher than 2009. Costs for heating have increased due to the energy consumption for heating which during the period is estimated to 116% (93%) of a normal year according to the degree day statistics.

Net financial items were SEKm -574 (-541). The average interest level amounted to 3.7% (3.7%).

Income from property management during the year, i.e. net income excluding changes in value and tax, amounted to SEKm 1,141 (1,130), equivalent to SEK 6.96 (6.89) per share, which is an improvement of 1%.

Castellum assesses that the gradual increase in demand during the period has led to increasing property prices. In view of this, the required yield in the internal valuation has been reduced with an average of 0.2%-units. The change in value during the year has been estimated to 4% corresponding to SEKm 1,222 (-1,027) of which approx. two-thirds refers to reduced required yields and the rest to improved cashflows. The changes in value include SEKm 23 due to sales of six properties where the sale price of SEKm 227 exceeded the valuations with 11%.

Castellum's net income for the year 2010 was SEKm 1,964 (160).

The real estate portfolio

As of 31 December, 2010 Castellum's real estate portfolio amounted to a fair value of SEKm 31,768 (29,267) and the average valuation yield, excluding development projects, undeveloped land and building rights, can be calculated to 7.2% (7.3%). During the year investments totalling SEKm 1,506 (1,165) were made, of which SEKm 881 (1,039) were new construction, extension and reconstruction and SEKm 625 (126) were acquisitions.

Financing

As of 31 December, 2010 Castellum had long term binding credit agreements totalling SEKm 18,062 (16,262), bonds totalling SEKm 200 (500), short term binding credit agreements totalling SEKm 520 (1,220) and a commercial paper program of SEKm 4,000 (4,000). After deduction of liquidity of SEKm 12 (8), net interest bearing liabilities were SEKm 15,769 (15,286).

The average duration of Castellum's long term credit agreements as of 31 December, 2010 was 5.0 years (5.5). Margins and fees on long term credit agreements had an average duration on 2.6 (3.2) years.

As of 31 December 2010, the loan of value ratio was 50% (52%) and the interest coverage ratio amounted to 299% (309%).

The average effective interest rate as of 31 December, 2010 was 3.9% (3.8%). The average fixed interest term on the same date was 2.6 years (2.8).



Multi year Summary

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Income Statement, SEKm										
Rental income	2,759	2,694	2,501	2,259	2,014	1,907	1,856	1,758	1,684	1,571
Property costs	- 960	- 942	-831	-771	-700	-637	-628	-595	-560	-549
Net operating income	1,799	1,752	1,670	1,488	1,314	1,270	1,228	1,163	1,124	1,022
Central administrative expenses	- 84	- 81	- 71	-69	-67	-68	-69	-67	-63	-67
Net financial items	- 574	- 541	-626	-495	-364	-382	-418	-428	-442	-414
Income from property management	1,141	1,130	973	924	883	820	741	668	619	541
Changes in value, properties	1,222	- 1,027	-1,262	920	1,145	932	660	-43	251	686
Changes in value, interest rate derivatives	291	102	-1,010	99	178	-40	-146	-13	-168	42
Current tax	- 5	- 10	-14	- 22	-10	-1	-5	-1	-2	-
Deferred tax	- 685	- 35	650	- 434	-522	-417	-334	-171	-44	-338
Net income for the year	1,964	160	-663	1,487	1,674	1,294	916	440	656	931
Balance Sheet, SEKm										
Investment properties	31,768	29,267	29,165	27,717	24,238	21,270	19,449	18,015	17,348	16,551
Interest rate derivatives	-	-	-	44	-	-	-	-	-	-
Other fixed assets	156	201	230	123	200	103	94	167	172	394
Cash and bank	12	8	9	7	8	5	7	33	20	20
Total assets	31,936	29,476	29,404	27,891	24,446	21,378	19,550	18,215	17,540	16,965
Shareholders' equity	11,082	9,692	10,049	11,204	10,184	8,940	8,035	7,467	7,334	6,946
Deferred tax liability	3,502	2,824	2,785	3,322	2,723	2,126	1,659	1,294	1,124	1,081
Interest rate derivatives	574	865	966	-	55	233	391	245	232	64
Interest-bearing liabilities	15,781	15,294	14,607	12,582	10,837	9,396	8,834	8,598	8,264	8,254
Non-interest-bearing liabilities	997	801	997	783	647	683	631	611	586	620
Total shareholders' equity and liabilities	31,936	29,476	29,404	27,891	24,446	21,378	19,550	18,215	17,540	16,965
Financial key ratios										
Net operating income margin	65%	65%	67%	66%	65%	67%	66%	66%	67%	65%
Average interest rate	3.7%	3.7%	4.7%	4.2%	3.7%	4.3%	4.9%	5.4%	5.7%	5.8%
Interest coverage ratio	299%	309%	255%	287%	343%	315%	277%	256%	240%	231%
Return on net asset value	21.5%	1.6%	-8.3%	16.2%	20.7%	18.2%	14.6%	7.2%	9.0%	17.9%
Return on total capital	9.8%	2.1%	1.2%	9.1%	10.4%	10.4%	9.6%	5.9%	7.6%	10.3%
Investments in properties, SEKm	1,506	1,165	2,738	2,598	2,283	1,357	1,268	1,108	1,050	1,741
Sales, SEKm	227	36	28	39	460	468	494	397	503	635
Loan to value ratio	50%	52%	50%	45%	45%	45%	45%	48%	48%	50%
Data per share (since there are no potential common stock, there is no effect of dilution)										
Average number of shares, thousand	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
Income from property management, SEK	6.96	6.89	5.93	5.63	5.38	5.00	4.52	4.07	3.77	3.30
Income prop mgmt after tax (EPRA EPS), SEK	6.62	6.93	5.85	5.50	5.09	4.49	4.15	3.82	3.52	3.16
Earnings after tax, SEK	11.98	0.98	-4.04	9.07	10.21	7.89	5.59	2.68	4.00	5.68
Number of outstanding shares, thousand	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
Fair value of properties, SEK	194	178	178	169	148	130	119	110	106	101
Long term net asset value (EPRA NAV), SEK	92	82	84	88	79	69	61	55	53	49
Net asset value (EPRA NNAV), SEK	85	73	75	85	76	65	57	52	50	48
Dividend, SEK (2011 proposed)	3.60	3.50	3.15	3.00	2.85	2.62	2.38	2.13	1.88	1.63
Dividend ratio	70%	69%	74%	74%	74%	73%	73%	72%	69%	68%
Property related key ratios										
Rental value, SEK/sq.m.	974	969	921	896	864	851	859	829	799	747
Economic occupancy rate	89.0%	89.8%	89.7%	87.9%	87.1%	88.1%	89.6%	90.7%	91.5%	93.0%
Property costs, SEK/sq.m.	298	300	268	262	259	247	255	246	237	239
Property value, SEK/sq.m.	9,499	9,036	8,984	9,098	8,466	7,930	7,706	7,296	7,132	6,681

In the Multi Year Summary above adjustments have been made for the years 2001-2004 due to new accounting principles (IFRS)



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Consolidated Income Statement

SEKm		2010	2009
Rental income	Note 3	2,759	2,694
Operating expenses	Note 4	– 547	– 512
Maintenance	Note 4	– 105	– 127
Ground rent	Note 4	– 19	– 21
Real estate tax	Note 4	– 140	– 127
Leasing and property administration	Note 4	– 149	– 155
Net operating income		1,799	1,752
Central administrative expenses	Note 5	– 84	– 81
<i>Financial items</i>			
Financial income	Note 6	1	2
Financial costs	Note 7	– 575	– 543
Income from property management		1,141	1,130
<i>Changes in value</i>	Note 8		
Properties		1,222	– 1,027
Interest rate derivatives		291	102
Income before tax		2,654	205
Current tax	Note 9	– 5	– 10
Deferred tax	Note 9	– 685	– 35
Net income for the year		1,964	160

Since there are no minority interests the entire net income is attributable to the shareholders of the parent company.

Data per share (since there are no potential common stock, there is no effect of dilution)

Average number of shares, thousand	164,000	164,000
Earnings after tax, SEK	11.98	0.98

Consolidated Balance Sheet

SEKm		Dec 31 2010	Dec 31 2009
ASSETS			
Fixed assets			
Investment properties	Note 11	31,768	29,267
Tangible fixed assets	Note 12	12	13
Long-term receivable		3	–
Total fixed assets		31,783	29,280
Current assets			
Rent receivables		10	10
Other receivables		78	135
Prepaid expenses and accrued income		53	43
Cash and bank		12	8
Total current assets		153	196
TOTAL ASSETS		31,936	29,476
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to the shareholders of the parent company			
Share capital	Note 13	86	86
Other capital contribution		4,096	4,096
Retained earnings		6,900	5,510
Total shareholders' equity		11,082	9,692
Liabilities			
Long-term liabilities			
Deferred tax liability	Note 14	3,502	2,824
Interest rate derivatives	Note 15	574	865
Long-term interest-bearing liabilities	Note 16	15,781	15,294
Total long-term liabilities		19,857	18,983
Short-term liabilities			
Accounts payable		133	153
Tax liabilities		21	28
Other liabilities		228	51
Accrued expenses and prepaid income	Note 17	615	569
Total short-term liabilities		997	801
Total liabilities		20,854	19,784
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		31,936	29,476
Pledged assets	Note 18	17,421	18,281
Contingent liabilities	Note 19	–	–

Income Statement for the Parent Company

SEKm		2010	2009
Income	Note 3	15	14
Central administrative expenses	Note 5	– 59	– 63
<i>Financial items</i>			
Financial income	Note 6	1,306	1,173
Financial costs	Note 7	– 636	– 597
Income before changes in value and tax		626	527
<i>Changes in value</i>	Note 8		
Interest rate derivatives		291	102
Income before tax		917	629
Current tax	Note 9	–	–
Deferred tax	Note 9	– 69	– 18
Net income for the year		848	611

Balance Sheet for the Parent Company

SEKm		Dec 31 2010	Dec 31 2009
ASSETS			
Fixed assets			
Tangible fixed assets	Note 12	0	0
<i>Financial fixed assets</i>			
Participations in group companies	Note 21	4,087	4,087
Deferred tax assets	Note 15	169	225
Long-term receivables, group companies	Note 12	16,195	15,901
Total financial fixed assets		20,451	20,213
Total fixed assets		20,451	20,213
Current assets			
Short-term receivables, group companies		838	709
Prepaid expenses and accrued income		10	3
Cash and bank		0	0
Total current assets		848	712
TOTAL ASSETS		21,299	20,925
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	Note 13		
<i>Restricted equity</i>			
Share capital		86	86
Restricted reserves		20	20
<i>Non-restricted equity</i>			
Retained earnings		2,974	2,974
Net income for the year		848	611
Total shareholders' equity		3,928	3,691
Liabilities			
Interest rate derivatives	Note 14		
Long-term interest-bearing liabilities	Note 16	574	865
Long-term interest-bearing liabilities, group companies	Note 17	14,719	13,291
Long-term interest-bearing liabilities, group companies		1,691	2,109
Short-term interest bearing liabilities		–	641
Short-term interest bearing liabilities, group companies		230	150
Accounts payable		3	1
Other liabilities		2	2
Accrued expenses and prepaid income	Note 18	152	175
Total liabilities		17,371	17,234
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		21,299	20,925
Pledged assets	Note 19	14,721	15,214
Contingent liabilities	Note 20	1,062	1,362

Change in Equity

Attributable to the shareholders of the parent company

Group, SEKm	Number of out- standing shares, thousand	Share capital	Other capital contribution	Retained earnings	Total equity
Shareholders' equity 31-12-2008	164,000	86	4,096	5,867	10,049
Dividend, March 2009 (3.15 per share)	–	–	–	– 517	– 517
Net income for the year	–	–	–	160	160
Shareholders' equity 31-12-2009	164,000	86	4,096	5,510	9,692
Dividend, March 2010 (3.50 per share)	–	–	–	– 574	– 574
Net income for the year	–	–	–	1,964	1,964
Shareholders' equity 31-12-2010	164,000	86	4,096	6,900	11,082

Partent Company, SEKm	Number of out- standing shares, thousand	Share capital	Restricted reserves	Retained earnings	Total equity
Shareholders' equity 31-12-2008	164,000	86	20	3,495	3,601
Dividend, March 2009 (3.15 per share)	–	–	–	– 517	– 517
Received group contribution after tax	–	–	–	– 4	– 4
Net income for the year	–	–	–	611	611
Shareholders' equity 31-12-2009	164,000	86	20	3,585	3,691
Dividend, March 2010 (3.50 per share)	–	–	–	– 574	– 574
Received group contribution after tax	–	–	–	– 37	– 37
Net income for the year	–	–	–	848	848
Shareholders' equity 31-12-2010	164,000	86	20	3,822	3,928

Cash Flow Statement

SEKm	Group		Parent Company	
	2010	2009	2010	2009
Operating activities				
Net operating income	1,799	1,752	15	14
Central administrative expenses	– 84	– 81	– 59	– 63
Depreciations reversed	6	7	0	1
Net financial items paid	– 595	– 611	– 9	– 57
Tax paid	– 9	– 10	–	–
Cash flow from operating activities before change in working capital	1,117	1,057	– 53	– 105
<i>Cash flow from change in working capital</i>				
Change in current receivables	12	62	– 136	– 184
Change in current liabilities	84	– 129	0	3
Cash flow from operating activities	1,213	990	– 189	– 286
Investment activities				
Investments in new constructions, refurbishments and extensions	– 881	– 1,039	–	–
Property acquisitions	– 625	– 118	–	–
Change in liabilities at acquisitions of properties	137	3	–	–
Property sales	219	36	–	–
Change in receivables at sales of properties	32	– 35	–	–
Net capital contributions, subsidiaries	–	–	608	563
Other net investments	– 4	– 8	0	– 1
Cash flow from investment activities	– 1,122	– 1,161	608	562
Financing activities				
Change in interest-bearing liabilities	487	687	449	1,112
Change in long-term receivables	–	–	– 294	– 871
Dividend paid	– 574	– 517	– 574	– 517
Cash flow from financing activities	– 87	170	– 419	– 276
Cash flow for the year	4	– 1	0	0
Cash and bank, opening balance	8	9	0	0
Cash and bank, closing balance	12	8	0	0

Accounting Principles and Notes

(All figures in SEKm unless stated otherwise.)

Note 1

Accounting Principles

General information

The financial reports of Castellum AB (The Parent Company) for the financial year ending December 31, 2010 has been approved by the Board of Directors and the Chief Executive Officer for publication on February 3, 2011 and will be proposed to the Annual General Meeting 2011 for adoption. The parent company is a Swedish limited liability company (publ), with registered office in Gothenburg, Sweden. The operations of the Group are described in the Directors' report.

Grounds for the accounting

Castellum's accounts have been prepared in accordance with the IFRS standards adopted by the EU and the interpretations of them (IFRIC). Further, the consolidated accounts have been prepared according to Swedish law by application of the Swedish Financial Reporting Boards recommendation RFR 1 (Complementary accounting principles for consolidated accounts).

The accounts have been prepared based on fair value of investment properties and derivatives and nominal value for deferred tax. For the remaining items acquisition value has been used.

Critical assessments

In order for the accounts to be completed in accordance with the IFRS and generally accepted accounting principles assessments and assumptions must be made that affect the recorded assets, liabilities, income and costs as well as other information in the accounts. These assessments and assumptions are based upon historical experiences and other factors which are considered fair under the current conditions. Real outcome may be different from these assessments if other assumptions are made or other conditions exist.

Investment properties

In valuation of investment properties the assessments and assumptions can have significant affect on the income and financial position of the Group. The valuation calls for estimation and assumptions of the future cash flows and decision about the discounting factor (required yield). To reflect the uncertainty that exists in the assessments and assumptions, normally an uncertainty range of +/- 5-10% is used in property valuations. Information about this and the assessments and assumptions made are presented in note 11.

Deferred tax liability

According to the accounting principles deferred tax shall be accounted to nominal value without discounting, meaning 26.3% nominal tax rate. The real tax is considerably lower in part due to the possibility to sell properties in a tax efficient way, and in part due to the time factor.

Classification

Fixed assets and long-term liabilities consist of amounts that are expected to be regained or settled more than twelve months from the balance sheet day. Current assets and short-term liabilities consist of amounts that are expected to be regained or settled in less than twelve months from the balance sheet day.

The consolidated financial statements

The Group's balance sheet and income statement includes all companies where the parent company has direct or indirect determining influence. All companies in the Group are wholly-owned and there are neither associated companies nor joint ventures. In addition to the parent company, the Group comprises the subsidiaries listed in Note 21 and their respective sub-groups. The consolidated financial statements are based upon the accounts for all subsidiaries as of December 31. The consolidated financial statements have been prepared according to the acquisition accounting method, meaning that the shareholders' equity of the subsidiaries at the time of acquisition, calculated as the difference between the fair value of the assets and liabilities, are fully eliminated. The shareholders' equity of the Group includes only the part of shareholders' equity of the subsidiaries that has been added after the acquisition.

Company acquisitions can be classified either as business combinations or asset acquisitions. As a result of changes in the regulations related to business combinations, Castellum has established guidelines for classification of company acquisitions. All completed company acquisitions during the year have been classified as asset acquisitions, hence the acquired company's only asset is property, and therefore no deferred tax is accounted for relating to these acquisitions.

The consolidated income statement includes records of associated companies acquired or sold during the year only for the time of possession.

Intra-group sales, income, losses and dealings are eliminated in the consolidated accounts.

Income

Rental income

Rental income, which from an accounting perspective is also called income from operating leases, is debited in advance and allocated linear in the income statement, based on the terms in the lease. Rental income includes supplementary charges for the tenant, such as debited real estate tax and heating costs. Rents debited in

advance are recorded as deferred rental income. In cases where a lease during a certain period of time offers a reduced rent, corresponding to a higher rent at another point in time, this lower/higher rent is spread out over the period of the lease. Pure discounts, such as reduction for successive moving in, are recorded in the income statement in the period when they are given.

Income from property sales

Income from property sales is entered as of the contract date, unless there exist special conditions in the purchasing agreement. On sale of a property through a company, the transaction is recorded using gross accounting regarding the underlying property price and the calculated deduction for deferred tax. The result from a property sales is accounted for as a change in value and refers to the difference between the received sales price after deduction of sales costs, and the recorded value in the latest interim report with adjustment for capitalized investments after the latest interim report.

Financial income

Financial income consist of interest income and interest subsidies and are recorded as income in the period which they refer to. Also received and anticipated dividends are recorded as a financial income.

Financial costs are interests and other costs that occur when a company is borrowing money. Costs for taking out pledges for mortgages are not considered as financial costs and are capitalized as a property investment since it increases the valuation. Financial costs are accounted for in the period which they refer to. Financial costs also consist of cost of entered interest rate derivatives-agreements. Payments under these interest rate derivatives are accounted for in the period which they refer to. Net financial items have not been affected by market valuation of the entered interest rate derivatives, instead changes in the market value of interest rate derivatives are recorded as changes in value under a separate headline. The part of the interest costs originating from interest during the construction period for major new construction, extension or reconstruction projects is capitalized. The interest is calculated based on the average interest rate level for the Group.

Employee benefits are accounted for as the employees perform services in exchange for the remuneration. Benefits according to incentive plans, that are settled in cash and paid as non pensionable salary, are accounted for as the targets are met during the period of the incentive plan.

Pensions

Pensions and other post-employment benefits are classified as defined contribution or defined benefit plans. The majority of the Castellum Group's pension commitments are defined contribution plans, which are fulfilled through regular payments to independent authorities or bodies which administer the plans. Obligations regarding payments to contribution plans are recorded as a cost in the income statement when they occur. A small number of employees within the Castellum Group have defined ITP-plans with regular payments to Alecta. These plans are recorded as defined contribution plan since Alecta does not provide the information needed in order to report the plan as a defined benefit plan. There are, however, no indications of any significant liabilities besides what have already been paid to Alecta.

The income tax in the income statement is divided into current and deferred tax. The income tax is recorded in the income statement except when related to transactions, such as group contributions, which have been recorded directly in equity when possible tax effects also have been recorded directly in equity. Current and deferred taxes are calculated based on current tax rates, which for the time being is 26.3%.

Open claims in the income tax return that contains a certain degree of uncertainty is taken into consideration in the tax calculation in the year after the financial year at the earliest, after the taxation has been assessed by the tax authority.

Deferred tax

Deferred tax is recorded in Castellum, using the balance sheet method, for all temporary difference between an asset's or a liability's book value and its tax basis value. This means that there is a tax liability or a tax asset that falls due for payment on the date on which the asset or liability is realized. Exception is however made for temporary differences that arise from the initial accounting for assets and liabilities relating to asset acquisitions. Castellum has two entries in which temporary differences may be found – properties and tax loss carry forwards. Deferred tax assets related to tax loss carry forwards are recorded since it is probable that future taxable income will be available, which may be utilized against the tax loss carry forwards. Deferred tax liability relates to the difference between the properties book value and their tax basis value. On a change in one of the two entries above the deferred tax liability / tax asset is also changed, which is accounted for in the income statement as a deferred tax.

Castellum has recorded all completed company acquisitions as asset acquisitions, meaning that deferred tax at the time of the acquisitions is not accounted for in the balance sheet.

**Financial
cost**

**Employee
benefits**

Income taxes

Current tax

Besides the deferred tax also current tax is recorded in the income statement, which is equivalent to the tax that the company must pay on the taxable income for the year, adjusted for possible current tax for previous periods.

Leases

Leases where all crucial risks and benefits associated with the ownership fall on the lessor, is classified as operational leases. All existing rental leases related to Castellum's investment properties are, from an accounting perspective seen as operational leases. How these leases are accounted for can be read about in the accounting principles for income and in note 3.

Site leasehold is, from an accounting perspective, seen as an operational lease. The ground rent is accounted for in the income statement for the period it refers to.

There are also a small number of leases of insignificant value, where Castellum is the lessee. These leases are also accounted for as operational leases and concerns mainly private cars. Payments made during the period of the leases are recorded as a cost, in the income statement, linear over the leasing period.

Investments properties

An investment property is a property held for the purpose of generating rental income, capital appreciation or both rather than for the use in a company's operations for production or supply of goods or services or for administrative purposes and sales in daily operations. All of Castellum's owned or by ground rent used properties, are considered to be investment properties. If the Group starts an investment on an existing investment property for future use as an investment property, the property continues to be recorded as an investment property.

Valuation

Investment properties, which at the time of acquisition are recorded at acquisition cost including expenses directly related to the acquisition and with consideration taken to nominal deferred tax, have been recorded at fair value with changes in value in the income statement. Fair value has been calculated using an internal valuation model described in note 11. The note also describes the assumptions made as basis for the valuation. The valuation model is based on a value determined on an earnings basis by calculating the net present value of future cash flows with a differentiated required yield for each property depending on such factors as location, intended use, condition and standard. In order to provide further assurance of the valuation part of the portfolio has been valued externally. If there are indications of changes in value during the year, revaluation is made in the interim reports.

Changes in value

Changes in value are recorded in the income statement and consists of unrealized as well as realized changes in value. Unrealized changes in value are calculated based on the valuation at the end of the financial year compared to the valuation previous year, or the acquisition value if the property has been acquired during the year, with addition of capitalized subsequent expenditures during the period. For properties sold during the year, unrealized changes in value are recorded and calculated based on the valuation at the latest interim report prior to the sale compared to the valuation at the end of previous year, with adjustment for capitalized subsequent expenditures during the period. How realized changes in value is calculated for may be found in the accounting principles for "income from property sales".

Subsequent expenditures

Subsequent expenditures that leads to economic benefits for the company, i.e. increase the valuation of the property, and can be calculated in a reliable way are capitalized. Costs for repairs and maintenance are accounted for in the income statement in the period they occur. In the case of major new construction and reconstruction, interest costs during the construction period are capitalized.

Acquisitions och sales

On acquisition or sale of properties or companies, the transaction is entered as of the date of the contract unless there exist special conditions in the purchasing contract.

Tangible fixed assets

Tangible fixed assets are made up of equipments, which have been recorded at acquisition value with deduction of accumulated depreciation according to plan and any write-downs made. The acquisition value includes the purchase price and costs directly related to the asset in order to bring it to its place and state to use according to the purpose of the acquisition. Depreciation on equipments is based on historical acquisition values after possible deduction of subsequent write-downs. The residual value is assessed to be non-existent. Depreciation of assets acquired during the year is calculated with reference to the date of acquisition. Depreciation is linear, which means equal depreciation during the period of use, which is normally five years, except for computers which are expected to have a three year period of use.

Financial instruments

Financial instruments which are recorded in the balance sheet includes assets such as cash and bank, lease receivables, other receivables and long-term receivables and liabilities such as interest rate derivatives, accounts payable, other liabilities, and loans. Financial instruments are initially recorded at acquisition value equivalent

to fair value, with addition of transaction costs, except for the category financial instruments which are recorded at fair value through income statement, without transaction costs. Following the initial recognition the accounting is based on the classification made according to the following. Financial transactions such as cash received or paid on interests and loans are recorded on the settlement day of the bank holding the account, while other payments are recorded on the accounting date of the bank holding the account.

Cash and bank

Cash and bank consist of the bank balance at the end of the accounting period and are recorded at nominal value.

Receivables

Financial assets which are not interest rate derivatives, that has fixed or predictable payments and that are not quoted on an active market, are recorded as receivables. In the Group there are rent receivables and other receivables which are mainly VAT regarding investments. Receivables have, after individual valuation, been recorded at the amount at which they are expected to be received, which means that they are recorded at acquisition value with reservation for receivables which are uncertain. Reservation for uncertain receivables is made when an objective risk assessments gives at hand that the Group will not receive the entire receivable. There are no receivables in foreign currency. Receivables in the parent company consist only of receivables from the subsidiaries, which are recorded at acquisition value.

Liabilities

Liabilities refer to loans and operating liabilities such as accounts payable. The majority of Castellum's credit agreements are long term. In cases where short-term loans are drawn under long-term credit agreements, the loans are considered as long-term. The loans are recorded on the settlement date at acquisition value. Deferred unpaid interest is recorded in accrued expenses. There are no liabilities in foreign currency. A liability is recorded when the counterparty has performed services and a legal obligation to pay exist, even if the invoice has not yet been received. Accounts payable are recorded when the invoice is received. A liability is removed from the balance sheet when the obligation is fulfilled or cleared in an other way. Accounts payable and other operative liabilities with short duration are recorded at nominal value.

Interest rate derivatives

Interest rate derivatives are financial assets or liabilities which are valued at fair value with changes in value recorded in the income statement. In order to manage the exposure to fluctuations in the market interest rate according to the financial policy, Castellum has entered into interest rate derivative agreements. When using interest rate derivatives changes in value may occur partly due to changes in market interest rates and partly due to the time factor. Interest rate derivatives are initially recorded in the balance sheet on the settlement day at acquisition value, where the absolute majority refers to exchanges of interest rates flows meaning an acquisition value of zero, and are thereafter valued at fair value with changes in value in the income statement. In order to calculate the fair value market interest rates for each fixed interest term as listed on the balance sheet date and generally accepted methods for calculations are used, meaning that fair value has been determined according to level 2, IFRS 7 point 27a. Interest rate derivatives are valued by calculating the net present value by discounting future cash flows, instruments containing some sort of option are valued at the current repurchase price which may be received from respective counterparty. Changes in value can be realized as well as unrealized. Realized changes in value refer to redeemed interest rate derivatives and is the difference between the price at the time of redemption and the recorded book value according to the latest interim report. Unrealized changes in value refer to the changes in value during the financial year for the interest rate derivatives that Castellum held at the end of the financial year. Changes in value are calculated based on the valuation at the end of the financial year compared to the valuation previous year, or the acquisition value if the interest rate derivative agreements have been entered into during the year. For interest rate derivatives that have been redeemed an unrealized change in value is recorded and calculated based on the valuation at the latest interim report prior to the redemption, compared with the valuation at the end of previous year. Payments made under these agreements are accounted for in the period which they refer to.

Repurchased shares

Repurchased shares reduce the shareholders' equity with the paid purchase price including any transaction costs.

Shareholders' equity

Dividend

Dividend is accounted for as a deduction of shareholders' equity, after the annual general meeting's decision. The recipient accounts for an anticipated dividend as a financial income.

Earnings after tax, per share

Calculation of earnings after tax per share is based on the Groups net income for the year attributable to the shareholders of the parent company, and on the weighted average number of outstanding shares during the year.

Definition of segments	<p>The Group's operations are organized, managed and reported primarily by geographical region and secondly by type of property. Segments are consolidated according to the same principles as the Group.</p> <p>Income and costs reported for each segment are actual costs. No distribution of joint costs has been made between the regions. This is also true for assets and liabilities reported in the note segment reporting below.</p>
Cash flow statement	<p>The cash flow statement has been prepared according to the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash flow nature during the period as well as income or costs associated with the cash flow from investment or financing activities.</p>
Differences in accounting principles between the Group and the parent company	<p>The annual report of the parent company has been prepared according to the Annual Accounts Act and by applying of the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for legal entities). RFR 2 states that a legal entity shall apply the same IFRS/IAS that is applied in the consolidated financial statements, with exceptions for and additions of rules and laws mainly according to the Annual Accounts Act, and with consideration to the relation between accounting and taxation. The differences in accounting principles between the Group and the parent company are mentioned below.</p> <p><i>Shares in subsidiaries</i></p> <p>Shareholdings in subsidiaries are accounted for in the parent company according to the method of acquisition value. The book value is regularly compared to subsidiaries' group equity. When the book value is lower than the subsidiaries' group value, a write-down is made in the income statement. In the case when a previous write-down no longer can be justified, it will be reversed.</p> <p><i>Group contribution and shareholders' contribution</i></p> <p>Group contributions and shareholders' contribution are accounted for according to a statement from the Swedish Financial Reporting Board. Group contributions are recorded according to its financial consequence. Group contributions submitted and received where the purpose is to minimize the total tax of the Group, and any tax effects there of, are recorded directly in the balance sheet as a deduction or an increase of non-restricted equity. Group contributions received which are considered equal to dividend are recorded as a financial income in the income statement of the recipient and as a deduction of non-restricted equity by the contributor. Shareholders' contributions are recorded as an increase of shares in subsidiaries by the contributor and as an increase of non-restricted equity by the recipient.</p> <p><i>Contingent liabilities</i></p> <p>Contingent liabilities for the benefit of subsidiaries are financial guarantees and are accounted for in accordance with RFR 2, i.e. they are not accounted for as provisions, instead Castellum gives information in the notes.</p>
New accounting rules and regulations	<p>New standards and interpretations, which have been adopted by the EU and is effective.</p> <p><i>IFRS 3 Business combinations</i></p> <p>The standard became effective as of 1 July 2009 and shall be used on business acquisitions with acquisition date on the financial year started as of this date, meaning that the first time the standard was applied was on the financial year 2010. An indirect acquisition of a property through a company is classified as a business combination or as an asset acquisition, which will affect the accounting. In the revised standard the definition of business combination has changed, which can affect the classification. Besides, transaction costs that relates to the acquisition such as costs for consultants, legal representatives and valuations, will be accounted for in the income statement instead of previously being capitalized as part of the acquisition costs. For Castellum, the revised standard means that in the case of a business combination, due diligence costs will be accounted for in the income statement.</p> <p><i>IFRS 2 Group Cash-settled Sharebased Payment Transactions</i></p> <p>The standard, which became effective as of 1 January 2010, now also covers sharebased payments that is paid in cash compared to before when the standard only covered sharebased payment paid in shares. According to the standard compensations shall be accounted for where the person that receives the compensation is employed, regardless where the payment is made. Castellum's share price-based part of the incentive plan is accounted for according to the standard and is now paid in the company where the person is employed. The standard has no effect on the Group.</p>

Changes in existing standards

A couple of lesser changes have been made in existing standards, which became effective 2010. IASB has among other things made a clarification in IAS 7 Statement of cash flow, that only costs for assets identified in the balance sheet shall be classified under investment activities, meaning that for example transaction costs relating to business combinations from now on shall be classified in cash flow from operating activities and not under investment activities.

Furthermore there has been a clarification in IFRS 8 Segment reporting, which means that total assets by segment shall be disclosed in the segment reporting, if such information is reported to the chief operating decision maker. The clarification has no effect on Castellum since information about total assets by segment is already disclosed.

Changes in the Annual Accounts Act

Expanded possibility to value financial instruments according to fair value

The law became effective as of 1 March 2009 and applies to a financial year starting on the same day. Some financial instruments, such as derivatives, are allowed to be accounted for at fair value in the legal entity which Castellum applies. The change in the Annual Accounts Act implies that a company that is covered by Group accounts according to IFRS is allowed, provided that it is allowed according to IFRS, to use fair value-option to more financial instruments than before. The change implies for example that participations in Group companies and associated companies are allowed to be valued according to fair value. All legal entities within Castellum record their participations in Group companies to acquisition value.

Segment Reporting

Note 2

	Greater Gothenburg		Öresund Region		Greater Stockholm		Mälardalen		Eastern Götaland		Unallocated items		The Castellum Group	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Rental income, external	913	876	572	570	500	488	433	428	341	332	0	–	2,759	2,694
Property costs	– 276	– 265	– 198	– 198	– 184	– 177	– 168	– 170	– 134	– 132	–	–	– 960	– 942
Net operating income	637	611	374	372	316	311	265	258	207	200	0	–	1,799	1,752
Central administration	– 14	– 10	– 7	– 6	– 7	– 5	– 7	– 5	– 6	– 5	– 43	– 50	– 84	– 81
Interest income	32	30	34	8	6	5	3	3	2	4	– 76	– 48	1	2
Interest costs	– 217	– 210	– 146	– 119	– 113	– 101	– 109	– 103	– 77	– 72	87	62	– 575	– 543
Income from property management	438	421	255	255	202	210	152	153	126	127	– 32	– 36	1,141	1,130
Changes in value, property	299	– 275	277	– 290	307	– 255	170	– 130	169	– 77	–	–	1,222	– 1,027
Interest rate derivatives, changes in value	–	–	–	–	–	–	–	–	–	–	291	102	291	102
Income before tax	737	146	532	– 35	509	– 45	322	23	295	50	259	66	2,654	205
Tax income	–	–	–	18	–	11	–	–	–	12	–	–	–	41
Tax costs	– 188	– 37	– 141	– 6	– 133	–	– 82	– 24	– 77	– 2	– 69	– 17	– 690	– 86
Net income for the year	549	109	391	– 23	376	– 34	240	– 1	218	60	190	49	1,964	160
Investment properties	10,176	9,618	6,748	6,347	6,370	5,695	4,829	4,297	3,645	3,310	–	–	31,768	29,267
of which investments this year	315	308	187	101	374	278	464	259	166	219	–	–	1,506	1,165
Current assets	600	1,155	930	969	144	258	239	73	185	46	– 1 930	– 2,292	168	209
Total assets	10,776	10,773	7,678	7,316	6,514	5,953	5,068	4,370	3,830	3,356	– 1 930	– 2,292	31,936	29,476
Shareholders' equity	3,927	3,759	2,777	2,433	2,516	2,289	1,392	1,114	1,288	1,057	– 818	– 960	11,082	9,692
Deferred tax liability	1,232	1,065	903	784	712	587	462	349	362	264	– 169	– 225	3,502	2,824
Interest rate derivatives	–	–	–	–	–	–	–	–	–	–	574	865	574	865
Interest-bearing liabilities	5,367	5,697	3,865	3,859	3,011	2,960	3,123	2,807	2,092	1,942	– 1 677	– 1,971	15,781	15,294
Non-interest-bearing liabilities	250	252	133	240	275	117	91	100	88	93	160	– 1	997	801
Total shareholders' equity and liabilities	10,776	10,773	7,678	7,316	6,514	5,953	5,068	4,370	3,830	3,356	– 1 930	– 2,292	31,936	29,476

The Group's operational segments are the following geographical areas; Greater Gothenburg (incl. Borås, Halmstad, Alingsås), Öresund Region (Malmö, Lund, Helsingborg), Greater Stockholm, Mälardalen (Örebro, Västerås, Uppsala) and Eastern Götaland (Jönköping, Linköping, Värnamo and Växjö). The Group manages only commercial properties. The operational segments are identified by geographical field of activity, which is according to how they are followed-up and analyzed by the primarily executive decision maker in the Group. Greater Gothenburg is made up of two operational segments with similar economical characteristics and operations.

Note 3

Rental Income

Rental value

Group rental income was SEKm 2,759 (2,694). Rental income consists of the rental value with deduction of the value of vacant premises during the year. Rental value refers to the rental income received and the estimated market rent of unlet premises. The rental value also includes supplementary charges for the customer, such as heating, real estate tax and an index supplement. Rental value SEK/sq.m. for the different regions and types of properties are shown in the table below. Rental levels have increased by approx. 1% (4%) in comparable portfolio compared with previous year.

Rental value SEK/sq.m.	Office/Retail		Warehouse/Industrial		Total	
	2010	2009	2010	2009	2010	2009
Greater Gothenburg	1,275	1,245	726	711	935	919
Öresund Region	1,408	1,412	684	681	1,060	1,063
Greater Stockholm	1,307	1,345	912	899	1,154	1,175
Mälardalen	1,041	1,048	690	699	934	928
Eastern Götaland	970	969	495	480	795	775
Total	1,201	1,210	711	699	974	969

Renegotiation

Commercial leases, for which rents are paid quarterly in advance, are signed for a certain period of time, which means that a change in the market rents do not have an immediate effect on rental income. Rental levels can only be changed when the lease in question is due for renegotiation. The rental levels of Castellum are considered to be in line with the market.

Commercial leases include a so-called index clause, which provides for an upward adjustment of the rent, corresponding to a certain percentage of the inflation during the previous year or a minimum upward adjustment.

The lease maturity structure for Castellum's portfolio is shown in the table below, where lease value refers to annual value. An explanation of the relatively small portion in 2011 is that a majority of the leases maturing were already renegotiated in 2010 due to the period of notice. The most common terms for a new lease is 3-5 years with a nine months notice. The average remaining lease duration in the portfolio is 3.2 years (3.3).

Lease maturity structure	No. of leases	Lease value, SEKm	Percentage of value
Commercial, term			
2011	1,098	204	8%
2012	1,412	674	25%
2013	967	603	23%
2014	690	520	20%
2015	150	246	9%
2016+	169	400	15%
Total commercial	4,486	2,647	100%
Residential	334	25	
Parking spaces and other	2,485	27	
Total	7,305	2,699	

Economic occupancy rate

Castellum's average economic occupancy rate during 2010 was 89.0% (89.8%). The economic occupancy rate for warehouse and industrial properties amounted to 90.4% (90.2%) and for office and retail properties 88.3% (89.6%). The total annual rental value for vacant premises during the year amounts to approx. SEKm 374.

The gross leasing (i.e. the annual value of total leasing) during the year was SEKm 257 (251), of which SEKm 46 (31) were leasing on new construction, extension and reconstruction. Terminations amounted to SEKm 221 (288), of which bankruptcies was SEKm 12 (31), hence net leasing for the year were SEKm 36 (-37). The time difference between reported net leasing and the effect in income thereof is estimated to between 9-18 months.

Economic occupancy rate	Office/Retail		Warehouse/Industrial		Total	
	2010	2009	2010	2009	2010	2009
Greater Gothenburg	95.1%	94.6%	93.1%	93.3%	94.1%	94.0%
Öresund Region	87.6%	86.6%	84.5%	86.4%	86.6%	86.5%
Greater Stockholm	79.2%	83.4%	91.0%	88.3%	82.8%	84.8%
Mälardalen	90.2%	93.0%	91.8%	90.5%	90.6%	92.4%
Eastern Götaland	88.3%	91.3%	86.6%	86.0%	88.0%	91.0%
Total	88.3%	89.6%	90.4%	90.2%	89.0%	89.8%

Castellum's lease portfolio has a good risk exposure. The Group has just over 4,500 commercial leases and 334 residential leases and their distribution in terms of size can be seen in the table below. The single largest lease as well as the single largest customer accounts for only approx. 1% of the Group's total rental income. The distribution of commercial leases across various business sectors is also good, as shown in the following table.

Risk exposure

Lease size, SEKm	No. of leases	Percentage	Lease value, SEKm	Percentage
Commercial				
< 0.25	2,504	34%	223	8%
0.25-0.5	770	10%	277	10%
0.5-1.0	573	8%	402	15%
1.0-3.0	488	7%	811	30%
> 3.0	151	2%	934	35%
Total commercial	4,486	61%	2,647	98%
Residential	334	5%	25	1%
Parking spaces and other	2,485	34%	27	1%
Total	7,305	100%	2,699	100%

Commercial leases distributed by sectors (GICS-code)	No. of leases	Lease value, SEKm	Percentage
Energy (10)	73	30	1%
Materials (15)	93	103	4%
Capital goods (2010)	584	439	17%
Commercial Services & Supplies (2020)	1,245	353	13%
Transportation (2030)	144	118	4%
Retailing (2550)	590	405	15%
Other Consumer Durables and Services (2510-2540)	537	388	15%
Consumer Staples (30)	117	108	4%
Health Care (35)	197	124	5%
Finance and Real Estate (40)	144	105	4%
Software and Services (4510)	269	157	6%
Technology Hardware and Equipment (4520)	133	98	4%
Telecommunication Services (50)	96	12	0%
Utilities (55)	21	6	0%
Public sector etc.	243	201	8%
Total	4,486	2,647	100%

The table below shows the spread of future rental income for existing lease agreements.

Future rental income for existing leases	Group		Parent Company	
	2010	2009	2010	2009
Contracted rental income year 1				
Commercial leases	2,666	2,604	–	–
Residential	8	8	–	–
Contracted rental income between 2 and 5 years	5,339	5,273	–	–
Contracted rental income after more than 5 years	921	1,161	–	–
Total	8,934	9,046	–	–

The parent company consists only of group-wide functions and the turnover mainly consists of intra-group services.

Parent company

Note 4

Property Costs

Property costs in 2010 was SEKm 960 (942), equivalent to SEK 298/sq.m. (300). This amount includes both direct property costs such as costs of operation, maintenance, ground rent and real estate tax, and indirect costs such as leasing and property management.

Operating expenses

Operating expenses include electricity, heating, water, facilities management, cleaning, insurance, rent losses and property-specific marketing costs. Most of the operating expenses are passed on to the customers as supplements to the rent. For warehouse and industrial properties, however, customers are in most cases directly responsible for most of the operating costs. Operating expenses in 2010 were SEKm 547 (512), equivalent to SEK 169/sq.m. (163). Operating expenses, which are considered to be at a normal level for the business, are dependent on the weather, which means that they vary between both different years and seasons of the year. During the year the costs related to snow removal has been approx. SEKm 25 higher than 2009. Costs for heating have increased due to the energy consumption for heating which during the period has been calculated to 116% (93) of a normal year according to the degree day statistics. Operating expenses includes rent losses of SEKm 6 (10) corresponding to 0.2% of rental income.

Maintenance

Maintenance costs are ongoing measures to maintain the property's standard and technical systems. The maintenance costs were SEKm 105 (127), equivalent to SEK 34/sq.m. (40).

Ground rent

Ground rent for the year 2010 was SEKm 19 (21), and mainly related to Greater Stockholm. Ground rent is the fee paid annually to the municipality by the owner of a building on land owned by the municipality. The ground rent for these are currently calculated in a way that the municipality receives a fair real interest rate based on the estimated market value of the site. The site leaseholds are spread over a period of time and are in most cases renegotiated at intervals of 10 to 20 years. At the end of year 2010 Castellum had around 80 properties with site leasehold. Existing site leaseholds mature relatively even over the next 60 years. When notice is given for the site leaseholds shall, in most cases, the site owner (the municipality) compensate Castellum for buildings etc. However there are a few contracts where the municipality can demand that the land is restored.

	Group		Parent Company	
Future contracted ground rents	2010	2009	2010	2009
Contracted ground rents year 1	21	18	–	–
Contracted ground rents between 2 and 5 years	82	72	–	–
Contracted ground rents after more than 5 years	606	576	–	–
Total	709	666	–	–

Real estate tax

Group real estate tax was SEKm 140 (127), equivalent to SEK 43/sq.m. (40). Real estate tax is a state tax based on the property's tax assessment value. The increase in 2010 is due to higher tax assessment values of an average 10% for office and retail properties. Most of the property tax is charged to the customer why the effect on the result will be limited. The tax rate for 2010 was 1.0% of the tax assessment value for office/retail properties and 0.5% for warehouse/industrial.

Leasing and property management

The Group's leasing and property management costs for 2010 were SEKm 149 (155), equivalent to SEK 46/sq.m. (50). Leasing and property management refers to the indirect costs of ongoing property management, comprising the costs of leasing operations, rent negotiation, lease administration, rent debiting, collecting rent and accounting as well as project administration costs and depreciation on equipment in subsidiaries. Of the costs SEKm 89 (96) refers to employee benefits and SEKm 6 (6) depreciation on equipment.

Summary

Property costs per square metre, distributed by property category and type of cost are shown below.

Property costs SEK/sq.m.	Office/Retail		Warehouse/Industrial		Total	
	2010	2009	2010	2009	2010	2009
Operating expenses	205	204	127	117	169	163
Maintenance	44	52	21	27	34	40
Ground rent	7	8	6	5	6	7
Real estate tax	66	61	17	17	43	40
Direct property costs	322	325	171	166	252	250
Leasing and property management (indirect)					46	50
Total	322	325	171	166	298	300

Central Administrative Expenses

Note 5

Central administrative expenses include the costs of portfolio management, company administration and the costs of maintaining the Stock Exchange listing. This involves all of the costs of Castellum AB, comprising group management, treasury department, IT, personnel, investor relations, annual report, audit, and depreciation on equipment etc. At the subsidiary level, the figures include, costs for the MD and financial manager as well as costs of preparing the annual report, audit etc. Of the costs, excl. the incentive plan described below, SEKm 44 (41) refers to employee benefits and SEKm 0 (0) is depreciation on equipment.

Central administrative expenses also include costs relating to a profit and share price-related incentive plan for senior management and other senior executives, to the order of SEKm 16 (14).

Remuneration to auditors	Group		Parent Company		Remuneration to auditors
	2010	2009	2010	2009	
Audit assignment	3	2	1	1	
Audit business in addition to the audit assignment	0	0	0	0	
Tax consulting	1	1	0	0	
Other consulting	0	0	0	0	
Summa	4	3	1	1	

Of the Group's total remuneration of SEK 4,379,000 (3,377,000), SEK 4,103,000 (3,194,000) refers to KPMG and the remainder to Ernst & Young.

Financial Income

Note 6

Financial Income	Group		Parent Company	
	2010	2009	2010	2009
Interest income	1	2	0	0
Interest subsidies	0	0	–	–
Anticipated dividend, subsidiaries	–	–	658	563
Interest income, subsidiaries	–	–	648	610
Other financial income	0	–	0	0
Total	1	2	1,306	1,173

Financial Costs

Note 7

Financial Costs	Group		Parent Company	
	2010	2009	2010	2009
Interest costs	575	543	560	549
Interest costs, subsidiaries	–	–	76	48
Other financial costs	–	0	0	–
Total	575	543	636	597

Net financial items were SEKm -574 (-541). During the year, interest costs of SEKm 8 (14) were capitalized in connection with investments in the real estate portfolio. The average interest rate level were 3.7% (3.7%). When capitalizing interest costs the average rental level has been used.

Changes In Value

Note 8

The Swedish property market has recovered and the transaction volume in 2010, on business over 100 mSEK, amounted to approx. SEK 100 billion, which is three times as much as during 2009.

Significantly for the property market in 2010 was that business was made throughout the hole country and that national actors, as in previous year, accounted for most of the transactions. In Stockholm the pension funds dominated as purchaser of large office buildings, while the property market in the rest of the country was more widespread on both buyers and property types.

Castellum assesses that the gradual increase in demand during the period has led to increasing property prices, where the main change relates to central properties and properties with long term leases. In view of this, the required yield in the internal valuation has been reduced with an average of 0.2%-units. The change in value during the year has been estimated to 4% corresponding to SEKm 1,222 (– 1,027) of which approx. two-thirds refers to reduced required yields and the rest to slightly improved cashflows. The changes in value includes SEKm 23 due to sales of six properties where the sale price of SEKm 227 exceeded the valuations with 11%.

It should be noted that, since property valuations include an uncertainty range of normally 5-10%, also the changes in value include a not insignificant uncertainty.

Investments
properties

Interest rate
derivatives

Castellum uses interest rate derivatives in order to achieve the desired interest rate maturity structure. If the agreed interest rate deviates from the market interest rate there is a theoretical surplus or sub value in the interest rate derivatives, where the non cash flow effecting changes in value are reported in the income statement. The value has changed, due to changes in long term market interest rates and the time factor, with SEKm 291 (102) and the value was SEKm –574 (–865) at the end of the year.

Note 9

Tax Costs

The income tax in Sweden for limited liability companies is 26.3%. In the income statement, the income tax is recorded as two entries, current tax and deferred tax. Current tax is based on the taxable income for the year, which is lower than the recorded net income for the year. This is mainly an effect of the possibility to:

- use tax depreciation on buildings,
- make tax deductions for certain reconstructions of the properties, which are capitalized in the accounts,
- utilize existing tax loss carry forwards.

The deferred tax is a provision for the tax which will be paid in the future when the properties are directly sold, and the depreciation for tax purposes and the capitalized investments deducted for tax purposes are reversed.

As shown in the table below, there is in principle no taxable income for 2010, because Castellum uses the above mentioned depreciation for tax purposes, makes tax deductions on some reconstructions and utilizes existing tax loss carry forwards. The current paid tax that occur is because a few subsidiaries are not allowed to make fiscal group contributions.

	Basis current tax	Basis deferred tax
Tax calculation for the Group 31-12-2010		
Income from property management	1,141	
Deductions for tax purposes		
depreciation	– 629	629
reconstructions	– 277	277
reconstructions, adjustment previous years	– 18	18
Other tax allowances	– 9	31
Taxable income from property management	208	955
Properties sold	0	– 30
Changes in value on properties	–	1,199
Changes in value on interest rate derivatives	291	–
Taxable income before tax loss carry forwards	499	2,124
Tax loss carry forwards, opening balance	– 1,885	1,885
Tax loss carry forwards, closing balance	1,406	– 1,406
Taxable income	20	2,603
Tax according to the income statement	– 5	– 685

The total tax may be different from nominal tax in those cases where there are recorded income / costs which are not taxable / tax deductible or as an effect of other tax adjustments. The total tax cost shown in Castellum's income statement 2010 is less than nominal tax, which mainly depends on non taxable sales of properties through company. The effective tax on income from property management, without consideration taken to the use of tax loss carry forwards, can be calculated to 5%. As shown in the table above the remaining tax loss carry forward are calculated to SEKm 1,406.

For the parent company deferred tax of SEKm 13 (2) has been recorded directly in equity since the underlying transaction has been recorded in that way.

	Group		Parent Company	
Tax cost	2010	2009	2010	2009
Income before tax	2,654	205	917	629
Tax according to the current tax rate, 26.3%	– 698	– 54	– 241	– 166
Tax effects due to:				
non-taxable dividend	–	–	173	148
write-downs on shares in subsidiaries	–	24	–	–
other tax adjustments	8	– 15	–1	–
Disclosed tax cost	– 690	– 45	– 69	– 18

Personnel and Board of Directors

	Group		Parent Company	
	2010	2009	2010	2009

Note 10

Average number of employees (all in Sweden)
of which women

	229	227	14	14
	89	81	6	6

Number of
employees

During 2010, the parent company had 7 (6) board members, of which 2 (2) are women, while the total number of board members in the Group's subsidiaries were 21 (21), of which 5 (5) are women. The Group and the parent company alike have 10 (10) senior executives, of which 2 (2) are women. The total number of senior executives in the subsidiaries' managerial bodies and the senior executives of the Group were 39 (43), of which 10 (11) are women.

Salaries,
remuneration
and benefits

	Group		Parent Company	
	2010	2009	2010	2009
Salaries, remuneration and benefits				
Chairman of the Board	0,5	0.4	0,5	0.4
Other Board members (SEK 225 000 each)	1,3	1.1	1,3	1.1
Chief Executive Officer				
Fixed salary	3,0	3.0	3,0	3.0
Variable remuneration	2,4	2.3	2,4	2.3
Benefits	0,1	0.0	0,1	0.0
Other senior executives (Group:9, Parent Company:3)				
Fixed salary	12,1	11.8	4,5	4.3
Variable remuneration	9,4	8.9	3,3	3.2
Benefits	0,6	0.7	0,2	0.2
Other employees	95,8	91.4	10,6	10.6
Total	125,2	119.6	25,9	25.1
Contractual pension costs				
Chief Executive Officer	0,7	0.8	0,7	0.8
Other senior executives (Group:9, Parent Company:3)	3,6	3.7	1,1	1.0
Other employees	11,9	11.3	0,8	0.7
Total	16,2	15.8	2,6	2.5
Statutory social costs incl. special employer's contributions				
Chairman of the Board	0,2	0.1	0,2	0.1
Other Board members	0,4	0.4	0,4	0.4
Chief Executive Officer	1,9	1.9	1,9	1.9
Other senior executives (Group:9, Parent Company:3)	7,6	8.0	2,8	2.7
Other employees	33,6	33.5	3,5	3.6
Total	43,7	43.9	8,8	8.7
Total	185,1	179.3	37,3	36.3

The executive management includes the Chief Executive Officer, the Deputy Chief Executive Officer with responsibility for business development, the Financial Director and Finance Director of Castellum AB and the six Managing Directors of the subsidiaries.

Executive
management

Remuneration and benefits

Remuneration and benefits for the executive management is prepared by the remuneration committee and decided by the Board of Directors. The remuneration comprises a fixed salary and a variable remuneration according to an incentive plan described below. The variable remuneration can, during the three-year period of the plan, amount to a maximum of three years salary.

The executive management, ten persons in total, have an incentive plan that comprises two parts:

- One profit-based part based on the result of income from property management compared to previous year and an overall determination of the development of certain soft factors such as customer and personnel satisfaction. Bonus the growth in income from property management per share has to be 10% per year. The profit-based part is paid out yearly as salary after the year-end closing and can total no more than six month salary per year, for Castellum equal to a cost of SEKm 10, including social costs. The plan runs out at the end of 2010.
- One share price-based part based on the total return on the Castellum share during a three-year period, both in nominal figures and compared with index for real estate shares in Sweden, Eurozone and Great Britain. In order to receive full bonus, the total return must be at least 50% during the period and the total return has to exceed the index development with at least 5%-units during the period. Any bonus due is paid as salary after the measurement period of June 2008 – May 2011. The share price-based part can during the three-year period total no more than one and a half years salary, for Castellum equal to a cost of SEKm 29 including social costs.

The Annual General Meeting decided on a new incentive plan which in principal is an extension of the plan mentioned above and consists of an annual profit-based compensation for the years 2011, 2012 and 2013 and a three-year shareprice-based compensation which applies to the period of June 2011 - May 2014.

Executives in receipt of a variable remuneration according to the incentive plan, must acquire Castellum shares for at least half of the amount of the bonus due after tax. The bonus paid does not affect pension contributions.

Pensions

Persons in the Executive management have defined contribution pensions with no other obligations for the company than to pay an annual premium during the time of employment. This implies that these persons, after completed employment, have the right to decide on their own, the time-frame during which the defined payments and subsequent return will be received as pension. The retirement age for the CEO and other members of the executive management is 65 years.

Notice of dismissal

The period of notice shall, when given from the company, not exceed 24 months regarding the managing director, with an obligation to continue his or her work during the first six months, and 12 months regarding any other member of the executive management of the company, with an obligation to continue his or her work during the first six months. The period of notice shall, when given by the managing director or any other member of the executive management of the company, be six months. During the period of notice, salary and other benefits are paid, with deduction of salary and remuneration deriving from another employment or activity.

Pensions for other employees

Other employees in Castellum have defined contribution pensions, with no other obligations for the company than to pay an annual premium during the time of employment. This implies that these persons, after completed employment, have the right to decide on their own, the time-frame during which the defined payments and subsequent return will be received as pension. However, there is an exception for about 25 employees within the Castellum Group that have defined ITP-plans instead with regular payments to Alecta. Insurance premiums paid to Alecta during the year amounted to SEKm 1 (1). The surplus in Alecta may be distributed to the insurance holder and/or the insured. Alecta's surplus in the collective consolidation level as of December had not been made official at the time of signing of this annual report and can therefore not be reported. Alecta's latest official consolidation level was as of September 2010 134.0% (December 2009: 141.0%). The collective consolidation level is made up of the market value of Alecta's assets as a percentage of the insurance obligations calculated according to Alecta's assumptions for calculating the insurance, which do not comply with IAS 19.

Absence due to illness

Absence due to illness for the year was 2% (2%), of which 0.5%-unit (0) are long-term sick leave. The absence due to illness for men and women were 1% (1%) and 3% (2%) respectively. The absence due to illness were 1% (1%) for the age group 29 years and younger, 1% (1%) for the age group 30-49 years and 3% (2%) for the age group 50 years or older. Absence due to illness for the parent company was 1% (1%), of which 0%-unit (0) are long-term sick leave.

Investment Properties	Group		Parent Company	
	2010	2009	2010	2009
<i>Schedule of the changes during the year</i>				
Opening balance	29,267	29,165	–	–
New construction, extension and reconstruction	881	1,039	–	–
<i>of which capitalized interest costs</i>	8	14	–	–
Acquisitions	625	126	–	–
Sales	– 204	– 34	–	–
Unrealized changes in value	1,199	– 1,029	–	–
Closing balance	31,768	29,267	–	–
<i>Schedule of tax assessment value</i>				
Buildings	13,600	12,732	–	–
Land	3,829	3,307	–	–
Total tax assessment value	17,429	16,039	–	–
Rental income from investment properties	2,759	2,694	–	–
Property costs for investment properties	960	942	–	–

During 2010, Castellum made investments totalling SEKm 1,506 (1,165), of which SEKm 625 (126) were acquisitions and SEKm 881 (1,039) new construction, extensions and reconstructions. Of the total investments SEKm 464 related to Mälardalen, SEKm 374 to Greater Stockholm, 315 to Greater Gothenburg, SEKm 187 to the Öresund Region and SEKm 166 to Eastern Götaland.

Castellum has no significant obligations to acquire or sell any investment property. However, Castellum is obligated to complete ongoing investments of a further SEKm 700 in addition to what is accounted for in the balance sheet.

Larger ongoing investments	of which remain-		To be completed
	Investment, SEKm	ing, SEKm	
Forskaren 2, Lund	150	148	Quarter 2, 2012
Boländerna 30:2, Uppsala	64	39	Quarter 4, 2011
Saltmossen 3, Botkyrka	45	44	Quarter 3, 2011
Kärra 72:36, Göteborg	39	28	Quarter 3, 2011

According to accepted theory, the value of an asset consists of the net present value of the future cash flows that the asset is expected to generate. This section aims to describe and illustrate Castellum's cash flow-based model for calculation of the value of the real estate portfolio. The value of the real estate portfolio is calculated in this model as the total present value of net operating income minus remaining investments on ongoing projects, during the next nine years and the present value of the estimated residual value in year ten. The residual value in year ten consists of the total present value of net operating income during the remaining economic life span. The estimated market value of undeveloped land and building rights are added to this.

The required yield and the assumption regarding future real growth are of crucial importance for the calculated value of the real estate portfolio, as they are the most important value-driving factors in the valuation model. The required yield is the weighted cost of borrowed capital and equity. The cost of borrowed capital is based on the market interest rate for loans. The cost of equity is based on a "risk-free interest rate" equivalent to the long-term government bond rate with the addition of a "risk premium". The risk premium is unique to each investment and depends on the investor's perception of future risk and potential.

To illustrate the model, the following example is provided. It should be noted that assumptions regarding cash flow growth and other assumptions included in the model are only intended to illustrate the model. Even if relevant figures are used the example should thus not be regarded as a forecast of the company's expected earnings.

Assumptions in the example:

- The economic occupancy rate is assumed to increase in order to reach a long-term level of 95% in the year 2016.
- Net operating income for 2010 is based on the result for the investment properties, with an assumed cost of SEK 30/sq.m. for pure property administration.
- Growth in rental value and property costs has been assumed to 1.5% per year during the calculation period.
- The average economic life of the real estate portfolio has been assumed to be 50 years.
- Projects, undeveloped land and building rights have an assumed value SEKm 1,555.
- The required yield is calculated according to the following assumptions:

Investments during the year

Significant obligations

Valuation model

	Required yield	Percentage of capital	Weighted required yield
Equity	8.0% - 18.2%	40%	3.2% - 7.3%
Borrowed capital	5.5%	60%	3.3%
Weighted required yield		100%	6.5% - 10.6%

Example - calculation of the value of the real estate portfolio

SEKm	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Rental value	3,148	3,195	3,243	3,292	3,341	3,391	3,442	3,494	3,546	3,599	3,653
Rental income	2,801	2,876	2,951	3,045	3,141	3,222	3,306	3,354	3,404	3,455	3,507
<i>Economic occupancy rate</i>	89.8%	90%	91%	92%	94%	95%	96%	96%	96%	96%	96%
Property costs	-911	-925	-939	-953	-967	-981	-996	-1,011	-1,026	-1,042	-1,057
Net operating income=cash flow	1,890	1,951	2,012	2,092	2,174	2,241	2,308	2,343	2,378	2,413	2,450
Discounted cash flow, years 1-9	13,895										
Discounted cash flow, year 10	16,288										
Assumed value, projects, land, building rights	1,555										
Total property value	31,738										

Discounted cash flow

Discounted residual value

33,941

Internal valuation

Castellum records the investment properties at fair value and has made an internal valuation of all properties as of December 31, 2010. The valuation was carried out in a uniform manner, and was based on a ten-year cash flow model, which was described in principle above. The internal valuation was based on an individual assessment for each property of both its future earnings capacity and its required market yield.

Assumptions of the cash flow

In assessing a property's future earnings capacity we took into account an assumed level of inflation of 1.5% and potential changes in rental levels from each contract's rent and expiry date compared with the estimated current market rent, as well as changes in occupancy rate and property costs. In the valuation, the economic occupancy rate gradually improves during the 10-years period and reaches 96%. Included in property costs are operating expenses, maintenance, ground rent, real estate tax, and leasing and property administration.

Assumptions per property category 31-12-2010, year 1	Office/Retail	Warehouse/Industrial
Rental value SEK/sq.m,	1,207	715
Vacancy	11%	9%
Direct property cost SEK/sq.m.	318	169
Property management SEK/sq.m	35	25

Assumptions of the required yield

The required yield on equity is different for each property, and is based on assumptions regarding real interest rate, inflation and risk premium. The risk premium is different for each property and can be divided into two parts - general risk and individual risk. The general risk makes up for the fact that a real estate investment is not as liquid as a bond, and that the asset is affected by the general economic situation. The individual risk is specific to each property, and comprises a weighted assessment of; the property's category, the town/city in which the property is located, the property's location within the town/city with reference to the property's category, if the property has the right design, is appropriate and makes efficient use of space, the property's technical standard with regard to such criteria as the choice of materials, the quality of public installations, furnishing and equipment on the premises and apartments and the nature of the lease agreements, with regard to such issues as the length, size and number of agreements and where appropriate adjustment for leasehold land.

In order to calculate the required yield on total capital, an assumption has been made about the cost of borrowed capital of 5.5%. The required yield of borrowed capital comprises the real interest rate and inflation. The loan to value ratio is assumed to be 55%-65%, depending on the property category.

The required yield on total capital is calculated by weighting the required yield on equity and the cost of borrowed capital depending on the capital structure. The required yield on total capital is used to discount the expected 10-year future cash flows, while the residual value is discounted by calculating the return on total capital minus growth which is set equal to the inflation in order to not assume perpetual real growth.

The calculated required yield is then calibrated compared to the markets required yield. To get an opinion about the markets required yield Castellum follows completed transactions. In an inactive market within a certain area or for a certain type of property, Castellum compares the data from transactions completed in a similar area or for a similar type of property. In the absence of completed transactions the opinion is based on existing macroeconomic factors.

The assumptions that form the basis for Castellum's valuation are shown in the table below.

Assumptions per property category 31-12-2010	Office/Retail	Warehouse/Industrial
Real interest rate	3.0%	3.0%
Inflation	1.5%	1.5%
Risk	5.0% – 12.5%	6.5% – 13.9%
Return on equity	9.5% – 17.0%	11.0% – 18.4%
Interest rate	5.5%	5.5%
Loan to value ratio	65%	55%
Return on total capital	6.9% – 9.5%	8.0% – 11.3%
Weighted d:o, discounted factor year 1-9	8.0%	9.2%
Weighted d:o, discounted factor residual value*	6.5%	7.7%
*(required yield on total capital minus growth equal to inflation)		

The total change in value of Castellum's portfolio during the year amounted to SEKm 1,222 (–1,027) corresponding to 4% (–3%) of the property value, of which approx. two thirds refers to reduced required yields and the rest to slightly improved cashflows. The change in value includes SEKm 23 due to sales of properties. The average valuation yield for Castellum's real estate portfolio, excluding development projects and undeveloped land, can be calculated to 7.2% (7.3%). Contracted rental levels are considered to be in line with the market levels.

Average valuation yield, SEKm	2010	2009
Net operating income, properties according to income statement	1,799	1,752
Reversed leasing and property administration	149	155
Net operating income, ongoing development projects	-2	-4
Properties acquired/completed as if they had been owned the whole year	49	33
Properties sold	-8	-1
Net operating income excl. leasing and property admin. for properties as if they had been owned during the whole year, excl. projects and land	1,987	1,935
Adjusted for:		
Index adjustments 2011, 1.5%	45	-15
Real occupancy rate, 94% at the lowest	225	197
Property costs to a normal year	25	-
Property administration, 30 SEK/sq.m.	-98	-94
Normalized net operating income	2,184	2,023
Valuation excl. building rights of SEKm 496 (436)	30,213	27,742
Average valuation yield	7.2%	7.3%

Development projects and building rights

Projects in progress have been valued using the same principle, but with deductions for remaining investment. Sites with building rights and undeveloped land have been valued on the basis of an estimated market value per square metre on average approx. SEK 970 per sq.m. (1,000).

The value of the real estate portfolio

The internal valuation shows a fair value of SEKm 31,768 (29,267), which is an increase in value of approx. 4% (–3%). Of the value approx. SEKm 3,200 are properties held through site leasehold rights, with a rental income of SEKm 331. The table below shows the fair value distributed by property category and region.

Property value, SEKm	Warehouse/		Projects	
31-12-2010	Office/Retail	Industrial	and land	Total
Greater Gothenburg	5,502	4,570	104	10,176
Öresund Region	4,907	1,717	124	6,748
Greater Stockholm	4,039	1,837	494	6,370
Mälardalen	3,609	906	314	4,829
Eastern Götaland	2,883	739	23	3,645
Total	20,940	9,769	1,059	31,768

In order to provide further assurance and validation of the valuation 130 properties, representing 50% of the value of the portfolio, were valued by NAI Svefa. The properties were selected on the basis of the largest properties in terms of value, but also in order to reflect the composition of the portfolio as a whole in terms

External valuation

of category and geographical location of the properties. NAI Svefa's valuation of the selected properties amounted to SEKm 15,614, within an uncertainty range of \pm 5-10% on property level. The size of the uncertainty range varies depending on each property's category and location. Castellum's valuation of the same properties amounted to SEKm 15,982, i. e. a net change of SEKm 368 corresponding to 2%. Gross deviation was SEKm +291 respectively SEKm -659 with an average deviation of 6%.

Uncertainty range and sensitivity analysis

A property's market value can only be confirmed when it is sold. Property valuations are calculations performed according to accepted principles and on the basis of certain assumptions. The value range of \pm 5-10% often used in property valuations should be seen as an indication of the uncertainty that exists in such assessments and calculations. In a less liquid market, the range can be bigger. For Castellum, an uncertainty range of \pm 5%, means a range in value of \pm 1,588 SEKm which corresponds to SEKm 30,180 – 33,356.

Sensitivity analysis \pm 1%-unit	Effect on value, SEKm
Rental value SEK/sq.m.	\pm 2,601
Economic occupancy rate	\pm 413
Property costs SEK/sq.m.	\pm 745
Required yield	\pm 3,567

The sensitivity analysis shown above illustrates how a \pm 1%-unit change in growth assumptions in future cash flow and required yield affects the valuation. The sensitivity analysis is however not realistic thus one isolated parameter rarely changes, since the assumptions made are linked together regarding cash flow and required yield. For example an increase in rental value, which is driven by inflation (higher income as an effect of index clause within the lease), will not affect the change in value since the required yield changes in a corresponding way, due to that the required yield also contains assumption about inflation.

Note 12

Equipment

	Group		Parent Company	
	2010	2009	2010	2009
Opening acquisition value	56	57	3	3
Acquisitions	6	11	0	0
Sales / Retirement of assets	- 2	- 12	0	0
Closing acquisition value	60	56	3	3
Opening depreciation	- 43	- 42	- 3	- 3
Sales / Retirement of assets	1	6	0	0
Depreciation for the year	- 6	- 7	0	0
Closing depreciation	- 48	- 43	- 3	- 3
Book value	12	13	0	0

Note 13

Shareholders' Equity and Net Asset Value

Share capital

The share capital as of 31 December, 2010 consisted of 172,006,708 registered A-shares with one vote per share and a par value of 0.50 per share. All shares are fully paid. Of the registered shares, Castellum owns 8,006,708, to a total nominal value of SEK 4,003,354. The number of outstanding shares thus totals 164,000,000, which is the same amount as for the corresponding period previous year. The repurchased shares do not carry any voting rights and are not entitled to dividend. There are no restrictions regarding dividend or other types of repayment. There is no potential common stock such as convertible shares, or preferential rights to accumulated dividend (preference shares).

Development of share capital	Date	Number of shares	Par value per share	Share capital, SEK
Formation A-shares	27-10-1993	+500	100	+50,000
New share issue, A-shares	27-09-1994	+999,500	100	+99,950,000
Share split 50:1	25-03-1997	+49,000,000	2	-
IPO	23-05-1997	50,000,000	2	100,000,000
New share issue, C-shares	12-07-2000	+7,142,857	2	+14,285,714
Redemption, A-shares	12-07-2000	-6,998,323	2	-13,996,646
Redemption, C-shares	13-11-2000	-7,142,857	2	-14,285,714
Share split 4:1	27-04-2006	129,005,031	0.50	-
Year-end	31-12-2010	172,006,708	0.50	86,003,354

According to the Swedish Companies Act shareholders' equity is made up of restricted (non-distributable) and non-restricted (distributable) equity. Dividend to the shareholders may only be such that there after the distribution is full coverage for restricted equity in the parent company. Further, distribution of profits may only be made if it is justified with respect to the demands put on the amount of equity needed by the type of business, extent and risk of operations, company and Group consolidation needs, liquidity and financial position in general.

Restricted and non-restricted equity

During the year 2000, Castellum repurchased 8,006,708 of the company's own shares for a total of SEKm 194, equivalent to 4.7% of the total registered number of shares. Since then no repurchase of the company's own shares have been made.

Own shares repurchased

Dividend is proposed by the Board of Directors according to the rules of the Companies Act and decided by the annual general meeting. The proposed dividend, not yet paid out, for the financial year 2010 is SEK 3.60 per share, SEKm 590 in total. The amount is recorded as debt after the annual general meeting has approved the dividend.

Dividend

Net asset value can be calculated both long and short term. Long term net asset value is based on the balance sheet with adjustments for items that will not lead to any short term payment, such as in Castellum's case, interest rate derivatives and deferred tax liability. This means that shareholders' equity according to the balance sheet shall increase with SEKm 574 and SEKm 3,502 respectively.

Net asset value

Actual net asset value is equity according to the balance sheet adjusted for deferred tax liability. Present accounting principles states that the deferred tax liability shall be recognized at nominal 26.3%, while the real deferred tax is substantially lower, due to the possibility to sell properties in a taxefficient way and the time factor. The present assessment is that the discounted real deferred tax liability does not exceed 5%, meaning that an additional SEKm 2,831 should be recorded in equity.

The value range of +/- 5-10% often used in property valuations should be viewed as an indication of the uncertainty that exists in assessments and calculations made. For Castellum this is equal to a range of SEKm +/- 1,170 after tax.

Net asset value	SEKm	SEK/share
Equity according to the balance sheet	11,082	68
Reversed		
Interest rate derivatives according to the balance sheet	574	3
Deferred tax according to the balance sheet 26.3%	3,502	21
Long term net asset value (EPRA NAV)	15,158	92
Deduction		
Interest rate derivatives as above	-574	-3
Estimated real liability, deferred tax 5%	-671	-4
Actual net asset value (EPRA NNAV)	13,913	85
<i>Uncertainty range valuation of properties +/- 5% after tax</i>	<i>+/- 1,170</i>	<i>+/- 7</i>

Castellum's objective based on growth in cash flow and is not directly related to net asset value. The objective is an annual growth in cash flow, i.e. income from property management per share, of at least 10%. In order to achieve this objective, investments of at least SEKm 1,000 per year will be made. All investments will contribute to the objective of growth in income from property management within 1-2 years and have a potential asset value growth of at least 10%. Sales of properties will take place when justified from a business standpoint and when an alternative investment with a higher yield can be found. Castellum will have a stable capital structure, meaning a loan to value ratio not permanently exceeding 55% and an interest coverage ratio of at least 200%.

Liabilities	Group 2010	Group 2009	Parent Company 2010	Parent Company 2009
Interest-bearing liabilities due within one year of the balance sheet date	–	–	230	791
Other non-interest-bearing liabilities due within one year of the balance sheet date	997	801	157	178
Interest-bearing liabilities due within 1-5 years of the balance sheet date	9,019	4,732	10,710	5,900
Interest-bearing liabilities due more than 5 years after the balance sheet date	6,762	10,562	5,700	9,500
Total excl. deferred tax liability and interest rate derivatives	16,778	16,095	16,797	16,369

Note 14

During 2011, current interest-bearing liabilities amounting to SEKm 1,777 (1,234) are due for payment, but since they are covered by unutilized long-term credit agreements, they are treated as long-term interest-bearing liabilities. The fair value of the liabilities are equal to the book value. Interest rate derivatives in the balance sheet is made up of a valuation that will not be settled in cash.

Note 15

Deferred Tax Liability / Asset

A realization of all assets and liabilities to book value for the Group and utilization of all existing tax loss carry forward would, as is shown in the table below, result in a taxable income of SEKm 13,423 (10,739), equivalent to a tax payment of SEKm 3,531 (2,824). Castellum has deferred tax of SEKm 29 which relates to properties acquired during the year accounted for as asset acquisitions. According to present regulations the deferred tax at the time of the acquisition is not allowed to be accounted for in the balance sheet, which is shown in the table below.

As far as the parent company is concerned the deferred tax asset of SEKm 169 (225) consists of 26.3% of the unutilized tax loss carry forwards of SEKm 643 (859). Out of the change in deferred tax liabilities during the year, SEKm 13 (-6) has been recorded directly in equity.

Castellum's tax loss carry forwards were estimated to SEKm 1,406 (1,885) December 31, 2010. The change may be seen in the table in note 9.

When calculating the tax effect on a sale of all properties in the Group, the book value in the Group of SEKm 31,768 (29,267) must be compared to the residual value for tax purposes in the legal entity, which amounts to SEKm 14,829 (16,643). This means that if all of Castellum's properties were sold, the taxable net profit would exceed the recorded profit in the Group by SEKm 16,939 (12,624). Previous write-downs where tax deductions have been assessed amount to more than SEKm 200. These may be reversed in the case of future increases in value.

Tax loss carry forwards

Surplus- and sub value of properties for tax purposes

Deferred tax liability	2010		2009	
	Basis	Tax 26.3%	Basis	Tax 26.3%
Tax loss carry forwards				
Opening balance	1,885	496	1,830	481
Change of the year in the income statement	- 479	- 126	55	15
Closing balance in the balance sheet	1,406	370	1,885	496
Difference between the properties book and tax basis value				
Opening balance	- 12,624	- 3,320	- 12,419	- 3,266
Change of the year in the income statement	- 2,142	- 564	- 197	- 52
Company acquisition/sale of properties	- 63	- 17	- 8	- 2
<i>Closing balance</i>	<i>- 14,829</i>	<i>- 3,901</i>	<i>- 12,624</i>	<i>- 3,320</i>
Deductible relating to asset acquisitions	109	29	-	-
Closing balance in the balance sheet	- 14,720	- 3,872	- 12,624	- 3,320
Total				
Opening balance	- 10,739	- 2,824	-10,589	- 2,785
Change of the year	- 2,575	- 678	- 150	- 39
Closing balance	- 13,314	- 3,502	- 10,739	- 2,824

Note 16

Interest Rate Derivatives

Castellum's strategy of using interest rate derivatives in order to manage the interest rate risk and achieve the desired interest rate maturity structure means that there may be changes in value of the interest rate derivatives portfolio from time to time. These changes occur partly due to changes in market interest rates and partly due to the time factor. As of December 31, 2010 the market value of the interest rate derivatives portfolio amounted to SEKm -574 (-865). An parallel adjustment of the discounting interest rate used in the valuation of the interest rate derivatives portfolio as of December 31, 2010 of 1%-unit would affect the value of the interest rate derivatives portfolio by SEKm +/- 400.

The table below shows the interest rate derivatives portfolio's nominal net amount and market value as of 31-12-2010 and the market value of the portfolio with a +/- 1%-unit change in the interest rate. Interest rate derivatives which include an option has, based on the date of termination, been reported in the same time segment as prior to the assumed change in interest rate. Future liquidity flows in interest rate derivatives are made up of paid interest rate according to the table below with deduction of the received interest rate mainly corresponding to current Stibor 3 month at cash point time. The net flow of these items are recognized as interest rate cost.

End date	Amount, SEKm	Acquisition value, SEKm	Market value, SEKm	Average interest rate	Market value interest +1%-unit	Market value interest -1%-unit
2011	600	-	- 7	4.2%	- 3	- 10
2012	600	-	- 16	4.3%	- 6	- 25
2013	3,000	-	- 135	4.5%	- 57	- 210
2014	1,000	-	- 59	4.6%	- 22	- 90
2015	1,650	-	- 118	4.3%	- 51	- 183
2016+	3,100	-	- 239	4.6%	- 47	- 459
Total	9,950	-	- 574	4.5%	- 186	- 977

Long-term Interest-bearing Liabilities

Castellum's funding and management of financial risk are conducted in accordance with the financial policy adopted by the Board of Directors.

The objectives in the financial policy are:

- Maintaining a stable capital structure, with a loan to value ratio not exceeding 55% in the long run and an interest coverage ratio of at least 200%.
- Securing the required liquidity and long-term funding.
- Achieving low and stable net interest expense within the given risk authorization.

Objectives

The financial policy outlines the given authorization and limits for managing financial risks defined in the policy, overall delegation of responsibilities and how financial risk should be reported.

Financial policy

All financial risk management is centralized in the parent company and the finance function works as the Groups treasury department. The financial operations in Castellum shall be run in such manner that the costs for financial risk management are minimized. Meaning that Castellum carries out financial transactions based on estimations of the Group's overall long-term funding needs, liquidity and increased interest rate risk. Hence, the financial risk management is carried out on portfolio level. Portfolio management of funding means that an intra Group transaction, such as an internal loan, is not replicated by an identical external transaction. Instead loans are drawn under short or long term credit agreements, based on the Group's overall funding needs. For a cost effective management of the interest rate risk an assessment is made of the interest rate risk that occurs when a payment is made or a new loan is drawn with short fixed interest term under different credit agreements, followed by interest rate derivative transactions are made in order to achieve the desired fixed interest term on the total amount of debts. The internal bank works with a cash pool system of bank accounts for the Group's liquidity flows.

Policy	Objective/Mandate	Outcome
Loan to value ratio	Not in the long run exceeding 55%	50%
Interest coverage ratio	At least 200%	299%
Interest rate risk		
– average fixed interest rate term	0.5-3 years	2.6 years
– proportion maturing within 6 months	No more than 50%	33%
Currency risk	Not allowed	No exposure
Funding risk	At least 50% credit agreements have a duration of at least 2 years.	100%
Counterparty risk	Credit institutions with high ratings, at least "investment grade"	Satisfied
Liquidity risk	Liquidity reserve in order to fulfill payments due	SEKm 3,013 in unutilized credit agreements

The parent company holds a function, separated from the treasury department, that provides accounting and independent control of the financial management and the financial risks. Financial risks defined in the financial policy, are reported quarterly to the Board of Directors. In order to improve and adjust the financial risk management the Board of Directors reviews of the financial policy each year.

Borrowing,
maturity structure
and interest rates

Properties are long term assets and demands long term funding where the ratio between equity and interest bearing debt is set to obtain necessary funding. The loan to value ratio is the financial key ratio that describes the proportion of the property's value covered by loans. Castellum's objective is a loan to value ratio not exceeding 55% in the long run. The loan to value ratio at year end was 50% (52).

Demands for long-term funding make Castellum look for long term capital in credit agreements in order to minimize the risk of refinancing. To reach maximum flexibility utilized loans are revolving, i.e. the turnover interest rate is normally within 1-3 months. Short term revolving loans leads to great flexibility when it comes to fixed interest rate terms, basis for interest rate and the opportunity for amortization at every turnover occasion without any marginal breaking costs or other compensation to lenders. The objective is to minimize the interest-bearing liabilities, and cash is therefore used primarily to repay outstanding debts.

In order to secure Castellum's need liquidity and long-term funding, Castellum are regularly re-negotiating and, when needed entering into new credit agreements or forms of borrowing. At the year-end Castellum had long term credit agreements totalling SEKm 18,062 (16,262), of which SEKm 2,293 (1,176) was unutilized, long term bonds totalling SEKm 200 (500), outstanding commercial papers totalling SEKm 1,377 (0), short term credit agreements totalling SEKm 520 (1,220). The average duration of Castellum's long-term credit agreements as of 31-12-2010 was 5.0 years.

Margins and fees in long term credit agreements had an average duration on 2.6 years. After deducting liquidity of SEKm 12 (8), net interest bearing liabilities were SEKm 15,769 (15,286), giving Castellum easy access to new funding for investments in new constructions, extensions and reconstructions. During the year new long term agreements totalling SEKm 1,600 have been signed and existing credit agreements totalling SEKm 9,800 have been renegotiated and extended.

Credit agreements/-limits	Amount, SEKm	Utilized, SEKm
Long term credit agreements	18,062	13,992
Bonds	200	200
Short term credit agreements	520	200
Total credit agreements	18,782	14,392
Commercial paper program	4,000	1,377
Total	22,782	15,769

The debt maturity structure for the credit agreements, as may be seen in the table below, shows when in time the credit agreements fall due for renegotiation or repayment.

Debt maturity structure 31-12-2010	Credit agreements, SEKm	Utilized, SEKm
1-2 years	200	–
2-3 years	5,500	4,930
3-4 years	500	–
4-5 years	4,800	2,500
5-10 years	7,062	6,562
Total long term credit agreements	18,062	13,992
Short term credit agreements (0-1 year)	2,097	1,777
Total credit agreements	20,159	15,769
Unutilized credits in long term credit agreements		2,293

The credit agreements can be divided into following categories:

- Loans pledged by Castellum's receivables from subsidiaries, including mortgages. Utilized credits secured by pledged mortgages were at the end of the year SEKm 13,998. In addition to the mortgages the majority of the credit agreements include commitments regarding loan to value ratio and interest coverage ratio, so called financial covenants. In all cases the financial covenants are issued with in safe margins to Castellum's objectives for the capital structure and state a loan to value ratio not exceeding 65% and an interest coverage ratio of at least 150%.
- Loans directly to subsidiaries pledged by mortgages. Loans directly to subsidiary have, in the majority of the cases, also a guaranteed commitment from the parent company.
- Unsecured loans.
- Issuing of bonds, without pledged security.
- Issuing of commercial papers, without pledged security.

Irrespective of the type of credit agreement they include usual conditions for cancellation and sometimes also conditions for renegotiation if there is a material adverse change in business or in the case of discontinued stock exchange listing. If the lender, in such renegotiation calls on the right and the parties cannot agree, the agreements contain specified terms for the time of termination for those agreements covered by such conditions.

Changes in market interest rates affect net financial items. How quickly and by how much largely depends on the chosen fixed interest term. To ensure low and stable net financial items in terms of cash flow Castellum has generally chosen to fix interest rates for a relatively long period. This limits the immediate effect in net financial items caused by changes in the market interest rates.

For the same reason Castellum has chosen to sign mainly long-term credit agreements with agreed spreads with banks. However changes in both of these markets will over time affect net financial items.

The interest coverage ratio is the financial key ratio that describes a company's resistance and level of risk for changes in net financial items. Castellum's objective is an interest coverage ratio of at least 200%. For 2010 the interest coverage ratio was 299% (309%).

The average fixed interest term as of 31 December 2010 was 2.6 years (2.8), the average effective interest rate was 3.9% (3.8%) and the average interest rate for the year was 3.7% (3.7%). The interest rate for an equal portfolio, regarding both current market interest rates and spreads, can be assessed to 4.0% (3.1%). The average term to maturity for agreed spreads was 2.6 years (3.2). A change in the market rate in accordance with the Riksbank's 1 December published repa rate path would for 2011 have an effect on Castellum's interest rate costs of approx. SEKm –30.

In the segment 0-1 years below are all loans, all loan margins and where appropriate, interest rate derivatives maturing within 12 months.

Interest rate maturity structure	Loan, SEKm	Interest rate derivatives, SEKm	Amount, SEKm	Average interest rate
0-1 år	15,769	– 9,150	6,619	3.1%
1-2 år	–	600	600	4.3%
2-3 år	–	3,000	3,000	4.5%
3-4 år	–	1,000	1,000	4.6%
4-5 år	–	1,450	1,450	4.6%
5-10 år	–	3,100	3,100	4.6%
Summa	15,769	–	15,769	3.9%

Accrued Expenses and Prepaid Income

	Group		Parent Company	
	2010	2009	2010	2009
Rents paid in advance	330	291	–	–
Accrued interest	131	152	131	152
Other	154	126	21	23
Total	615	569	152	175

Note 18

Pledged assets

	Group		Parent Company	
	2010	2009	2010	2009
Property mortgages	17,421	18,281	–	–
Long-term receivables, group companies	–	–	14,721	15,214
Total	17,421	18,281	14,721	15,214

Note 19

Contingent Liabilities

	Group		Parent Company	
	2010	2009	2010	2009
Guaranteed commitments for subsidiaries	–	–	1,062	1,326
Total	–	–	1,062	1,326

Note 20

Normally the parent company is the borrower, but when the property owning company borrows directly, the parent company provides guaranteed commitments for subsidiaries.

Participations in Group Companies

Note 21

The principles for consolidation are described in the accounting principles. Directly owned subsidiaries are listed below. Other companies in the Group are included in each respective subsidiary's annual report.

Directly owned subsidiaries	Corporate identity no.	Registered office	Share of capital	Book value
Fastighets AB Brostaden	556002-8952	Stockholm	100%	945
Aspholmen Fastigheter AB	556121-9089	Örebro	100%	506
Ekländia Fastighets AB	556122-3768	Göteborg	100%	687
Harry Sjögren AB	556051-0561	Mölnådal	100%	683
Fastighets AB Corallen	556226-6527	Värnamo	100%	515
Fastighets AB Briggen	556476-7688	Malmö	100%	751
Fastighets AB Regeringsgatan	556571-4051	Göteborg	100%	0
Summa				4,087

Opening acquisition value and book value as well as closing acquisition value and book value was for the Parent Company SEKm 4,087 (4,087).

Long-term Receivables, Group Companies

	Group		Parent Company	
	2010	2009	2010	2009
Opening acquisition value	–	–	15,901	15,030
New lending to subsidiaries	–	–	294	871
Closing acquisition value / book value	–	–	16,195	15,901

Note 22

Subsequent Events

Note 23

The Financial Reports are a part of the Annual Report and were signed by the Board of Directors on February 3, 2011.

The Board of Directors of Castellum AB intends to propose the annual general meeting a dividend of SEK 3.60 per share, which is an increase of 3% compared to previous year. The Income Statement and the Balance Sheet for the Parent Company and the Group shall be adopted at Castellum AB's Annual General Meeting, which is expected to take place on March 24, 2011.

Proposed Distribution of Profits

The following funds are at the Annual General Meetings disposal:

Retained profits	SEK 2,973,930,651
Net income for the year	<u>SEK 848,006,552</u>
	<u>SEK 3,821,937,203</u>

The Board of Directors propose that the retained profits be appropriated as follows:

Dividend to shareholders, SEK 3.60 per share	SEK 590,400,000
Carried forward to the new accounts	<u>SEK 3,231,537,203</u>
	<u>SEK 3,821,937,203</u>

The company has 172,006,708 registered shares, of which 8,006,708 are currently the company's own repurchased shares and are not entitled to dividends.

The total dividend payment proposed above of SEK 590,400,000 can be changed if the number of the company's own repurchased shares changes before the record date for the dividend.

Statement regarding Proposed Distribution of Profit

Reasons

The Group's equity has been calculated in accordance with IFRS standards, approved by the EU, and the interpretations of these standards (IFRIC), as well as in accordance with the provisions of Swedish law by application of the recommendation RFR 1 of the Swedish Financial Reporting Board (Supplementary accounting principles for groups). The equity of the parent company has been calculated in accordance with Swedish law and by application of the recommendation RFR 2 of the Swedish Financial Reporting Board (Accounting for Legal Persons).

The proposed distribution constitutes 70% of the Group's income from property management after tax, which is in line with the express target to distribute at least 60% of the Group's income from property management after tax, having considered investment plans, consolidation needs, liquidity and overall position. The Group's net income after changes in value and tax amounted to SEKm 1,964. The distribution policy is based on the Group's income from property management, on account of which increases and/or decreases in value on the Group's properties and on interest rate derivatives not affecting cash flow, do not normally affect the distribution. That kind of profit or loss, not affecting cash flow, have furthermore not been taken into consideration in previous year's resolutions regarding distribution of profit.

The Board of Directors concludes that the Company's restricted equity is fully covered after the proposed distribution.

The Board of Directors also concludes that the proposed distribution to the shareholders is justified considering the parameters in section 17 subsection 3, second and third paragraphs of the Swedish Companies Act (the nature, scope and risks of the business as well as consolidation needs, liquidity and overall position). The Board of Directors would in this context like to emphasise the following.

The nature, scope and risks of the business

The Board of Directors estimates that the equity of the Company as well as the Group will, after the proposed distribution, be sufficient in relation to the nature, scope and risks of the business. The Board of Directors has in this context considered inter alia the historical development of the Company and the Group, budgeted development, investment plans and the economic situation.

Consolidation needs, liquidity and overall position

Consolidation needs

The Board of Directors has made a general estimation of the financial position of the Company and the Group, and the possibilities of fulfilling their obligations in the long run. The proposed dividend constitutes 15% of the Company's equity and 5% of the Group's equity. The express target for the Group's capital structure, entailing a solvency of 55% and an interest coverage ratio of at least 200%, will be maintained after the proposed dividend. The solvency of the Company and the Group is good considering the prevailing conditions of the real estate business. In light of the above, the Board of Directors concludes that the Company and the Group have all the necessary requirements to take future business risks and to also carry potential losses. Planned investments have been considered when deciding on the proposed dividend. The dividend will furthermore not adversely affect the ability of the Company or the Group to make additional, motivated, investments according to assumed plans.

Liquidity

The proposed dividend will not affect the Company's or the Group's ability to meet their payment obligations in a timely manner. The Company and the Group have good access to liquidity reserves through short-term as well as long-term credits. The credits may be utilised at short notice, meaning that the Company and the Group are prepared to handle liquidity fluctuations as well as possible unexpected events.

Overall position

The Board of Directors has considered all other known conditions which might affect the financial position of the Company and the Group and which have not been considered within the scope of the above considerations. No circumstances have however been found showing that the proposed dividend would not be justified.

Evaluation to actual value

Derivatives instruments and other financial instruments have been valued to the actual value according to section 4 subsection 14a of the Swedish Annual Accounts Act. The valuation has showed a under value of SEKm 423, which has affected the equity by the mentioned amount.

Gothenburg January 25, 2011

The Board of Directors

Signing of the Annual Report

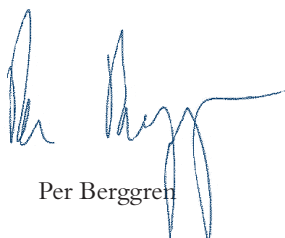
As far as we know the Annual Report is prepared in accordance with generally accepted accounting principles. The Annual Report give a true and fair view of the company's financial position and results, and the directors' report give a true and fair overview of the development of the company's operations, financial position and results, and describes the significant risks and factors of uncertainty facing the company.

The consolidated accounts have been prepared in accordance with the international accounting standards covered in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The consolidated accounts give a true and fair view of the group's financial position and results, and the directors' report for the consolidated accounts give a true and fair overview of the development of the group's operations, financial position and results and as well as the significant risks and factors of uncertainty facing the companies within the group.

Gothenburg February 3, 2011



Jan Kvarnström
Ordförande



Per Berggren



Marianne Dicander Alexandersson



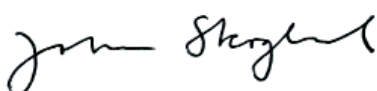
Ulla-Britt Fräjdin-Hellqvist



Christer Jacobson



Göran Lindén



Johan Skoglund



Håkan Hellström
Chief Executive Officer

Our Audit Report regarding this Annual Report was submitted on February 3, 2011



Carl Lindgren
Authorized Public Accountant



Ingemar Rindstig
Authorized Public Accountant

Audit Report

To the annual meeting of the shareholders of Castellum AB (publ) corporate identity number 556475-5550

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Castellum AB for the year 2010. The annual accounts and the consolidated accounts of the company are included in the printed version of this document on pages 6–106. The board of directors and the managing director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of International Financial Reporting Standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director and significant estimates made by the board of directors and the managing director when preparing the annual accounts and the consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we have examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We have also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and results of operations. A corporate governance report has been prepared. The statutory administration report and the corporate governance report are consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the statutory administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Gothenburg February 3, 2011



Carl Lindgren
Authorized Public Accountant



Ingemar Rindstig
Authorized Public Accountant

Castellum's Real Estate Schedule 2010

Greater Gothenburg	109
Öresund Region	117
Greater Stockholm	123
Mälardalen	127
Eastern Götaland	133
Properties sold in 2010	139

Management subsidiaries: ASP = Aspholmen Fastigheter AB
COR = Fastighets AB Corallen

BRI = Fastighets AB Briggen
EKL = Eklandia Fastighets AB

BRO = Fastighets AB Brostaden
HAR = Harry Sjögren AB

Greater Gothenburg

Greater Gothenburg													Tax Mgmt.			
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	assessment Sub-value	Subsidiary	Notes	
					Office	Retail	Warehouse	Industrial	Residential	Oth.						
OFFICE/RETAIL																
1	Annedal 21:10	Gothenburg	1999	1995	4 166	–	–	–	–	–	4 166	3 132	81 200	EKL		
2	Guldheden 8:10	Gothenburg	2000	1995	9 776	–	23	–	–	–	9 799	9 896	0	EKL		
3	Gullbergsvass 1:15	Gothenburg	1999	2001	7 942	–	36	–	–	–	7 978	1 835	163 000	EKL		
4	Heden 16:5	Parkg 10/Nya Allén 5	Gothenburg	<1995	1961	70	–	–	–	616	1 243	1 929	993	25 663	EKL	
5	Inom Vallgraven 4:1	Östra Larmgatan 18	Gothenburg	<1995	1856/1988	2 597	–	–	–	–	2 597	671	28 600	EKL		
6	Inom Vallgraven 19:17	Kyrkogatan 38-40	Gothenburg	<1995	1919	210	158	20	–	–	975	1 363	867	28 000	EKL	
7	Inom Vallgraven 22:3	Kungsgatan 31-33	Gothenburg	<1995	1929	1 080	488	–	–	–	1 568	574	39 600	EKL		
8	Inom Vallgraven 33:9	Västra Hamng 21/ Vallg 9	Gothenburg	<1995	1929/1995	1 063	510	–	–	–	1 573	829	27 800	EKL		
9	Inom Vallgraven 34:8	Kungsg 19-23/ Magasinsg 18	Gothenburg	<1995	1929/1994	3 481	831	55	–	–	–	4 367	1 242	91 581	EKL	
10	Inom Vallgraven 35:14	Kungsg 15-17/ Magasinsg 17	Gothenburg	<1995	1929/1991	2 489	1 219	–	–	469	–	4 177	1 315	87 970	EKL	
11	Inom Vallgraven 35:16	AKaserntorget 5/Vallg 2	Gothenburg	<1995	1991	2 371	590	36	–	–	–	2 997	690	46 800	EKL	
12	Inom Vallgraven 35:17	Magasinsg 11-13/ Vallg 4-6	Gothenburg	<1995	1991	163	139	–	–	1 149	–	1 451	690	23 001	EKL	
13	Inom Vallgraven 57:2	Drottningg7/V Hamng 5	Gothenburg	2000	1988/1990	6 104	710	276	–	–	–	7 090	2 422	92 800	EKL	
14	Krokstätt 102:2	Eklandagatan 80-82	Gothenburg	2008	1971	160	–	811	–	–	–	971	2 110	650	EKL	B
15	Lorensberg 46:5	Kungsportsavenyen 7	Gothenburg	<1995	1930	276	691	–	–	–	–	967	348	25 200	EKL	
16	Lorensberg 48:8	Vasagatan 46	Gothenburg	<1995	1900/1992	1 401	202	74	–	–	–	1 677	722	18 828	EKL	
17	Masthugget 3:6	Linnégatan 5	Gothenburg	<1995	1893/1980	492	628	–	–	1 079	790	2 989	745	39 600	EKL	
18	Masthugget 9:17	Järmtorget 3-4	Gothenburg	1996	1900	2 865	518	10	–	–	–	3 393	1 221	46 300	EKL	
19	Masthugget 26:1	Barlastgatan 2	Gothenburg	<1995	1923	4 038	1 075	–	–	2 796	–	7 909	3 597	105 200	EKL	
20	Nordstaden 2:16	Östra Hamngatan 16	Gothenburg	2004	1974/2010	13 855	2 759	–	–	–	4	16 618	3 255	417 143	EKL	
21	Pustervik 3:8	Brogatan 4	Gothenburg	<1995	1988	3 910	–	–	–	–	–	3 910	1 088	36 800	EKL	
22	Gamlestaden 22:14	Gamlestadsvägen 16	Gothenburg	2004	1957	18 738	–	690	352	–	8	19 788	20 313	78 683	EKL	
23	Gamlestaden 26:1	Marieholmsgatan 10	Gothenburg	<1995	1914/1987	6 226	270	1 540	7 385	–	–	15 421	24 356	51 308	EKL	T/B
24	Olskroken 14:2	Ånäsiv 44-46/Svang 2-4/ Ejderg 3	Gothenburg	<1995	1895/1986	7 241	315	135	5 397	136	–	13 224	10 263	68 407	EKL	
25	Skår 58:1	St Sigfridsgatan 89	Gothenburg	<1995	1991	11 855	–	–	–	–	–	11 855	6 151	125 000	EKL	B
26	Arendal 764:394	Sydatlanten 15-17	Gothenburg	2005	1974/1991	9 358	–	–	–	–	–	9 358	9 646	49 800	EKL	T
30	Backa 27:43	Bergögatan 5-7	Gothenburg	1998	1984	3 189	–	1 326	309	–	–	4 824	3 920	27 400	EKL	
31	Backa 196:6	Aröds Industriväg 34	Gothenburg	1996	1990	1 332	–	474	–	–	–	1 806	5 274	8 665	EKL	
28	Kärä 28:19	Transportgatan 33	Gothenburg	1996	2008	0	–	4 600	–	–	–	4 600	21 832	24 621	EKL	
33	Kärä 77:3	Tagenevägen 70	Gothenburg	1998	1990	1 197	–	–	–	–	–	1 197	9 200	6 030	EKL	T
34	Lindholmen 28:2	Theres Svenssons g 9-11	Gothenburg	2006	2006	4 903	204	79	–	–	–	5 186	2 725	109 000	EKL	
35	Rambergsgården 733:409	Herkulesgatan 68	Gothenburg	<1995	1988	2 295	944	1 027	–	–	–	4 266	9 499	23 557	EKL	
36	Sannegården 28:14	Vingalandsgatan 2	Gothenburg	2006	1880/1987	4 820	–	1 603	172	–	34	6 629	3 016	77 000	EKL	
37	Tingstadsvassen 11:11	Ringög 12/Kolgruveg 3-5	Gothenburg	<1995	1992	3 578	2 170	219	–	–	2	5 969	4 267	33 000	EKL	B
38	Tingstadsvassen 12:12	Kalkbruksgatan 9	Gothenburg	2006	1989	2 129	–	–	–	–	–	2 129	3 751	8 428	EKL	
39	Tingstadsvassen 26:5	Lergodsgatan 1-3	Gothenburg	2002	1989	1 254	–	2 106	–	–	–	3 360	4 566	19 487	EKL	T/B
40	Tuve 87:1	Hildedalsgatan 2	Gothenburg	2007	1987	1 336	–	3 200	–	–	–	4 536	9 318	22 465	EKL	
41	Högsbo 8:8	Beatrice Lesslies gata 14	Gothenburg	2000	1961/2001	1 100	–	1 000	–	–	–	2 100	3 500	9 644	HAR	B
42	Högsbo 13:3	E A Rosenqrens gata 15	Gothenburg	<1995	1982	1 244	–	–	–	–	–	1 244	3 787	6 511	HAR	T/B

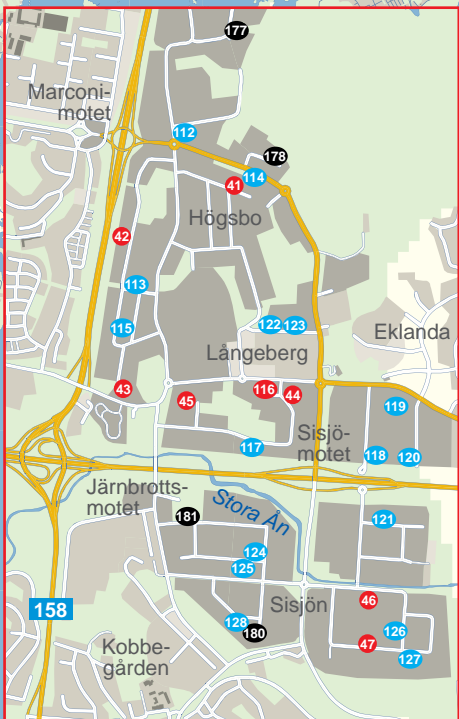
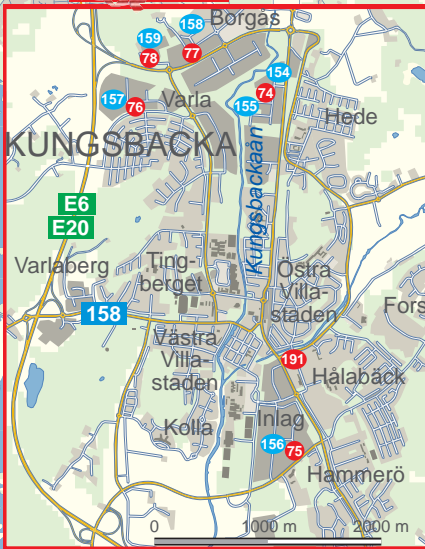
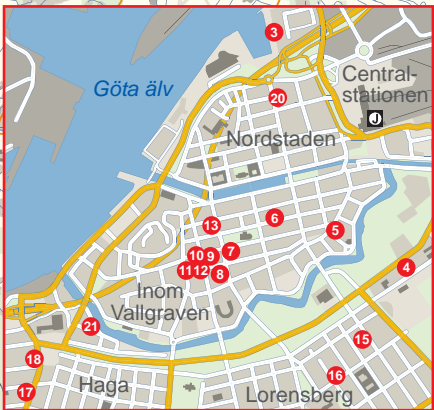
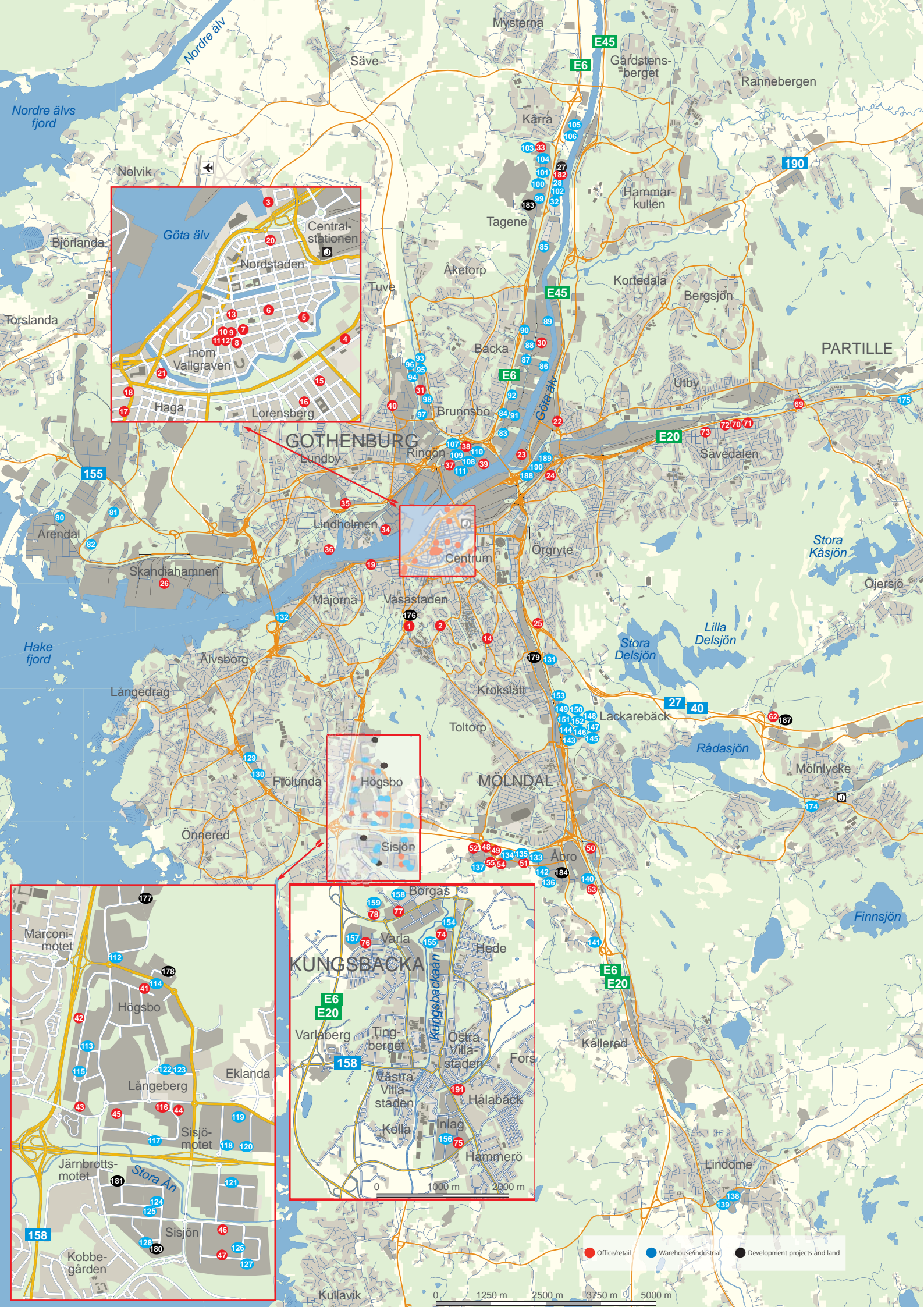
Note: T=Ground rent A=Lease B=Unutilized building permission



Nordstaden 2:16, Gothenburg



Lindholmen 28:2, Gothenburg



● Office/retail ● Warehouse/industrial ● Development projects and land

0 1250 m 2500 m 3750 m 5000 m

Greater Gothenburg

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Site sq.m.	Tax Mgmt. assessment Sub-value			Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.	Total				
43 Högsbo 20:22	F O Petterssons gata 24-32	Gothenburg	2002	1982	14 145	178	760	–	–	–	15 083	15 522	87 800	HAR	
44 Högsbo 24:12	August Barks gata 23	Gothenburg	1999	1968/1990	3 117	–	2 756	–	–	–	5 873	12 817	44 464	HAR	B
45 Högsbo 27:7	August Barks gata 6	Gothenburg	2002	1988	7 933	–	–	–	–	–	7 933	9 723	76 600	HAR	
46 Kobbegården 6:362	Stora Ävägen 19 A-B, 21	Gothenburg	<1995	1990	5 513	878	1 150	–	–	–	7 541	5 490	65 430	HAR	
47 Kobbegården 6:726	Datavägen 14 B	Gothenburg	<1995	1981	2 573	–	–	–	–	–	2 573	4 267	11 880	HAR	
48 Anisen 1	Johannefredsgatan 1	Mölndal	2000	1990	1 676	–	237	–	–	–	1 913	5 843	12 324	HAR	B
49 Anisen 3	Johannefredsgatan 3	Mölndal	1998	2003	1 800	1 500	–	2 600	–	–	5 900	10 108	45 528	HAR	
50 Berguven 1	Möbelgatan 4	Mölndal	2004	1964	6 500	–	–	–	–	500	7 000	24 283	23 200	HAR	B
51 Generatorm 5	Aminogatan 16	Mölndal	<1995	1986	640	–	–	483	–	–	1 123	5 169	8 043	HAR	
52 Mejramen 1	Lunnagårdsgatan 4	Mölndal	1999	1999	8 300	–	4 700	–	–	–	13 000	38 818	107 000	HAR	B
53 Potttegården 4	Kråketorpsgatan 20	Mölndal	<1995	1992	3 182	–	1 836	–	–	–	5 018	6 060	27 524	HAR	
54 Riskullaverket 2	Aminogatan 25	Mölndal	<1995	1991	1 692	–	1 261	–	–	–	2 953	3 411	17 898	HAR	
55 Sesamfröet 2	Aminogatan 27	Mölndal	2005	1992	5 150	–	700	–	–	–	5 850	11 000	51 600	HAR	B
56 Apollo 5	Österlånggatan 5	Borås	<1995	1930/1979	6 803	552	193	–	–	–	7 548	2 343	46 600	HAR	
57 Katrinedal 14	Katrinedalsgatan 22	Borås	<1995	1990	2 360	–	1 892	–	–	–	4 252	7 675	14 530	HAR	
58 Midas 14	Västerlånggatan 17	Borås	<1995	1974	15 408	5 424	–	366	–	–	21 198	8 185	166 200	HAR	B
59 Narcissus 5	L:a Brog. 15/St Brog. 16	Borås	<1995	1930	908	1 484	–	–	1 284	–	3 676	853	29 190	HAR	
60 Nestor 2	L:a Brogatan 19-21	Borås	<1995	1962/1991	1 225	3 012	135	–	–	–	4 372	1 381	44 400	HAR	
61 Nestor 3	St Brogatan 24	Borås	1999	1930	1 346	732	–	–	439	–	2 517	590	22 060	HAR	
62 Solsten 1:109	Företagsparken	Härnäs	<1995	2003	11 375	–	–	–	–	–	11 375	19 206	61 321	EKL	
63 Flaggan 1	Laholmsvägen 84	Halmstad	2007	1959/2004	0	2 895	–	–	–	–	2 895	5 941	9 908	HAR	
64 Karossen 3	Kristinehedsvägen 5, 7	Halmstad	2007	1965/2004	916	4 458	568	535	–	–	6 477	14 500	23 118	HAR	B
65 Kartongen 3	Spikgatan 7	Halmstad	2007	1990/1995	3 434	–	2 842	–	–	40	6 316	20 900	25 460	HAR	B
66 Valsen 2	Svingelvägen 2	Halmstad	2007	1979/2003	2 294	–	–	–	–	–	2 294	7 314	11 115	HAR	B
67 Filaren 1	Sveagatan 10	Alingsås	<1995	1958/1968	3 116	2 282	158	–	–	–	5 556	4 636	28 863	HAR	
68 Gjutaren 26 B	Metallgatan 2-4	Alingsås	<1995	2000	3 585	–	–	–	–	–	3 585	4 000	36 647	HAR	B
69 Partille 4:2, 4:25	G:a Kronvägen 22	Partille	<1995	1940/1981	0	2 240	–	–	–	–	2 240	8 250	8 457	HAR	
70 Ugglum 8:37	Göteborgsvägen 78-80	Partille	<1995	1937/1982	0	296	–	–	278	–	574	762	4 054	HAR	
71 Ugglum 8:91	Göteborgsvägen 82-84	Partille	<1995	1988	2 082	1 016	–	–	–	–	3 098	4 969	25 581	HAR	
72 Ugglum 8:92	Göteborgsvägen 74-76	Partille	<1995	1992	4 944	720	193	–	–	–	5 857	5 408	42 400	HAR	
73 Ugglum 126:4	Gibsons väg 3	Partille	<1995	1990	468	–	–	–	–	–	468	767	3 576	HAR	
74 Hede 3:125	Sättarevägen 3	Kungsbacka	<1995	1990	1 759	–	601	–	–	–	2 360	3 690	11 432	HAR	
75 Kungsbacka 4:46	L:a Verkstadsgatan 8	Kungsbacka	<1995	1979	401	–	–	–	–	–	401	1 356	1 931	HAR	B
76 Varla 2:380	Energigatan 11	Kungsbacka	<1995	1990	1 689	–	685	–	–	–	2 374	4 590	13 709	HAR	
77 Varla 2:416	Kungsparksvägen 2	Kungsbacka	2001	2002	1 100	–	680	–	–	–	1 780	5 500	9 538	HAR	
78 Varla 3:22 B	Hallabäcksvägen 2	Kungsbacka	2006	1979	1 000	4 000	600	–	–	–	5 600	20 000	64 446	HAR	B
191 Vägmästaren 5	Syréngatan 1	Kungsbacka	2009	2010	3 000	–	–	–	–	–	3 000	6 500	0	HAR	B
Total office/retail					281 738	46 088	41 287	17 599	8 246	3 596	398 554	505 453	3 458 569		



Gullbergsvass 1:15, Gothenburg



Backa 20:5, Gothenburg

Greater Gothenburg

Greater Gothenburg

												Tax Mgmt.					
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Totalt	Site sq.m.	assessment value	Sub-sidiary	Note		
					Office	Retail	Warehouse	Industrial	Residential	Oth.							
WAREHOUSE/INDUSTRIAL																	
80 Arendal 1:13	Hamneviksvägen 31	Gothenburg	2005	2006	–	–	27 787	–	–	–	27 787	6 408	144 600	EKL			
81 Arendal 7:4	Kärrlyckegatan 11	Gothenburg	1998	1991	1 320	–	2 374	–	–	4	3 698	12 671	16 084	EKL			
82 Arendal 764:130	Oljevägen 103	Gothenburg	2005	1971	–	–	9 625	15 849	–	–	25 474	41 244	81 624	EKL			
83 Backa 18:7, 18:10	Risbindaregatan 1	Gothenburg	<1995	1964	–	–	16 930	–	–	–	16 930	45 020	50 248	EKL			
84 Backa 20:5	Exportgatan 2-8	Gothenburg	2007	1989/1999	1 175	–	856	13 869	–	–	15 900	37 965	61 986	EKL	B		
86 Backa 22:11	Exportgatan 67	Gothenburg	<1995	1990	245	–	2 500	–	–	–	2 745	5 031	9 522	EKL			
87 Backa 25:7	Exportgatan 28	Gothenburg	1999	1972	–	–	–	11 200	–	–	11 200	23 169	29 545	EKL			
88 Backa 26:3	Exportgatan 40	Gothenburg	1996	1947/1988	2 712	763	2 467	–	–	6	5 948	6 000	24 726	EKL			
89 Backa 27:2	Importgatan 17	Gothenburg	<1995	1968	–	–	2 765	–	–	–	2 765	12 927	9 408	EKL	B		
90 Backa 29:24	Importgatan 12	Gothenburg	<1995	1977	–	–	2 224	–	–	–	2 224	4 366	6 862	EKL			
91 Backa 94:1	Exportgatan 15	Gothenburg	1998	1989	–	–	7 560	–	–	–	7 560	20 947	24 789	EKL	B		
92 Backa 97:11	Exportgatan 39-41	Gothenburg	2002	1978	1 393	–	2 486	–	–	–	3 879	19 285	19 116	EKL			
85 Backa 107:4	Transportgatan 17	Gothenburg	2010	1983/2006	–	–	22 700	–	–	–	22 700	73 621	21 200	EKL	T		
93 Backa 192:3	Aröds Industriväg 72	Gothenburg	<1995	1989	119	–	1 215	–	–	–	1 334	3 630	4 681	EKL			
94 Backa 192:4	Aröds Industriväg 60	Gothenburg	<1995	1989	484	194	1 356	–	–	–	2 034	3 428	7 412	EKL	T		
95 Backa 192:6	Aröds Industriväg 62	Gothenburg	1998	1988	–	–	1 371	–	–	–	1 371	4 387	4 670	EKL			
96 Backa 192:10	Aröds Industriväg 66	Gothenburg	<1995	1990	1 410	–	1 335	–	–	–	2 745	6 042	12 071	EKL			
97 Backa 193:1	Aröds Industriväg 2 A	Gothenburg	2000	1988/1996	–	–	–	2 950	–	–	2 950	10 524	14 627	EKL	B		
98 Backa 197:2	Aröds Industriväg 17-19	Gothenburg	<1995	1990	–	–	1 228	–	–	–	1 228	2 727	4 748	EKL			
182 Kärra 28:10	Transportgatan 37	Gothenburg	1996	2010	–	2 217	–	–	–	–	2 217	14 872	0	EKL			
99 Kärra 37:4	Tagenevägen 21	Gothenburg	<1995	1972	–	1 195	11 740	–	–	–	12 935	26 476	36 530	EKL			
100 Kärra 74:2	Tagenevägen 29	Gothenburg	1996	2008	–	–	15 758	–	–	–	15 758	35 995	79 000	EKL	B		
101 Kärra 74:3	Tagenevägen 33	Gothenburg	1998	1985	–	–	–	7 505	–	–	7 505	22 398	26 638	EKL	B		
102 Kärra 75:3	Transportgatan 35	Gothenburg	2008	1980	–	–	9 191	–	–	–	9 191	14 375	31 980	EKL			
103 Kärra 77:8	Tagenevägen 72	Gothenburg	<1995	1991	212	–	1 859	–	–	–	2 071	8 914	9 590	EKL			
104 Kärra 80:7	Trankärrsvägen 14	Gothenburg	<1995	1990	211	–	3 451	–	–	–	3 662	7 185	14 902	EKL	T		
105 Kärra 94:1	Örrekulla Industrig. 25	Gothenburg	1999	1990	–	–	–	1 960	–	–	1 960	3 520	7 715	EKL			
106 Kärra 96:1	Örrekulla Industrig. 13-15	Gothenburg	2001	1991	160	–	3 830	–	–	–	3 990	10 408	16 252	EKL	B		
107 Tingstadsvassen 11:9	Kolgruvegatan 9	Gothenburg	<1995	1988	343	–	721	–	–	–	1 064	2 213	4 891	EKL			
108 Tingstadsvassen 12:6	Manufakturg. 19	Gothenburg	<1995	1990	328	–	2 657	–	–	–	2 985	2 960	14 214	EKL	T		
109 Tingstadsvassen 12:9	Manufakturg. 21-23	Gothenburg	<1995	1957	–	–	6 217	–	–	–	6 217	7 355	11 460	EKL	T		
110 Tingstadsvassen 14:7	Stålverksgatan 11	Gothenburg	1997	1993	934	–	–	4 273	–	–	5 207	9 547	738	EKL	B		
111 Tingstadsvassen 19:3	Kolgruvegatan 1	Gothenburg	<1995	1950	839	–	9 548	245	–	–	10 632	16 645	22 091	EKL	T		
112 Högsbo 4:1	Fältpatsgatan 1	Gothenburg	<1995	1965/1972	1 140	350	3 074	–	–	–	4 564	10 394	17 629	HAR			
113 Högsbo 7:16	Gustaf Melins gata 7	Gothenburg	<1995	1987	1 301	–	–	404	–	–	1 705	4 043	10 016	HAR			
114 Högsbo 9:3	A Odhners gata 17	Gothenburg	2008	1978/2002	635	–	2 267	–	–	–	2 902	6 007	16 398	HAR			
115 Högsbo 18:1	E A Rosengrens g 30-38	Gothenburg	<1995	1966/1973	1 092	–	7 628	–	–	–	8 720	17 149	28 182	HAR	B		
116 Högsbo 26:8	August Barks g 25	Gothenburg	1998	1969/1979	2 123	–	–	2 253	–	–	4 376	6 068	16 883	HAR	B		
117 Högsbo 28:3	August Barks g 7	Gothenburg	<1995	1968/1981	785	–	–	2 857	–	–	3 642	3 942	15 236	HAR			
118 Högsbo 36:1	Norra Långebergsg. 8	Gothenburg	2000	1971/1995	710	–	3 840	–	–	–	4 550	9 057	22 966	HAR			
120 Högsbo 36:9	Hulda Mellgrens gata 9	Gothenburg	<1995	2007	400	–	1 475	–	–	–	1 875	4 253	12 159	HAR			
121 Högsbo 38:9	Sisjö Kullegata 4	Gothenburg	<1995	1984	–	–	–	983	–	–	983	8 609	8 823	HAR	B		
122 Högsbo 40:1	Gustaf Werners gata 2	Gothenburg	1999	1981/1999	1 495	–	5 505	–	–	–	7 000	16 070	32 525	HAR	B		
123 Högsbo 40:2	Gustaf Werners gata 4	Gothenburg	2006	1978	400	–	2 815	–	–	–	3 215	10 799	17 064	HAR	B		
124 Kobbegården 208:6	Askims Verkstadsv. 16	Gothenburg	1999	1973/1979	480	–	–	1 264	–	–	1 744	3 462	6 977	HAR			



Arendal 1:13, Gothenburg



Gaslyktan 11, Mölndal

Greater Gothenburg

Greater Gothenburg

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises								Site sq.m.	Tax Mgmt. assessment Sub-value sidiary Note		
					Office	Retail	Warehouse	Industrial	Residential	Oth.	Totalt	value		sidiary	Note	
125 Kobbegården 209:1	Askims Verkstadsv. 15	Gothenburg	1999	1973/1996	–	–	–	2 538	–	–	2 538	6 336	11 559	HAR	B	
126 Kobbegården 6:180	Datavägen 20	Gothenburg	<1995	1980	1 704	–	1 078	–	–	–	2 782	5 100	18 700	HAR		
127 Kobbegården 6:360	Datavägen 31	Gothenburg	2001	1979	1 640	–	5 349	–	–	–	6 989	14 508	42 400	HAR		
128 Kobbegården 6:724	Ekonomivägen 11	Gothenburg	1999	1978/1986	–	–	–	6 290	–	–	6 290	12 786	25 411	HAR	B	
129 Rud 51:21	Klangfärgsgatan 2 C	Gothenburg	2006	1979/1989	510	–	2 590	–	–	–	3 100	6 926	17 470	HAR	T	
130 Tynnered 1:10	Kontrabasgatan 12	Gothenburg	<1995	1969	429	140	–	2 152	–	–	2 721	7 475	10 049	HAR	T/B	
131 Kallebäck 3:4	Mejerigatan 1	Gothenburg	2000	1962	5 814	–	25 175	805	–	–	31 794	37 723	105 000	EKL		
188 Olskroken 35:7	Blomstergatan 2	Gothenburg	2009	1977	417	–	3 427	–	–	–	3 844	37 598	12 446	EKL	T	
189 Olskroken 35:9	Grönsaksgatan 5	Gothenburg	2009	1966	874	–	6 781	–	–	–	7 655	9 127	22 418	EKL	T	
190 Olskroken 35:14	Grönsaksgatan 3	Gothenburg	2009	1967	1 169	4 542	–	–	–	–	5 711	6 216	18 086	EKL	T	
132 Majorna 163:1	Banehagsliden 2	Gothenburg	2006	1949	–	–	8 226	749	–	–	8 975	9 263	24 550	EKL	B	
133 Gaslyktan 11	Argogatan 26-30	Mölndal	<1995	1987	4 000	–	11 000	–	–	–	15 000	38 100	82 800	HAR	B	
134 Generatorm 1	Aminogatan 24	Mölndal	<1995	1995/2003	1 445	–	3 110	–	–	–	4 555	30 000	36 000	HAR	B	
135 Generatorm 2	Aminogatan 20-22	Mölndal	<1995	1991	164	–	2 938	–	–	–	3 102	8 933	15 378	HAR		
136 Heliumgasen 11	Kryptogatan 5 B	Mölndal	1999	1975	4 560	–	–	5 093	–	–	9 653	16 300	46 503	HAR	B	
137 Kryddpepparn 3	Östergårdsgatan 8	Mölndal	<1995	1992	–	–	–	4 140	–	–	4 140	15 347	0	HAR	B	
138 Lindome 2:40	Elementvägen 2	Mölndal	<1995	1966	376	–	9 811	–	–	–	10 187	32 453	20 000	EKL	B	
139 Lindome 2:47	Elementvägen 2	Mölndal	<1995	1966	–	–	1 835	510	–	–	2 345	15 141	8 202	EKL	B	
140 Pottegården 2	Kråketorpsgatan 18	Mölndal	<1995	1964	–	–	1 800	–	–	–	1 800	7 014	7 444	HAR	B	
141 Skinttickan 1	Ålegårdsgatan 5	Mölndal	<1995	1989	1 221	–	–	4 720	–	–	5 941	10 267	10 622	HAR		
142 Syrgasen 8	Kryptogatan 14	Mölndal	<1995	1979	–	–	–	3 055	–	–	3 055	11 197	14 727	HAR	B	
143 Tjärblomman 2	Wolfsgatan 2	Mölndal	1999	1960	2 495	–	4 540	–	–	–	7 035	9 193	17 525	HAR	B	
144 Tjärblomman 3	Sallarängsgatan 3	Mölndal	1999	1970	1 225	–	7 533	–	–	–	8 758	9 394	21 352	HAR		
145 Tulpanen 1	Bergfotsgatan 5	Mölndal	1999	1961	1 812	–	2 954	–	–	–	4 766	5 577	14 751	HAR	B	
146 Tusenskönan 2	Flöjelbergsgatan 6	Mölndal	1999	1960	3 567	–	933	–	–	–	4 500	5 346	12 511	HAR	B	
147 Tusenskönan 4	Bergfotsgatan 3	Mölndal	1999	1961	2 038	–	2 424	–	–	–	4 462	5 397	13 278	HAR	B	
148 Törnrosen 3	Flöjelbergsgatan 10	Mölndal	1999	1964	1 791	–	1 791	–	–	–	3 582	4 468	9 509	HAR	B	
149 Vallmon 2	Flöjelbergsgatan 13	Mölndal	<1995	1965	662	–	2 518	–	–	–	3 180	3 642	8 367	HAR		
150 Vallmon 3	Flöjelbergsgatan 11	Mölndal	<1995	1965	676	–	2 570	–	–	–	3 246	3 830	8 557	HAR		
151 Vallmon 6	Flöjelbergsgatan 7 B	Mölndal	<1995	1965	1 629	–	6 685	–	–	–	8 314	9 956	21 484	HAR		
152 Vallmon 7	Flöjelbergsgatan 7 A	Mölndal	1999	1930	960	–	3 844	–	–	–	4 804	6 894	12 966	HAR	B	
153 Ängsviolén 1	Flöjelbergsgatan 18	Mölndal	<1995	1960/1965	1 765	180	–	3 655	–	–	5 600	10 292	18 630	HAR	B	
154 Hede 3:12	Faktorvägen 1	Kungsbacka	2003	1992	1 971	–	6 929	–	–	–	8 900	32 809	48 576	HAR	B	
155 Hede 3:131	Tryckarevägen 8	Kungsbacka	<1995	1991	170	–	1 347	–	–	–	1 517	7 558	6 132	HAR	B	
156 Kungsbacka 4:47	L:a Verkstads g 2-6/ Verkstads g 7	Kungsbacka	<1995	1978/1990	1 516	–	2 475	–	–	–	3 991	9 317	12 590	HAR		
157 Varla 2:388	Energigatan 21	Kungsbacka	<1995	1983/1995	–	–	2 207	–	–	–	2 207	10 003	8 167	HAR	B	
158 Varla 2:415	Borgås Gårdsväg 15	Kungsbacka	2004	2002	755	–	3 676	–	–	–	4 431	8 852	18 022	HAR		
159 Varla 3:22	Hallabäcksvägen 1	Kungsbacka	2006	1979	–	–	22 000	–	–	–	22 000	86 000	57 600	HAR	B	
160 Cedern 9,12,15,16	Ramnåsg 1/Göte- borgsv 6	Borås	2005	1935/1980	–	–	7 339	–	–	–	7 339	4 159	9 057	HAR	B	
161 Hinden 2	Sagagatan 17	Borås	<1995	1956	692	–	–	5 748	–	–	6 440	9 833	8 862	HAR	B	
162 Kilsund 3	Evedalsgatan 5	Borås	<1995	1935	709	260	–	9 847	–	–	10 816	16 660	15 658	HAR	B	
163 Lagern 8	Hällingsgatan 15	Borås	<1995	1948/1961	239	–	–	8 753	–	–	8 992	5 700	10 661	HAR	T/B	
164 Silverpoppeln 31	Ålands gatan 6	Borås	2006	1961/1970	835	–	–	2 165	–	–	3 000	6 143	5 550	HAR		
165 Snödroppen 8	Elinsdals g 9,13 & 15/ Södra Kors g 11	Borås	2005	1980/1980	1 543	–	–	5 881	–	–	7 424	14 546	15 915	HAR	B	



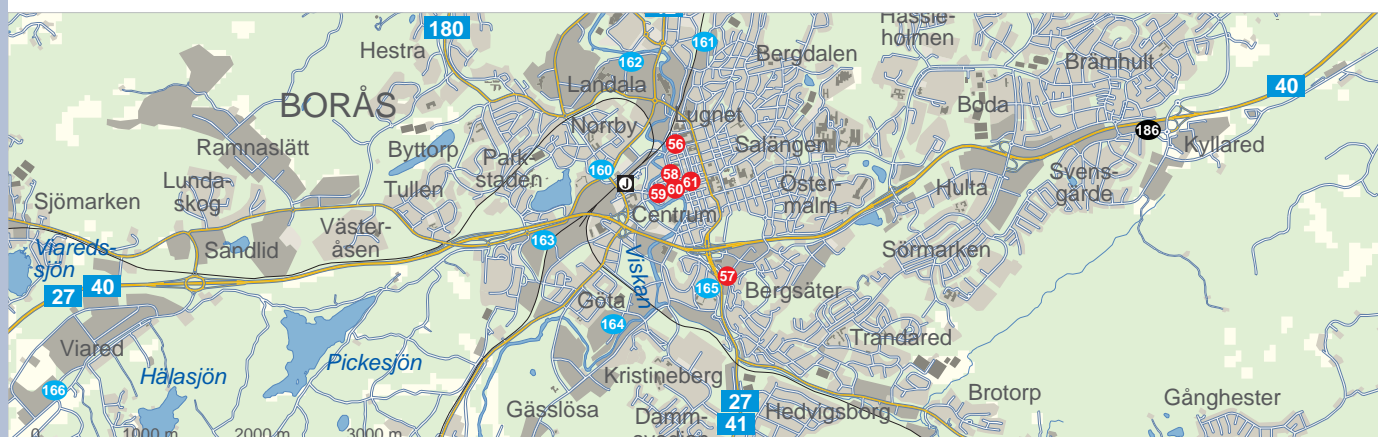
Inom Vallgraven 57:2, Gothenburg



Dellav Varla 3:22, Kungsbacka

Greater Gothenburg

Greater Gothenburg												Tax Mgmt.				
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Totalt	Site sq.m.	assessment Sub-		Note	
					Office	Retail	Warehouse	Industrial	Residential	Oth.			value	sidary		
166	Trucken 4	Viaaredsvägen 14	Borås	2001	2001	700	–	4 800	–	–	–	5 500	20 000	21 083	HAR	B
167	Bulten 6	Bultgatan 1	Alingsås	2007	1985/1990	760	–	2 600	–	–	–	3 360	19 559	11 909	HAR	B
168	Gjutaren 26	Metallgatan 2-4	Alingsås	<1995	1933/1989	1 383	–	9 082	–	–	–	10 465	21 080	18 340	HAR	B
169	Konfektasken 15	Kolav. 2-8/Sidenv. 7	Alingsås	<1995	1929/1969	3 769	–	6 927	–	–	–	10 696	15 544	18 897	HAR	B
170	Stallet 3	Tomasgårdsvägen 19	Alingsås	2008	1990	1 295	–	2 040	–	–	–	3 335	4 700	9 496	HAR	B
171	Hede 2:11	Hedeforsvägen 6	Lerum	2006	1960/1974	500	–	2 200	–	–	–	2 700	9 973	10 611	HAR	
172	Lerum Berg 1:76	Åkerivägen 7	Lerum	2006	2007	1 500	–	8 400	–	–	–	9 900	30 000	44 247	HAR	B
173	Fogden 4	Laholmsvägen 84	Halmstad	2007	1960/1990	278	1 946	8 609	118	–	1 028	11 979	25 800	23 232	HAR	B
174	Hönekulla 1:571	Ävägen 1	Härryda	2006	1986/2002	1 762	–	–	2 345	–	187	4 294	6 596	16 719	HAR	
175	Kåbäcken 11:7	G:a Alingsåsvägen 29	Partille	<1995	1961/1964	–	–	2 227	–	–	–	2 227	5 477	4 656	HAR	
Total warehouse/industrial						86 319	11 787	410 125	137 107	0	1 225	646 563	1 409 654	2 149 243		



● Office/retail ● Warehouse/industrial ● Development projects and land



Greater Gothenburg

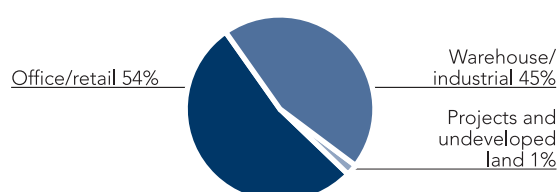
Greater Gothenburg												Tax Mgmt.				
Name of property		Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						assessment	Sub-value	Sidary	Note	
DEVELOPMENT PROJECTS																
183	Kärre 72:36	Tagenevägen 34	Gothenburg	2008	–	–	–	–	–	–	–	14 600	4 017	EKL	B	
Total development projects						0	0	0	0	0	0	14 600	4 017			
UNDEVELOPED LAND																
176	Annedal 21:9	Haraldsgatan 3	Gothenburg	1999	–	–	–	–	–	–	–	2 088	0	EKL	B	
177	Högsbo 33:1	Gruvgatan 29	Gothenburg	<1995	–	–	–	–	–	–	–	5 483	3 015	HAR	B	
178	Högsbo 39:3	Ingela Gathenhielms g 8	Gothenburg	<1995	–	–	–	–	–	–	–	1 720	946	HAR	B	
179	Kallebäck 2:5	Grafiska vägen 2-4	Gothenburg	<1995	–	–	–	–	–	–	–	17 330	54 000	EKL	B	
180	Kobbegården 6:7	Ekonomivägen 11	Gothenburg	1999	–	–	–	–	–	–	–	3 187	1 752	HAR	B	
181	Kobbegården 152:1	Industrivägen 4-6	Gothenburg	<1995	–	–	–	–	–	–	–	25 158	13 800	HAR	B	
27	Kärre 28:18	Transportgatan 37	Gothenburg	1996	–	–	–	–	–	–	–	20 287	0	EKL	B	
184	Heliumgasen 4	Neongatan 4 B	Mölndal	<1995	–	–	–	–	–	–	–	4 794	2 570	HAR	B	
185	Skällared 3:49	Lysekulevägen	Kungälv	<1995	–	–	–	–	–	–	–	29 297	923	EKL	B	
186	Kyllared 1:112	Tvinnaregatan 27	Borås	<1995	–	–	–	–	–	–	–	5 118	450	HAR	B	
187	Solsten 1:108	Företagsparken	Härnäs	<1995	–	–	–	–	–	–	–	16 551	6 000	EKL	B	
Total undeveloped land						0	0	0	0	0	0	131 013	83 456			
Total Greater Gothenburg						368 057	57 875	451 412	154 706	8 246	4 821	1 045 117	2 060 720	5 695 285		



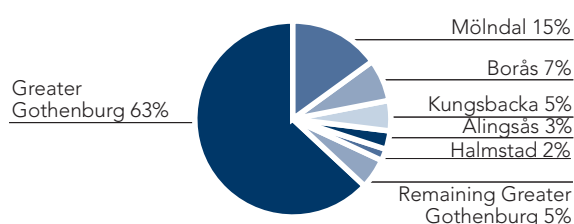
Castellum's Real Estate Portfolio in Greater Gothenburg 31-12-2010

	No. of properties	Area thous. sq.m	Rental value SEKm	Rental value SEK/sq.m	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail									
Central Gothenburg	21	89	182	2 028	96,5%	175	46	516	129
Eastern Gothenburg	4	60	60	1 002	93,9%	57	18	298	39
Mölnadal	8	43	47	1 098	95,4%	45	9	204	36
Hisingen	12	54	61	1 135	94,1%	57	16	315	41
Borås	6	44	46	1 048	95,6%	44	15	324	29
Rest of Greater Gothenburg	25	109	112	1 035	93,6%	105	24	222	81
Total office/retail	76	399	508	1 275	95,1%	483	128	321	355
Warehouse/industrial									
Hisingen	33	246	171	698	95,4%	164	36	146	128
Mölnadal	21	118	92	777	93,8%	86	22	185	64
Högsbo/Sisjön	19	73	58	797	97,0%	57	12	164	45
Kungsbacka	6	43	30	697	63,5%	19	4	97	15
Borås	7	50	27	537	81,0%	21	6	124	15
Rest of Greater Gothenburg	14	117	91	780	98,7%	90	26	224	64
Total warehouse/industrial	100	647	469	726	93,1%	437	106	164	331
Total	176	1 046	977	935	94,1%	920	234	224	686
Leasing and property administration							42	40	-42
Total after leasing and property administration							276	264	644
Development projects	1	–	–	–	–	–	–	–	–
Undeveloped land	11	–	–	–	–	–	–	–	–
Total	188	1 046	977	–	–	920	276	–	644

Property value by property type



Property value by municipality



Property related key ratios

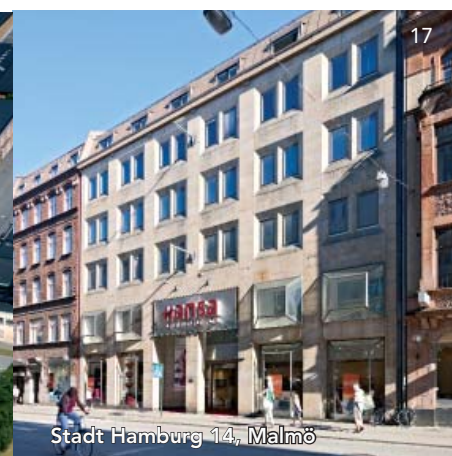
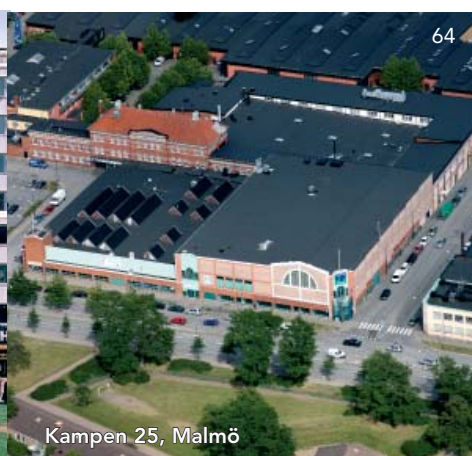
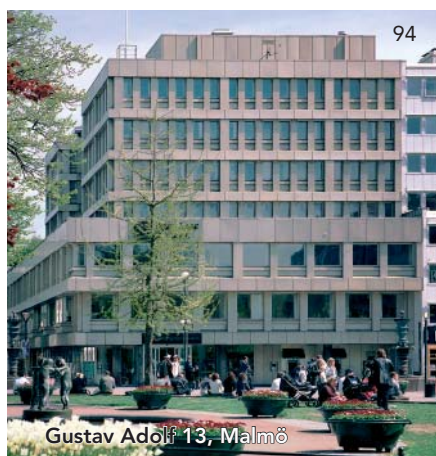
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	935	919	885	856	834	839	834	798	768	731
Economic occupancy rate	94,1%	94,0%	92,6%	90,8%	89,4%	90,7%	92,2%	93,0%	93,5%	94,7%
Property costs, SEK/sq.m.	264	262	228	227	224	230	228	217	217	217
Net operating income, SEK/sq.m.	616	602	591	551	521	531	540	525	501	475
Number of properties	188	190	187	182	176	172	178	188	195	208
Lettable area, thousand sq.m.	1 046	1 028	1 017	1 000	914	859	794	765	736	721

Öresund Region

Öresund Region

												Tax Mgmt.			
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Totalt	Site sq.m.	assessment value	Sub- sidary	Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.					
OFFICE/RETAIL															
1 Betongen 11	Krangan 4	Malmö	<1995	1991	4 892	–	17	–	–	–	4 909	6 168	28 517	BRI	T/B
2 Björnen 6	Davidhallsgatan 20	Malmö	<1995	1920/1988	1 672	429	71	–	–	–	2 172	1 188	35 400	BRI	
3 Brandnåvan 1&2	Stenbärgsgatan 1	Malmö	1999	1989	2 822	–	–	–	–	–	2 822	9 670	16 886	BRI	T/B
4 Bältespänn 13	Hornyxegatan 12	Malmö	2006	1972/2002	145	1 190	–	485	–	–	1 820	4402	4 695	BRI	
5 Flygledaren 3	Höjdrodergatan 18	Malmö	2004	1991	1 610	–	–	–	–	–	1 610	3 620	6 325	BRI	T
6 Flygvärdinnan 4	Höjdrodergatan 30-34	Malmö	<1995	1935/2001	5 589	–	3 883	–	–	45	9 517	17 848	59 817	BRI	T
94 Gustav Adolf 13	Gustav Adolfs torg 4	Malmö	2003	1968	10 690	–	–	–	–	–	10 690	2 224	200 000	BRI	
8 Hälsingland 19	Fosievägen 9-19	Malmö	<1995	1950/2003	8 245	6 558	55	–	–	–	14 858	25 474	77 000	BRI	B
9 Höjdrodret 3	Kabingatan 11	Malmö	2007	1990	1 182	–	162	–	–	–	1 344	1600	5 488	BRI	
10 Lybeck 10	Stora Nygatan	Malmö	1999	1964/1992	6 323	9 445	48	–	5 032	9 838	30 686	6 199	338 800	BRI	
11 Malte 23	Fredriksbergsg. 16	Malmö	1999	1965	5 377	1 171	505	443	–	–	7 496	2 597	52 200	BRI	
12 Murman 8	Krusegatan 27	Malmö	<1995	1960/1989	5 724	–	1 401	–	–	–	7 125	7 200	21 416	BRI	
13 Norsen 12	Föreningsgatan 7	Malmö	<1995	1930/1990	2 446	–	96	54	140	363	3 099	1 296	0	BRI	
14 Sadelknappen 4	Ridsögatan 10	Malmö	1999	1985	1 010	–	–	–	–	495	1 505	5 463	4 823	BRI	
15 Skevrodet 1	Kabingatan 9	Malmö	2007	1978/1997	1 898	–	260	–	–	–	2 158	3000	7 764	BRI	
72 Skjutsstallslyckan 3	Lundavägen 62	Malmö	<1995	1946	–	1 391	–	1 705	–	–	3 096	3 690	5 745	BRI	
16 Spännbucklan 16	Agnesfridsvägen 178	Malmö	<1995	1972/2002	–	4 762	–	–	–	–	4 762	15561	30 000	BRI	
17 Stadt Hamburg 14	St Hamburgsgatan 1	Malmö	<1995	1900/2004	4 995	4 067	–	–	373	125	9 560	3 671	179 637	BRI	
18 Stenyan 21	Stenxegatan 14	Malmö	2007	1992/1999	513	–	582	–	–	–	1 095	2 301	4 046	BRI	
19 Stillman 40	Krusegatan 34	Malmö	2005	1975/1986	1 835	–	–	–	–	–	1 835	3550	5 479	BRI	
20 Svedjenåvan 3	Stenbärgsgatan 4-6	Malmö	<1995	1991	4 728	–	–	–	–	–	4 728	4 493	31 505	BRI	T
21 Tuborg 1	Tuborgsgatan 2	Malmö	<1995	1945/1980	6 858	–	296	403	–	132	7 689	4 377	0	BRI	
22 Vårbuketten 3	Husievägen 21	Malmö	2001	1987/2002	2 710	–	–	–	–	–	2 710	7 421	17 326	BRI	
23 Forskaren 2	Emdalavägen 4-18	Lund	1999	2001	18 617	–	–	–	–	1 500	20 117	18 274	325 000	BRI	
24 Forskaren 2:2 A	Emdalavägen 8	Lund	1999	2008	7 620	–	–	–	–	–	7 620	9 136	106 000	BRI	
25 Jöns Petter Borg 9	Landerigränden 21	Lund	1999	1990	3 796	–	6 917	–	–	–	10 713	22 584	65 762	BRI	B
26 Kvarsten 2	Skiffervägen 15	Lund	<1995	1991	695	–	943	–	–	–	1 638	9 543	11 411	BRI	B
27 Reuterdaahl 11	Scheelevägen 16	Lund	1997	1990	2 927	–	–	–	–	175	3 102	4 478	43 400	BRI	
28 Reuterdaahl 12	Scheelevägen 18	Lund	2006	1990	5 645	–	–	–	–	–	5 645	12 077	69 800	BRI	
29 Rudebok 2	Rudeboksvägen 3	Lund	2004	1985/2004	4 697	–	–	–	–	–	4 697	14 781	39 800	BRI	
30 Smörkärnan 1	Kaprifolievägen 1	Lund	1996	1968/1995	6 331	–	136	–	–	1 340	7 807	15 000	76 200	BRI	
31 St Botulf 11	Botulfsg 5/Skomakareg 4	Lund	<1995	1931/1990	–	1 359	–	–	3 139	380	4 878	1 988	84 600	BRI	
32 St Clemens 22	Stortorget 6-8	Lund	<1995	1832/1981	1 160	1 551	–	–	574	–	3 285	2 769	52 172	BRI	B
33 St Clemens 27	Stortorget 4	Lund	<1995	1846/1999	255	1 439	–	–	–	–	1 694	1 114	35 400	BRI	
34 Stockholmsledet 8	Scheelevägen 30-32	Lund	<1995	1991	10 919	–	1 121	–	–	30	12 070	11 084	146 000	BRI	
35 Traktorn 2	Traktorvägen 11	Lund	2004	1990/1995	9 481	–	883	–	–	700	11 064	16 573	100 800	BRI	
36 Trumlan 1	Traktorvägen 19	Lund	<1995	1990	–	1 183	1 334	–	–	–	2 517	9 066	12 012	BRI	
37 Erik Dahlberg 2	Kullagatan 21	Helsingborg	1996	1890/1987	400	442	–	–	–	–	842	350	12 628	BRI	
38 Kavalleristen 9	Berga Allé 1-3	Helsingborg	1997	1920/1993	11 458	–	155	–	–	760	12 373	27 223	86 533	BRI	B
39 Kroksabeln 18	Florettgatan 12	Helsingborg	2004	1988	3 123	–	309	–	–	104	3 536	4 809	18 772	BRI	
40 Kulan 1	Garnisonsgatan 5	Helsingborg	2002	1996/2005	2 130	–	10 600	–	–	–	12 730	18 567	36 461	BRI	B
41 Musköten 5	Bergavägen 8	Helsingborg	<1995	1970/1985	1 619	725	719	–	–	816	3 879	4 000	10 104	BRI	

Note: T=Ground rent A=Lease B=Unutilized building permission



Öresund Region

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises					Total	Site sq.m.	Tax Mgmt. assessment		
					Office	Retail	Warehouse	Industrial	Residential	Oth.		value	Sub-sidiary	Note
42 Pilbågen 6	Garnisonsgatan 6	Helsingborg	2000	1977	–	4 525	814	–	–	–	5 339	11 400	36 123	BRI B
43 Pilbågen 9	Garnisonsgatan 10	Helsingborg	2004	1980	5 744	4 395	1 541	–	–	–	11 680	16 000	0	BRI
44 Rustningen 1	Rundgången 26-32	Helsingborg	<1995	1989	6 595	1 813	1 876	–	–	200	10 484	15 000	63 389	BRI
45 Snårskogen 1	Kanongatan 155-159	Helsingborg	<1995	1991	1 885	4 202	2 397	144	–	–	8 628	27 824	37 040	BRI B
46 Spjutet 2	Garnisonsgatan 14	Helsingborg	2008	1970/2003	1 412	3 177	1 992	–	–	162	6 743	15 287	33 600	BRI B
47 Studsaren 4	Bergavägen 21	Helsingborg	<1995	2006	444	–	738	–	–	–	1 182	7 200	7 028	BRI B
48 Vikingen 4	L Strandgatan 5	Helsingborg	<1995	1900/1983	–	–	–	–	–	800	800	257	9 434	BRI
49 Vikingen 6	Mariagatan 10	Helsingborg	<1995	1878/1984	535	159	–	–	–	–	694	274	8 640	BRI
50 Vikingen 12	L Strandgatan 7	Helsingborg	<1995	1912/1988	610	–	–	–	–	600	1 210	414	15 940	BRI
51 Motorblocket 1	Ringvägen 170	Landskrona	<1995	1972/1992	130	8 638	100	–	–	46	8 914	22 005	32 200	BRI T
Total office/retail					189 492	62 621	39 951	3 234	9 258	18 611	323 167	462 090	2 709 118	



● Office/retail ● Warehouse/industrial ● Development projects and land

Öresund Region

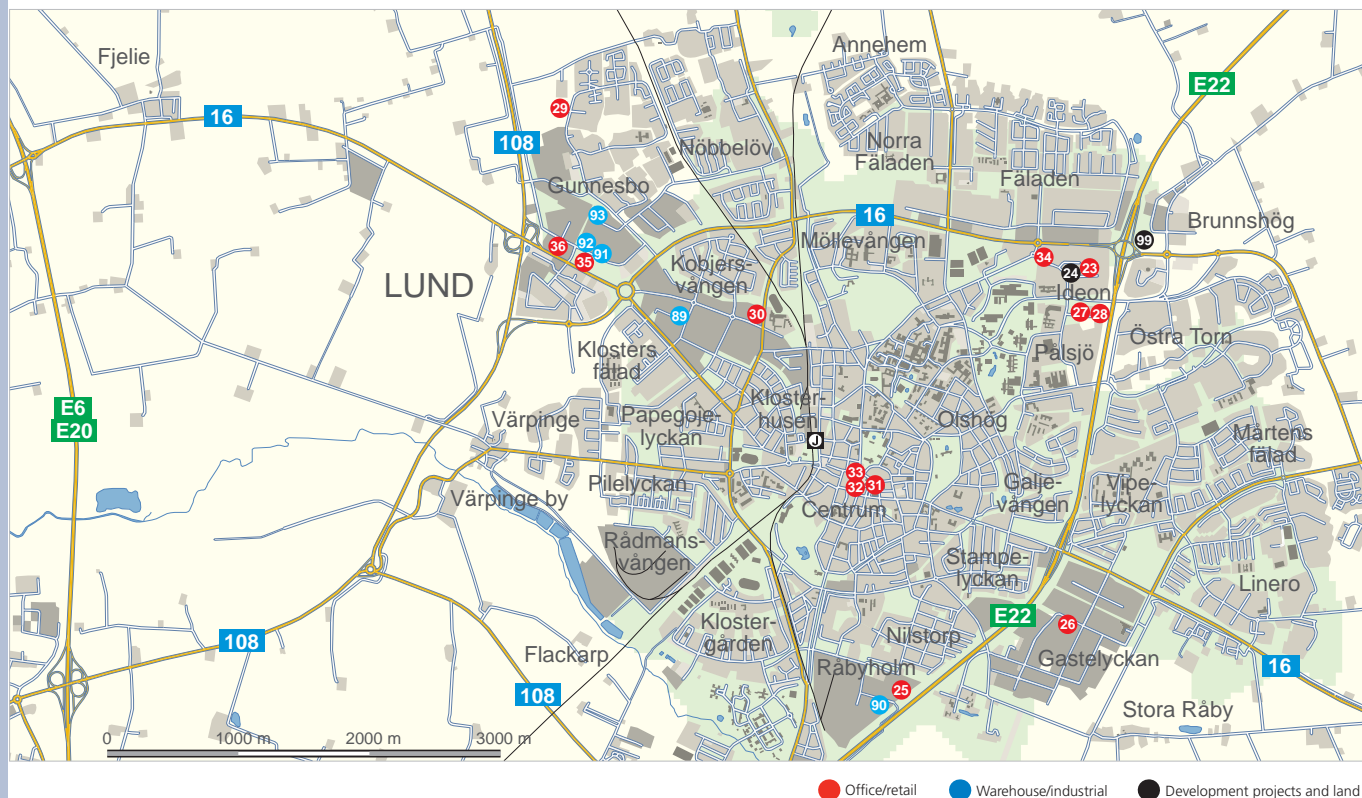
Öresund Region

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises							Total	Site sq.m.	Tax Mgmt. assessment Sub-		Note	
					Office	Retail	Warehouse	Industrial	Residential	Oth.	value			Sidary			
WAREHOUSE/INDUSTRIAL																	
52 Benkammen 6	Skogholmsgatan 5	Malmö	2005	1994	–	–	14 289	–	–	–	14 289	30 100	44 055	BRI	B		
53 Bjurö 12	Flintrännegatan 21	Malmö	<1995	1960/1974	1 270	–	14 132	8 033	–	330	23 765	35 500	67 563	BRI	T		
54 Bjälken 2	Skruvgatan 4	Malmö	<1995	1962/1990	525	–	1 951	–	–	1 040	3 516	5 623	7 552	BRI	T		
55 Bjälken 3	Skruvgatan 6-8	Malmö	1998	1962	420	–	2 161	–	–	50	2 631	2 618	5 478	BRI			
56 Dubbelknappen 17	Risyxegatan 6	Malmö	1998	1989	–	–	2 380	–	–	–	2 380	8 472	7 506	BRI	B		
57 Finngrundet 1	Bjurögatan 29	Malmö	1998	1966	–	–	7 490	–	–	–	7 490	10 000	15 304	BRI	T		
58 Flygfyrn 1	Flygfältsvägen 1	Malmö	2000	1950/2002	–	1 905	10 035	–	–	–	11 940	38 706	40 691	BRI	B		
59 Gulsippan 1	Källvattengatan 5	Malmö	2001	1988	1 954	–	11 548	–	–	491	13 993	38 450	57 721	BRI	B		
60 Haken 3	Vinkelgatan 5	Malmö	2008	1993	400	–	3 188	–	–	–	3 588	4 871	8 398	BRI	T		
61 Hamnen 22:27	Jörgen Kockgatan 11	Malmö	<1995	1952/1976	266	–	954	–	–	–	1 220	545	1 324	BRI	T		
62 Holkyxan 5	Bronsyxegatan 11	Malmö	<1995	1977/2000	–	–	6 510	–	–	–	6 510	13 035	16 716	BRI	T		
63 Kalkgrundet 5	Borrgatan 15	Malmö	<1995	1935/1985	669	–	6 741	–	–	–	7 410	14 274	19 450	BRI	T		
64 Kampen 25	Lantmannag. 22-26	Malmö	<1995	1940/1990	4 365	–	23 015	1 825	–	11 562	40 767	49 281	76 681	BRI			
65 Lillgrund 5	Borrgatan 31	Malmö	2002	1952/1998	–	–	4 430	–	–	–	4 430	4 685	15 350	BRI			
66 Långdansen 1	Sångelekgatan 9	Malmö	<1995	1980	–	–	1 200	–	–	–	1 200	10 042	5 381	BRI			
67 Murman 7	Murmansgatan 124	Malmö	<1995	1959/1987	1 020	–	5 260	162	–	–	6 442	10 400	14 685	BRI	T		
68 Murman 11	Krusegatan 21	Malmö	1998	1960	1 687	–	6 631	–	–	77	8 395	6 475	20 364	BRI	T		
69 Revolversvarven 9	Jägershillgatan 16	Malmö	1997	1985	–	–	3 900	–	–	–	3 900	10 932	15 889	BRI	T		
70 Ringspännat 1	Kantyxegatan 5	Malmö	2002	2002	–	–	6 700	–	–	–	6 700	15 730	20 138	BRI			
71 Sadelknappen 1	Sadelgatan 9	Malmö	1999	1979	–	–	2 000	–	–	–	2 000	5 284	5 863	BRI			
73 Stångbettet 1	Travbanegatan 1	Malmö	2000	1989	–	–	1 743	–	–	–	1 743	4 051	6 082	BRI			
74 Tistlarna 9	Styrsögatan 4	Malmö	2000	1991	1 109	–	14 452	–	–	–	15 561	31 020	41 665	BRI	B		
75 Tågarp 16:22	Företagsvägen 14	Malmö	<1995	1968/1993	2 830	–	7 107	–	–	–	9 937	19 069	26 213	BRI			
76 Tågarp 16:72	Företagsvägen 25	Malmö	<1995	1973/1988	240	–	1 263	798	–	–	2 301	12 656	9 651	BRI			
77 Akvamarinen 1	Diabasgatan 1	Helsingborg	2000	2007	–	–	4 713	–	–	–	4 713	10 000	19 530	BRI			
78 Bergakungen 1	Måndagsgatan 6	Helsingborg	<1995	1990	618	–	2 325	–	–	–	2 943	6 799	10 495	BRI			
79 Dolken 4	Mörsaregatan 16	Helsingborg	2004	1970/1985	410	–	1 930	656	–	–	2 996	4 000	6 960	BRI			
80 Grusbacken 2	Makadamgatan 15	Helsingborg	2005	2005	1 600	–	11 700	–	–	–	13 300	27 645	50 271	BRI			
81 Grusbädden 2	Mogatan 2-6	Helsingborg	<1995	1989	1 550	–	7 824	–	–	30	9 404	35 657	34 318	BRI			
82 Grusbädden 3	Mogatan 2-6	Helsingborg	2007	2007/2010	1 721	–	8 892	3 092	–	–	13 705	29 700	24 432	BRI			
83 Grusplanen 3	Makadamgatan 19	Helsingborg	2005	1990	–	–	2 735	–	–	–	2 735	7 292	8 809	BRI			
84 Hyveljärnet 3	Lastgatan 9	Helsingborg	<1995	1990	–	–	2 276	–	–	–	2 276	6 014	7 731	BRI			
85 Mimer 12	S Tvärgången 3	Helsingborg	<1995	1960	–	–	34	–	–	3 080	3 114	9 378	0	BRI	B		
86 Nide 2	Rundgången 10	Helsingborg	<1995	1955/1985	1 639	–	3 679	1 134	–	124	6 576	23 599	17 170	BRI			
87 Topasen 1	Andesitgatan 8	Helsingborg	2003	1989	–	–	–	8 558	–	–	8 558	33 786	37 270	BRI	T/B		
88 Värjan 3	Garnisonsgatan 9	Helsingborg	2002	1969	1 112	985	2 735	–	–	50	4 882	7 522	14 732	BRI	B		
89 Annedal 9	Annedalsvägen 2	Lund	<1995	1990	560	–	736	–	–	–	1 296	4 527	5 594	BRI			
90 Råbyholm 5	Landerigränden 2-4	Lund	1999	1984	2 501	–	7 908	–	–	–	10 409	21 376	53 149	BRI			
91 Välten 4	Traktorvägen 8	Lund	2003	2003	–	–	3 100	–	–	–	3 100	8 003	16 792	BRI			
92 Välten 5	Traktorvägen 10	Lund	2003	1974/1995	–	–	3 645	–	–	–	3 645	16 384	10 073	BRI			
93 Årdret 12	Höstbruksvägen 14	Lund	<1995	1990	–	–	2 049	–	–	–	2 049	6 223	7 041	BRI			
Total warehouse/industrial						28 466	2 890	225 361	24 258	0 16 834	297 809	639 724	874 087				



Öresund Region

Öresund Region													Tax Mgmt.		
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	assessment value	Sub-sidiary	Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.					
DEVELOPMENT PROJECTS															
24	Forskaren 2:2 B	Emdalavägen 8	Lund	1999	2003	7 898	–	–	–	–	–	7 898	9 136	0	BRI
100	Fullriggaren 4	Riggaregatan 51-57	Malmö	2010	–	5 800	–	–	–	–	–	5 800	1 857	0	BRI
7	Sändaren 1	Agnesfridsvägen 111	Malmö	2010	–	7 047	–	4 178	–	–	326	11 551	40 239	0	BRI T
Total development projects						20 745	0	4 178	0	0	326	25 249	51 232	0	



Traktorn 2, Lund



Forskaren 2, Lund

Öresund Region

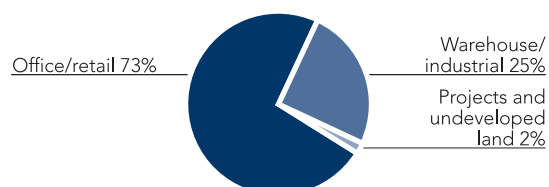
Öresund Region												Tax Mgmt.				
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						assessment	Sub-value	Subsidary	Notes		
Office	Retail	Warehouse	Industrial	Residential	Oth.	Total	Site sq.m.									
UNDEVELOPED LAND																
95	Intäkten 5	Lantmannag 20/ Ystadsg 49	Malmö	2000	–	–	–	–	–	–	0	2 625	2 045	BRI	B	
96	Moränen 1 & 2	Borrgatan 1	Malmö	<1995	–	–	–	–	–	–	0	11281	2 822	BRI	B	
97	Ringspännat 5	Kantyxegatan 1	Malmö	2006	–	–	–	–	–	–	0	10 000	1 845	BRI	B	
98	Svedjenävan 4	Stenbärsgratan 2	Malmö	2006	–	–	–	–	–	–	0	3 398	934	BRI	B	
99	Höjdpunkten 2	Lund	Lund	2001	–	–	–	–	–	–	0	15 079	3 023	BRI	B	
Total undeveloped land						0	0	0	0	0	0	42 383	10 669			
Total Öresund Region						238 703	65 511	269 490	27 492	9 258	35 771	646 225	1 195 429	3 593 874		



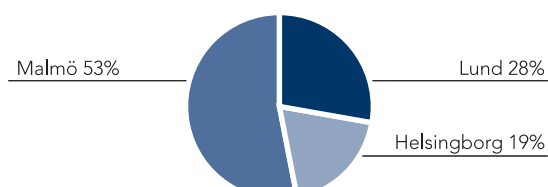
Castellum's Real Estate Portfolio in Öresund Region 31-12-2010

	No. of properties	Area thous. sq.m	Rental value SEKm	Rental value SEK/sq.m	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail									
Malmö	23	137	218	1 586	90,3%	196	57	418	139
Lund	14	97	154	1 591	87,3%	134	32	337	102
Helsingborg	14	80	77	959	81,6%	63	20	248	43
Landskrona	1	9	6	710	77,3%	5	4	397	1
Total office/retail	52	323	455	1 408	87,6%	398	113	351	285
Warehouse/industrial									
Malmö	24	202	132	653	80,1%	106	37	182	69
Helsingborg	12	75	53	704	93,0%	49	9	122	40
Lund	5	21	19	910	91,0%	17	3	128	14
Total warehouse/industrial	41	298	204	684	84,5%	172	49	163	123
Total	93	621	659	1 060	86,6%	570	162	261	408
Leasing and property administration							34	54	-34
Total after leasing and property administration							196	315	374
Development projects	3	25	8	—	—	—	4	—	-4
Undeveloped land	5	—	—	—	—	—	—	—	—
Total	101	646	667	—	—	570	200	—	370

Property value by property type



Property value by municipality



Property related key ratios

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	1 060	1 063	989	971	932	915	931	892	830	784
Economic occupancy rate	86,6%	86,5%	88,1%	87,7%	86,8%	88,1%	91,2%	90,4%	92,4%	92,7%
Property costs, SEK/sq.m.	315	320	278	271	256	244	262	258	240	250
Net operating income, SEK/sq.m.	604	601	593	581	553	563	587	549	527	477
Number of properties	101	100	100	97	92	90	93	97	101	100
Lettable area, thousand sq.m.	646	620	621	602	587	600	571	566	559	529

Greater Stockholm

Greater Stockholm

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	Tax Mgmt. assessment Sub-		Note	
					Office	Retail	Warehouse	Industrial	Residential	Oth.			value	siduary		
OFFICE/RETAIL																
1	Alphyddan 11	Bällstavägen 28-36	Stockholm	1997	1964	4 363	–	–	–	–	4 363	4 126	16 615	BRO		
2	Archimedes 1	Gårdsfogdev. 2-6	Stockholm	1996	1979	13 108	2 144	2 645	310	–	18 207	13 663	106 171	BRO		
3	Betongblandaren 3	Gårdsfogdev. 16	Stockholm	2001	1971	3 358	–	1 411	1 548	–	6 317	2 722	39 800	BRO		
4	Betongblandaren 12	Gårdsfogdev. 18 B	Stockholm	1998	1972	7 263	–	135	–	–	7 398	3 679	63 400	BRO		
5	Betongblandaren 13	Adolfbergsv. 15,25-31	Stockholm	<1995	1989	7 628	1 086	2 092	–	–	10 806	7 690	77 300	BRO		
6	Fredsfors 14	Karlsbodav. 39-41	Stockholm	<1995	1960	10 506	–	7 447	–	–	1 443	19 396	7 073	95 800	BRO	
7	Linaberg 15	Alpvägen 17	Stockholm	1999	1973	2 349	–	1 990	–	–	4 339	5 448	18 413	BRO	T	
8	Vallonsmidet 8	Gårdsfogdevägen 1-7	Stockholm	<1995	1963/1992	13 091	3 039	6 742	–	–	10	22 882	29 425	166 700	BRO	B
9	Ekenäs 1	Finlandsgatan 24-48	Stockholm	<1995	2003	18 712	540	–	–	–	8	19 260	9 631	288 200	BRO	T
10	Ekenäs 2	Finlandsgatan 12-14	Stockholm	<1995	1989	4 631	–	40	–	–	4 671	1 987	50 200	BRO	T	
11	Ekenäs 3	Finlandsgatan 10	Stockholm	<1995	1989	3 580	–	740	–	–	4 320	4 792	46 716	BRO	T	
12	Ekenäs 4	Finlandsgatan 16-18	Stockholm	<1995	1991	7 549	100	426	–	–	8 075	2 255	86 800	BRO	T	
13	Karis 3	Finlandsgatan 62	Stockholm	2001	1989	2 881	–	425	–	–	90	3 396	2 248	34 800	BRO	T
14	Karis 4	Finlandsgatan 50-60	Stockholm	2000	1985	4 624	466	134	–	–	19	5 243	3 920	57 000	BRO	T
15	Sätesdalen 2	Norgegatan 2	Stockholm	2006	1990/2001	10 272	500	845	–	–	237	11 854	10 812	91 000	BRO	T
16	Getholmen 2	Måsholmstorget 1-13	Stockholm	<1995	1990	5 340	–	381	–	–	5 721	3 195	55 600	BRO	T	
17	Hästholmen 2	Ekholmsvägen 23	Stockholm	<1995	1985	1 215	–	–	–	–	1 215	1 839	9 841	BRO	T	
18	Renseriet 25	Bolidenv 12, 16/Tjurhornsg 3	Stockholm	<1995	1910	1 160	–	212	80	–	1 452	4 384	7 365	BRO	B	
19	Renseriet 26	Bolidenv 14-16/Tjurhornsg 3	Stockholm	<1995	1965	1 500	436	534	167	–	2 637	3 594	19 337	BRO		
20	Tjurhornet 15	Huddingev. 103-109	Stockholm	<1995	1986	19 081	575	3 576	–	–	6	23 238	13 314	169 176	BRO	T
21	Mandelblomman 15	Avestag 29/Kronofogdev 56	Stockholm	<1995	1950/1990	3 487	–	134	–	–	3 621	4 364	23 978	BRO		
22	Dreven 1&3	Gråhundsvägen 82-84	Stockholm	<1995	1970/1995	1 215	2 745	–	–	–	3 960	5 729	32 000	BRO		
23	Haifa 1	Tegeluddsvägen 97	Stockholm	1996	1962	3 749	–	–	–	–	3 749	2 733	0	BRO		
55	Getholmen 1	Ekholmsvägen 32-36	Stockholm	1998	1982	5 933	–	2 116	–	–	8 049	4 717	34 737	BRO	T	
98	Landningsbanan 3	Flygfältsgatan 18, 20	Stockholm	2010	1984	–	–	–	1 000	–	1 000	2 208	6 161	BRO		
24	Gräslöken 1	Anderstorpsv. 20-26	Solna	2006	1976	6 226	621	173	–	–	7 020	1 288	65 600	BRO	T	
26	Råsten 4	Råstensg 1/Stureg 10	Sundbyberg	2007	1929/2001	2 700	–	–	–	–	2 700	1 111	35 000	BRO	T	
27	Yrket 4	Smidesvägen 10-12	Solna	2006	1982/1984	9 346	–	906	–	–	405	10 657	8 774	112 200	BRO	B
28	Ekplantan 4	Djupdalsvägen 1-7	Sollentuna	<1996	1990	8 354	1 251	137	–	–	400	10 142	8 595	80 725	BRO	
29	Ekstubben 21&23	Djupdalsvägen 10-18, 30-32, 20-22	Sollentuna	1999	1989	6 130	–	107	–	–	110	6 347	3 069	58 882	BRO	
30	Ringpärmen 3	Bergskällavägen 30	Sollentuna	2005	1986	895	–	2 076	953	–	240	4 164	7 918	19 736	BRO	
31	Ringpärmen 4	Bergskällavägen 32	Sollentuna	1996	1987	10 665	600	1 348	–	–	–	12 613	12 206	93 000	BRO	
32	Sjöstugan 1	Sidensvansvägen 8-10	Sollentuna	1996	1990	4 752	–	1 546	–	–	–	6 298	9 156	50 200	BRO	
33	Altartorpet 22	Jägerhornsväg 6	Huddinge	1996	1986	818	1 267	630	–	–	–	2 715	5 767	34 800	BRO	T
34	Altartorpet 23	Jägerhornsväg 8	Huddinge	1996	1987	1 315	2 906	–	–	–	–	4 221	5 756	57 700	BRO	T
35	Arrendatorn 15	Jägerhornsväg 3-5	Huddinge	2001	1987	509	650	210	–	–	–	1 369	2 422	8 843	BRO	
36	Arrendatorn 16	Jägerhornsväg 1	Huddinge	<1995	1987	628	877	–	–	–	–	1 505	2 803	9 362	BRO	
37	Ellipsen 3	Ellipsvägen 11	Huddinge	2001	1993	2 082	–	1 376	–	–	–	3 458	3 904	16 910	BRO	
86	Varpen 8	Smista Allé 36	Huddinge	1997	2009	11 291	–	–	–	–	–	11 291	6 900	44 200	BRO	
38	Visiret 2 B&C	Smista Allé 42	Huddinge	1997	2006	7 500	–	–	–	–	–	7 500	13 747	62 000	BRO	
84	Visiret 2 F	Smista Allé 46-48	Huddinge	1997	2009	4 895	–	–	–	–	–	4 895	8 241	41 520	BRO	T
39	Hammarby-Smedby 1:454	Johanneslundsv. 2-6	Uppl-Väsby	2006	1991	8 296	–	132	–	–	–	8 428	10 460	66 600	BRO	

Note: T=Ground rent A=Lease B=Unutilized building permission



Visiret 2, Huddinge



Tjurhornet 15, Stockholm



Greater Stockholm

Greater Stockholm													Tax Mgmt.			
	Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	assessment value	Sub-sidiary	Note
						Office	Retail	Warehouse	Industrial	Residential	Oth.					
40	Hammarby-Smedby 1:461	Johanneslundsv. 3-5	Uppl-Väsby	2006	1988	3 656	676	232	–	–	–	4 564	6 798	32 400	BRO	
41	Veddesta 2:22	Nettovägen 7	Järfälla	<1995	1965/1975	508	–	–	–	–	–	508	1 782	2 335	BRO	
42	Veddesta 2:23	Nettovägen 1	Järfälla	<1995	1971/1985	–	4 202	1 737	–	–	–	5 939	7 063	30 000	BRO	
43	Veddesta 2:58	Fakturavägen 5	Järfälla	2007	1985/1995	1 256	–	–	–	–	–	1 256	2 452	6 574	BRO	
93	Veddesta 2:66	Girovägen 13	Järfälla	2010	1989	3 199	–	–	–	–	–	3 199	7 422	22 415	BRO	
44	Sicklaön 393:4	Vikdalsvägen 50	Nacka	<1995	1990	3 584	–	421	–	–	–	4 005	10 819	42 400	BRO	
45	Sicklaön 394:5	Vikdalsgränd 10	Nacka	1996	1991	1 654	–	151	–	–	–	1 805	4 125	16 269	BRO	
Total office/retail						256 854	24 681	43 207	4 058	0	2 968	331 768	308 126	2 606 781		
WAREHOUSE/INDUSTRIAL																
46	Charkuteristen 5	Hallvägen 21	Stockholm	2001	1955	1 520	–	5 447	–	–	–	6 967	4 213	19 740	BRO	T
47	Charkuteristen 6	Slakthusgatan 20	Stockholm	2001	1955	–	1 066	1 139	186	–	–	2 391	1 665	6 726	BRO	T
48	Charkuteristen 8	Slakthusgatan 22	Stockholm	2001	1968	548	–	4 717	–	–	–	5 265	2 582	15 533	BRO	T
49	Linde Torp 8	Bolidenvägen 8-10	Stockholm	<1995	1929	574	67	1 141	–	–	–	1 782	7 350	14 486	BRO	B
50	Sandhagen 6	Slakthusgatan 9	Stockholm	2001	1967	1 521	–	2 659	–	–	–	4 180	1 728	14 184	BRO	T
51	Domnarvet 4	Domnarvsgatan 27-29	Stockholm	<1995	1987	1 882	–	5 472	–	–	397	7 751	8 605	34 332	BRO	T
52	Domnarvet 27	Fagerstagatan 19 B	Stockholm	<1995	1982	–	–	–	1 950	–	–	1 950	4 337	8 962	BRO	T
91	Domnarvet 28	Fagerstagatan 19 C	Stockholm	2010	1986	–	–	–	3 720	–	–	3 720	7 272	13 887	BRO	T
53	Domnarvet 39	Gunnebogatan 24-26	Stockholm	<1995	1989	1 268	–	1 386	–	–	–	2 654	1 940	17 893	BRO	T
54	Mandelblomman 16	Kronofogdevägen 62	Stockholm	2007	1974	885	–	2 374	630	–	–	3 889	4 125	12 993	BRO	
56	Stensättra 7	Strömsättravägen 16	Stockholm	1999	1974	–	–	5 288	–	–	–	5 288	10 212	19 200	BRO	T
57	Dagskiftet 4	Elektravägen 10	Stockholm	2007	1945	358	–	1 352	–	–	–	1 710	1 892	4 930	BRO	T
58	Elektra 3	Västbergavägen 25	Stockholm	<1995	1946	1 187	235	6 025	–	–	–	7 447	10 106	20 781	BRO	T
59	Godståget 1	Transportvägen 7-9	Stockholm	<1995	1985	1 818	–	10 830	400	–	–	13 048	31 392	77 503	BRO	T
92	Furudal 4	Fagerstagatan 10	Stockholm	2010	2008	–	–	–	1 237	–	–	1 237	2 051	5 807	BRO	T
60	Lagerhallen 2	Brunnby 2-4/Partihandelsv. 27-45	Stockholm	2004	1975	2 194	–	7 560	–	–	3 609	13 363	9 512	47 466	BRO	T
61	Tornluggen 1-3	Bällstav 159/Tornväktargr. 1-9	Stockholm	<1995	1963/1983	–	–	1 900	–	–	–	1 900	3 898	6 541	BRO	T
62	Tornluckan 1	Tornväktargränd 6	Stockholm	<1995	1960	–	–	810	–	–	–	810	927	3 466	BRO	T
25	Instrumentet 1	Fabriksvägen 9	Solna	2006	1955/2005	–	–	–	3 673	–	–	3 673	2 065	17 282	BRO	
63	Elementet 4	Bäckvägen 18	Sollentuna	<1995	1960	1 059	190	6 392	–	–	–	7 641	18 469	29 896	BRO	B
64	Tidskriften 2	Kuskvägen 2	Sollentuna	1997	1976	1 323	2 802	5 673	–	–	–	9 798	18 203	70 322	BRO	
65	Rosersberg 2:21-22	Rosersbergsv. 43-45	Sigtuna	1996	1990	–	–	2 121	–	–	5	2 126	5 240	7 799	BRO	
66	Rosersberg 11:12	Tallbacksgatan 6-12	Sigtuna	1996	1988	464	–	17 231	–	–	276	17 971	53 376	59 219	BRO	
67	Rosersberg 11:34	Tallbacksgatan 14	Sigtuna	1996	1987/1989	–	–	6 400	–	–	–	6 400	18 259	22 014	BRO	
68	Rosersberg 11:35	Tallbacksgatan 18	Sigtuna	1996	1990	–	–	8 200	–	–	–	8 200	20 664	31 183	BRO	
95	Bredgården 1:7	Jättevägen 4	Järfälla	2010	1978	–	–	3 718	–	–	–	3 718	9 213	17 200	BRO	
69	Veddesta 1:9	Fakturavägen 2	Järfälla	2007	1965	120	–	–	686	–	–	806	3 731	4 954	BRO	
70	Veddesta 2:17	Nettovägen 9	Järfälla	2006	1968	–	–	1 338	–	–	–	1 338	5 350	5 452	BRO	
71	Veddesta 2:19	Girovägen 9	Järfälla	<1995	1964	–	–	2 556	–	–	–	2 556	10 000	14 464	BRO	
72	Veddesta 2:21	Nettovägen 5	Järfälla	<1995	1965/1988	163	–	1 742	–	–	–	1 905	5 000	8 407	BRO	
73	Veddesta 2:26	Nettovägen 11	Järfälla	<1995	1968	775	190	1 938	–	–	–	2 903	7 000	12 726	BRO	
94	Veddesta 2:49	Girovägen 11	Järfälla	2010	1981	–	–	3 502	–	–	–	3 502	9 250	20 799	BRO	T
74	Veddesta 2:50	Kontov. 7/Veddestav. 23-25	Järfälla	<1995	1964	909	–	2 884	837	–	–	4 630	21 889	24 741	BRO	B
75	Veddesta 2:60	Fakturavägen 4	Järfälla	2007	1987	635	–	–	324	–	63	1 022	1 099	5 872	BRO	T
76	Veddesta 2:77	Fakturavägen 1-3	Järfälla	2007	1994/1997	1 000	–	4 215	–	–	–	5 215	14 857	36 529	BRO	
96	Skälby 2:9	Instrumentvägen 2	Uppl-Väsby	2010	1984	–	–	3 072	–	–	–	3 072	7 720	17 661	BRO	T
77	Hantverkaren 2	Hantverkärvägen 9	Botkyrka	<1995	1976/1979	–	–	–	5 790	–	–	5 790	11 672	20 628	BRO	



Sicklaön 394:5, Nacka



Sätessdalen 2, Stockholm

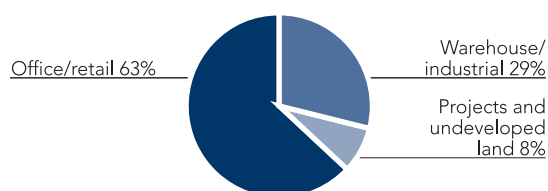
Greater Stockholm

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	Tax Mgmt.		
					Office	Retail	Warehouse	Industrial	Residential	Oth.			assessment	Sub-value	sidary Note
78 Kumla Hage 3	Kumla Gårdsv. 24 A-B	Botkyrka	<1995	1985	–	–	1 889	–	–	–	1 889	3 959	6 965	BRO	
79 Kumla Hage 13	Kumla Gårdsv. 24 C	Botkyrka	<1995	1990	–	–	1 630	–	–	–	1 630	3 258	7 066	BRO	
80 Mästaren 1	Kumla Gårdsv. 21	Botkyrka	1996	1983/1986	–	–	17 937	3 103	–	–	21 040	35 957	82 702	BRO	
81 Visiret 2 A	Smista Allé 44	Huddinge	2004	2004	–	–	–	2 690	–	–	2 690	4 890	19 704	BRO	
97 Skarpnäs 5:10	Skarpövågen 14	Nacka	2010	2008	–	–	5 642	–	–	–	5 642	7 491	22 492	BRO	
Total warehouse/industrial					20 203	4 550	156 180	25 226	0	4 350	210 509	412 419	910 507		
DEVELOPMENT PROJECTS															
82 Betongblandaren 10	Archimedesv. 1-3/ Gårdsfogdev. 8-10	Stockholm	2005	1975/1996	–	6 681	8 203	–	–	30	14 914	15 170	43 200	BRO	
83 Vagnhallen 19	Jämtlandsgatan 131	Stockholm	2006	1963/1974	1 347	–	–	4 197	–	–	5 544	5 177	15 961	BRO T	
90 Saltmossen 3	Kumla Gårdsväg 21	Botkyrka	<1995	–	–	–	5 300	–	–	–	5 300	21 257	7 400	BRO	
25 Varpen 8 C	Smista Allé	Huddinge	1997	2010	1 390	–	–	–	–	–	1 390	3 100	0	BRO	
Total development projects					2 737	6 681	13 503	5 587	0	30	27 148	44 704	66 561		
UNDEVELOPED LAND															
88 Rankan 3-4	Sollentunaholmsv. 1-7	Sollentuna	1996	–	–	–	–	–	–	–	0	88 355	57 000	BRO B	
89 Smista Park	Smista Allé	Huddinge	1997	–	–	–	–	–	–	–	0	53 799	28 558	BRO B	
Total undeveloped land					0	0	0	0	0	0	0	142 154	85 558		
Total Greater Stockholm					279 794	35 912	212 890	33 481	0	7 348	569 425	907 403	3 669 407		

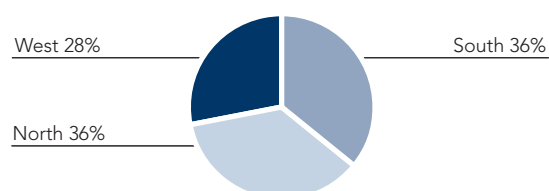
Castellum's Real Estate Portfolio in Greater Stockholm 31-12-2010

	No. of properties	Area thous. sq.m	Rental value SEK/m	Rental value SEK/sq.m	Economic occupancy rate	Rental income SEK/m	Property costs SEK/m	Property costs SEK/sq.m	Net operating income SEK/m
Office/retail									
Norr	19	124	161	1 301	75,1%	121	49	393	72
Väst	11	114	147	1 284	76,0%	111	32	282	79
Syd	19	94	126	1 344	88,3%	111	24	262	87
Total office/retail	49	332	434	1 307	79,2%	343	105	318	238
Warehouse/industrial									
Norr	23	104	91	878	89,1%	81	24	234	57
Väst	3	6	7	1 033	100,0%	7	1	127	6
Syd	16	100	94	938	92,3%	87	25	249	62
Total warehouse/industrial	42	210	192	912	91,0%	175	50	238	125
Total	91	542	626	1 154	82,8%	518	155	287	363
Leasing and property administration							32	58	-32
Total after leasing and property administration							187	345	331
Development projects	4	27	9	–	–	3	3	–	0
Undeveloped land	2	–	–	–	–	–	–	–	–
Total	97	569	635	–	–	521	190	–	331

Property value by property type



Property value by municipality



Property related key ratios

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	1 154	1 175	1 144	1 090	1 038	999	1 031	1 044	1 032	935
Economic occupancy rate	82,8%	84,8%	84,0%	81,2%	81,3%	83,1%	84,5%	87,0%	89,1%	94,1%
Property costs, SEK/sq.m.	345	347	343	325	338	315	339	332	326	336
Net operating income, SEK/sq.m.	611	650	618	560	506	515	532	576	594	544
Number of properties	97	90	90	87	80	73	70	70	70	71
Lettable area, thousand sq.m.	569	534	535	517	501	442	422	403	404	405

Mälardalen

Mälardalen												Tax Mgmt.				
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq. m.	assessment value	Sub-sidiary	Note	
					Office	Retail	Warehouse	Industrial	Residential	Oth.						
OFFICE/RETAIL																
118	Boländerna 5:12	Fälhagsleden 51	Uppsala	2010	1983/1996	5 799	–	251	–	–	–	6 050	15 251	38 976	ASP	B
1	Boländerna 8:6	Knivstagatan 6	Uppsala	2008	1990	2 729	–	–	–	–	–	2 729	3 806	17 342	ASP	
2	Boländerna 9:1	Märstagatan 2	Uppsala	2008	1946/2005	1 737	–	537	–	–	–	2 274	2 890	17 851	ASP	
3	Boländerna 30:2 B	Verkstadsgatan 11	Uppsala	2003	2002	2 124	–	–	–	–	–	2 124	4 500	12 846	ASP	
4	Boländerna 30:2 D	Verkstadsgatan 9	Uppsala	2003	1987	–	–	4 100	–	–	–	4 100	10 981	6 815	ASP	B
5	Boländerna 35:1	Bolandsgatan 18	Uppsala	2006	1975	150	5 555	–	4 258	–	–	9 963	26 193	41 847	ASP	B
6	Boländerna 35:2	Bolandsgatan 20	Uppsala	<1995	1981	–	4 118	–	–	–	–	4 118	9 600	42 800	ASP	
7	Dragarbrunn 16:2	Dragarbrunnsgatan 24-30	Uppsala	2004	1963	4 618	1 669	243	–	–	–	6 530	2 209	106 200	ASP	
113	Dragarbrunn 20:2	Kungsg/St Persg	Uppsala	1999	1963	2 723	543	–	–	–	–	3 266	921	0	ASP	
119	Dragarbrunn 20:4	Dragarbrunnsgatan 34	Uppsala	2010	1982	5 765	3 151	225	–	1 305	–	10 446	4 472	111 900	ASP	
8	Kungsängen 24:3	Kungsgatan 95	Uppsala	<1995	1998	729	5 750	–	–	–	–	6 479	15 284	45 800	ASP	
9	Kungsängen 29:1	Kungsgatan 70	Uppsala	1997	1985	2 411	2 006	55	–	–	–	4 472	8 966	24 800	ASP	
10	Kungsängen 35:3	Kungsgatan 76	Uppsala	1998	2001	3 078	–	–	–	–	–	3 078	4 547	21 500	ASP	
11	Kvarngärdet 64:3	Sportfältsvägen 3	Uppsala	1996	1991	1 965	–	–	–	–	–	1 965	2 955	12 825	ASP	
103	Årsta 36:2	Möllersvärdsgatan 12	Uppsala	<1995	1978/1989	1 346	–	1 457	–	–	–	2 803	5 143	11 595	ASP	
12	Årsta 36:7	Hanselligatan 6	Uppsala	2007	1986	388	–	1 873	–	–	–	2 261	3 358	9 416	ASP	
13	Årsta 67:1	Stålgatan 8-12	Uppsala	<1995	1988	540	8 961	666	–	–	–	10 167	31 608	52 848	ASP	
14	Årsta 72:3	Svederusgatan 1-4	Uppsala	1997	1990	1 158	1 498	5 552	–	–	–	8 208	10 792	33 561	ASP	
15	Årsta 74:1	Fyrislundsgatan 68	Uppsala	1999	1985	–	6 820	–	–	–	–	6 820	15 268	37 200	ASP	
16	Årsta 74:3	Axel Johanssons gata 4-6	Uppsala	<1995	1990	13 950	–	–	–	–	–	13 950	17 212	81 600	ASP	
17	Basen 10	Fridhemsgatan 2-4	Örebro	<1995	1900/1990	6 149	–	100	–	–	–	6 249	4 997	41 400	ASP	
18	Borgaren 1	Fabriksgratan 1 A	Örebro	2008	1969/2001	6 666	466	1 350	–	–	–	8 482	3 375	64 604	ASP	
115	Inköparen 1	Södra Infarten	Örebro	2007	2008	432	4 826	–	–	–	–	5 258	22 500	24 199	ASP	B
19	Järnmalmen 1	Osmundgatan 10	Örebro	2006	1967/1995	2 695	–	7 835	–	–	–	10 530	47 714	24 530	ASP	B
20	Konstruktören 11	Söderleden 14	Örebro	<1995	1987	1 715	–	–	–	–	–	1 715	7 876	6 883	ASP	
21	Kontrollanten 9	Åbyvägen 3	Örebro	2007	1992	3 678	–	1 164	–	–	–	4 842	11 974	13 268	ASP	
22	Lagerchefen 3	Aspholmsvägen 3	Örebro	1996	1957/1985	–	1 900	–	–	–	–	1 900	9 213	9 519	ASP	B
23	Lantmannen 7	Boställsvägen 10	Örebro	<1995	1985	310	2 050	215	–	–	–	2 575	8 573	9 705	ASP	
24	Motormannen 1	Radiatorvägen 1	Örebro	<1995	1966	208	3 474	495	–	–	–	4 177	10 501	15 385	ASP	
25	Röda rummet	Radiatorvägen 17	Örebro	1996	2000	3 405	–	–	–	–	–	3 405	7 710	22 270	ASP	
26	Rörläggaren 1	Aspholmsvägen 4	Örebro	<1995	1963/1992	–	–	–	5 180	–	–	5 180	15 881	15 177	ASP	B
99	Rörmokaren 1	Elementvägen 13-15	Örebro	<1995	1963/1986	110	–	–	3 735	–	–	3 845	10 432	11 568	ASP	
27	Rörmokaren 5	Elementvägen 1	Örebro	<1995	1984	1 270	1 023	110	–	–	–	2 403	6 656	9 861	ASP	
28	Signalen 6	Propellervägen 1	Örebro	2006	1991	1 760	–	–	–	–	–	1 760	4 151	9 957	ASP	
29	Stinsen 18	Fabriksgratan 18-22	Örebro	2008	1983/2003	11 938	–	267	–	–	–	12 205	5 008	104 600	ASP	B
30	Svetsaren 4	Elementvägen 12	Örebro	<1995	1976/1984	–	1 695	2 590	–	–	–	4 285	9 644	12 268	ASP	
31	Svetsaren 5	Elementvägen 14	Örebro	<1995	1977/1988	2 885	–	169	–	–	–	3 054	7 355	10 548	ASP	
32	Svetsaren 6	Radiatorvägen 14	Örebro	2000	1962	5 625	–	–	–	–	–	5 625	7 956	45 581	ASP	
33	Svetsaren 7	Elementvägen 16	Örebro	<1995	1960/1983	675	–	180	–	–	–	855	2 658	2 802	ASP	
34	Svetsaren 8	Elementvägen 4	Örebro	<1995	1977	570	3 060	220	–	–	–	3 850	8 074	11 693	ASP	T
120	Svånghjulet 1	Stubbengatan 2	Örebro	2010	2004	4 851	1 660	1 276	–	–	1 707	9 494	24 143	34 039	ASP	B
35	Telemontören 1	Nastagan 2	Örebro	2007	1993	3 677	–	2 822	–	–	–	6 499	30 750	17 603	ASP	B
36	Tryckeriet 2	Stortorget 8	Örebro	2008	1984/1999	1 553	1 234	–	–	–	–	2 787	1 350	29 200	ASP	
38	Tågmästaren 25	Fabriksqatan 54	Örebro	2008	1986	6 148	130	1 167	–	–	1 047	8 492	8 110	31 600	ASP	B

Note: T=Ground rent A=Lease B=Unutilized building permission



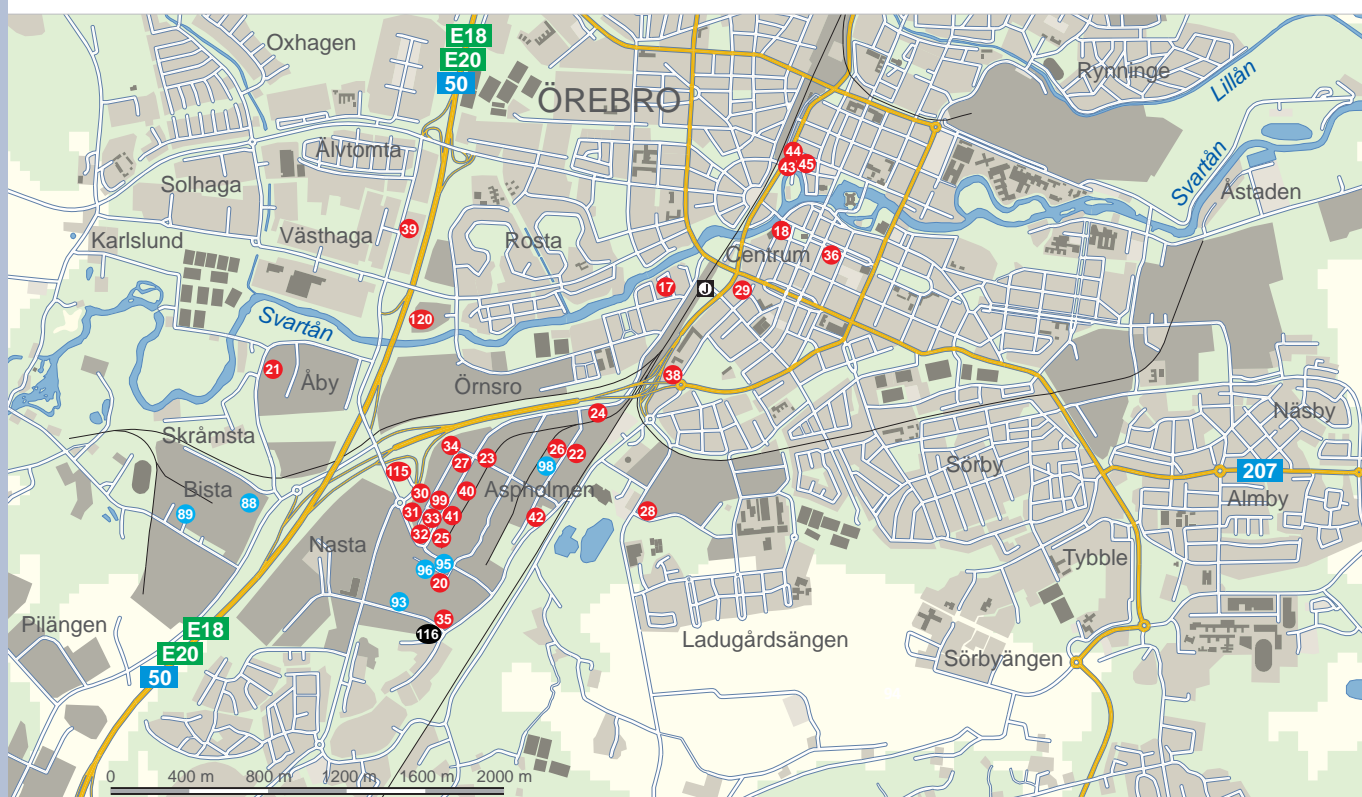
Ölstången 11, Örebro



Borgaren 1, Örebro

Mälardalen

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Totalt	Site sq.m.	Tax Mgmt. assessment			Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.			value	Sub-value	sidary	
39 Vindrutan 1	Västhagagatan 3	Örebro	1996	1992	–	1 230	85	–	–	–	1 315	10 062	8 283	ASP		
40 Virkeshandlaren 7	Radiatorvägen 11	Örebro	<1995	1970/1987	5 431	330	427	–	–	–	6 188	15 377	24 674	ASP		
41 Virkeshandlaren 10	Radiatorvägen 13-15	Örebro	1996	1979	2 764	3 440	1 070	–	–	–	7 274	20 242	27 694	ASP		
42 Ånsta 20:117	Aspholmsvägen 9	Örebro	1996	1990	743	–	–	–	–	–	743	1 907	3 017	ASP		
43 Ölstånkan 11	Järntorgsgatan 1	Örebro	2008	1939/2003	3 940	–	580	–	–	–	4 520	937	28 800	ASP		
44 Ölstånkan 14	Olaigatan 2	Örebro	2008	1929	2 165	–	–	–	–	–	2 165	852	16 500	ASP		
45 Ölstånkan 15	Olaigatan 4	Örebro	2008	1975/2003	3 089	–	–	–	–	–	3 089	1 517	22 000	ASP		
46 Blåsterugnen 2	Kokillgatan 7	Västerås	1997	1991	–	1 894	–	–	–	–	1 894	11 045	8 314	ASP	T	
47 Dagsländen 11	Jonasborgsvägen 26	Västerås	1996	1990	1 106	–	–	–	–	–	1 106	3 651	6 061	ASP	T	
48 Degeln 1	Kokillgatan 1-3	Västerås	1996	1984	3 975	1 050	1 469	–	–	–	6 494	26 917	26 355	ASP	T	
49 Elenergin 1	Elledningsgatan 2	Västerås	2008	1976	–	4 943	–	257	–	–	5 200	26 290	13 820	ASP	B	
50 Elledningen 4	Tunbytorpsgratan 31	Västerås	<1995	1991	3 607	–	–	–	–	–	3 607	10 256	16 279	ASP		
51 Fallhammaren 1	Fallhammargatan 3	Västerås	<1995	1989	3 736	–	741	–	–	–	4 477	10 700	16 911	ASP		
52 Friledningen 13	Tunbytorpsgratan 10	Västerås	1999	1978	1 830	–	–	–	–	–	1 830	7 000	7 195	ASP	T/B	
53 Gjutjärnet 7	Gjutjärnsgatan 5	Västerås	<1995	1989	–	2 181	370	–	–	–	2 551	10 517	8 525	ASP		
54 Hjulsmöden 1	Gjutjärnsgatan 8	Västerås	<1995	1990	–	1 399	584	–	–	–	1 983	5 625	6 894	ASP		



● Office/retail ● Warehouse/industrial ● Development projects and land

32



Svetsaren 6 "Svarta Borgen", Örebro

41



Virkeshandlaren 10, Örebro

Mälardalen

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises					Total	Site sq.m.	Tax Mgmt. assessment		Sub-sidiary	Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.		value			
76 Jordlinan 2	Stenbygatan 6	Västerås	<1995	1991	179	4 660	4 025	–	–	–	8 864	21 467	19 603	ASP	B
55 Kokillen 1	Kokillgatan 2	Västerås	1996	1988	1 860	–	1 145	–	–	–	3 005	11 975	11 146	ASP	T
56 Kopparlunden	Kopparlunden	Västerås	2001	1890/2000	20 023	–	–	–	–	–	20 023	10 256	118 923	ASP	
57 Kraftfältet 5	Omformargatan 2	Västerås	2005	1991	715	1 565	1 631	–	–	–	3 911	11 221	12 655	ASP	
59 Köpmannen 1	Kranbyggargatan 1	Västerås	<1995	1984	–	1 407	–	–	–	–	1 407	5 804	4 536	ASP	
60 Köpmannen 3	Kranbyggargatan 3	Västerås	<1995	1982	–	2 370	–	–	–	–	2 370	10 073	9 160	ASP	T
61 Ringborren 8&16	Tallmätargatan 1	Västerås	<1995	1956/1988	1 508	355	1 714	–	–	–	3 577	9 019	11 832	ASP	
62 Tunbytorp 1	Strömledningsgatan 1	Västerås	2005	1965	–	6 009	–	–	–	–	6 009	27 584	22 232	ASP	T
63 Tunbytorp 7	Strömledningsgatan 3	Västerås	2005	1965	7 962	–	–	–	–	–	7 962	31 990	24 020	ASP	T
64 Tunbytorp 19	Tunbytorpsgatan 2 A	Västerås	2005	1990	1 982	–	–	–	–	–	1 982	11 782	7 183	ASP	
114 Verkstaden 14	Kopparlunden	Västerås	2001	1890	8 417	–	–	–	–	–	8 417	40 900	36 928	ASP	B
65 Vikingatiden 9	Brandthovdagatan 17 A	Västerås	2007	2004	784	–	–	–	–	–	784	3 477	3 002	ASP	
66 Märsta 1:219	Raisogatan 1-27	Sigtuna	<1995	1993	2 784	–	–	–	883	–	3 667	4 053	36 387	ASP	B
67 Märsta 16:3	Maskingatan 3	Sigtuna	<1995	1992	2 921	–	–	–	–	–	2 921	3 000	16 050	ASP	
Total office/retail					199 051	94 422	48 760	13 430	2 188	2 754	360 605	838 053	1 880 961		

WAREHOUSE/INDUSTRIAL

68 Barkborren 3	Barkborregatan 3	Västerås	<1995	1970/1989	–	–	–	2 950	–	–	2 950	10 000	6 607	ASP	T
69 Elkraften 4	Tunbytorpsgatan 16	Västerås	2005	1976	–	–	–	946	–	–	946	5 673	3 044	ASP	T
70 Elkraften 6	Elledningsgatan 4	Västerås	2008	1981	–	–	–	1 150	–	–	1 150	8 025	3 383	ASP	T
71 Elkraften 7	Energigatan 3 A	Västerås	2005	1976	–	–	–	1 320	–	–	1 320	5 073	3 325	ASP	T
72 Elledningen 1	Tunbytorpsgatan 29	Västerås	1999	1982	–	–	–	1 910	–	–	1 910	8 300	5 394	ASP	T
73 Friledningen 8	Tunbytorpsgatan 6	Västerås	2005	1971	–	–	–	2 368	–	–	2 368	11 243	6 026	ASP	T
74 Friledningen 9	Tunbytorpsgatan 8	Västerås	2005	1968	597	990	–	3 565	–	–	5 152	9 995	15 316	ASP	
75 Fältmätaren 29	Fältmätargatan 9	Västerås	2007	1960	580	–	–	2 552	–	–	3 132	10 173	8 279	ASP	T
77 Järnåldern 6	Brandthovdagatan 11	Västerås	2008	1982	1 511	–	–	308	–	–	1 819	5 967	5 743	ASP	T
78 Krista 1	Saltängsvägen 59	Västerås	2004	2005	–	–	–	2 980	–	–	2 980	11 500	13 078	ASP	
79 Köpmannen 8	Lundby Gårdsgata 4	Västerås	2004	1988	210	–	–	2 390	–	–	2 600	9 957	8 208	ASP	
80 Ledningstråden 1	Tunbytorpsgatan 1, 3	Västerås	2005	1967	–	–	–	6 072	–	–	6 072	27 410	15 736	ASP	T
81 Ledningstråden 6	Tunbytorpsgatan 23	Västerås	2005	1970	–	–	–	620	–	–	620	8 000	2 412	ASP	T
82 Lufthammaren 1	Ånghammargatan 2-4	Västerås	1996	1977	4 019	–	3 324	–	–	–	7 343	17 055	22 000	ASP	T
83 Tunbytorp 2	Tunbytorpsgatan 4	Västerås	2005	1970	–	–	–	4 020	–	–	4 020	19 191	9 117	ASP	
84 Tunbytorp 8	Friledningsgatan 3 A	Västerås	2005	1970	–	–	–	830	–	–	830	5 825	2 669	ASP	
85 Tunbytorp 10	Tunbytorpsgatan 4 A	Västerås	2005	1978	–	–	–	7 516	–	–	7 516	24 663	15 439	ASP	
86 Voltmätaren 3	Lågspänningsgatan 7	Västerås	2006	1990	–	–	–	760	–	–	760	2 254	2 080	ASP	
87 Ånghammaren 2	Ånghammargatan 1-9	Västerås	1996	1972/1994	4 570	–	8 874	–	–	–	13 444	35 738	25 119	ASP	T
88 Bleckslagaren 6	Handelsgatan 1	Örebro	2008	1982	–	–	–	4 326	–	–	4 326	22 243	12 635	ASP	B
89 Bleckslagaren 8	Vattenverksgatan 8	Örebro	2006	1978/2001	–	–	–	4 750	–	–	4 750	24 878	15 968	ASP	B
90 Chauffören 2	Stuvargatan 3	Örebro	1997	1991	500	–	6 600	–	–	–	7 100	16 974	20 147	ASP	
91 Chauffören 3	Pikullagatan 9	Örebro	2006	1991	–	–	–	1 577	–	–	1 577	5 442	4 613	ASP	
92 Däcket 1	Dialoggatan 14	Örebro	2008	1991	–	–	1 816	–	–	–	1 816	7 184	5 550	ASP	
93 Grosshandlaren 2	Nastagatan 6-8	Örebro	2001	1977	–	1 955	19 845	–	–	–	21 800	61 695	58 811	ASP	B
94 Gällersta-Gryt 4:9	Gällerstavägen	Örebro	<1995	1969	–	–	–	11 625	–	–	11 625	42 143	20 247	ASP	
95 Konstruktören 9	Söderleden 10	Örebro	1996	1987	–	–	1 260	–	–	–	1 260	3 573	4 212	ASP	
96 Konstruktören 10	Söderleden 12	Örebro	<1995	1987	–	–	–	3 665	–	–	3 665	10 649	11 886	ASP	
98 Rörläggaren 2	Aspholmsvägen 6	Örebro	2004	1984	–	–	2 955	–	–	–	2 955	4 960	10 098	ASP	
100 Ånsta 20:148	Berglunda 208	Örebro	2007	1971/1999	–	–	4 205	–	–	–	4 205	44 237	17 148	ASP	B



Elenergin 1, Västerås



Verkstaden 14, Västerås

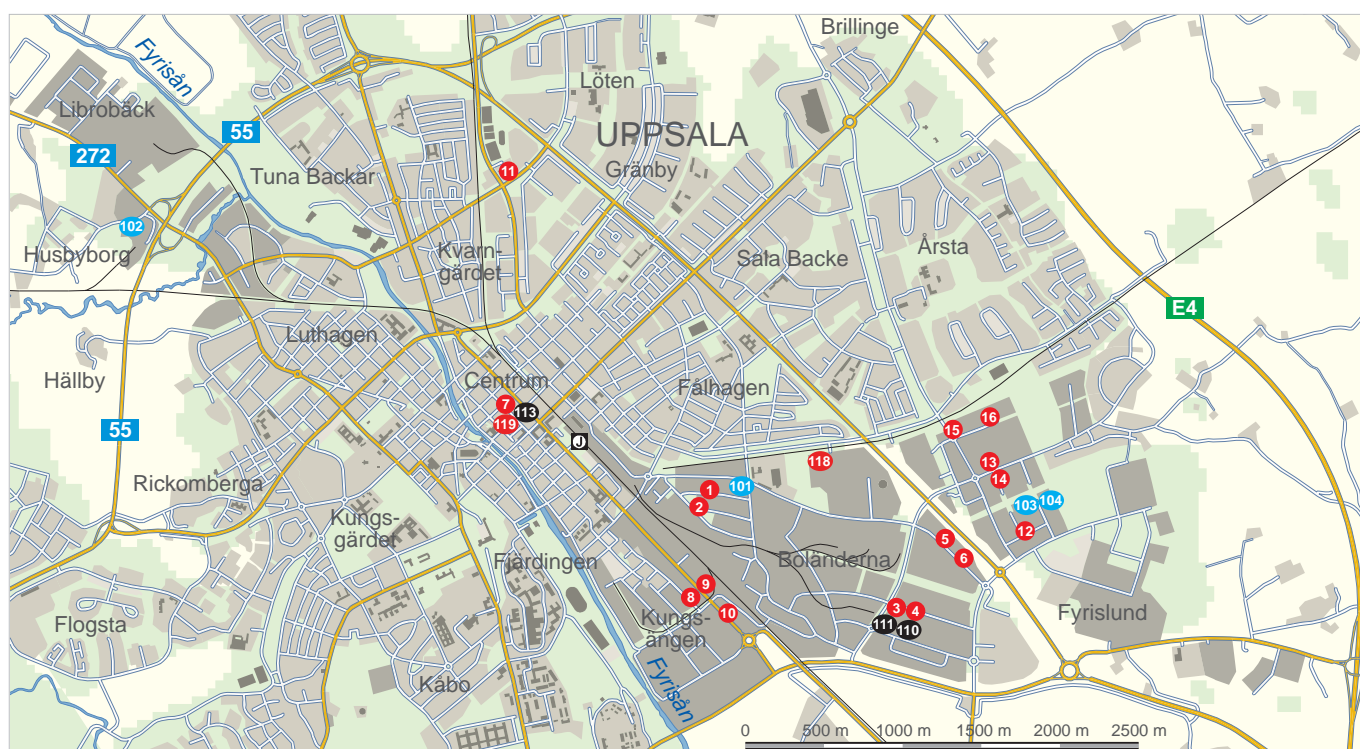
Mälardalen

Mälardalen											Tax Mgmt.				
Name of property	Address	Municipality	Acquis. Build/		Square metres per type of premises						Site sq.m.	assessment Sub-		Note	
			year	Recon. year	Office	Retail	Warehouse	Industrial	Residential	Oth.		Totalt	value		sidary
101 Boländerna 8:11	Bergsbrunnagatan 15	Uppsala	2008	1975	430	–	6 200	–	–	–	6 630	11 535	19 187	ASP	
102 Husbyborg 1:83	Gamla Börjevägen 2-16	Uppsala	2008	1972/1988	–	218	747	5 755	–	–	6 720	14 543	23 217	ASP	
104 Årsta 38:1	Möllersvärdsgatan 5	Uppsala	<1995	1979	–	–	–	2 960	–	–	2 960	8 572	10 140	ASP	
105 Broby 11:2	Östra Bangatan 6	Sigtuna	2007	1990	302	–	2 430	–	–	–	2 732	21 344	12 318	ASP	B
106 Broby 11:8	Östra Bangatan 14	Sigtuna	<1995	1989	248	–	583	–	–	–	831	1 859	2 764	ASP	
107 Märsta 16:2	Maskingatan 5-7	Sigtuna	1997	1989	600	–	1 013	–	–	–	1 613	3 500	5 507	ASP	
108 Märsta 17:6	Maskingatan 8	Sigtuna	<1995	1970/1988	751	–	–	1 907	–	–	2 658	5 318	7 972	ASP	
109 Märsta 21:54	Elkraftsgatan 11-13	Sigtuna	<1995	1990	–	–	–	2 200	–	–	2 200	6 517	9 043	ASP	
Total warehouse/industrial					14 318	3 163	59 852	81 022	0	0	158 355	553 208	444 438		



Mälardalen

Mälardalen														Tax Mgmt.			
	Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Site sq.m.	assessment Sub-		Note		
						Office	Retail	Warehouse	Industrial	Residential	Oth.		Total	value		sidary	
DEVELOPMENT PROJECTS																	
111	Boländerna 30:2	Verkstadsgatan 9	Uppsala	2000	1971	400	24 364	1 000	–	–	–	25 764	61 524	76 000	ASP	B	
Total development projects						400	24 364	1 000	0	0	0	25 764	61 524	76 000			
UNDEVELOPED LAND																	
116	Försäljaren 3	Nastagatan 7	Örebro	2007	–	–	–	–	–	–	–	0	3 167	712	ASP	B	
117	Högspänningen 1	Lågspänningsgatan 8	Västerås	2007	–	–	–	–	–	–	–	0	22 500	3 901	ASP	B	
110	Boländerna 28:3	Verkstadsgatan 9	Uppsala	2004	1981	–	–	–	–	–	–	0	3 347	1 171	ASP		
Total undeveloped land						0	0	0	0	0	0	0	29 014	5 784			
Total Mälardalen						213 769	121 949	109 612	94 452	2 188	2 754	544 724	1 481 799	2 407 183			



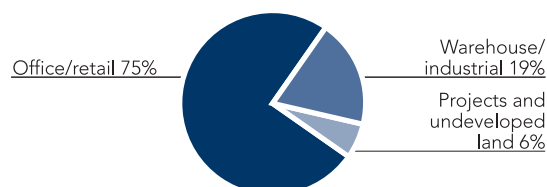
● Office/retail ● Warehouse/industrial ● Development projects and land



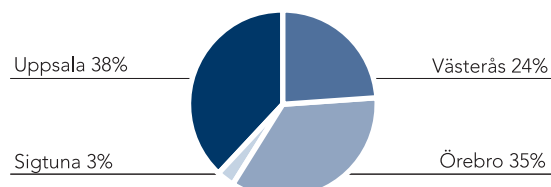
Castellum's Real Estate Portfolio in Mälardalen 31-12-2010

	No. of properties	Area thous. sq.m	Rental value SEKm	Rental value SEK/sq.m	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail									
Uppsala	20	112	136	1 217	87,5%	119	36	327	83
Örebro	31	145	141	973	94,4%	133	44	304	89
Västerås	21	97	91	937	86,9%	80	29	287	51
Sigtuna	2	7	7	1 069	102,6%	7	3	513	4
Total office/retail	74	361	375	1 041	90,2%	339	112	311	227
Warehouse/industrial									
Västerås	19	67	43	643	87,9%	38	15	217	23
Örebro	11	65	42	643	99,1%	41	8	130	33
Uppsala	3	16	17	1 066	86,1%	15	3	167	12
Sigtuna	5	10	7	698	87,5%	6	2	249	4
Total warehouse/industrial	38	158	109	690	91,8%	100	28	178	72
Total	112	519	484	934	90,6%	439	140	270	299
Leasing and property administration							28	55	-28
Total after leasing and property administration							168	325	271
Development projects	1	26	25	-	-	12	6	-	6
Undeveloped land	3	-	-	-	-	-	-	-	-
Total	116	545	509	-	-	451	174	-	277

Property value by property type



Property value by municipality



Property related key ratios

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	934	928	859	807	778	766	794	762	737	705
Economic occupancy rate	90,6%	92,4%	93,0%	89,3%	88,4%	87,5%	87,8%	91,0%	90,3%	91,9%
Property costs, SEK/sq.m.	325	329	268	247	258	244	262	241	231	226
Net operating income, SEK/sq.m.	521	528	531	474	429	427	435	453	435	422
Number of properties	116	115	117	101	91	86	75	71	71	72
Lettable area, thousand sq.m.	545	516	519	432	410	384	338	333	335	333

Eastern Götaland

Eastern Götaland

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Totalt	Site sq.m.	Tax Mgmt. assessment Sub-		Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.			value	sidinary	
OFFICE/RETAIL															
1 Droskan 12	Slottsgatan 14	Jönköping	1998	1990	9 370	–	–	–	–	–	9 370	4 951	81 000	COR	
2 Elektronen 1	Datorgatan 6	Jönköping	2008	2000	524	–	1 168	–	–	–	1 692	4 237	5 284	COR B	
3 Hotellet 8	V Storgatan 9-13	Jönköping	<1995	1963/1999	3 000	15 715	262	–	–	–	18 977	5 121	178 000	COR	
4 Vagnmakaren 7	Hästhovsvägen 2	Jönköping	<1995	1983/2001	–	8 657	666	–	–	–	9 323	19 226	46 600	COR	
5 Valutan 11	Kompanigatan 1-2	Jönköping	<1995	1992/2001	3 041	2 091	256	–	–	80	5 468	7 763	66 000	COR	
94 Varuhuset 1	Batterigatan 2	Jönköping	2009	2009	–	11 041	–	–	–	–	11 041	42 500	19 800	COR	
6 Vattenpasset 6	Kungsängsvägen 7	Jönköping	<1995	1971/1990	1 517	–	632	–	–	–	2 149	4 894	6 270	COR	
7 Vilan 7	Huskvarnavägen 58-64	Jönköping	2000	1955/1999	9 564	565	4 584	–	–	–	14 713	25 577	70 650	COR	
85 Visionen 3	Bataljonsgatan 10	Jönköping	2004	2010	7 342	–	363	–	–	–	7 705	12 269	53 600	COR	
8 Visionen 3 fd 1	Bataljonsgatan 10	Jönköping	2004	1996/1995	9 341	–	423	–	–	236	10 000	27 568	31 470	COR	
9 Vågskålen 3	Huskvarnavägen 40	Jönköping	2003	1983	6 583	387	8 693	–	–	–	15 663	42 536	30 529	COR B	
10 Vågporten 5	Vasavägen 4	Jönköping	2003	1955/2004	251	2 076	–	–	–	–	2 327	8 458	10 945	COR	
11 Ögongloben 5	Gräshagsgatan 11	Jönköping	2006	1961	3 512	–	–	–	–	–	3 512	7 500	5 094	COR	
12 Örontofsen 5	Granitvägen 7, 9	Jönköping	2006	1976	996	900	3 698	–	–	–	5 594	15 061	22 200	COR	
13 Almen 9	Malmövägen 12-14	Värnamo	1997	1957/1989	1 075	11 304	–	–	–	78	12 457	23 702	41 447	COR	
14 Bodarna 2	Myntgatan 8, 10	Värnamo	<1995	1934/1991	1 433	373	–	–	–	–	1 806	1 186	11 455	COR	
15 Bokbindaren 20	Västbovägen 56	Värnamo	<1995	1975/1991	2 167	–	394	–	–	–	2 561	11 386	6 183	COR	
16 Drabanten 1	Nydalavägen 16	Värnamo	1997	1940/1986	230	1 028	–	–	–	–	1 258	2 972	2 963	COR	
17 Gamla Gåsen 4	Boagatan 1	Värnamo	<1995	1907	–	–	–	–	–	200	200	1 903	1 298	COR B	
18 Gillet 1	Flanaden 3-5	Värnamo	1996	1974	2 410	925	103	–	1 701	–	5 139	3 475	31 018	COR	
19 Golvläggaren 2	Silkesvägen 30	Värnamo	2000	1991	734	–	–	–	–	–	734	5 190	2 066	COR	
20 Golvläggaren 3	Silkesvägen 30	Värnamo	2000	2008	–	8 800	1 620	–	–	–	10 420	37 879	34 580	COR	
21 Jungfrun 11	Köpmansg 3-7/ Luddög 1	Värnamo	<1995	2001/1982	315	3 878	158	–	599	–	4 950	5 849	27 610	COR	
22 Karpen 3	Jönköpingsvägen 105-107	Värnamo	1997	1956/1990	545	835	405	888	–	–	2 673	7 930	5 053	COR	
23 Knekten 15	Jönköpingsvägen 21	Värnamo	1997	1971/1989	424	559	31	240	–	6	1 260	4 323	4 482	COR	
24 Lejonet 11	Lasarettsg 1-5/Storgatsb 23	Värnamo	2000	1987/1987	4 145	855	226	–	51	–	5 277	2 433	32 512	COR	
25 Linden 3	Växjövägen 24-26	Värnamo	<1995	1960/1989	2 350	560	2 264	–	–	–	5 174	9 286	13 784	COR	
26 Ljuset 8	Nydalavägen 1-9	Värnamo	<1995	2003	–	2 590	–	–	–	–	2 590	9 674	12 109	COR	
27 Mon 13	Karlsdalsgatan 2	Värnamo	1997	1983	1 986	–	–	–	–	–	1 986	2 294	8 652	COR	
28 Plattläggaren 1	Silkesvägen 18	Värnamo	2008	1989	1 180	–	–	–	–	–	1 180	5 994	2 884	COR	
29 Rågen 1	Expovägen 6	Värnamo	<1995	1965/1990	2 340	–	2 821	–	–	–	5 161	8 919	10 479	COR	
30 Vindruvan 4	Storgatsb 14-20/Myntg 13 m fl	Värnamo	<1995	1982	1 163	11 047	30	–	2 162	5	14 407	10 855	77 842	COR	
31 Vindruvan 15	Storgatsbacken 12	Värnamo	1997	1989	904	1 110	–	–	–	–	2 014	695	10 774	COR	
32 Värnamo 14:11	Jönköpingsvägen 41-43	Värnamo	<1995	1917/1982	2 209	–	1 972	–	–	–	4 181	5 686	12 365	COR	
33 Bagaren 10	Ljungadalsg 2/Hejareg 10	Växjö	2007	1987	25 923	–	3 835	–	–	1 170	30 928	85 022	152 669	COR B	
34 Båken 1	Systratorpsvägen 16	Växjö	2006	1983	1 410	–	25	–	–	–	1 435	5 125	4 243	COR	
35 Garvaren 4	Hjalmar Petris väg 32	Växjö	1999	1981	2 487	–	20	–	–	–	2 507	6 901	8 634	COR B	
36 Glasmästaren 1	Arabygatan 80	Växjö	1999	1988	6 202	886	187	–	–	549	7 824	11 297	39 200	COR	
37 Nordstjärnan 1	Kronobergsgatan 18-20	Växjö	2002	1971/2000	5 098	994	15	–	–	23	6 130	2 381	47 400	COR	

Note: T=Ground rent A=Lease B=Unutilized building permission



Droskan 12, Jönköping



Visionen 1, Jönköping



● Office/retail ● Warehouse/industrial ● Development projects and land



Hotellet 8, Jönköping



Valutan 11, Jönköping

Eastern Götaland

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	Tax Mgmt. assessment Sub-value		Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.					
38 Plåtslagaren 4	Verkstadsgatan 5	Växjö	2002	1967/1988	2 243	780	636	1 893	–	50	5 602	10 000	13 389	COR	
39 Rimfrosten 1	Sölångsvägen 4	Växjö	2000	1972	42	6 686	1 922	–	–	–	8 650	58 671	26 200	COR B	
40 Segerstad 4	Segerstadsvägen 7	Växjö	1998	1990	910	–	–	–	–	–	910	3 911	0	COR	
41 Sotaren 4	Arabygatan 82	Växjö	2002	1992	2 318	457	227	–	–	–	3 002	4 007	19 062	COR	
42 Svea 8	Lineborgsplan 3	Växjö	1998	1982	2 061	–	–	–	–	–	2 061	3 938	14 140	COR	
43 Unaman 8	Klosterg 6/Kungsg 3/ Sandgårdsg 6-8	Växjö	2006	1969	1 180	3 707	300	–	422	–	5 609	2 185	29 286	COR	
44 Ödman 15	Storgatan 29	Växjö	2001	1972	2 380	1 941	–	–	–	–	4 321	2 661	39 200	COR	
45 Idémannen 1	Teknikringen 16	Linköping	2007	1990	580	–	–	–	–	–	580	4 212	5 279	COR	
46 Idémannen 2, Collegium	Teknikringen 7	Linköping	2007	1989	13 578	4 136	–	–	–	298	18 012	26 823	124 000	COR	
47 Idémannen 2, Datalinjen	Datalinjen 1	Linköping	2007	1989/1994	1 591	–	–	–	–	–	1 591	11 306	11 083	COR	
48 Idémannen 2, Teknikringen	Teknikringen 1 A-F	Linköping	2007	1984/1996	6 653	–	–	–	–	54	6 707	19 720	52 546	COR	
49 Idémannen 2, Vita Huset	Universitetsvägen 14	Linköping	2007	2002	8 210	–	–	–	–	–	8 210	29 597	83 600	COR B	
96 Magnetjärnet 6	Finnögatan 5 C	Linköping	2010	1996	1 178	–	1 210	–	–	–	2 388	8 328	8 644	COR	
Total office/retail					164 695	104 883	39 146	3 021	4 935	2 749	319 429	685 377	1 655 573		

WAREHOUSE/INDUSTRIAL

50 Elefanten 3	Rådursvägen 6	Växjö	<1995	1988	–	–	1 384	934	–	–	2 318	8 940	5 863	COR	
51 Illern 5	Isbjörnsvägen 11-13	Växjö	<1995	1987	885	–	406	855	–	–	2 146	5 276	7 460	COR	
52 Isbjörnen 4	Isbjörnsvägen 6	Växjö	<1995	1993	–	–	–	10 933	–	–	10 933	30 505	31 067	COR	
53 Sjömärket 3	Annavägen 3	Växjö	1998	1989	1 828	341	763	6 523	–	–	9 455	26 853	30 703	COR B	
54 Snickaren 12	Smedjegatan 10, 20	Växjö	1998	1976/1989	3 705	5 218	15 027	–	–	143	24 093	45 018	63 598	COR B	
55 Draken 1	Ingelundsvägen 1	Värnamo	<1995	1968/1988	–	–	1 750	–	–	–	1 750	21 396	3 393	COR B	
56 Flundran 4	Runemovägen 1	Värnamo	<1995	1963/1992	–	–	4 109	7 497	–	–	11 606	34 524	18 170	COR	
57 Krukmakaren 6	Silkesvägen 2	Värnamo	<1995	1961	–	140	748	950	–	–	1 838	4 209	2 744	COR	
58 Mattläggaren 1	Silkesvägen 24	Värnamo	2008	1997	–	–	–	2 700	–	–	2 700	8 655	6 703	COR B	
59 Mattläggaren 2	Silkesvägen 24	Värnamo	2000	1997	–	–	3 100	–	–	–	3 100	8 542	7 006	COR	
60 Posten 4	Postgatan 3-5	Värnamo	<1995	1929	455	733	321	2 516	159	–	4 184	2 991	10 942	COR	
61 Rödspåttan 1	Runemovägen 10	Värnamo	2004	1973	645	–	4 060	–	–	–	4 705	12 975	7 786	COR	
62 Rödspåttan 4	Runemovägen 4	Värnamo	<1995	1980	–	–	2 960	–	–	–	2 960	7 122	4 516	COR	
63 Sandskäddan 4	Margretelundsvägen 7	Värnamo	<1995	1982	–	–	2 780	–	–	–	2 780	8 005	4 424	COR	
64 Sjötungan 3	Margretelundsvägen 6	Värnamo	1999	1989	–	–	2 570	–	–	–	2 570	14 524	4 907	COR B	
65 Takläggaren 4	Rörläggarev 8/Silkesv 39	Värnamo	<1995	1991	–	–	9 067	–	–	–	9 067	39 349	17 573	COR B	
66 Takläggaren 8	Silkesvägen 43	Värnamo	2008	1999	–	–	–	6 995	–	–	6 995	17 833	21 519	COR B	
67 Värnamo 14:2	Myntgatan 2	Värnamo	<1995	1982	–	–	–	–	–	–	0	1 000	0	COR A	
68 Yxan 4	Fabriksgratan 10, 12	Värnamo	2005	1975	–	–	5 595	–	–	–	5 595	10 017	11 749	COR	
69 Yxan 6	Fabriksgratan 4	Värnamo	<1995	1978/1990	–	–	1 477	–	–	–	1 477	11 699	3 134	COR B	
70 Flahult 21:3	Momarken 42	Jönköping	2001	1980	–	–	3 824	–	–	170	3 994	24 177	12 284	COR B	
71 Flahult 78:2	Momarken 12	Jönköping	<1995	1986/1990	–	–	2 136	1 531	–	–	3 667	16 143	11 394	COR B	
72 Vargön 4	Vasavägen 5	Jönköping	2003	1989	–	–	–	4 070	–	–	4 070	6 694	8 803	COR	
73 Vattenpasset 2	Ekhagsringen 17	Jönköping	<1995	1980	428	–	2 552	1 073	–	–	4 053	17 885	0	COR	
74 Vingen 4	Linnegatan 1	Jönköping	<1995	1970	520	530	–	2 815	–	–	3 865	17 281	11 264	COR B	
75 Ögongloben 6	Kindgrensgatan 4	Jönköping	2008	1997	–	–	3 108	–	–	–	3 108	7 500	4 452	COR B	
76 Österbotten 4	Skeppsbrogatan 6	Jönköping	<1995	1930/1991	385	–	72	2 369	–	118	2 944	6 972	6 305	COR	
77 Överlappen 13	Kalkstensgatan 6-8	Jönköping	2004	1977/1995	2 105	–	275	3 376	–	–	5 756	22 576	21 582	COR	
78 Överstykett 25	Kindgrensgatan 3	Jönköping	2008	1981	–	–	6 356	1 182	–	–	7 538	16 506	10 232	COR B	

46



Idémannen 2, Linköping

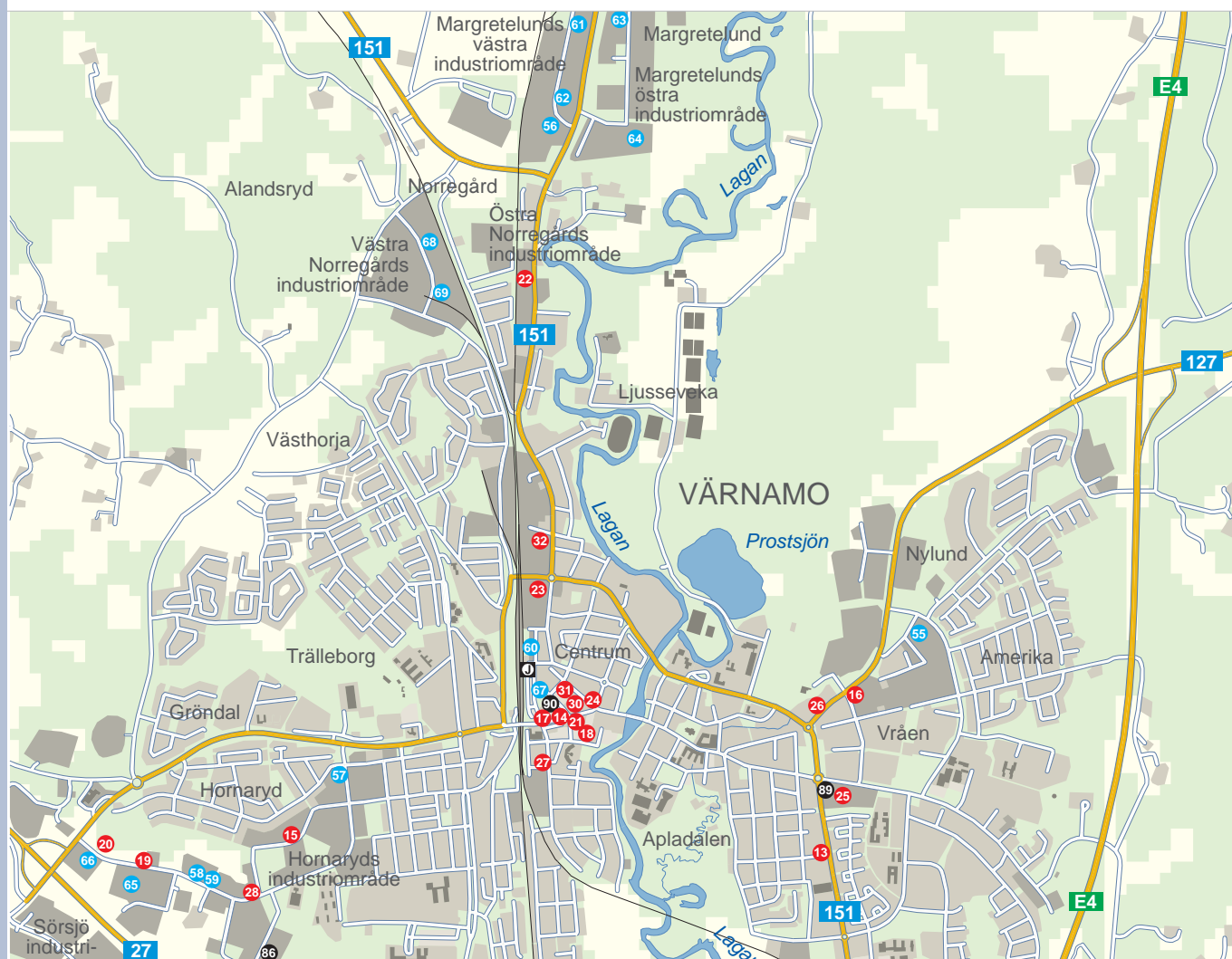
49



Idémannen 2, "Vita huset", Linköping

Eastern Götaland

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises					Total	Site sq.m.	Tax Mgmt. assessment		
					Office	Retail	Warehouse	Industrial	Residential	Oth.		value	Sub-sidiary	Note
79 Marås 1:12	Maråsliden 7	Gnosjö	<1995	1960	–	–	–	1 140	–	–	1 140	3 335	402	COR
80 Töllstorp 1:561	Mobäcksvägen 2	Gnosjö	<1995	1946	–	–	–	4 290	–	–	4 290	7 995	5 632	COR
81 Törestorp 2:51	Kulltorpsvägen 25	Gnosjö	<1995	1946	–	–	–	14 310	–	–	14 310	55 273	15 912	COR B
82 Källemo 1	Källemogatan 12	Vaggeryd	<1995	1956/1988	–	–	7 552	–	–	–	7 552	48 347	9 056	COR B
83 Yggen 1	Krokvägen 1	Vaggeryd	<1995	1985/1989	–	–	–	6 303	–	–	6 303	18 598	8 422	COR
84 Pagoden 1	Ottargatan 10	Linköping	2008	1972/2002	–	–	1 668	1 732	–	–	3 400	9 000	6 634	COR B
Total warehouse/industrial					10 956	6 962	83 660	84 094	159	431	186 262	597 715	395 631	

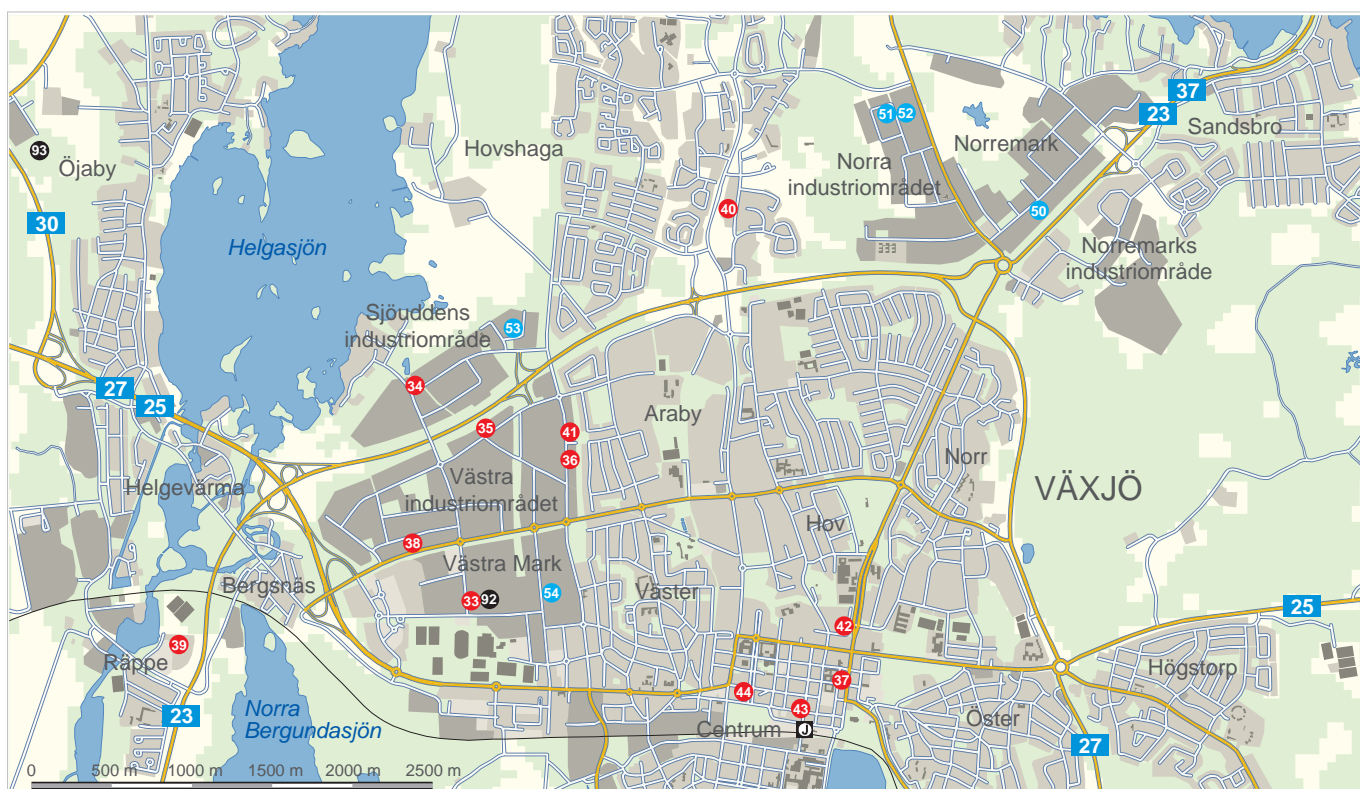


Eastern Götaland

Eastern Götaland												Tax Mgmt.					
Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	assessment Sub-		Notes		
					Office	Retail	Warehouse	Industrial	Residential	Oth.			value	sidary			
DEVELOPMENT PROJECTS																	
86	Bleckslagaren 1	Repslagarevägen 5	Värnamo	2004	–	–	–	–	–	–	0	5 587	558	COR B			
87	Bredasten 1	Värnamo	Värnamo	2008	–	–	–	–	–	–	0	19 915	0	COR			
88	Bredasten 2	Värnamo	Värnamo	2008	–	–	–	–	–	–	0	10 030	0	COR			
89	Linden 1	Malmövägen 3	Värnamo	2001	–	–	–	–	–	–	0	3 728	80	COR B			
90	Värnamo 14:86	Myntgatan 6	Värnamo	<1995	–	–	–	–	–	–	0	2 641	0	COR B			
91	Värnamo Torp 1:11	Skogsmark	Värnamo	<1995	–	–	–	–	–	–	0	760 703	1 868	COR			
92	Bagaren 11	Ljungadalsg 2/Hejareg 10	Växjö	2007	–	–	–	–	–	–	0	8 160	0	COR			
93	Postiljonen 2	Växjö	Växjö	2009	–	–	–	–	–	–	0	19 597	1 959	COR B			
95	Gården 15	Gillbergagatan	Linköping	2009	–	–	–	–	–	–	0	37 343	7 400	COR B			
Total development projects						0	0	0	0	0	0	867 704	11 865				

Total Eastern Götaland

175 651 111 845 122 806 87 115 5 094 3 180 505 691 2 150 796 2 063 069



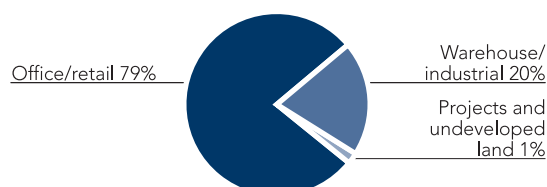
● Office/retail ● Warehouse/industrial ● Development projects and land



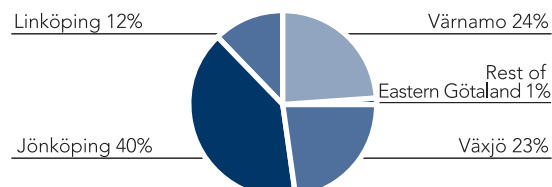
Castellum's Real Estate Portfolio in Eastern Götaland 31-12-2010

	No. of properties	Area thous. sq.m	Rental value SEKm	Rental value SEK/sq.m	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m	Net operating income SEKm
Office/retail									
Jönköping	14	118	133	1 127	91,0%	121	37	310	84
Värnamo	20	85	70	822	89,6%	63	24	282	39
Växjö	12	79	64	809	88,0%	56	21	266	35
Linköping	6	37	43	1 155	78,6%	34	18	480	16
Total office/retail	52	319	310	970	88,3%	274	100	312	174
Warehouse/industrial									
Växjö	5	49	32	649	92,9%	30	8	144	22
Värnamo	15	61	29	478	88,8%	26	6	90	20
Jönköping	9	39	20	514	81,2%	16	6	175	10
Övriga orter	6	37	11	300	72,7%	8	3	94	5
Total warehouse/industrial	35	186	92	495	86,6%	80	23	123	57
Total	87	505	402	795	88,0%	354	123	242	231
Leasing and property administration							13	26	-13
Total after leasing and property administration							136	268	218
Development projects	–	–	–	–	–	–	–	–	–
Undeveloped land	9	–	–	–	–	–	–	–	–
Total	96	505	402	–	–	354	136	–	218

Property value by property type



Property value by municipality



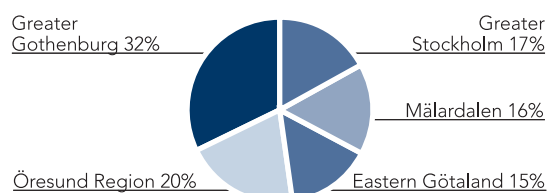
Property related key ratios

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Rental value, SEK/sq.m.	795	775	745	748	688	675	659	617	598	551
Economic occupancy rate	88,0%	90,0%	90,8%	90,4%	90,6%	90,0%	89,8%	91,3%	90,0%	88,0%
Property costs, SEK/sq.m.	268	275	261	269	239	213	198	193	173	171
Net operating income, SEK/sq.m.	432	422	416	407	384	395	393	370	365	314
Number of properties	96	95	93	82	76	73	76	74	71	75
Lettable area, thousand sq.m.	505	501	480	452	375	366	380	370	347	350

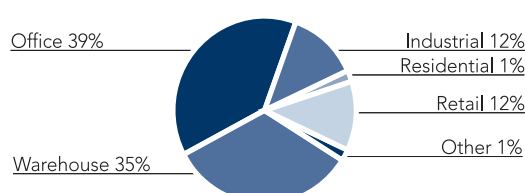
Castellum's Real Estate Schedule 2010, Summary

	Square metres per type of premises						Total	Site sq.m.	Tax assessment value
	Office	Retail	Warehouse	Industrial	Residential	Other			
Greater Gothenburg	368 057	57 875	451 412	154 706	8 246	4 821	1 045 117	2 060 720	5 695 285
Öresund Region	238 703	65 511	269 490	27 492	9 258	35 771	646 225	1 195 429	3 593 874
Greater Stockholm	279 794	35 912	212 890	33 481	–	7 348	569 425	907 403	3 669 407
Mälardalen	213 769	121 949	109 612	94 452	2 188	2 754	544 724	1 481 799	2 407 183
Eastern Götaland	175 651	111 845	122 806	87 115	5 094	3 180	505 691	2 150 796	2 063 069
Total Castellum	1 275 974	393 092	1 166 210	397 246	24 786	53 874	3 311 182	7 796 147	17 428 818

Distribution by region and sq.m.



Distribution by type of premises and sq.m.



Properties sold in 2010

Name of property	Address	Municipality	Acquis. year	Build/ Recon. year	Square metres per type of premises						Total	Site sq.m.	Tax Mgmt. assessment Sub-value		Mgmt. subsidiary	Note
					Office	Retail	Warehouse	Industrial	Residential	Oth.						
GREATER GOTHENBURG																
Backa 27:24	Bergögatan 10	Gothenburg	1998	1984	947	–	352	382	–	–	1 681	1 255	7 591	EKL		
Backa 27:25	Bergögatan 12	Gothenburg	1998	1984	717	–	47	–	–	130	894	608	3 719	EKL		
Backa 27:40	Bergögatan 16	Gothenburg	1998	1984	849	–	531	–	–	–	1 380	1 062	6 283	EKL		
Backa 22:3	Exportgatan 51 A	Gothenburg	1999	1972/1997	–	–	4 986	–	–	–	4 986	8 970	23 167	EKL		
Total Greater Gothenburg					2 513	–	5 916	382	–	130	8 941	11 895	40 760			
ÖRESUND REGION																
Folke 3	Fredriksbergsgatan 1 A-C	Malmö	<1995	1988	1 898	–	163	–	2 125	–	4 186	1 255	30 453	BRI		
Total Öresund Region					1 898	–	163	–	2 125	–	4 186	1 255	30 453			
MÄLARDALEN																
Tryckeriet 13	Kungsgatan 14	Örebro	2008	1929/2001	–	452	–	–	–	6 419	6 871	2 666	59 400	ASP		
Total Mälardalen					–	452	–	–	–	6 419	6 871	2 666	59 400			
Total Castellum					4 411	452	6 079	382	2 125	6 549	19 998	15 816	130 613			

Definitions

Actual net asset value (EPRA NNAV)

Reported equity according to the balance sheet, adjusted for 5% deferred tax instead of nominal deferred tax.

Counterparty risk/Credit risk

The risk that a counterparty does not complete delivery or payment.

Currency risk

The risk that changes in the exchange rate will effect income and cash flow.

Data per share

In calculating income and cash flow per share the average number of shares has been used, whereas in calculating assets, shareholders' equity and net asset value per share the number of outstanding shares has been used.

Dividend pay out ratio

Dividend as a percentage of income from property management after a nominal tax deduction.

Dividend yield

Proposed dividend as a percentage of the share price at the year end.

Economic occupancy rate

Rental income accounted for during the period as a percentage of rental value for properties owned at the end of the period. Properties acquired/completed during the period have been restated as if they had been owned or completed during the whole year, while properties disposed of have been excluded entirely. Development projects and undeveloped land have been excluded.

EPRA EPS (Earnings Per Share)

Income from property management adjusted for nominal tax attributable to income from property management, divided with the average number of shares. With taxable income from property management means income from property management with a deduction for tax purposes of depreciation and reconstruction.

Equity/assets ratio

Disclosed equity as a percentage of total assets at the end of the period.

Funding risk

The risk that no funding is available or very unfavourable at a given point in time.

Income from property management

Net income for the period/year after reversal of changes in value and tax.

Interest coverage ratio

Income from property management after reversal of net financial items as a percentage of net financial items.

Interest rate risk

The risk that changes in the market interest rate will effect income and cash flow.

Liquidity risk

The risk of not having access to liquidity or unutilized credit facilities in order to settle payments due.

Loan to value ratio

Interest-bearing liabilities as a percentage of of the properties' fair value with deduction for acquired properties not taken in possession, and with addition for properties disposed of, still in possession, at the year-end.

Long term net asset value (EPRA NAV)

Reported equity according to the balance sheet, adjusted for interest rate derivatives and deferred tax.

Net operating income margin

Net operating income as a percentage of rental income.

Number of shares

Registered number of shares - the number of shares registered at a given point in time.

Outstanding number of shares - the number of shares registered with a deduction for the company's own repurchased shares at a given point in time.

Average number of shares - the weighted average number of outstanding shares during a given period.

Operating expenses, maintenance, etc.

This item includes both direct property costs, such as operating expenses, maintenance, ground rent and real estate tax, as well as indirect costs for leasing and property administration.

Operational risk

The risk of incurring losses due to insufficient procedures and/or improper actions.

Property type

The property's primary rental value with regard to the type of premises. Premises for purposes other than the primary use may therefore be found within a property type.

Rental income

Rents debited plus supplements such as reimbursement of heating costs and real estate tax.

Rental value

Rental income plus estimated market rent for vacant premises.

Return on actual net asset value

Income after tax as a percentage of average ((opening balance+ closing balance-income after tax)/2) actual net asset value, but with 5% deferred tax instead of nominal tax. In the interim accounts the return has been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

Return on total capital

Income before tax with reversed net financial items and changes in value on derivatives as a percentage of average ((opening balance+closing balance-changes in value on properties)/2) total capital. In the interim accounts the return has been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

SEK per square metre

Property-related key ratios, expressed in terms of SEK per square metre, are based on properties owned at the end of the period. Properties acquired/completed during the year have been restated as if they had been owned or completed for the whole year, while properties disposed of have been excluded entirely. Development projects and undeveloped land have been excluded. In the interim accounts key ratios have been recalculated on an annual basis, disregarding seasonal variations normally occurring in operations.

Total yield per share

The change in the share price during the year with addition of dividend as a percentage of the share price at the end of previous year.

CASTELLUM

Castellum AB (publ)

(Corporate identity no. 556475-5550)
Box 2269, 403 14 Gothenburg, Sweden
Visiting address: Kaserntorget 5
Phone: +46(0)31-60 74 00. Fax: +46(0)31-13 17 55
info@castellum.se
www.castellum.se



Aspholmen Fastigheter AB

(Corporate identity no. 556121-9089)
Elementvägen 14, 702 27 Örebro, Sweden
Phone: +46(0)19-27 65 00. Fax: +46(0)19-17 80 89
orebro@aspholmenfastigheter.se
www.aspholmenfastigheter.se



Fastighets AB Briggen

(Corporate identity no. 556476-7688)
Box 3158, 200 22 Malmö, Sweden
Visiting address: Fredriksbergsgatan 1
Phone: +46(0)40-38 37 20. Fax: +46(0)40-38 37 37
fastighets.ab@briggen.se
www.briggen.se



Fastighets AB Brostaden

(Corporate identity no. 556002-8952)
Box 5013, 121 05 Johanneshov, Sweden
Visiting address: Bolidenvägen 14
Phone: +46(0)8-602 33 00. Fax: +46(0)8-602 33 30
info@brostaden.se
www.brostaden.se



Fastighets AB Corallen

(Corporate identity no. 556226-6527)
Box 148, 331 21 Värnamo, Sweden
Visiting address: Lasarettsgatan 3
Phone: +46(0)370-69 49 00. Fax: +46(0)370-475 90
info@corallen.se
www.corallen.se



Eklandia Fastighets AB

(Corporate identity no. 556122-3768)
Box 8725, 402 75 Gothenburg, Sweden
Visiting address: Theres Svenssons gata 9
Phone: +46(0)31-744 09 00. Fax: +46(0)31-744 09 50
info@eklandia.se
www.eklandia.se



Harry Sjögren AB

(Corporate identity no. 556051-0561)
Kråketorpsgatan 20, 431 53 Mölndal, Sweden
Phone: +46(0)31-706 65 00. Fax: +46(0)31-706 65 29
info@harrysjogren.se
www.harrysjogren.se

Annual General Meeting

Castellum AB's Annual General Meeting will take place on Thursday March 24, 2011
at 5 pm in RunAn, Chalmers kårhus, Chalmersplatsen 1, Gothenburg. For further information
and notification of attendance see www.castellum.se