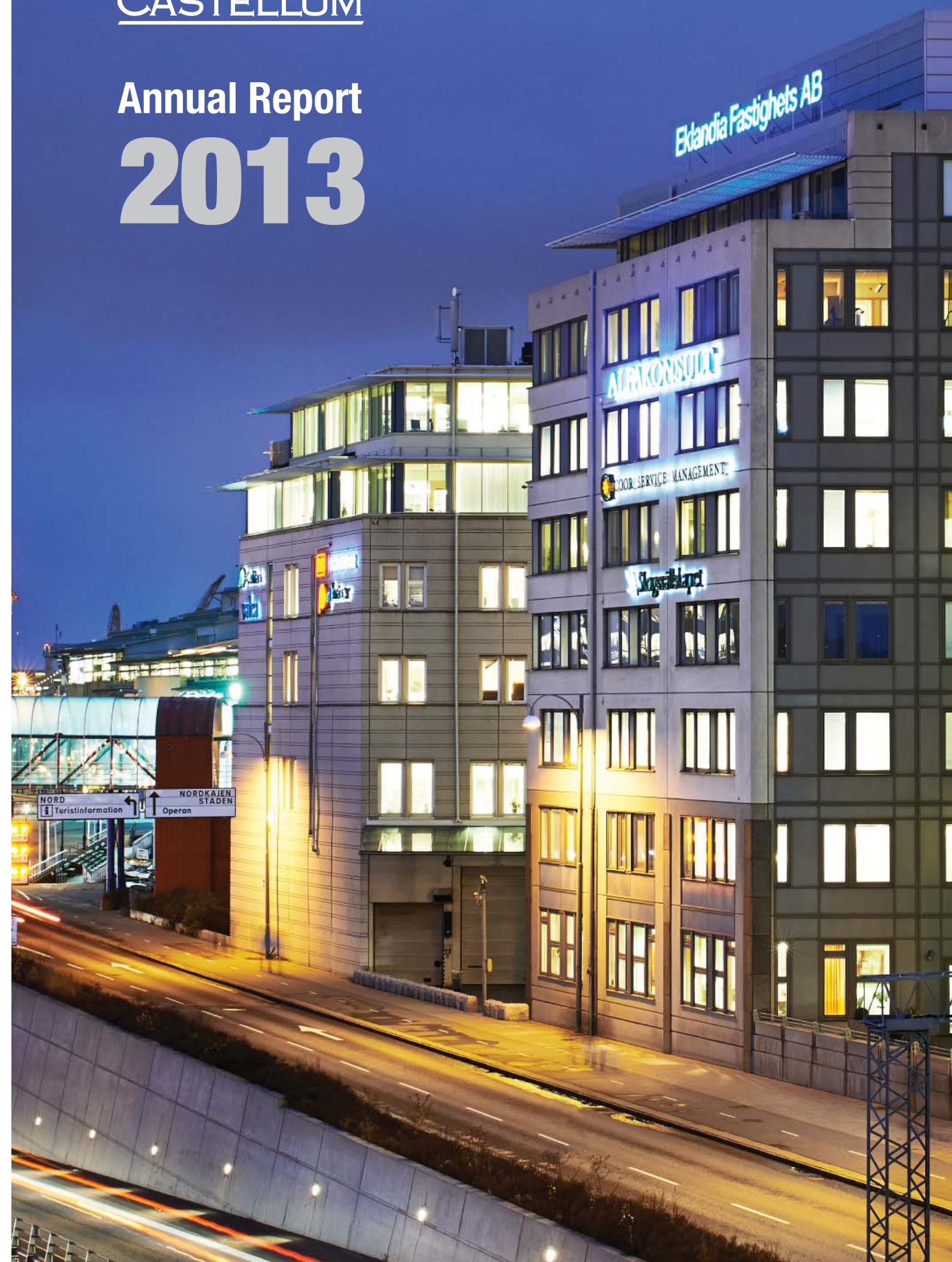


CASTELLUM

Annual Report 2013



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The audited legal Annual Report, which comprises director's report and financial reports, comprises the pages 4-96. 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.

FURTHER INFORMATION

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.

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. A printed year-end report is sent to all shareholders while the annual year report and other quarterly reports in print can be ordered from info@castellum.com.

For further information please contact CEO Henrik Saxborn, tel +46 705-60 74 50, or Financial Director Ulrika Danielsson, tel +46 706-47 12 61, and www.castellum.se.

The picture on frontpage shows Gullbergsvass 1:15, Gothenburg.

Castellum is a long-term owner that develops commercial properties and provide service for Swedish business life – we also contribute substantially to city development, wherever we operate.

CEO Henrik Saxborn



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 customised commercial properties, through a strong and clear presence in five growth regions.

Castellum's overall objective is an annual growth in cash flow, i.e. in income. During 2013 7% growth was achieved. The strategy to achieve the objective is to

Development of the real estate portfolio

Castellum build Swedish cities – at least 5% yearly of the property value shall be invested.

During 2013 the net investments amounted to SEKm 1,081.

See page 6

1,081

SEKm net investments 2013

All investments shall contribute to the objective of growth in income from property management within 1-2 years and have potential asset growth of at least 10%.

Ongoing project volume with remaining investments amounts to SEKm 1,000.

See page 16

1,000

SEKm remaining investment volume in ongoing projects

Commercial properties in growth regions

626 commercial properties of 3,6 million sq.m. with av property value of SEK 38 billion.

66% consists of office/retail and 30% of warehouse/industrial.

See page 13

SEK 38 billion

property value 2013

The real estate portfolio are concentrated to five growth regions in southern Sweden and Denmark.

See page 11





Income from property management per share of at least 10%.
Object rests on four cornerstones:

Customer focus through local organizations

Good and long-term relations with the customers is achieved by a decentralized and small-scale organization.

Castellum is a long-term property owner with focus on effective management and development of the on the submarkets.

See page 32

76

Satisfied Customer Index 2013

Castellum focus on responsible business, which i.e. involves reducing energy consumption and carbon emissions. All new construction shall be environmentally classified.

See page 34-35

-20%

reduced energy consumption and CO₂-emission per sq.m. since 2007

Strong balance sheet with low financial and operational risk

Stable capital structure with;

- loan to value ratio not permanently exceeding 55%
- interest coverage ratio at least 200%

See page 36

52%

Loan to value 2013

Castellum's customers is a reflection of Swedish business life and the lease portfolio includes many commercial leases in various industries.

See page 26

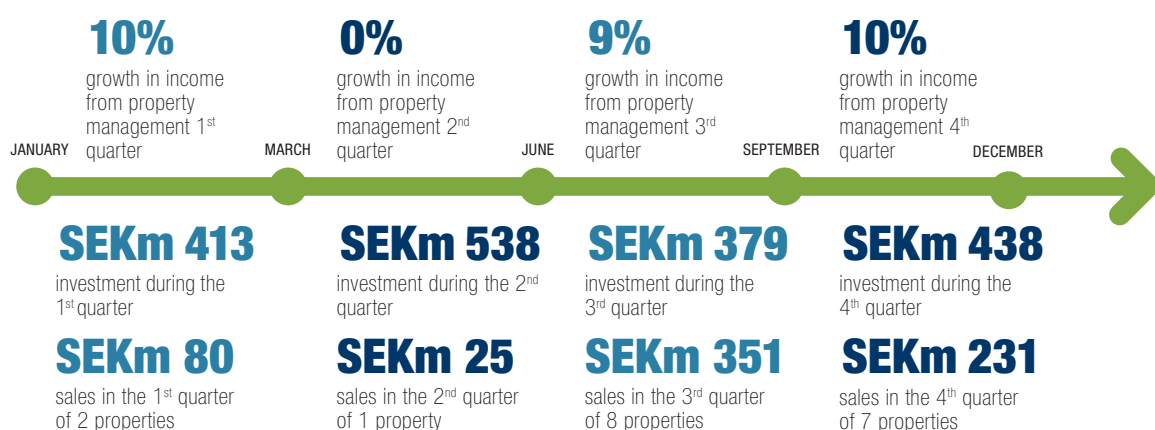
4,600

commercial contracts where the single largest contract makes up for approx. 2%

Castellum 2013

- Rental income for 2013 amounted to SEKm 3,249 (SEKm 3,073 previous year).
- Income from property management amounted to SEKm 1,346 (1,255), corresponding to SEK 8.21 (7.65) per share, an increase of 7%.
- Changes in value on properties amounted to SEKm 328 (–69) and on interest rate derivatives to SEKm 429 (–110).
- Net income after tax amounted to SEKm 1,707 (1,473), corresponding to SEK 10.41 (8.98) per share.
- Net investments amounted to SEKm 1,081 (2,545) of which SEKm 1,583 (1,279) were new constructions, extensions and reconstructions, SEKm 185 (1,519), acquisitions and SEKm 687 (253) sales.
- The Board proposes a dividend of SEK 4.25 (3.95) per share, corresponding to an increase of 8%.

2013 quarterly



Key figures

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Income from property management, SEK/share	8.21	7.65	7.15	6.96	6.89	5.93	5.63	5.38	5.00	4.52
Change previous year	+7%	+7%	+3%	+1%	+16%	+5%	+5%	+8%	+11%	+11%
Net income after tax, SEK/share	10.41	8.98	4.34	11.98	0.98	–4.04	9.07	10.21	7.89	5.59
Change previous year	16%	+107%	–64%	+1,122%	pos.	neg.	–11%	+29%	+41%	+108%
Dividend, SEK/share (for 2013 proposed)	4.25	3.95	3.70	3.60	3.50	3.15	3.00	2.85	2.62	2.38
Change previous year	+8%	+7%	+3%	+3%	+11%	+5%	+5%	+9%	+11%	+12%
Properties fair value, SEKm	37,752	36,328	33,867	31,768	29,267	29,165	27,717	24,238	21,270	19,449
Net investments, SEKm	1,081	2,545	1,908	1,279	1,129	2,710	2,559	1,823	889	774
Loan to value	52%	53%	51%	50%	52%	50%	45%	45%	45%	45%
Interest coverage ratio	292%	284%	278%	299%	309%	255%	287%	343%	315%	277%

CEO's Comments

Dare to make changes – even when successful

In March, I took over as CEO of Castellum after Håkan Hellström. Håkan left behind a well-managed real estate company, localized to strong growth regions with well-maintained properties in attractive locations. Moreover, Håkan left a company that had increased its income from property management and raised its dividend for 16 consecutive years.

I've been on board as vice president for the last 7 years and I am very confident that this positive trend of growth will continue. I'm happy to announce that we can add 2013 to the list of successful years. Last year, we successfully managed to increase income from property management by 7% and the board proposes a increase in dividend by 8%. We achieved this despite the fact that the external factors were not optimal: an almost non-existent GDP growth as well as an inflation that hovered around zero at year end. In addition to the positive impact on income from past investments and guaranteed indexation of leases, we also benefitted from a lower average interest rate.

Biggest challenge for continued growth

The key challenge is to drive changes based on our strong tradition of the company. We will continue to make investments primarily in Swedish growth regions. We will and can be a significant player in the growth regions, and will exert an impact on the urban planning process – we will not only manage and build commercial properties. We will develop cities.

The proportion between new construction and acquisition will always, at any given time, depend on the market and our risk assessment. During 2013, Castellum's net investments amounted to more than SEK 1 billion. During the year, we were somewhat more active on the sell side compared with the last few years. This reflects strenuous efforts to constantly adjust and optimize our portfolio in relation to growth conditions. The ambition is to continue annual net investments worth approx. SEK 2 billion; where roughly half of the investments cover new projects and the other half will be spent on acquisitions. This investment rate means that each successive year, Castellum will build "a small real estate company".

Sustainability leads to profitability!

I see several other long-term factors that currently reinforce Castellum's strong potential. There is potential for growth in our vacancies, and our efforts during the year to reduce the number of vacancies have led to a strong net leasing of SEKm 105. Our leasing work continues with great intensity.

Our 4,600 customers are distributed across Swedish commercial and business life, and they come from most industries of all sizes within Sweden's growth regions.

In our various companies and market sectors, we see a direct and clear correlation between the job satisfaction of our skilled employees and satisfied customers. In turn, satisfied customers generate more transactions. We regularly measure customer satisfaction levels, and the results are consistently high. That 96% gladly recommend us as landlord to other is a strong proof of our employees good work.

We believe that there will be increasingly important to Sustainability Performance in business valuations. In 2013, our energy consumption was reduced by 5% and carbon emissions were reduced by 8% – per square metre. Sustainable new constructions are the order of the day – an obvious business choice. Just like our increasingly strong focus on sustainable, long-term strategies and an ethical approach.

Strong finances provide freedom of action

Last but not least: thanks to our strong balance sheet, Castellum enjoys great freedom of action. We have the power to implement whichever investments look promising, exactly whenever conditions are optimal – whether for new constructions or real estate acquisitions.

One of the main ideas when founding Castellum was to run the business with lower risk-taking compared with the industry average. And we intend to continue doing so. On closing day, the Castellum Asset side had a real estate portfolio worth SEK 38 billion. The portfolio is funded by shareholders' equity that we are set to manage; i.e. the long-term net asset value totalling SEK 18 billion (equivalent to SEK 107 per share) as well as interest-bearing liabilities of SEK 19 billion. This implies a loan-to-value ratio of 52%. It is gratifying to note that in 2013 we have managed to issue bonds to a value of SEK 2 billion, and this has provided us with more freedom of action.

Steady growth with low risk

Steady growth with low risk-taking is one of the fundamental ideas behind Castellum. It was therefore satisfying when the total share yield over the past 10 years amounted to 13% per year which is on par with stock market. The total share yield for 2013 amounted to 13%.

Looking ahead, I see a solid, well-functioning real estate market with stable property prices over the next year. Expectations are that 2014 will be yet another year of weak GDP growth, resulting in a marginal increase in rental levels, a stable cost structure and continued low interest rates. In this macro-economic environment, I believe in continued improvement for Castellum's property-management income – thanks to our investment strategies and continued growth, alongside the increased prosperity of current and new customers.

Gothenburg, January 22, 2014



Henrik Saxborn
CEO



A photograph of a modern office interior. In the foreground, a glass staircase with metal railings leads upwards. Two people, a man in a dark suit and a woman in a blue top, are walking down the stairs. The background shows a large, open-plan office space with glass walls and a high ceiling with exposed ductwork and lights. A glass entrance door is visible on the left side of the image.

Business Concept, Objectives and Strategies

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 customised commercial properties, through a strong and clear presence in five Swedish growth regions.

Business Model

Castellum's business model focus on management and development of the property portfolio.

Development through investments

Real estate and rental market is dependent on long-term economic growth. Hence, Castellum needs to be present in growth regions. Castellum continuously analyzes the development in various submarkets to ensure that investments are concentrated to areas with anticipated high growth rates.

Castellum actively works with developing the real estate portfolio in order to improve cash flow and thereby increase property value. Castellum will continue to grow through customer demand. This will mainly occur through new constructions, extensions and reconstructions which are expected to generate high returns, but also through the acquisition of buildings and building rights for future development.

Sales of properties will take place when justified from a business standpoint.

The real estate portfolio will consist of commercial properties, and distribution among various real estate categories is determined by business opportunities, cash flow, risk exposure and the value growth of assets.

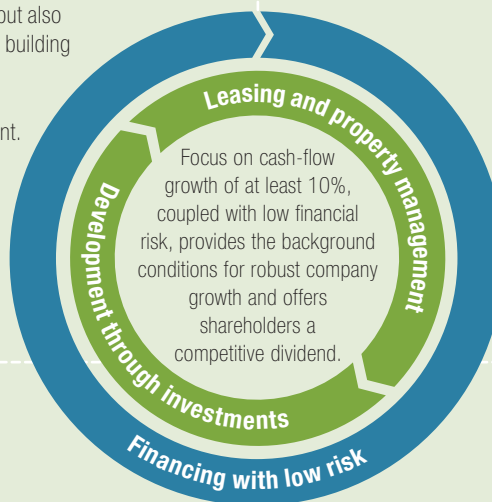
Leasing and property management

Castellum will be a company with a strong and clear customer focus, long-term customer relations and providing properties and services that meet and exceed customer needs.

Service and property management is mainly carried out by employed personnel, in a decentralized and small-scale organization with wholly owned subsidiaries. A strong local presence provides knowledge of customer needs and requirements.

Castellum continuously works with improving productivity to obtain more cost- and resource-efficient property management.

Risk within customer circles will be kept low by spreading the risk over many fields of business, length of contracts and size of contracts.



Financing with low risk

Castellum has chosen to operate the business at low financial risk. Selected risk measures are loan-to-value ratio (i.e. the proportion of the property value that may be covered by loans) and interest-coverage ratio (i.e. the ability of a company to cover its interest expenses).

For Castellum, the loan-to-value ratio will not permanently exceed 55% and the interest-coverage ratio will be at least 200%.

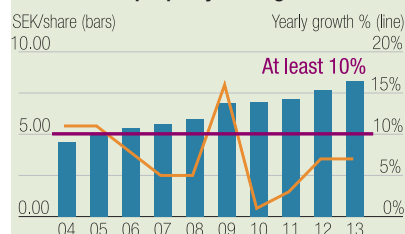
Funding is through credit and capital markets.



Overall objective

Castellum's overall objective is an annual growth in cash flow, i.e. income from property management per share, of at least 10%

Income from property management



Strategy for the property portfolio and its management

Development of commercial properties in growth regions

Geography and category

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 real estate portfolio shall consist of commercial properties with general and flexible premises for office, retail, warehouse, logistics and industry purposes.

Property 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 but also through acquisitions.

All investments shall 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.

Customer focus through local organizations

Customers

Castellum shall be perceived as a customer focused company. This is achieved by developing long-term relations and supplying premises and service meeting customer demands.

Organization and employees

Service and property management shall be delivered by a decentralized organization with wholly owned subsidiaries with strong local presence. Property

management shall be carried out mainly by own personnel.

Castellum shall have skilled and committed employees, which is achieved by being an attractive workplace with good development possibilities.

The business shall contribute to a sustainable development, in view of ecological, social and economic aspects.

Strategy for Funding

Strong balance sheet with low financial and operational risk

Capital structure

Castellum shall have low financial risk. The chosen risk key ratios are loan to value and interest coverage ratio. Purchase or transfer of own shares shall be available as a method for adjusting the company's capital structure to the company's capital need and as payment or funding of real estate investments. Company owned shares may not be traded for short term purpose of capital gain.

The stock and credit markets

Castellum will work for a competitive total return on the company's share relative to risk and also strive for high liquidity.

All actions will be made from a long-term perspective and the company will hold frequent, open and fair reports to shareholders, the capital and credit markets and the media, without disclosing any individual business relationship.

Low operational risk

Castellum's real estate portfolio have a geographical distribution to five Swedish growth region and shall consist of different types of commercial premises. The risk with in the customer portfolio shall be kept low.

Strategic tools

Investments

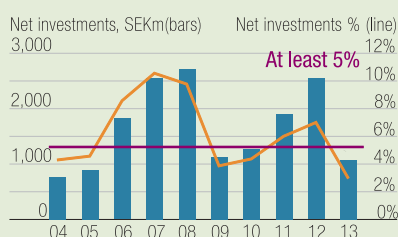
In order to achieve the overall objective of 10% growth, net investments of at least 5% of the property value will be made yearly. This is currently equivalent to approx. SEKm 1,900.

Subsidiaries

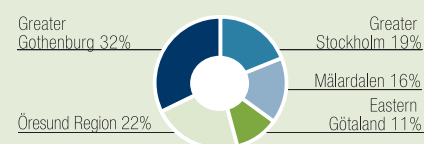
One of the three largest real estate owners in each local market.

Outcome

Net investments



Lease value per region



SEKm 1,081

net investments 2013

Strategic tools

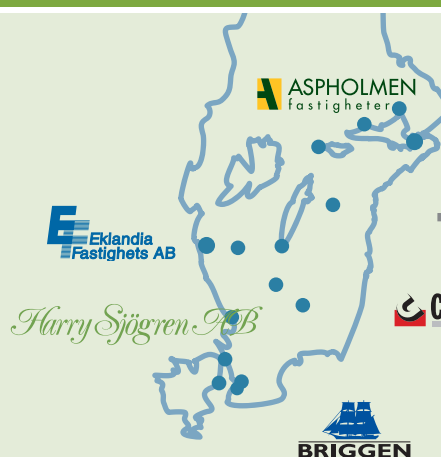
Customer and employees satisfaction

In order to develop the Group as well as customer relations, the customers' level of satisfaction shall be measured regularly. Customer and employees satisfaction shall constantly improve.

Environment

The energy use and CO₂ emission shall be reduced with at least 1% respectively 2.5% per sq.m. and year. All new construction shall be environmentally classified.

Outcome



NKI 76

Satisfied Customer Index 2013

NMI 86

Satisfied Employees Index 2013

Strategic tools

Capital structure

Loan to value ratio not permanently exceeding 55%. Interest coverage ration of at least 200%.

Dividend

At least 50% of pre-tax property management income shall be distributed. Investment plans, consolidation needs, liquidity and financial position in general will be taken into account.

The stock and credit markets

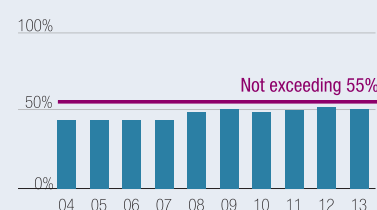
In the long term, Castellum shall be one of the largest listed real estate companies in Sweden.

Low operational risk

Risk within the customer portfolio shall be kept low using diversification over many fields of business, length and size of contracts.

Outcome

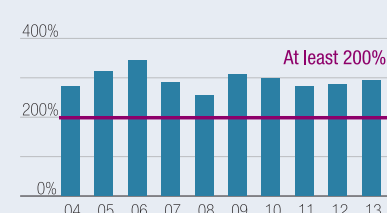
Loan to value ratio



52%

Dividend ratio 2013

Interest coverage ratio



4,600

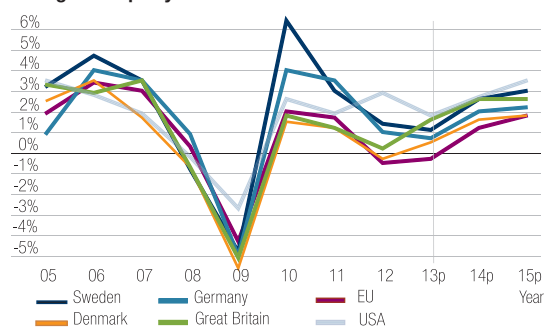
commercial contracts where single largest contact accounts for approx. 2%

Real estate portfolio



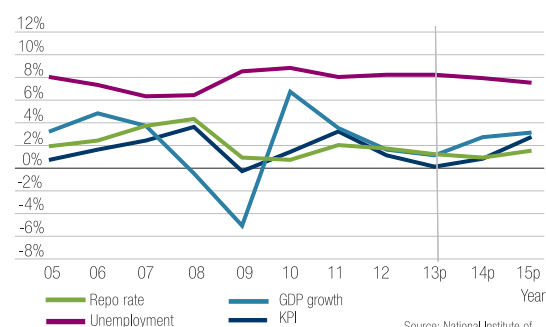
The rental market, i.e. the market for rental of premises (and rental levels), and the real estate market, i.e. the market for sales and purchasing of real estate properties, are both in a long term perspective depending on the development in the domestic economy. Sweden is in an strong urbanization trend where growth is concentrated in the long-term to medium-sized and larger regions, while the number of regions is reduced.

GDP growth per year



Source: National Institute of Economic Research in Sweden

Macro Sweden



Source: National Institute of Economic Research in Sweden

Market comments

Swedish economy

Sweden, with over 9.6 million inhabitants, is a country with an open and strong economy. This is primarily due to a stable and transparent business climate, high education levels, healthy public finances and high productivity. Sweden has long and extensive experience in international trade and international relations. This is evident from its relatively large share of world-leading corporations. The high export dependency of Swedish industry contributes to the fact that, historically, Sweden has shown the strong adaptability required to re-structure the economy during economic changes.

The Swedish economy was weak in 2013 and GDP growth for 2013 is expected to amount to less than 1%. Weak growth is mainly attributable to the Swedish export industry, which was adversely affected by weaker global demand. A strong domestic economy has contributed positively to GDP growth. The strong domestic demand can be attributed to increased household incomes, an unexpectedly strong employment growth and continued low interest rates.

As the global economy recovers, growth in the Swedish economy is also expected to regain momentum, although from a low level. This will have a positive impact on the labour market. Households continue to be the Swedish economic engine, and low interest rates – along with tax cuts – are expected to contribute to strong domestic demand.

However, the inflation rate is unexpectedly low and the Riksbank believes that inflationary pressures will remain low for some time to come. Hence, the Riksbank decided to cut the repo rate by 0.25 percentage points to 0.75% at its December meeting.

Macro indicators

Unemployment	7.5%	(December 2013)
Inflation rate	0.1%	(December 2013 compared to December 2012)
GDP growth	0.3%	(Q3 2013 compared to Q3 2012)

Source: SCB

Interest and credit markets

During the year, the interest-rate market was occasionally volatile. This was mainly due to concerns for, and consequences of, activities undertaken by the world's central banks. However, the underlying trend calls for rising long-term interest rates. At the beginning of the year, the 10-year swap rate was 2.10%, and at the end of the year it was 2.90%. When the interest rate decision was released in December, the Riksbank announced that the repo rate was expected to remain at its current level until the beginning of 2015. Then it might gradually start to rise.

Access to credit is estimated to remain stable in both credit and capital markets. Reduced uncertainty about future regulatory-framework and its impact on the credit market has resulted in slightly lower credit margins on new loans, compared with previous years.

Sweden's foreign trade Jan-Oct 2013 (10 months)

Export	Total SEKbn 909	Import	Total SEKbn 856
Norway	98	Germany	150
Germany	92	Norway	76
Finland	64	Denmark	70
Denmark	60	Netherlands	65
Great Britain	60	Great Britain	51
USA	57	Finland	48

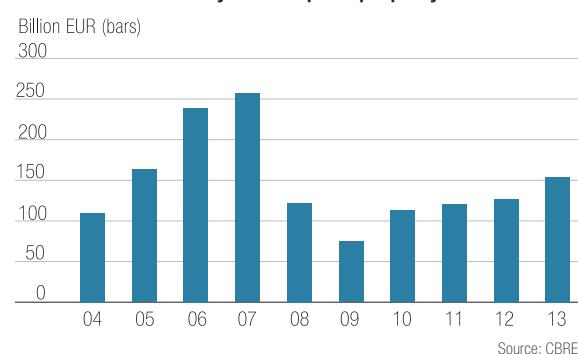
Source: SCB

European real estate market

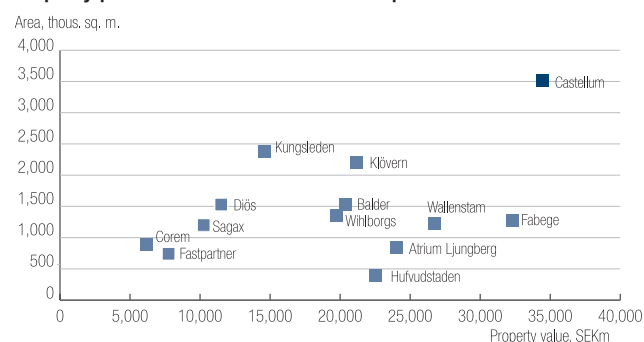
The transaction volume for the European real estate market totalled approx. EUR 154 billion (127), which is an increase of 21% compared with the previous year. Turnover for the fourth quarter of 2013 amounted to EUR 53 billion, and was the strongest quarter since 2007. In 2013, Great Britain accounted for the highest transaction volume, corresponding to EUR 56 billion, followed by Germany's EUR 30 billion. The Swedish transaction market represented approx. 6% (7%) of the European volume, which means that Sweden has the fourth largest turnover in Europe.

At year end, Castellum was the 17th largest listed real estate company in the European property market, in terms of market capitalization.

Transaction volume/year european property market



Property portfolio listed real estate companies



Source: Each company's interim report Q3 2013.
Companies with real estate value > SEKm 3,000.

Swedish real estate market

The Swedish real estate market comprises apartment buildings and industrial properties for a total assessed value of around SEK 2,800 billion. This corresponds to a market value of approx. SEK 3,700 billion. However, the real estate portfolio also includes properties that are not quite part of the commercial real estate portfolio. This includes certain customized buildings for industrial operations, as well as apartment buildings owned by housing cooperatives. Castellum is considered one of Sweden's largest real estate owners of commercial properties and owns 1-2% of Sweden's commercial real estate portfolio. In all, Swedish listed real estate companies own about 13% of the commercial real estate portfolio in Sweden.

In addition to the listed companies, the largest real estate owners in Sweden are public corporations as well as both Swedish and foreign institutional investors. Furthermore, Sweden contains a vast number of smaller real estate owners such as real-estate and construction companies, users and individuals.

In 2013, the Swedish real estate market was characterized by stability, a strong domestic interest and increased activity outside big-citys CBD. In total, the transaction volume for 2013 amounted to approx. SEK 100 billion (110). Transaction volumes for the first and fourth quarters were lower compared to the same quarters for 2012, but higher for the second and third quarters.

Swedish real estate companies dominated on both the seller

and buyer sides, and foreign buyers accounted for 13% (18%) of the volume. Compared with 2012, the proportion of transactions increased for both the residential and warehouse/logistics segments. Commercial real estate represented approx. 69% (79%) of the volume and major city areas approx. 58% (65%).

Castellum believes that demand will remain strong in all markets and segments, and that pricing will mainly remain stable. However, a slight increase in value has been recorded for central Stockholm and Göteborg during the second half of 2013.

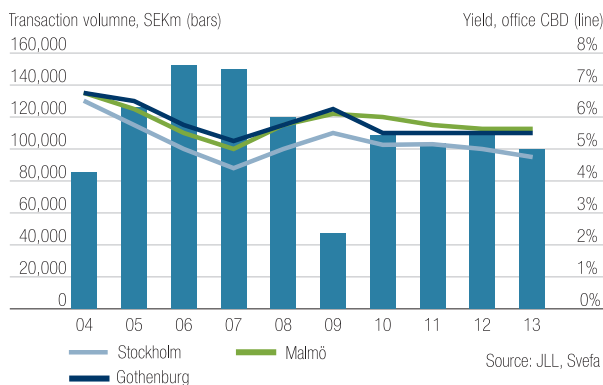
Swedish rentalmarket

The rental market is mainly dependent on growth in the Swedish economy, but is also affected by the volume of new constructions. Economic growth normally leads to an increasing demand for premises and, consequently, to a decreasing number of vacancies. This potentially leads to increased market rents which, in turn, facilitate new construction. A stagnation in growth leads to the reverse scenario.

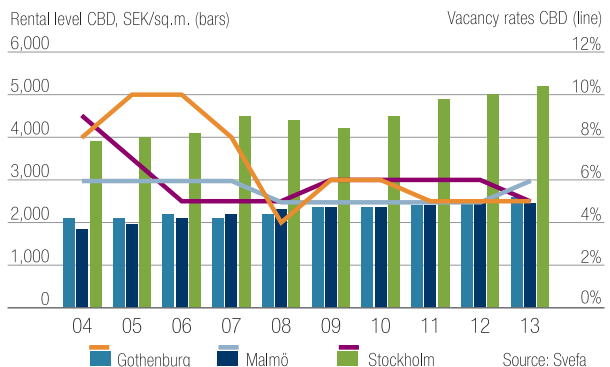
Since rental agreements normally are signed for 3-5 years, with nine months' notice of termination, changes in market rents will have relatively little impact on total rental income in the short run.

The rental market is still solid in all markets and segments. The demand for both newly constructed and existing facilities is high and rental levels generally remain unchanged. However, in locations where supply is limited – such as certain central, attractive locations and favourable logistics locations – slight increases in rental levels have been noted.

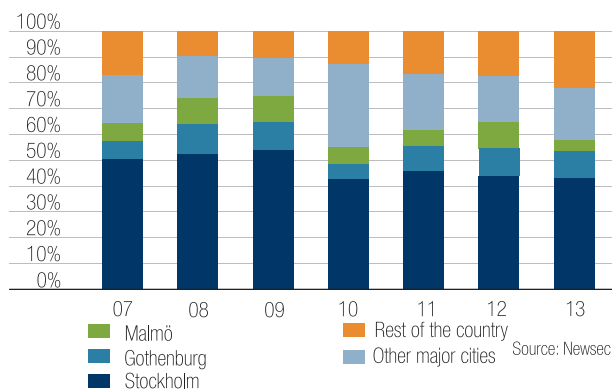
Annual transaction volume Sweden and yield major cities



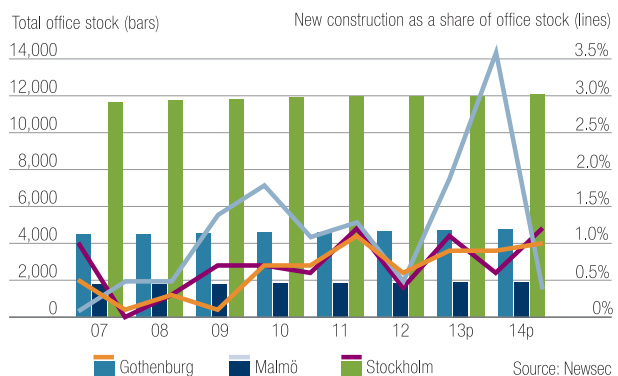
Rents and vacancy levels major cities



Transaction volume by geography



Office stock and new construction

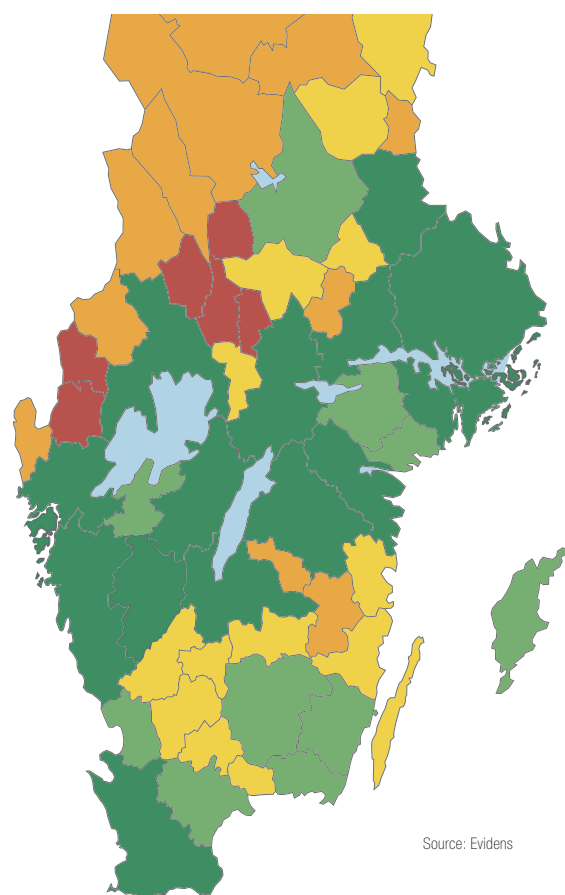


Castellum's markets

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. Sweden is in an strong urbanization trend where growth is concentrated in the long-term to medium-sized and larger regions, while the number of regions is reduced.

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 map shows the Swedish local labor markets where dark green indicates the local labor markets who has the highest increase of total wages during 2003–2012 in absolute figures and red the lowest.



Source: Evidens

Data per region

	Population	Population growth 2004-2013/year	Population growth 2004-2013 average/year	Students at university/college	Growth employment 2004-2013/year	Unemployment 2013	Growth wages total 2004-2013/year	Growth wages total 2013
The nation	9,600,000	0.8%	70,700		1.1%	8.5%	2.8%	2.5%
Borås	169,000	0.5%	900	9,000	0.9%	7.5%	2.6%	2.5%
Greater Gothenburg	1,121,000	1.0%	10,600	47,000	1.5%	7.3%	3.1%	3.0%
Halmstad	118,000	0.7%	800	8,000	1.2%	8.9%	3.1%	3.0%
Jönköping	214,000	0.7%	1,400	12,000	1.0%	7.2%	2.6%	2.6%
Copenhagen	1,749,000	0.8%	13,100	n/a	0.1%	n/a%	n/a.	n/a
Linköping	258,000	0.6%	1,500	23,000	0.8%	8.7%	2.5%	2.2%
Malmö	1,108,000	1.2%	12,200	58,000	1.5%	10.2%	3.2%	2.9%
of which Lund	115,000	1.4%	1,500	37,000	1.4%	6.0%	2.9%	2.7%
of which Helsingborg	134,000	1.1%	1,400	—	1.3%	11.1%	3.1%	2.9%
Greater Stockholm	2,218,000	1.5%	36,100	93,000	1.9%	6.8%	3.4%	2.9%
Uppsala	317,000	1.0%	3,100	41,000	1.4%	6.2%	2.9%	2.6%
Värnamo	33,000	0.2%	70	—	0.3%	7.2%	1.9%	1.9%
Västerås	235,000	0.5%	1,200	12,000	0.8%	10.3%	2.4%	2.2%
Växjö	134,000	0.7%	900	12,000	0.7%	9.9%	2.2%	2.2%
Örebro	234,000	0.7%	1,500	13,000	1.0%	9.3%	2.7%	2.4%

Source: Evidens and SCB (Statistics Sweden)

Castellum's real estate portfolio

Castellum is present on the nation's major growth regions and nearly 70% of Sweden's 9.6 million inhabitants live within Castellum's regional market areas. 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 parts with 73% of the portfolio is in the three major urban regions.

The commercial portfolio consists of 66% office and retail properties as well as 30% 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 4% consists of project and undeveloped land. Castellum owns approx. 785,000 sq.m. unutilized building rights.

On December 31, 2013 Castellum's real estate portfolio comprised 626 properties (635) with a total rental value of SEKm 3,726 (3,637) and a total lettable area of 3,623,000 sq.m. (3,621,000). For properties owned at the year-end the net operating income over the year was SEKm 2,158 (2,122).

During the year investments totalled SEKm 1,768 (2,798), of which SEKm 1,583 (1,279) were new constructions, extensions and reconstructions and SEKm 185 (1,519) were acquisitions. Of the total investments SEKm 523 related to Greater Gothenburg, SEKm 392 to Mälardalen, SEKm 339 to the Öresund Region, SEKm 291 to Greater Stockholm and SEKm 223 to Eastern Götaland.

After sales of SEKm 687 (253) net investments amounted to SEKm 1,081 (2,545).

Castellum has ongoing projects with remaining investments of approx. SEKm 1,000.

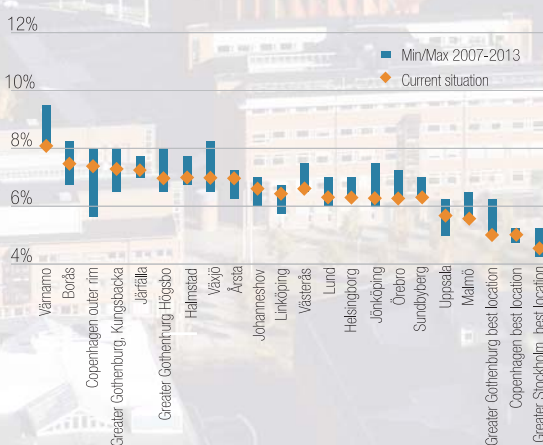
	Value SEKm	Number
Real estate portfolio January 1, 2013	36,328	635
+ Acquisitions	185	9
+ New constructions, extensions and reconstructions	1,583	—
– Sales	– 593	– 18
+ /– Unrealized changes in value	234	—
+ /– Currency translation	15	—
Real estate portfolio December 31, 2013	37,752	626

Market yield - warehouse / industrial



Source: Newsec, DTZ

Market yield - office



Source: Newsec, DTZ

Yield 2007 – 2013 (bars) respectively present situation (dots) according to Newsec (Swedish regions) and DTZ (Copenhagen) for a number of different geographical markets and segments in Castellum's property portfolio.

Property value and changes in value

The fair value of the properties at the year-end amounted to SEKm 37,752 (36,328), corresponding to SEK 10,285 per sq.m (9,916). 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 91% represents properties with right of possession and 9% is site leasehold.

Since the demand and prices have been generally stable no general yield change has been made in the internal valuations during the period.

The change in value in Castellum's portfolio during the period amounted to SEKm 328 (–69), of which approx. SEKm 220 refers mainly to project gains but also acquisitions, approx. SEKm 14 net refers to revaluation of individual properties regarding both cashflow, yield and value of building rights and approx. SEKm 94 refers to 18 sold properties. The net sales price amounted to SEKm 687 after reduction for assessed deferred tax and transaction costs of SEKm 31 in total. Hence the underlying property price, which amounted to SEKm 718, exceeded the latest valuation of SEKm 593 with SEKm 125, mainly due to sales of properties with changed use as infrastructure and future residential development.

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.

Average valuation yield (SEKm)

(excl. project/land and building rights)	2013	2012
Net operating income properties	2,341	2,293
+ Index adjustment 2014, 1% (1%)	35	34
+ Real occupancy rate 94% at the lowest	279	268
– Property administration 30 SEK/per sq.m.	– 107	– 105
Normalized net operating income	2,548	2,490
Valuation (excl building rights of SEKm 574)	35,613	34,245
Average valuation yield	7.2%	7.3%

Rental income

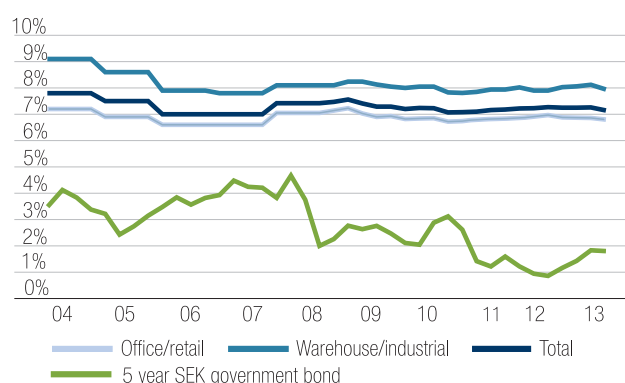
Group rental income amounted to SEKm 3,249 (3,073).

For office and retail properties, the average contracted rental level, including charged heating, cooling and property tax, amounted to SEK 1,263 per sq.m. (1,257), whereas for warehouse and industrial properties, it amounted to SEK 765 per sq.m (744). Rental levels, which are considered to be in line with the market, have in comparable portfolio increased by 1% compared with previous year, which mainly is an effect from indexation and can be compared with the usual industry index clause (October to October), which was 0.4% in 2013. Castellum's higher indexation is due to the Groups focus on index clauses with minimum upward adjustment in the contract portfolio, which offers some protection against deflation and a higher than usual indexation in a low inflationary environment.

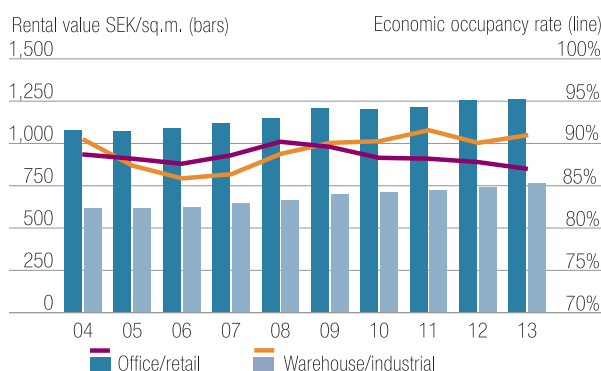
The average economic occupancy rate was 88.4% (88.6%). The total rental value for vacant premises during the year amounted to approx. SEKm 467 (447).

The rental income for the period includes a lump sum of SEKm 11 (8) as a result of early termination of a lease.

Average valuation yield over time



Rental value and economic occupancy rate



Gross leasing (i.e. the annual value of total leasing) during the year was SEKm 366 (327), of which SEKm 96 (79) were leasing of new constructions, extensions and reconstructions. Notices of termination amounted to SEKm 261 (278), of which bankruptcies were SEKm 23 (28) and SEKm 18 (40) were notices of termination with more than 18 months remaining length of contract. Hence net leasing for the year was SEKm 105 (49).

The time difference between reported net leasing and the effect in income thereof is estimated to be between 9-18 months. The net leasing has been different in Castellum's regions, which is shown below.

Net leasing

SEKm	Greater Gothenburg	Öresund area	Greater Stockholm	Mälardalen	Östra Götaland	Total
New leases						
Existing properties	65	62	60	60	23	270
Investments	44	6	16	16	14	96
Total	109	68	76	76	37	366
Notices of termination						
Notices of termination	- 59	- 69	- 38	- 46	- 26	- 238
Bankruptcies	- 6	- 2	- 4	- 4	- 7	- 23
Total	- 65	- 71	- 42	- 50	- 33	- 261
Net leasing	44	- 3	34	26	4	105

Property costs

Property costs amounted to SEKm 1,105 (1,042) corresponding to SEK 307 per sq.m. (298). The increase is mainly an effect of higher costs for snow removal during first half-year compared to previous year but also higher property tax due to increased tax values of in average 10%. Most of the

Property costs

SEK/sq.m.	Office/ retail	Warehouse/ industrial	2013 Total	2012 Total
Operating expenses	196	120	161	156
Maintenance	45	23	35	37
Ground rent	8	7	7	7
Property tax	68	21	47	44
Direct property costs	317	171	250	244
Leasing and property administration (indirect)	-	-	57	54
Total	317	171	307	298
<i>Previous year</i>	<i>311</i>	<i>168</i>	<i>298</i>	

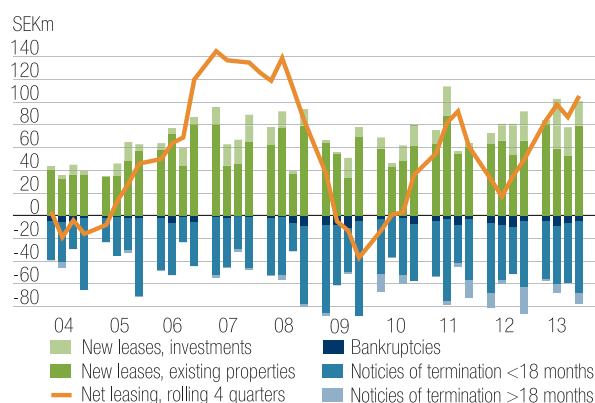
property tax are charged the tenants, why the impact on earnings is marginal. Consumption for heating during the year has been calculated to 96% (97%) of a normal year according to the degree day statistics.

Rental losses, i.e. charged not paid rents with the risk of loss, amounted to SEKm 6 (10), corresponding to 0.2% (0.3%) of rental income.

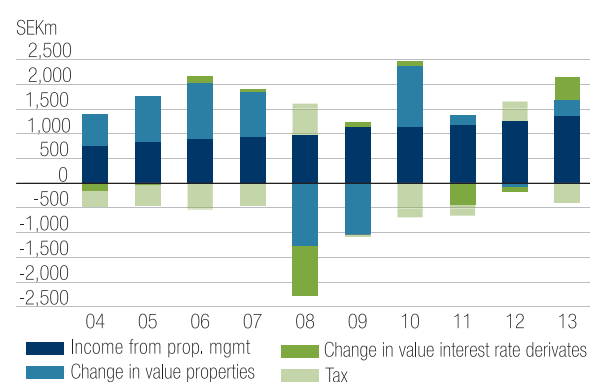
Income over time

Income from property management over the past 10 years shows stable development and has grown by an average of 7% per year. Property values have been volatile over the past 10 years with average growth of 1.4% per year which is well in line with the inflation.

Net leasing per quarter



Income over time



Castellum's real estate portfolio 31-12-2013

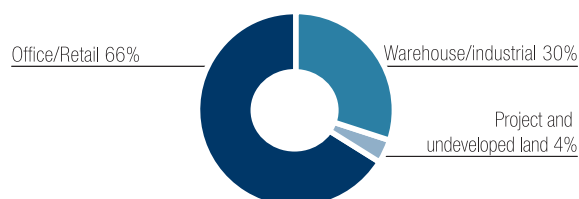
	31-12-2013				January-December 2013						
	No. of properties	Area, thous. sq. m.	Property value SEKm	Property value SEK/sq. m.	Rental value SEKm	Rental value SEK/sq. m.	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq. m.	Net operating income SEKm
Office/retail											
Greater Gothenburg	80	442	6,723	15,226	589	1,335	92.1%	543	136	306	407
Öresund Regionen	66	403	5,968	14,818	572	1,420	83.3%	476	143	355	333
Greater Stockholm	50	340	4,410	12,961	466	1,369	81.9%	381	104	307	277
Mälardalen	71	393	4,330	11,018	432	1,098	90.3%	390	123	312	267
Eastern Götaland	57	341	3,378	9,910	363	1,066	87.2%	317	102	299	215
Total office/retail	324	1,919	24,809	12,932	2,422	1,263	87.0%	2,107	608	317	1,499
Warehouse/industrial											
Greater Gothenburg	100	648	5,076	7,828	493	761	96.5%	476	103	159	373
Öresund Regionen	43	315	1,961	6,213	233	739	89.1%	208	57	181	151
Greater Stockholm	51	274	2,493	9,089	270	985	85.2%	230	58	213	172
Mälardalen	38	184	1,099	5,979	132	719	91.1%	120	34	187	86
Eastern Götaland	31	178	749	4,216	96	537	85.2%	81	21	118	60
Total warehouse/industrial	263	1,599	11,378	7,112	1,224	765	91.1%	1,115	273	171	842
Total	587	3,518	36,187	10,285	3,646	1,036	88.4%	3,222	881	250	2,341
Leasing and property administration									202	57	- 202
Total after leasing and property administration									1,083	307	2,139
Project	16	105	1,312	—	80	—	—	37	18	—	19
Undeveloped land	23	—	253	—	—	—	—	—	—	—	—
Total	626	3,623	37,752	—	3,726	—	—	3,259	1,101	—	2,158

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 2,158 accounted for above and the net operating income of SEKm 2,144 in the income statement is explained by the deduction of the net operating income of SEKm 25 on properties sold during the year, as well as the adjustment of the net operating income of SEKm 39 on properties acquired/completed during the year, which are recalculated as if they had been owned or completed during the whole year.

Property related key ratio

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq. m.	1,036	1,015	995	974	969	921	896	864	851	859
Economic occupancy rate	88.4%	88.6%	89.3%	89.0%	89.8%	89.7%	87.9%	87.1%	88.1%	89.6%
Property costs, SEK/sq. m.	307	298	300	298	300	268	262	259	247	255
Net operation income, SEK/sq. m.	608	601	589	569	571	559	527	494	502	514
Fair value, SEK/sq. m.	10,285	9,916	9,835	9,499	9,036	8,984	9,098	8,466	7,930	7,706
Number of properties	626	635	617	598	590	587	549	515	494	492
Lettable area, thousand sq. m.	3,623	3,621	3,411	3,311	3,199	3,172	3,003	2,787	2,651	2,505

Property value by property rate



Property value by region



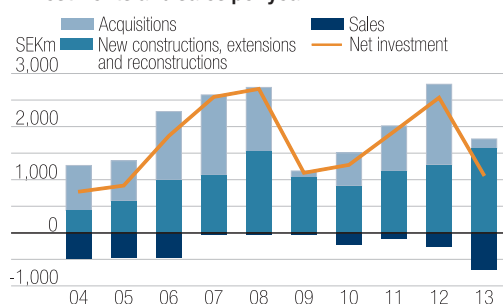
Investments



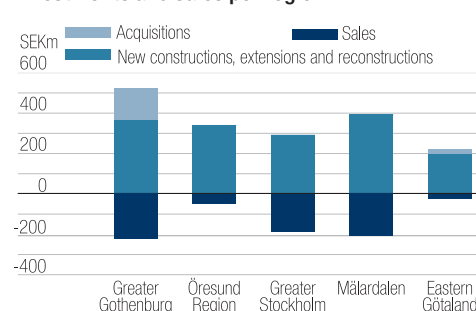
Castellum's strategy for growth includes constant improvement and development of the real estate portfolio by new constructions, reconstructions and extensions as well as acquisitions. The investments are made in order to improve cash flow and increase the value of the properties. New development projects 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 SEK 19 billion, which means SEKm 1,900 on average per year.

Investments and sales per year



Investments and sales per region



Larger completed projects during 2013

Lindholmen 28:3 in Gothenburg

Location Lindholmen Science Park in Gothenburg

Area 9,459 sq.m.

Time plan Completed Q2, 2013

During the first quarter 2011 Castellum acquired land with building right on Lindholmen, Gothenburg, which is adjacent to the company's existing

property and a new construction of an office-building comprising 9,459 sq.m. started the same year. The new construction was completed during 2013 according to Green Building-standard. The investment amounted to SEKm 280 and has an occupancy rate of 76%.

• Green Building



Fullriggaren 4 in Malmö

Location Västra Hamnen in Malmö

Area 5,599 sq.m.

Time plan Completed Q1, 2013

In Västra Hamnen, Malmö, Castellum has completed a new construction of 5,599 sq.m. office premises. The building has a flexible construction

with six floors and is completed according to the environmental system Miljöbyggnad and Green Building-standard. The investment amounted to SEKm 157 and the new construction has an occupancy rate of 46%.

• Miljöbyggnad
• Green Building



Atollen 3 in Jönköping

Location Central Jönköping

Area 5,961 sq.m.

Time plan Completed Q4, 2013

In central Jönköping a new construction of 5,961 sq.m. office, retail and residential premises has been completed. The new construction is the first

stage in a larger project comprising 10,470 sq.m. in total. Atollen 3 is completed according to the environmental system Miljöbyggnad.

The investment amounted to SEKm 153 and the new construction has an occupancy rate of 34%.

• Miljöbyggnad



Sändaren 1 in Malmö

Location Jägersro in eastern Malmö

Area 12,150 sq.m.

Time plan Completed Q4, 2013

During 2010 Castellum acquired the property Sändaren 1 in Malmö where a reconstruction and extension of 12,150 sq.m. has been completed

during 2013. The reconstruction and extension is completed in accordance with the environmental system Miljöbyggnad and Green Building-standard. The investment amounted to SEKm 128 and the occupancy rate in Sändaren 1 is 94%.

• Miljöbyggnad
• Green Building



Larger completed projects 2013

Name of property	Area, thousand sq. m.	Econ. occup. January 2014	Total investment, SEKm	Completed	Comment
Lindholmen 28:3, Gothenburg	9,459	76%	280	Q2 2013	New construction office
Fullriggaren 4, Malmö	5,599	46%	157	Q1 2013	New construction office
Atollen 3, Jönköping	5,961	34%	153	Q4 2013	New construction office/retail/residential
Sändaren 1, Malmö	12,150	94%	128	Q4 2013	Reconstruction and extension office
Gården 15, Linköping	9,705	62%	116	Q1 2013	New construction office/retail/warehouse
Visiret 2, Huddinge	12,357	100%	71	Q2 2013	New construction parking deck
Åby 1:223, Haninge	6,553	0%	67	Q3 2013	New construction warehouse/logistic
Inköparen 1, Örebro	4,300	100%	66	Q2 2013	New construction office
Rosersberg 11:34, Sigtuna	4,290	89%	40	Q2 2013	New construction warehouse/office
Ättehögen 18, Jönköping	3,220	100%	39	Q1 2013	New construction workshop areas
Grusbacken 3, Helsingborg	2,508	100%	38	Q3 2013	New construction office/warehouse
Pallisaden 1, Huddinge	2,184	100%	36	Q4 2013	New construction commercial



Green Building means the the energy consumption is 25% lower than the energy requirements in Boverkets building regulations. "Miljöbyggnad" is a certification system that aims to create environmentally sustainable buildings. It takes into account energy, indoor environment and building materials.



8,900 sq.m.

9,459 sq.m.

In June 2013, ground was broken for a new Semcon headquarters at Lindholmen — a convenient area in Gothenburg when future urban development is considered. The new building comprises 8,900 thousand sq. m. and will be the workplace of 500 people. Architect Magnus Månsson at Semrén & Månsson says: *“Semcon’s new headquarters feature a manifest contact with water, both from the inner room and through the possibility to easily step outside and sit on the pier.”*



Facts about Lindholmen

The Lindholmen area in Gothenburg has evolved from a shipyard area to an international development environment with collaboration between local business life, universities and the community. The development of Lindholmen Science Park started around the turn of 1999/2000 when Chalmers and Gothenburg City jointly decided to initiate a science park at Lindholmen. The Lindholmen Science Park focuses on areas of transportation, information and communication technology – and media. Today, Lindholmen is home to more than 350 companies, with a total of 11,000 employees.

In the Lindholmen area, Castellum owns three properties, totalling 34 thousand sq. m. In 2013, Castellum completed the Aurora property, Lindholmen 28:3, and construction commenced for the Lundbyvassen 8:1 property. The new construction involves an office building of 8,900 sq. m., next door to the Swedish Television building. The property will be ready for occupancy in the fourth quarter of 2014 and is being erected following the Green Building Standard.

Thoughts of the architect

The new office building Lundbyvassen 8:1 is linked to the history of the area, which was dominated by mechanical workshops and industries related to shipbuilding and repair. Here, a modern workplace has been constructed to comply with demands for sustainability, accessibility and efficient use of space.

The design of the building is based on a Nordic idiom, mixing different materials such as stone, glass and wood. To incorporate the rustic character of the quay into the building, granite was used on terraces and floors. A double facade in two layers was used to create an airy and spacious impression. For low energy consumption there is a natural draft between the layers of façade, as well as solar shading.

• Green Building



Lundbyvassen 8:1 Gothenburg

Larger ongoing projects

Lundbyvassen 8:1 in Gothenburg

Location Lindholmen Science Park in Gothenburg

Area 8,900 sq.m.

Time plan Completed Q4, 2014

In central Gothenburg Castellum has during 2013 started a new construction of a fully let office building of 8,900 sq.m. The property is well

situated considering future urban development and in connection to Castellum's existing portfolio. The new building will be constructed in accordance with the environmental system Green Building.

The investment is calculated to SEKm 219.

• Green Building



Dragarbrunn 20:4 in Uppsala

Location Dragarbrunn in central Uppsala

Area 10,020 sq.m.

Time plan Completed Q4, 2014

In central Uppsala an investment is ongoing consisting a reconstruction of 6,320 sq.m. and an extension of 3,700 sq.m. into modern office

premises. The reconstruction and extension will be completed in accordance with the environmental system Miljöbyggnad.

The investment is calculated to SEKm 198 and has an occupancy rate of 87%.

• Miljöbyggnad



Algen 1 in Jönköping

Location Munksjön in central Jönköping

Area 4,509 sq.m.

Time plan Completed Q1, 2015

In central Jönköping Castellum started during 2013 the second phase in the development in the Atollen-area, which is carried out together

with several partners. Castellum's part consists of 10,470 sq.m. in total. The new construction comprises of 4,509 sq.m. office, retail and restaurant premises. The reconstruction and extension will be completed in accordance with the environmental system Miljöbyggnad. The investment is calculated to SEKm 136 and has an occupancy rate of 15%.

• Miljöbyggnad



Jägmästaren 1 in Linköping

Location Djurgården in Linköping

Area 7,750 sq.m.

Time plan Completed Q1, 2015

During 2013 Castellum has started a new construction in the Djurgården area in Linköping, which in the new city district under construction.

Castellum's new construction comprises a retail building of 7,750 sq.m. according to the environmental system Miljöbyggnad.

The investment is calculated to SEKm 109 and has an occupancy rate of 93%.

• Miljöbyggnad



Spejaren 3 in Huddinge

Location Smista Allé, Kungens Kurva, Huddinge

Area 6,331 sq.m.

Time plan Completed Q4 2014

In connection with Castellum's existing portfolio in Smista Allé Castellum has started a fully let

new construction of 6,331 sq.m. premises for car sales of which approx 3,000 sq.m. is parking facilities. The new construction will be completed in accordance with the environmental system Green Building.

The investment is calculated to SEKm 83.

• Green Building



Kulan 3 in Helsingborg

Location The Berga area in Helsingborg

Area 9,689 sq.m.

Time plan Completed Q2 2014

In Berga, Helsingborg, Castellum has started a new construction of 9,689 sq.m. flexible logistic

premises which will serve as a Nordic distribution centre. The building will be completed according to the environmental systems Miljöbyggnad and Green Building.

The investment is calculated to SEKm 82 and is fully let.

• Miljöbyggnad
• Green Building



Solsten 1:108 in Härryda

Location Mölnlycke Business park in Gothenburg

Area 6,516 sq.m.

Time plan Completed Q3, 2014

In Mölnlycke Business Park with direct access to the highway and near Landvetter airport,

Gothenburg, Castellum has started a new construction during the third quarter of a fully let logistic building of 6,516 sq.m. The building will be completed according to Green Building standard.

The investment is calculated to SEKm 58.

• Green Building



Högspänningen 1 in Västerås

Location Workingarea Tunbytorp in Västerås

Area 4,040 sq.m.

Time plan Completed Q1, 2014

In the area Tunbytorp, Västerås, Castellum owns approx. 20 properties and during 2013 has a new

construction started on a unutilized building right. The new construction will consist of 4,040 sq.m. flexible logistic and office premises and will be completed according to Green Building-standard.

The investment is calculated to SEKm 47 and has an occupancy rate of 70%.

• Green Building



Boländerna 35:1 in Uppsala

Location Boländerna in Uppsala

Area 8,750 sq.m.

Time plan Completed Q1, 2014

At the end of 2012 Castellum started a reconstruction of a retail building of 8,750 sq.m. in

the area Boländerna, Uppsala.

The investment is calculated to SEKm 38 and has an occupancy rate of 65%.



Boländerna 8:11 in Uppsala

Location Boländerna in Uppsala

Area 1,060 sq.m.

Time plan Completed Q1, 2014

In the area Boländerna, Castellum has started a extension of 1,060 sq.m. office premises. The

property is located near the companys existing portfolio.

The investment is calculated to SEKm 27 and has an occupancy rate of 93%.



Larger ongoing projects 2013

Name of property	Area, thousand sq. m.	Econ. occup. January 2014	Investment, SEKm		Completed	Comment
			Total	Remaining		
Lundbyvassen 8:1, Gothenburg	8,900	100%	219	137	Q4 2014	New construction office
Dragarbrunn 20:4, Uppsala	10,020	87%	193	35	Q4 2014	Reconstruction and extension office
Algen 1, Jönköping	4,509	15%	136	83	Q1 2015	New construction retail/office/restaurant
Jägmästaren 1, Linköping	7,750	93%	109	82	Q1 2015	New construction retail
Spejaren 3, Huddinge	6,331	100%	83	61	Q4 2014	New construction commercial
Kulan 3, Helsingborg	9,689	100%	82	21	Q2 2014	New construction logistic
Solsten 1:108, Härryda	6,516	100%	58	41	Q3 2014	New construction warehouse
Högspänningen 1, Västerås	4,040	70%	47	12	Q1 2014	New construction logistic/office
Boländerna 35:1, Uppsala	8,750	65%	38	10	Q1 2014	Reconstruction retail
Boländerna 8:11, Uppsala	1,060	93%	27	10	Q1 2014	Extension retail

In central Jönköping, Castellum subsidiary Fastighets AB Corallen has started new production, totalling 10,470 sq. m. of office, retail and residential space in the Atollen project. Atollen is a whole new section of central Jönköping, with a unique location in close proximity to existing shopping streets, entertainment and culture. In development here is an around-the-clock living environment adapted to modern lifestyles. Being situated east of the waterfront makes the location even more unique and attractive.



10,470 sq.m.



Facts about Atollen

Atollen, along with Asken and Algen, are three new blocks being built close to lake Munksjön in central Jönköping. The area will be developed in three phases and a total of 42,000 sq.m. will be erected.

In addition to approx. 13,000 sq. m. designated for retail stores, restaurants and coffee shops, the three blocks will house residential units, offices and a multi-story car park comprising 400 parking spaces. The area is being developed in collaboration with the municipality of Jönköping and three parties, one of which is Fastighets AB Corallen. The entire project is scheduled for completion in 2015.

Fastighets AB Corallen is carrying out new construction for a total 10,470 sq. m. of office, retail and residential space in the Atollen project. Total investment is expected to amount to SEKm 289, and the first phase of 5,961 sq. m. was completed in the last quarter of 2013. Phase two of 4,509 sq.m. will be completed during the first quarter of 2015.

New buildings in the project are being erected in accordance with the environmental certification system Miljöbyggnad.

Thoughts of the architect

“The Atollen blocks enrich the city centre of Jönköping. Their connection to water in the west helps strengthen the whole city notion. By extending existing streets, the city once again reaches all the way down to the water-mirror of Munksjön where the sunniest meeting places and squares of Jönköping are formed within the framework of this project. The blocks step down towards the water and the elevated residential inner courtyards open up towards the light and offer high-quality residential space. Our hopes and ambitions are that the inner, higher density street environments – flanked by buildings of varying expression and ambitious material choices – will provide the basis for new, secure meeting places for socializing and shopping. From a top-down perspective, the buildings distinguish themselves as components of progressive urban development by their green roofs, photovoltaic facades and transparent surfaces,” says architect Gunilla Gustafsson, Tengbom.



Larger acquisitions during 2013

Kärä 78:8, 78:12-13 and 80:6 in Gothenburg

Location Working area Tagene in Gothenburg

Area 8,400 sq.m.

Access May 2013

In May 2013 Castellum acquired four properties of 8,400 sq.m. in the Tagene-area in Gothenburg.

The properties are located near the company's existing portfolio and consists of 6,800 sq.m. warehouse and 1,600 sq.m. office/retail and are fully let.

The investment amounted to SEKm 77.



Kärä 78:12 - 78:13, Gothenburg

Högsbo 20:11 in Gothenburg

Location Southern Högsbo in Gothenburg

Area 2,700 sq.m.

Access May 2013

Castellum acquired during 2013 a property in the Högsbo area, Gothenburg, which consists of 2,700

sq.m. office premises. The property is located near the company's existing portfolio and comprises a unutilized building right of 6,000 sq.m. The building has an occupancy rate of 30% and the investment amounted to SEKm 34.



Larger acquisitions 2013

Property	Area, sq. m.	Econ. occup.- Jan 2014	Acquisition- SEKm	Access	Category
Kärä 78:8, 78:12-13 and 80:6, Gothenburg	8,400	100%	77	May 2013	Warehouse/workshop areas
Högsbo 20:11, Gothenburg	2,700	30%	34	May 2013	Office

Larger sales during 2013

Property	Area, sq. m.	Underlying prop. price, SEKm	Trans. costs deferred tax, SEKm	Net sales price, SEKm	Vacated	Category
Vindrutan 1, Kungsängen 24:3 and 29:1, Uppsala	12,163	194	- 13	181	Nov 2013	Retail
Backa 18:7 and 18:10, Gothenburg	16,930	141	- 1	140	July 2013	Warehouse
Linaberg 15, Mariehäll	4,340	62	- 5	57	Sept 2013	Office/warehouse
Alphyddan 11, Stockholm	4,363	54	- 4	50	Feb 2013	Office
Björnen 6, Malmö	2,200	50	- 3	47	Sept 2013	Office
Veddesta 2:23, Järfälla	6,100	42	0	42	Sept 2013	Retail/warehouse
Högsbo 4:1, Gothenburg	4,564	32	- 1	31	Feb 2013	Warehouse/office
Tuve 87:1, Gothenburg	4,536	32	- 1	31	Dec 2013	Warehouse/office



Nordstaden 2:16, Gothenburg

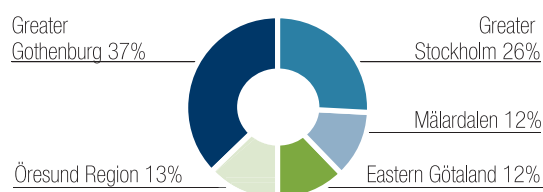
Building Rights and Potental Development Projects

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 approx. 785,000 sq.m. unutilized building rights. For a number of the unutilized building rights there are finalized project plans which can be started relatively promptly.

Unutilized building rights are valued at SEKm 854 corresponding to approx. SEK 1,100 per sq.m. on average. Of the building rights approx. 257,000 sq.m. corresponding to approx. SEKm 280 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 2013 Castellum has utilized 42,000 sq.m. of the existing building rights.

Building rights by region and sq.m.



The strong urbanization trend in Sweden is leading to strong population growth in major city regions. This, in combination with a lack of housing, imposes the need for new constructions and, hence, for the conversion of primarily older office and industrial areas into residential space. This process is especially prevalent in Stockholm, where population growth and demand are strong and the housing shortage is substantial. Moreover, the conversion from commercial activities to residential space reflects an overall urban development towards higher density urban construction and a more highly dimensioned city mix.

In submarkets where conversions are underway or are expected to occur, a leased commercial property can have a higher value as a residential building-right than as a commercial property. This affects property value. The size of the value impact depends on several factors. The most significant of these is the zoning development plan, i.e. the probability for future development, the permitted building-rights volume and the development timeframe.

In Castellum submarkets, such as Bromma/Mariehäll and Johanneshov in Stockholm, there is an ongoing, gradual conversion of older office and industrial premises into residential space. However, as the city grows, new areas are being added to the list of areas subject to conversion. Currently, Castellum has a handful of properties with potential residential building rights which – within a three-year period, provided that the zoning plan is adopted – have an estimated value of SEKm 200-400. During 2013, Castellum sold two commercial properties in Stockholm to housing developers whose aim is to build homes.

Urban development

Urban development is complex and can be carried out in a number of ways within different societal structures. Castellum works actively with real estate development, project development and early stages of urban development. We participate actively in the various phases of zoning plan and development. Each subsidiary is an active player in the growth region where it operates and maintains a close dialogue and collaboration with municipalities and stakeholders.

It is time-consuming to participate in zoning plan processes and project development from "soup to nuts", i.e. all the way from drawing up a detailed plan to the finished building ready for occupancy. When it comes to local planning, Castellum's strengths are local presence, expertise, investment power and long-term commitment.

The figure illustrates an overview of the different phases of the zoning plan process.



Customers

Thanks to a local presence, Castellum's employees develop close relationships with their customers, as well as knowledge about their requirements along with local situations and developments. High-quality and long-term customer relations are a prerequisite for creating growth at Castellum. The work is regularly followed up in customer questionnaires. The Customer Satisfaction survey carried out during 2013 shows that 96% of the respondents reply that they are willing to lease from Castellum again and gladly recommend Castellum as a landlord to others.

During the year a high leasing activity has been carried out, resulting in new contracts with a total annual value of SEKm 366.

Being close to the customer

Castellum's organization, comprised of locally based subsidiaries, provides a close relationship to the customer and a short decision-making process. Castellum employees work close to the market, which means natural access to fresh information about customers' current and future operations. Customers can thereby be offered premises suited to their needs and benefit from optimal personal service and quick answers.

Castellum, as one of the largest real estate owners on local markets, also contributes to the development of major sites where local subsidiaries operate through co-operation with municipalities and local networks, such as corporate associations.

The subsidiaries regularly distribute information through customer newspapers and websites.

Satisfied customers

It is vital that Castellum meets customer expectations. To evaluate and follow up on our efforts, an external customer survey is carried out annually: the Satisfied Customer Index. The survey shows general customer opinion about Castellum as well as how well Castellum performs in the areas of: service, business relationships, indoor premises, property condition, environmental questions and information.

The survey carried out in 2013 – which included offices, retail, warehouses and industry – comprised a majority of Castellum's major customers. The survey continues to show consistently high marks for Castellum, with a weighted

index of 76 out of 100. This is higher than the industry benchmark. Service willingness shows the highest index and includes parameters such as personal attention, service and availability.

A significant portion of the customers surveyed, 96%, reply that they are willing to lease from Castellum again and gladly recommend Castellum as a landlord to others.

Castellum's customers reflect Swedish business life

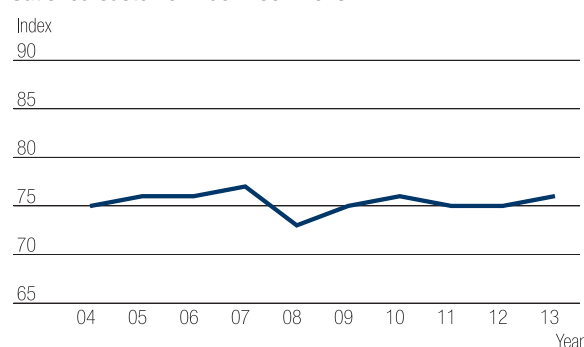
Castellum has balanced risk distribution in the commercial contracts regarding geography, type of premises, size, length of contracts and customer industry. This means that Castellum's commercial contracts reflect Swedish trade and industry, as well as the Swedish economy, generally.

Castellum has approx. 4,600 commercial contracts and the single largest contract accounts for approx. 2% of Castellum's total rental income.

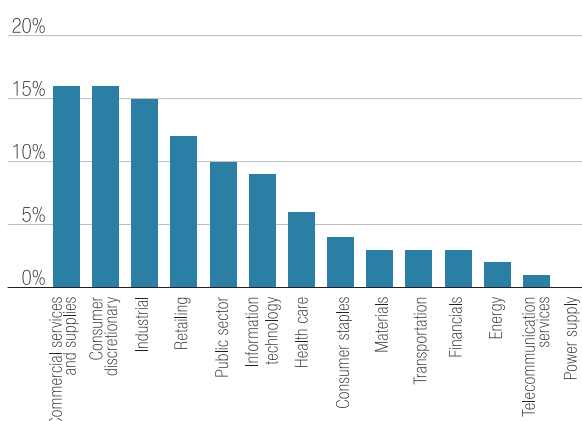
Leasing activity

Castellum enjoys high leasing activity. During 2013, the Group signed 716 new leases with a total annual value of SEKm 366. Robust leasing activities indicate the importance of taking care of customers and networks. Of the newly signed leases, 75% came from Castellum's own networks, recommendations or existing customer expansions, while 15% originated from websites and the remaining 10% came through agents.

Satisfied Customer Index 2004-2013



Distribution of leases by industry

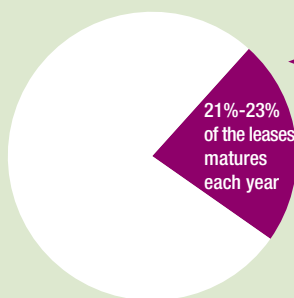


Rental and renegotiation process



SEKm 3,200

Castellum has 4,600 commercial contracts corresponding to a rental income of approx. SEKm 3,200 Mkr.



- 11%-12% are prolonged on unchanged terms
- 7%-8% are given notice by the customer
- 2% are given notice for renegotiation by the customer
- 1% are given notice for renegotiation by Castellum

SEKm +366

During 2013 the organization signed 716 new leases with a total annual value of SEKm 366. 75% came from Castellum's own contacts.



of Castellum's employees works with customer relations and property management matters.

Green leases

A green lease is a contract between the property owner and the customer. Both parties collaborate on issues such as energy efficiency and indoor environment, choice of building material and source-separation of waste. The aim is to reduce environmental impact at the premises.

Castellum offers green leases to both current and new customers. In practice, this means that a clause is added to the customary lease stating concrete measures to be taken by both Castellum and customer to combine their efforts towards a better environment. The Group currently holds 17 green leases – corresponding to 58 thousand sq. m. Of these, 15 green leases were signed in 2013.

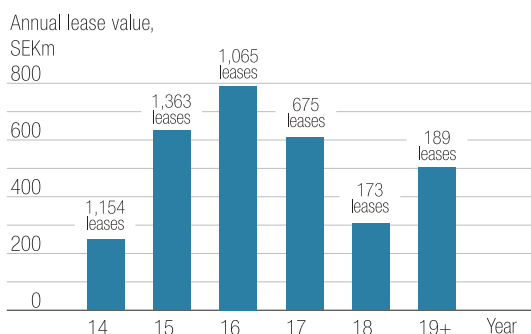
Commercial leases

Commercial leases are generally signed for 3–5 years, with a 9-month notice period, and are paid quarterly in advance. The rental level can change when the lease in question is due for renegotiation.

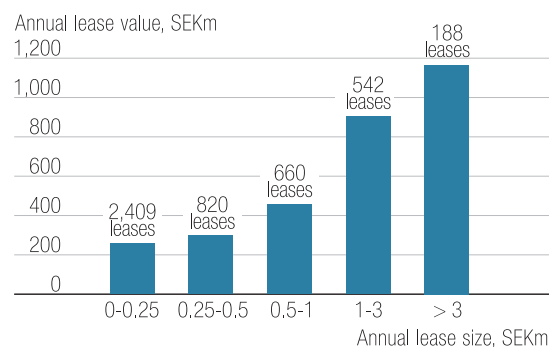
Leases usually include a base-rent – i.e. the rent agreed upon when signing the contract – and an index clause that provides for an annual adjustment of the rent: either as a certain percentage of previous year's inflation or as a minimum upward adjustment of a set percentage.

A lease may also contain an addendum for the tenant's share of the property's total heating, cooling and property-tax costs.

Lease maturity structure



Lease size structure



Responsible business

For Castellum to meet the challenges ahead and continue to develop the business, a sustainability approach is required from an economic, social and environmental perspective. Castellum's strategy of being a long-term owner that prioritizes satisfied customers and employees is a natural impetus for sustainability efforts.

As a driving force in society, Castellum takes responsibility and exerts influence by acting on a long-term basis within the realm of property management. The Group also collaborates with stakeholders to contribute to the development of the areas where our business is conducted.

Sustainable business

Castellum is a long-term property owner and long-term perspective governs all actions from ownership and management to customer relations and finance. The Group's commercial property portfolio has been developed and refined based on customers and their needs, and it focuses on long-term customer relations. The long-term perspective also includes firm control of the property portfolio in order to minimize its impact on the environment.

To succeed in business it is important that Castellum's 293 employees thrive and develop. The decentralized organization offers a stimulating work situation, professional empowerment and many development opportunities for all employees. Furthermore, it promotes an active organization with short decision paths. A local presence facilitates deep commitment in the development of local districts. To contribute to the development in these sub-markets, Castellum co-operates with municipalities, other businesses and suppliers as well as schools, colleges and universities.

Presentation of Castellum's sustainability work

For 2013, Castellum is presenting sustainability work in accordance with the GRI guidelines for the first time. However, our sustainability initiatives have been reported and evaluated since the late 90s by both foreign and Swedish analysts.

The presentation of the sustainability work covers the parent company and all subsidiaries. No limitations have been set regarding the economic, environmental and social impact of the organization. The presentation has been integrated into the annual report covering the calendar year 2013. The intention is that a report will be provided annually.

Castellum's sustainability co-ordinator led the work of preparing the sustainability presentation. After determining the most relevant indicators for the company, representatives from the Castellum sustainability team collected and processed data.

Legislation constitutes the minimum level of Castellum's sustainability efforts – whether related to the environment, employees or product responsibility. The ambition is always to be one step ahead. In 2013, Castellum was not involved in any legal disputes relating to the above-mentioned issues. Furthermore, the company did not pay any fines or penalties of significance concerning sustainability issues during the year.

Business incentives

Castellum is a long-term property owner, which in itself is an incentive for sustainability work. And today it is important to take appropriate actions and to operate in a long-term perspective. For example, Castellum's measures taken to reduce resource consumption are essential to long-term profitability, to attract customers and to economize resources such as energy.

There is an economic incentive to contribute to urban development, as it benefits the areas where the subsidiaries operate. This means that the Castellum properties become more attractive.

Our sustainability efforts also contribute to strengthening the brand, and hence becomes a competitive advantage.

Interaction with stakeholders

Castellum holds a continuous dialogue with stakeholders, with a view to developing the Group's business operations and managing them efficiently on a long-term basis. Group stakeholders include customers, employees, shareholders, capital market players (stock and credit markets) media, suppliers, community/government agencies, municipalities and other players in the real estate market. Castellum AB (publ), a listed company, primarily communicates with the capital market, shareholders, media and subsidiaries/employees through frequent, open and accurate dialogues. Castellum subsidiaries, on the other hand, mainly interact with current and prospective customers, players in the real estate market, suppliers, municipalities and schools/universities/colleges. Communication is conducted via regular meetings, customer magazines and websites.

Organization and management of sustainability

Sustainability initiatives are operated via a management system consisting of a common succession policy, guidelines, comprehensive measurable goals and detailed action plans. The sustainability efforts are carried out locally by each subsidiary and annual follow-ups are regularly reported to executive management. Efforts cover all activities and operations and are regularly examined by external specialists. There is a sustainability task force common to the entire Group, which meets regularly to share experiences and to monitor and learn from global developments.

Castellum sustainability performance in 2013

co-operation

In all cities where Castellum operates co-operation is ongoing to carry forward the work. Examples are dialogues with customers, business collaborations, municipalities, energy companies, sanitation companies and school / universities.

17 green leases

To develop the collaboration with the customers Castellum offers green leases. The Group has 17 green leases of which 15 were signed 2013.

111 environmentally certified

Castellum has environmentally classified 111 properties of 631,000 sq.m. of which 96 according to Green Building, 14 according to Miljöbyggnad and one according to Breeam. This corresponds to 17% of the portfolio.



CO₂

During 2013 the CO₂ emissions decreased 8%, which means that the emissions have been reduced 20% in total since 2007. The objective is to reduce CO₂ emissions at least 2.5% per sq.m. and year.



Castellum – a long-term actor creating growth through satisfied customers and employees



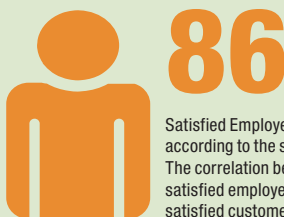
5%

The energy consumption has decreased 5% during 2013 and 20% in total since 2007. The objective is to reduce energy consumption at least 1% per sq.m. and year.

11 trainees



To offer young people work experience Castellum had 11 trainees during 2013. Additionally 46 holiday workers and apprentices worked in the Group.



86

Satisfied Employees Index according to the survey 2013. The correlation between satisfied employees and satisfied customers is clear.

74 kWh/sq. m.



Castellum consumption heating on average is 74 kWh/sq.m., which can be compared with the industry average of 104-155 kWh/sq.m. for district heating.

Financial responsibility

Long-term profitability is required for sustainable development. Castellum is a long-term player, focusing on both low-risk profitability and financial strength. The Group's objective to increase income from property management by 10% requires annual investments, primarily in new constructions, extensions and reconstructions for both existing and new customers – but also through acquisitions. By undertaking building projects, the implication is that Castellum is both willing and able to contribute to urban development in the communities and areas where it operates. These actions ultimately create value. Another important factor for achieving the set goal is through efficient property management from a customer, employee, cost and environmental perspective.

Castellum will be a solid company and counterparty, whose business operations are characterized by low financial and operational risk. For Castellum, low financial risk means that no more than 55% of the property value may be covered by loans. The loan to value ratio at year end was 52%. Low operational risk is obtained via sound risk diversification of the customer base over many sectors, length of contracts and size of contracts. At year end, Castellum had approx. 4,600 leases, of which the single largest lease and tenant accounted for about 2%.

Taxes constitute an important issue for the real estate industry and not only include income tax but also VAT, property taxes, withholding taxes, payroll taxes etc. Castellum's main approach is that accurate tax is to be paid in accordance with current legislation. In 2012, Castellum entered into an "extended co-operation" agreement with the Swedish Tax Authority.

A compliance officer monitors that laws and regulations are followed and reports directly to the Audit Committee.

Social responsibility

Castellum's social responsibility includes contributing to sustainable development through involvement in the districts of our business activities. Our aim is to make these areas more attractive, thus increasing the value of the properties and attracting customers.

The organizational form increases employee autonomy and individual responsibility and facilitates an engaging work environment with short decision-making processes and empowered decisions. There is a clear correlation between satisfied employees, satisfied customers and company growth. Castellum's property management is carried out with

Group-employed personnel who are important company representatives towards customers.

For larger purchases and procurements, Castellum sets firm demands on suppliers and contractors regarding, for example, quality and work environment.

Involvement in local markets

There are ongoing collaborations through networking and business associations in all of Castellum's operating areas in order to develop these regions. One example of collaboration is the RAM project in Mölndal where about 10 companies collaborate with local and regional authorities on environmental and public transportation solutions to change commuting habits. Another example is Högsbo/Sisjön where Harry Sjögren AB funded a new bus route to improve the infrastructure of the area. In Västerås, several players collaborate on the Electric Car Challenge; and in Uppsala, Aspholmen has become a member of Uppsala Klimatprotokoll.

Supports young people

Castellum works in a number of ways to offer young people work experience. 34 holiday workers, 11 trainees and 12 apprentices worked at Castellum during 2013.

There are ongoing collaborations with universities, colleges and elementary schools at several locations regarding thesis writing and mentoring, as well as close cooperations where the company keeps in touch with particular school classes for longer periods through an initiative called "Handslaget".

Sponsorship and support

Castellum's sponsorship and support are focused on promoting young people's education and health. For example, Castellum sponsors the Science Festival, the organization Ung Företagsamhet, Löparakademin and local sports clubs. Castellum also supports the Glädjeresan project, which helps bring joy to sick children. Further, Castellum contributes directly to the City Mission, Rescue Mission, Faktum and the Childhood Cancer Foundation.


Values

Castellum's Code of Conduct governs day-to-day activities and content is well in line with that of the UN Global Compact. Castellum is a company that operates in Sweden and Denmark, and is therefore governed by Nordic laws and regulations regarding working conditions, freedom of association, etc. Our personnel policy addresses issues such as work environment, gender equality, salaries, pensions and company cars.

All Group subsidiaries continuously work with ethics and corruption issues and discuss how situations that arise ought to be handled and addressed.

Important events in the sustainability work since 1995



A full-page photograph of two men, Roger Åhlström and Robert Varga, standing in a factory. They are both wearing blue Castellum workwear with a colorful logo on the chest. The man on the left is smiling at the camera, while the man on the right is looking towards him. They are standing in front of industrial equipment, including a large green container with a white arrow and the text 'FÄRRE KYLLA KÖPT TILL ÖPP'.

Company culture through ethics and values

That Castellum's operations are conducted in a responsible way is a prerequisite for the company's long-term successful business. The objective is to make sound and proper business decisions in all respects high business morality, good business ethics, responsibility awareness and impartiality. 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 stone's 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. In Castellum's 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.

For the complete Code of Business Conduct see www.castellum.se

Roger Åhlström and Robert Varga on Ekländia Fastighets AB

Organization and employees

Castellum's local presence creates business value through familiarity with customer operations and requirements, as well as valuable knowledge of the local real estate and rental markets, market changes and business opportunities. Employees are offered challenging tasks via the flat organization, where competence development and experience exchanges are considered key success factors.

There is a clear correlation between satisfied employees, satisfied customers and company growth.

Subsidiaries with strong brands

Castellum has six wholly owned subsidiaries and each is run by about 40 employees. The subsidiary organizations are not identical, but principally consist of a Managing Director, 2-4 market areas and a number of business developers, along with 3-5 employees within finance and administration. Each market area employs one property manager with one assistant, one person working with leasing and 3-9 facility managers. Everyone has customer contacts. The flat organization provides a short decision-making process and creates a customer-oriented and active organization.

Castellum's subsidiaries operate under their own names, which represent strong brands in each submarket.

Property management is mainly carried out by Group-employed 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.

Measuring and comparing

Castellum measures and compares subsidiary management efficiency and asset-value growth in the real estate portfolio. Within the Group, experiences are shared among 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 and personnel, etc.

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 19 employees (19).

The parent company is responsible for capital allocation and takes active part in operations through involvement in subsidiary Boards.

Castellum's employees

As of year end, the Group had 293 employees (265), of which 39% were women (40%). The increase is mainly related to marketing and property management.

Employee turnover during the year has been 8% (6%) and absence due to illness 2% (2%). In 2013, no serious work-related injuries occurred in the Group.



Eva-Lott Svensson on Fastighets AB Briggen

Attractive workplace

By offering competence development and creating a motivating work situation, Castellum promotes loyalty and job satisfaction. The decentralized organization means that each employee has well-defined areas of responsibility with a high level of empowerment, leading to professional as well as personal development. Employee performance reviews occur yearly with all employees. These are an important tool for following up and setting objectives, as well as for identifying competence development needs.

Castellum cares for its employees and thus works with preventive health care, offers corporate wellness subsidies and provides substantial health insurance. Wellness programs are offered both for preventive purposes and for the continued well-being of the company's workforce.

A bonus-sharing program provides employees with the opportunity to benefit from their respective company's financial performance improvement.

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

The average length of employment at Castellum is 7 years, which validates employee satisfaction and is an important parameter for company growth.

Education and sharing experiences

Castellum offers full possibilities for professional and personal development through internal and external training. A training program – Collegium Castellum – has been initiated. Here, Castellum offers a tailored leadership program focusing

on strategy and leadership issues as well as on one-day courses on specific issues. In 2013, Castellum offered single-day training courses in project development, human resources and tenancy. During the year, a total of 136 people have participated in the Collegium Castellum courses and programs. In addition to group-wide corporate training programs, individual training programs are also provided.

To create conditions for experience-sharing between the companies, projects are run with participants from every company who works with current issues, for example: how to handle vacant premises and promote brand awareness. Apart from the projects, there are fixed focus-groups that regularly discuss issues within specific areas, such as market-related issues, finance, IT, business operations, sustainability and personnel.

Satisfied employees

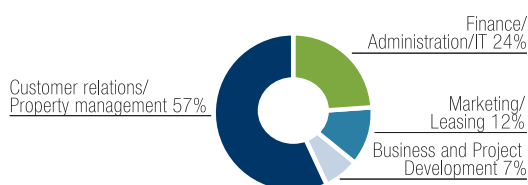
Employee viewpoints about Castellum are monitored regularly in a Satisfied Employees Index, showing their attitudes towards their own working situations, the company and management. The latest survey, carried out in 2013, continues to show a very high index – 86, on a scale of 100. This can be compared with a benchmark of 76. The response rate was 98%, demonstrating deep commitment.

The results of the employee survey are important for further development of the company and its employees.

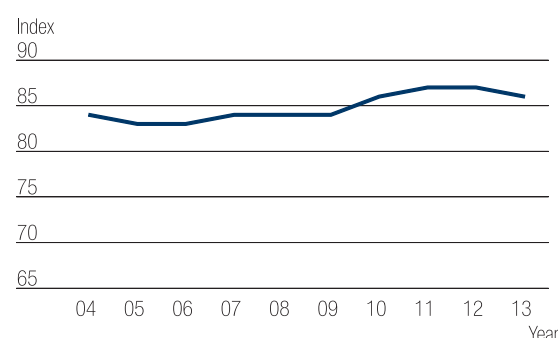
Level of education



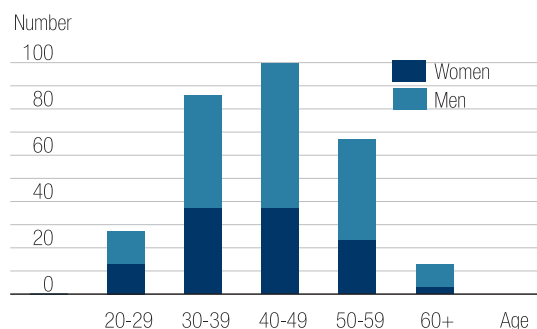
Distribution of work



Satisfied Employees Index



Age distribution - number of employees



Environmental responsibility

Castellum's environmental responsibility is based on a long-term perspective regarding management and new constructions. Since 1995, the Group has worked systematically with environmental issues. Environmental thinking is directly related to Castellum's core business of being a long-term property owner. To reduce Castellum's impact on the climate, efforts are focused on using energy more efficiently, reducing carbon dioxide emissions, building sustainably and continuously monitoring and improving the properties' environmental status. These efforts are financially rewarding and make Castellum well equipped for the future.

To succeed in environmental undertakings, the Group has continuously worked with educating and involving their employees as well as collaborating with other stakeholders.

Castellum's strategy is to develop the property portfolio with minimal impact on the environment and to contribute to sustainable development via resource-efficiency.

Improve energy efficiency

Castellum continuously strives to reduce energy consumption through operating efficiency as well as investments in new, energy-efficient technology. In 2013, some 60 energy efficiency projects were undertaken. Castellum follows up and analyzes all energy consumption in a common follow-up system. These follow-ups allow for measures to be taken in areas with the greatest efficiency potential. A project is underway for the development of a web portal for web-based property monitoring, where measured values for operations, alarms, elevators and entries can be monitored.

Today, 186 properties – representing 1,120 thousand sq.m. – are connected to the portal.

In 2013, the normalized energy-consumption for heating and property electricity decreased by 5% per sq.m. compared with the previous year. Since 2007, energy-consumption has decreased by 20% in all. The Group's consumption for heating of 74 kWh/sq.m. can be compared with the industry average, i.e. Boverket's (The Swedish National Board of Housing, Building and Planning) index, of 104–155 kWh/sq.m.

Increased share of renewable fuels

Out of Castellum's total carbon dioxide emissions, 4% are directly influenced by oil and transportation, whereas remaining emissions can only be influenced indirectly. To reduce emissions, work is underway to phase out fossil fuels, i.e. replace oil and gas heating systems. Currently, 6 oil furnaces still remain among the investment properties. Ground heating/cooling is installed in 22 properties, totalling 126 thousand 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 83% of the Group's total carbon dioxide emissions. Castellum conducts ongoing dialogues with the district-heating suppliers who account for the highest emissions per kWh. The purpose of these dialogues is twofold: to demonstrate how Castellum's environmental impact depends on their work, and to learn about how the suppliers plan to reduce emissions.

Since 2001, only electricity labelled "environmentally

Common targets in the Group

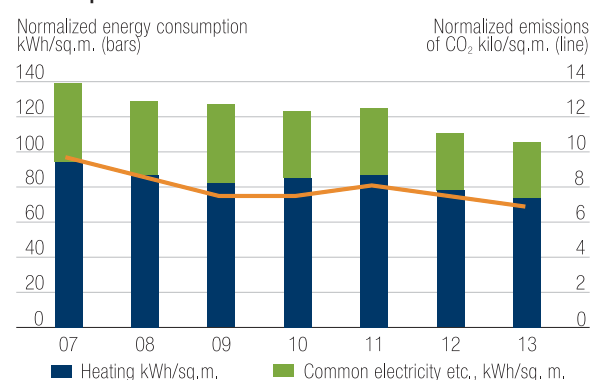
More effective energy use

	Outcome since 2007	2013	2012	2011	2010	2009
- Energy consumption (normalized) reduced by at least 10% per sq.m. over 10 years (at least 1% per sq.m. and year)	- 20%	- 5%	- 11%	+ 1%	- 3%	- 2%
- Carbon dioxide emissions (normalized) reduced by at least 25% per sq.m. over 10 years (at least 2,5% per sq.m. and year)	- 20%	- 8%	- 8%	+ 9%	- 1%	- 12%

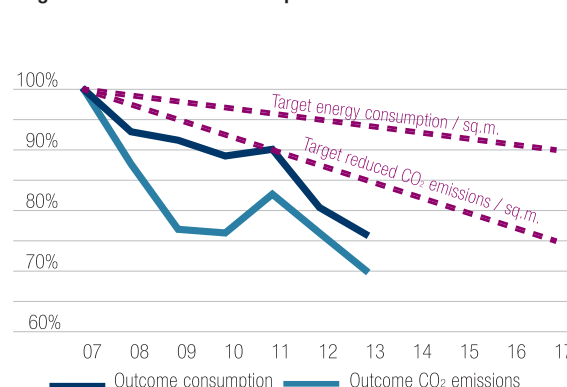
Known and continuous improvement of the environmental status of the properties

- All properties owned for more than one year, shall be environmentally evaluated	100%	100%	100%	100%	99%
- All new constructions shall be environmentally classified	Fulfilled				

Consumption and emission of carbon dioxide



Target and outcome consumption and carbon dioxide



friendly” has been used by the Castellum Group. Castellum uses green IT and almost all servers are now virtual. A virtual server means that a physical server has been replaced by software.

In 2013, normalized carbon dioxide emissions have decreased by 8% per sq.m. and since the objective was adopted in 2007, they have decreased by 20% per sq.m.

Known and continuously improved status in the properties

An environmental inventory covering environmental and health risks has been conducted for all properties. Upon their acquisition, properties are analyzed concerning energy-consumption and environmental risk, and all new buildings are to feature environmental classifications. Environmental risk in Castellum’s real estate portfolio is considered low.

Environmental certification of properties

Work with environmental classification of buildings began in 2007. Then Castellum used the Green Building system, which meant that the energy use of a building was to be reduced by 25%. A Green Building certificate became an acknowledgment of the work conducted to reduce energy consumption. Today, Castellum owns 96 of the 335 Green Building certified buildings in Sweden. Furthermore, Fastighets AB Brostaden and Harry Sjögren AB have been made Green Building Corporate Partners, which means that energy consumption has been reduced by at least 25% for more than 30% of the property portfolio.

Castellum also uses the systems Miljöbyggnad and BREEAM – systems that not only focus on energy, but also on indoor environment and building materials. In 2008, Eklandia Fastighets AB completed Sweden’s first BREEAM-certified building, and today the Castellum Group has 14 Miljöbyggnad classified properties, of which one is completed.

Reduced amount of waste

Business activities in Castellum properties generate a lot of waste. For a long time, Castellum has actively worked on reducing the amount of waste that goes to landfill by providing recycling services. Follow-up is difficult since Castellum hires several sanitation companies, of which only a few offers monitoring of weight. In addition, customer operations differ – as do their needs for waste disposal.

For example, over the past few years, Harry Sjögren AB has offered to collect electronic waste free of charge in Mölndal. In 2013, 14 tons were collected. Of this amount, 95% was recycled.

Water consumption

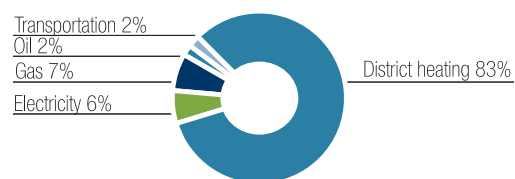
Water consumption is an important issue from a global perspective, but of less importance in Sweden. Castellum uses water from the municipal water system, monitors consumption and takes measures to reduce it.

Communication and collaboration

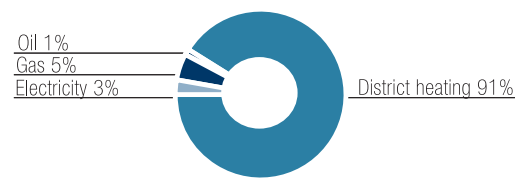
Castellum cooperates with various parties to keep up with new technologies and to exchange experiences with the Swedish Energy Agency’s ”Beställargrupp för lokaler” (BELOK), the Ecocycle Council, Sweden Green Building Council and local sanitation companies – to name a few.

Castellum offers customers the opportunity to sign “green leases”. This entails both parties committing to a variety of technical measures concerning energy efficiency, source-separation of waste, sustainable transportation and choice of building materials. The aim is to collaborate on environmental issues. Within the Group, 17 green leases have been signed corresponding to 58 thousand sq.m.

Distribution of emissions of carbon dioxide



Distribution of energy consumption for heating



Energy and water consumption

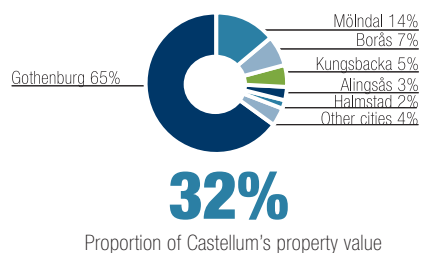
	2013			2012			2011			2010		
	Heating GWh	Other GWh	CO ₂ 1000 tonnes	Heating GWh	Other GWh	CO ₂ 1000 tonnes	Heating GWh	Other GWh	CO ₂ 1000 tonnes	Heating GWh	Other GWh	CO ₂ 1000 tonnes
District heating	200	8	17	203	7	18	188	8	15	232	8	18
Electricity	7	84	1	8	81	0	7	91	1	12	91	1
Gas	11	0	1	4	0	1	13	0	2	12	0	2
Oil	2	2	1	2	2	1	2	2	1	2	2	1
Consumption	220	94	20	217	90	20	210	101	19	258	101	22
Adjustments*	18	–,0	1	14	4	2	38	1	3	–,27	1	–,2
Norm. consumption	238	94	21	231	94	22	248	102	22	231	102	20
Area, thousand sq. m.	3,218	2,935		3,008	2,825		2,853	2,671		2,720	2,681	
Norm. consumption. kWh/sq.m.	74	32	6.6	77	33	7.2	87	38	7.8	85	38	7.2
Water, thous. m ³	954			909			862			831		

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

For more information see www.castellum.se

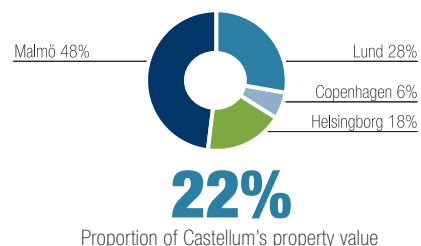
Castellum's regions

Greater Gothenburg



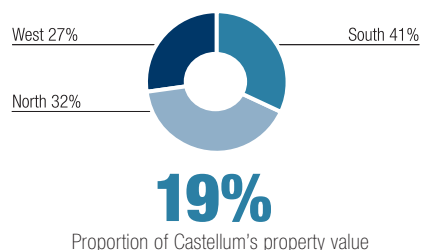
	2013	2012
No. of properties	196	194
Area, thousand sq. m.	1,111	1,103
Fair value, SEKm	12,128	11,569
Rental value, SEKm	1,089	1,056
Net operating income, SEKm	729	699
Net investments, SEKm	523	584
Net leasing, SEKm	44	19
Employees	77	74

Öresund Region



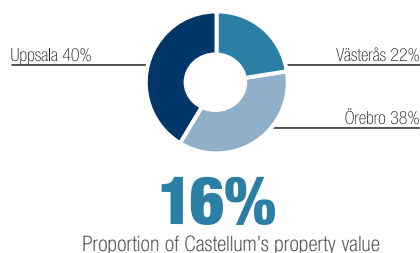
	2013	2012
No. of properties	117	117
Area, thousand sq. m.	737	726
Fair value, SEKm	8,059	7,758
Rental value, SEKm	811	783
Net operating income, SEKm	429	416
Net investments, SEKm	339	597
Net leasing, SEKm	- 3	13
Employees	57	46

Greater Stockholm



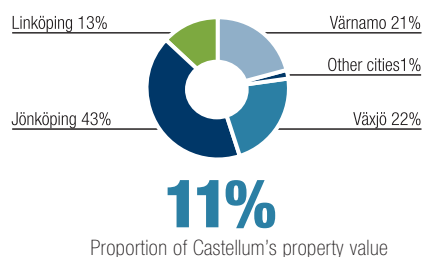
	2013	2012
No. of properties	105	109
Area, thousand sq. m.	639	650
Fair value, SEKm	7,261	7,158
Rental value, SEKm	757	756
Net operating income, SEKm	413	401
Net investments, SEKm	291	605
Net leasing, SEKm	34	6
Employees	49	45

Mälardalen



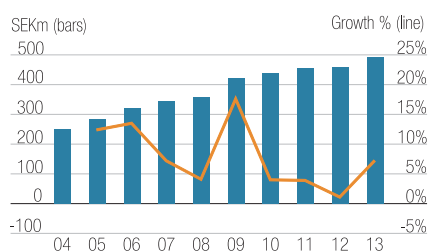
	2013	2012
No. of properties	114	120
Area, thousand sq. m.	617	624
Fair value, SEKm	6,059	5,763
Rental value, SEKm	610	610
Net operating income, SEKm	336	361
Net investments, SEKm	392	692
Net leasing, SEKm	26	- 4
Employees	50	46

Eastern Götaland



	2013	2012
No. of properties	94	95
Area, thousand sq. m.	519	518
Fair value, SEKm	4,245	4,080
Rental value, SEKm	459	432
Net operating income, SEKm	251	245
Net investments, SEKm	223	320
Net leasing, SEKm	4	15
Employees	41	35

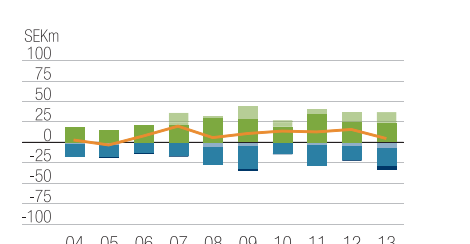
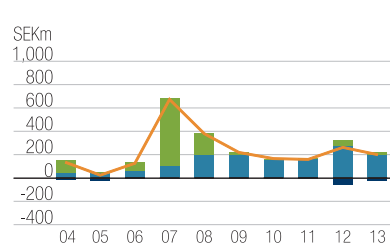
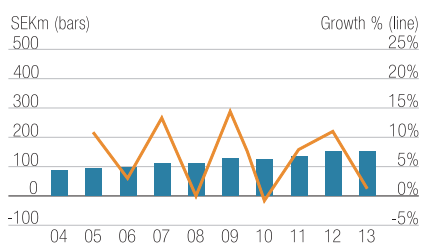
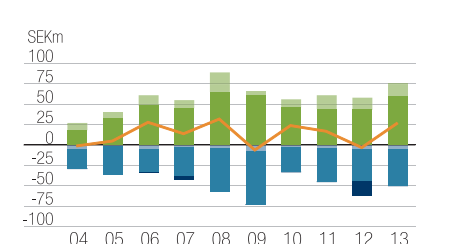
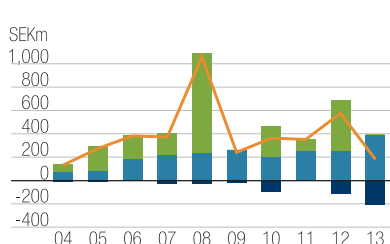
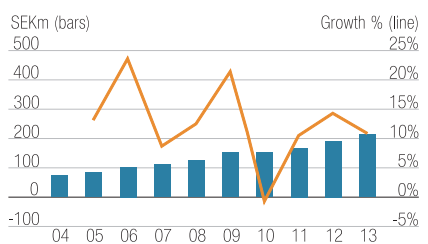
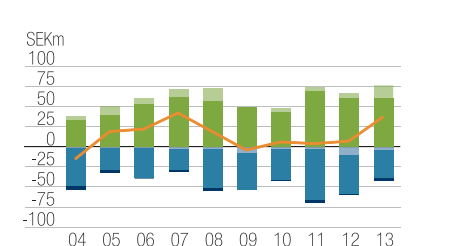
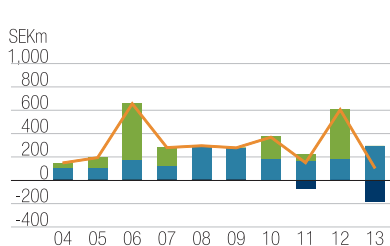
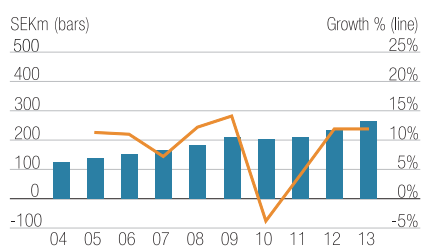
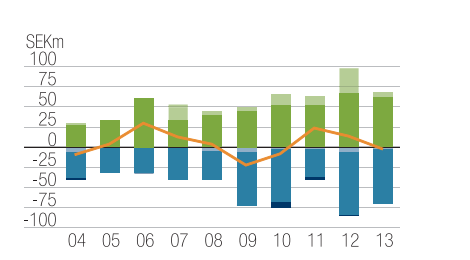
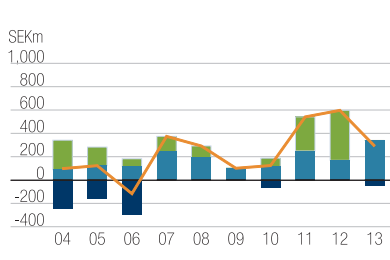
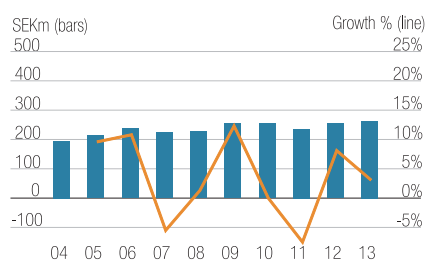
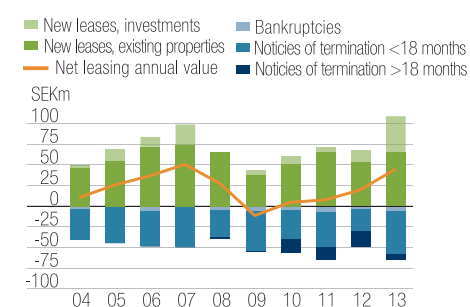
Income from property management



Investments and sales



Net leasing



Greater Gothenburg

“Greater Gothenburg continues to develop through infrastructure investments”



Tage Christoffersson
MD Eklandia Fastighets AB

Christer Sundberg
MD Harry Sjögren AB

Castellum's real estate portfolio in Greater Gothenburg is managed by 77 employees at Fastighets AB Eklandia and Harry Sjögren AB. The real estate portfolio is located in Gothenburg, Mölndal, Borås, Kungälv, Alingsås and Halmstad, comprises 1,111 thousand sq. m., valued at SEK 12 billion. The portfolio is allocated as follows: 40% for office/retail and 58% for warehouse/industrial.

Greater Gothenburg is centrally located with a well-developed infrastructure: Scandinavia's largest harbour, the airports and the highways. The infrastructure continues to develop via a public investment project called Västsvenska paketet, which includes the extension of public transportation and the building of a new tunnel under the Göta Älv. During 2013, Eklandia completed the Aurora property and began construction of a new headquarters for Semcon in Gothenburg. Harry Sjögren continues to strengthen customer relations through continued customer care work.

Rental market

Greater Gothenburg, which for Castellum's part comprises – Gothenburg, Alingsås, Härryda, Kungälv, Lerum, Mölndal and Partille – Borås and Halmstad, had a rental market that remained stable overall. The supply of office premises in central Gothenburg was still less than demand. This resulted in continued low vacancy rates and a strong market for new office premises as well as slightly increasing rents, and a low relocation rate. For other areas of Gothenburg, and for other property categories, the rental market was stable, with virtually unchanged rental levels and vacancy rates.

In Borås, the rental market remained stable during 2013, with virtually unchanged rental levels and vacancy rates for office as well as warehouse/industrial premises.

The rental market in Halmstad was also characterized by stability, with virtually unchanged rents and vacancies for both office and warehouse premises.

As for much of the rest of the country, some caution has been noted in the region's retail rental market due to a weak retail sector over the past two years.

Real estate market

Transaction volume 2013: SEK 16 billion (15)

Single major transaction: SEKm 630 regarding office property in Gothenburg

Yield prime location: 5.0% in central Gothenburg

In Greater Gothenburg, the transaction volume amounted to approx. SEK 16 billion (15) for 2013, which is an increase of 9% compared to the previous year and corresponds to about 16% of the total transaction volume in Sweden. The largest single real estate transaction was the acquisition of an office property in central Gothenburg for approx. SEKm 630.

Major transactions in other parts of the region concerned the acquisition of a residential property portfolio in Halmstad for approx. SEKm 154, and a warehouse property in Borås for an estimated price of approx. SEKm 600.

Buyers were mainly Swedish real estate companies; both listed and unlisted.

Prices have basically remained stable with overall unchanged yield levels – with the exception of central Gothenburg, where a distinct value increase was noted for the second half of 2013.

Rental levels and yield

Gothenburg			Borås			Halmstad		
	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield		Market rents SEK/sq.m.	Yield	
Office								
AA-area	1,700 - 2,600	5.00% - 6.00%						
A-area	1,400 - 2,200	5.50% - 6.50%	850 - 1,450	6.75% - 8.25%		1,000 - 1,700	6.25% - 7.50%	
B-area	1,000 - 1,600	6.25% - 7.25%	600 - 875	7.75% - 9.75%		800 - 1,400	6.75% - 8.50%	
Retail								
A-area	1,500 - 7,500	5.00% - 6.25%	1,200 - 2,500	6.25% - 7.75%		1,150 - 3,300	5.75% - 7.00%	
B-area	1,000 - 4,000	5.00% - 6.75%	700 - 1,500	7.50% - 8.75%		750 - 2,000	6.25% - 8.25%	
Warehouse/industrial								
A-area	500 - 950	7.00% - 8.25%	400 - 750	7.75% - 9.00%		400 - 700	7.00% - 9.00%	
B-area	450 - 700	7.75% - 8.75%	250 - 500	8.75% - 11.00%		350 - 600	8.25% - 9.50%	

Office rent includes costs for heating excl. additions and property tax costs.

Warehouse/industrial are excl. costs for heating, additions and property tax costs. Source: NAI Svefa

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)	973	Ness, Risan & Partners	154	Fragerius	66
Wallenstam	488	SveaReal	137	Klövern	62
Vasakronan	419	Castellum (Harry Sjögren)	104	Fem Hjärtan	55
Platzer	400	Nordic Real Estate Partners	82	Rikshem	55
Kungsleden	290	Klövern	81	Försäkringsbolaget Alecta	54
				Castellum (Harry Sjögren)	34

Number of commercial premises (excl. residential) owned as at 31-12-2013. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggstatistik and Castellum

The Öresund region

"Öresund is the largest Nordic region across national borders"



Gunnar Östenson
MD Fastighets AB Briggen

Castellum's real estate portfolio in the Öresund region is managed by the 57 employees at Fastighets AB Briggen. The real estate portfolio is located in Malmö, Lund, Helsingborg and Copenhagen, and comprises 737 thousand sq. m., valued at SEK 8 billion. The portfolio is allocated as follows: 55% for office/retail and 43% for warehouse/industrial.

During past years, the development of the Öresund region has been marked by both infrastructure investments, such as the Öresund bridge and the City tunnel in Malmö, and by a change in economic structure from heavy industries to small and medium-sized knowledge-based companies. The Öresund region comprises the Malmö region with Malmö, Lund and Helsingborg, and 22 other municipalities, and the Danish side of Öresund.

In 2013, Briggen started the construction of Puma's Nordic distribution centre in Helsingborg and completed the new premises for the Migration Board in Malmö.

Rental market

Malmö has seen a high demand for offices, but has also been marked by a greater relocation level among tenants compared to other regions. One explanation for this could be the supply of newly built office space, primarily in Västra Hamnen and Hyllie. Although previous new construction led to increased supply, rental levels are deemed stable.

The office rental market in Lund is marked by continuous new constructions and restructurings of business and commercial life. This has led to the supply of premises exceeding demand. However, as research facilities are being built and completed, the office rental market is expected to improve.

Helsingborg had a stable office rental market with unchanged rental levels and vacancies. However, planned and ongoing new construction will result in a slight increase in supply of office space.

As for many other parts of the country, the retail rental market on the Swedish side of the region is also characterized by a degree of caution due to a weaker retail sector. An increase in supply of retail space has been noted for Malmö.

Demand for warehouse and logistics space remains strong in all Swedish cities, and both rental levels and vacancies are seen as stable.

In Copenhagen, the office rental market remained solid in 2013 with basically unchanged rental levels and high vacancy

rates for certain areas. However, a certain increase in demand was detected in submarkets outside the city centre. Rents and vacancies remained solid for warehouses although the market for older warehouse premises continued to be weak.

Real estate market

Transaction volume 2013: SEK 26 billion (27); Sweden accounted for 10 (12)

Single major transaction: SEK 1.5 billion, for an office property portfolio in Lund

Yield prime location: 5.0% in central Copenhagen

The volume of real estate transactions for the region totalled approx. SEK 26 billion. Of this, SEK 10 billion related to transactions in Sweden. Compared to 2012, the volume increased on the Danish side and decreased on the Swedish side. The largest single transaction was the acquisition of a commercial property in central Copenhagen for approx. 2.0 billion Danish kroner. The largest transaction completed in the Swedish part of the region was the acquisition of commercial real estate portfolio in Lund for SEK 1.5 billion.

Buyers were mainly institutions – both on the Swedish and the Danish sides of the region. Prices are expected to remain stable with virtually unchanged yield levels for all locations and property types. However, in the Copenhagen area a slight increase in prices was noted due to greater demand.

Rental levels and yield

	Malmö		Lund		Helsingborg		Copenhagen	
	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield
Office								
AA-area	2,100 - 2,450	5.25% - 6.00%					1,450 - 1,800	5.00% - 5.25%
A-area	1,750 - 2,300	5.50% - 6.25%	1,400 - 2,300	6.00% - 6.75%	1,400 - 2,000	6.50% - 7.00%	1,150 - 1,300	6.00% - 6.75%
B-area	1,200 - 1,800	6.25% - 7.50%	750 - 1,500	6.50% - 7.50%	900 - 1,500	7.00% - 8.25%	700 - 1,100	5.50% - 6.00%
Retail								
A-area	3,000 - 4,500	5.50% - 6.25%	1,700 - 3,500	6.00% - 6.50%	2,750 - 4,000	6.00% - 7.00%	6,000 - 13,000	5.25% - 5.75%
B-area	1,200 - 2,500	6.25% - 7.00%	800 - 1,500	6.50% - 7.50%	1,200 - 2,000	7.00% - 8.00%	3,200 - 7,500	5.75% - 6.25%
Warehouse/industrial								
A-area	600 - 1,000	7.25% - 8.00%	500 - 800	7.50% - 8.50%	500 - 800	7.50% - 8.50%	350 - 525	8.50% - 10.00%
B-area	450 - 800	7.75% - 8.75%	350 - 650	8.00% - 9.00%	400 - 600	7.75% - 9.25%	300 - 400	9.00% - 10.50%

Office rent includes costs for heating excl. additions and property tax costs

Warehouse/industrial are excl. costs for heating, additions and property tax costs. Source: NAI Svefa

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.	Köpenhamn	Premises thous. sq.m.
Wihlborgs	1,344	Wihlborgs	203	Wihlborgs	522	Nordea Ejendomme	1,140
Castellum (Briggen)	692	Castellum (Briggen)	134	Castellum (Briggen)	169	Danica Ejendomme	1,050
Vasakronan	305	Hemsö	86	Norrporten	112	Jeudan	750
Kungsleden	200	Vasakronan	85	Brinova	89	Dades	680
Klöver	179	North Bridge Capital	77	Långeberga Logistik	75	ATP Ejendomme	500
						Castellum (Briggen)	45

Number of commercial premises (excl. residential) owned as at 31-12-2013. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggsstatistik and Castellum

Greater Stockholm

“Stockholm has a high entrepreneurship, a variety of branches and most headquarters in the nation”



Anders Nilsson
MD Fastighets AB Brostaden

Fastighets AB Brostaden's 49 employees manage Castellum's real estate portfolio in Greater Stockholm. The real estate portfolio is located in Stockholm, Botkyrka, Huddinge, Järfälla, Nacka, Sigtuna, Sollentuna and Upplands Väsby. It comprises 639 thousand sq. m., valued at SEK 7 billion, which is allocated as follows: 53% for office/retail and 43% for warehouse/industrial. High population growth and an economy that focuses on knowledge-intensive services characterize Greater Stockholm. The high population growth means that office and industrial areas are being converted into housing. During 2013, infrastructure investments continued with the expansion of the metro and Förbifart Stockholm.

During 2013, Brostaden strengthened the leasing organization through new recruiting activities. A total of 10 people now work with leasing.

Rental market

Greater Stockholm had a positive rental market in 2013, and most submarkets in the region saw high demand with stable rental levels and unchanged or declining vacancy rates. During the year, the inner city of Stockholm saw a strong demand and slightly rising rents, while vacancies remained low.

The region is still characterized by a stronger focus on modern and cost-effective office space, which means that more companies are making their premises more efficient or relocating from the inner city to newly constructed office premises outside the city centre. For example, larger banks choose varied solutions – one bank relocates its headquarters to Sundbyberg while another bank remains in the city centre but makes major changes for more cost-efficient office space as well as leasing new space. This process will be gradual over the coming years and its impact on the rental market is somewhat unclear regarding the city centre. However, it strengthens the external locations that companies relocate to. It should be noted that the addition of office space in the region has not had any direct effect on rental levels and vacancy rates in recent years.

Demand remained stable for warehouse and logistics facilities, and no major changes occurred with respect to vacancies and rental levels. There is no indication that the recent new construction of logistics facilities in areas such as Rosersberg has affected the rental market for small and medium-sized warehouse and industrial premises.

As for much of the rest of the country, some caution has been noted in the region's retail rental market due to both a weak retail sector over the past two years and new construction of retail space.

Real estate market

Transaction volume 2013: SEK 45 billion (52)

Single major transaction: SEK 1,6 billion for an office property north of the city core in Stockholm

Yield prime location: 4,5% in central Stockholm

In 2013, the transaction volume for Greater Stockholm totalled approx. SEK 45 billion (52), which was 13% lower than for 2012, and represented approx. 45% of the total transaction volume in Sweden. The increased activity outside the city centre was typical for the real estate market in the region.

The acquisitions of office property at Torsplan for SEK 1.6 billion and InfraCity in Upplands Väsby – also with an estimated purchase price of SEK 1.6 billion – were among the major individual transactions during the year. The acquisition of a portfolio for approx. SEK 5.5 billion – part of which was located in Greater Stockholm – was yet another major transaction.

Listed real estate companies and institutions made up the largest share of buyers.

The high population growth in Stockholm has resulted in an ongoing urban conversion development. This will continue in a number of submarkets. As the city grows, older commercial properties are gradually being converted into housing.

Prices have remained stable with virtually unchanged yield levels. In central Stockholm, however, a slight increase in value was recorded for the second half of 2013.

Rental levels and yield

Stockholm (inner suburbs)		
	Market rents SEK/sq.m.	Yield
Office		
A-area	1,700 - 2,400	5.50% - 6.75%
B-area	1,200 - 1,600	6.50% - 7.50%
Retail		
A-area	1,500 - 6,000	5.75% - 6.50%
B-area	1,100 - 2,500	6.25% - 7.00%
Warehouse/industrial		
A-area	800 - 1,300	7.00% - 8.00%
B-area	600 - 850	7.50% - 8.50%

Office rent includes costs for heating excl. additions and property tax costs.

Warehouse/industrial are excl. costs for heating, additions and property tax costs. Source: NAI Svefa

The five largest real estate owners

Greater Stockholm	Premises thous. sq.m.
(Municipalities: Botkyrka, Huddinge, Järfälla, Nacka, Sigtuna, Sollentuna, Solna, Stockholm, Upplands-Väsby)	
Vasakronan	1,489
Fabege	1,118
Atrium Ljunberg	677
AMF Pension	655
Castellum (Brostaden)	639

Number of commercial premises (excl. residential) owned as at 31-12-2013. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggstatistik and Castellum

Mälardalen

“Strong and stable growth in Mälardalen”



Claes Larsson
MD Aspholmen Fastigheter AB

Castellum's real estate portfolio in Mälardalen is managed by the 50 employees at Aspholmen Fastigheter AB. The real estate portfolio is located in Örebro, Uppsala and Västerås, and consists of 617 thousand sq. m., valued at SEK 6 billion. The portfolio is distributed as follows: 64% for office/retail and 30% for warehouse/industrial. Mälardalen – especially Uppsala and Västerås – is characterized by the strong urbanization trend in Sweden, led by Stockholm. Örebro enjoys a strategic geographic location and a diverse commercial and industrial life.

In 2013, Aspholmen continued to develop environmentally classified buildings through new constructions, extensions and reconstructions. For example, the Inköparen office building in Örebro was completed, and the extension and reconstruction of the Svalan district in Dragarbrunn, Uppsala, is under way.

Rental market

During 2013, there was a continued strong demand for central office space in the Örebro rental market, and this resulted in slightly higher rental levels. The vacancy rate for offices remained virtually unchanged at a low level. For other property types and locations in Örebro, the rental market is expected to remain stable with unchanged vacancies. However, slightly increasing rental levels were noted for some submarkets.

In 2013 – just as in 2012 – there was an increased demand for central office premises in Uppsala, which resulted in slightly rising rental levels, while office vacancy rates remained stable. The rental market has remained stable for offices as well as warehouse and logistics premises in other areas of Uppsala with unchanged vacancy rates. However, slightly rising rental levels were recorded for some submarkets.

In 2013, the rental market in Västerås was stable for both office and warehouse premises, and neither rental levels nor vacancy rates changed notably.

A degree of caution can be detected in the region's retail rental market – as in many other parts of the country – due

to a slowdown in the retail sector. However, towards the end of the year, a tendency towards a slightly more positive view in the retail sector could be discerned.

Real estate market

Transaction volume 2013: SEK 6 billion (6)

Single major transaction: SEKm 430 regarding a commercial property in Västerås
Yield prime location: 5.25% in central Uppsala

In 2013, the transaction volume for Mälardalen totalled approx. SEK 6 billion (6), which is in line with the previous year, and corresponds to about 6% of Sweden's total transaction volume. The largest business acquisition in the region was the acquisition of a housing corporation in Uppsala for approx. SEK 1.4 billion. Other major transactions in the region concerned the acquisition of a commercial portfolio in Västerås for about SEKm 435, as well as the acquisition of two school buildings in Örebro for about SEKm 225. On the buyer side, municipalities accounted for the largest share, followed by institutions, real estate companies and funds.

Prices remained stable for 2013, with practically unchanged yield levels.

Rental levels and yield

	Örebro		Uppsala		Västerås	
	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield	Market rents SEK/sq.m.	Yield
Office						
A-area	1,000 - 1,800	6.50% - 8.00%	1,100 - 2,500	5.25% - 7.00%	1,100 - 1,750	6.50% - 7.75%
B-area	800 - 1,350	7.50% - 8.50%	900 - 1,600	6.00% - 7.50%	950 - 1,650	7.00% - 8.00%
Retail						
A-area	2,000 - 4,000	6.00% - 7.50%	2,200 - 4,500	5.25% - 6.50%	1,000 - 3,500	6.00% - 7.00%
B-area	1,000 - 2,000	7.00% - 8.00%	800 - 3,600	6.00% - 7.00%	900 - 1,600	6.25% - 7.50%
Warehouse/industrial						
A-area	500 - 775	7.25% - 9.50%	550 - 1,000	7.00% - 8.00%	500 - 800	7.5% - 8.75%
B-area	350 - 625	8.00% - 10.00%	450 - 750	7.25% - 8.00%	400 - 600	8.25% - 9.50%

Office rent includes costs for heating excl. additions and property tax costs.

Warehouse/industrial are excl. costs for heating, additions and property tax costs. Source: NAI Svefa

The five largest real estate owners

Örebro	Premises thous. sq.m.	Uppsala	Premises thous. sq.m.	Västerås	Premises thous. sq.m.
Castellum (Aspholmen)	276	Vasakronan	237	Kungsgården	501
Brinova	96	Castellum (Aspholmen)	170	Klöver	209
Norrporten	93	Uppsala Akademiförvaltning	157	Castellum (Aspholmen)	171
Behrn Fastigheter	84	Rikshem	135	Hemfosa	119
Klöver	75	Klöver	98	Tribona	105

Number of commercial premises (excl. residential) owned as at 31-12-2013. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggstatistik and Castellum

Eastern Götaland

“Corallen continues to develop in attractive locations”



Claes Junefeldt
MD Fastighets AB Corallen

Castellum's real estate portfolio in Eastern Götaland is managed by Fastighets AB Corallen's 41 employees. The real estate portfolio is located in Jönköping, Växjö, Värnamo and Linköping, and comprises 519 thousand sq. m. The portfolio is valued at SEK 4 billion, and is allocated as follows: 66% for office/retail and 34% for warehouse/industrial. Jönköping is characterized by its strategic location and constitutes one of Sweden's foremost logistics hubs. In Linköping, the business structure is dominated by companies focusing on technology. The University, the local hospitals and the airline industry all have a great impact on the city.

During 2013, Corallen completed the initial phase of the development of Atollen in central Jönköping. Furthermore, the development of the Djurgården area was started in Linköping.

Rental market

Jönköping featured a continuous stable and strong demand for office space, which resulted in somewhat higher rental levels and an increased supply of newly constructed office space. There was a large supply of warehouse and industrial premises, but during the year the rental market for warehouse and industrial premises stabilized and both rental levels and vacancy rates were basically unchanged.

In 2013, Växjö had a continued stable rental market with a tendency to increased demand for office premises. However, rental levels and vacancy rates were largely unchanged. There is still a relatively large supply of vacant warehouse and industrial premises, but the rental market is considered stable for rental levels and vacancies.

Linköping's rental market is still positive regarding both office premises and warehouses. New constructions of offices during the year resulted in a greater supply of office space, while an increase in rental levels was noted. The rental market is stable for warehouses and industrial premises, with basically unchanged rental levels and vacancies.

In Värnamo, the demand for downtown office premises increased slightly during the year. Overall, rental levels and vacancies are considered stable for office, warehouse and industrial premises.

As for much of the rest of the country, some caution

has been noted in the region's retail rental market due to a weak retail sector over the past two years.

Real estate market

Transaction volume 2013: SEK 3 billion (3)

Single major transaction: SEKm 730 regarding residential real estate portfolio in Linköping

Yield prime location: 6.0% in central Jönköping

In Eastern Götaland, the transaction volume amounted to approx. SEK 3 billion (3) for 2013, which corresponded to 3% of the total transaction volume in Sweden. The largest single real estate transaction concerned a residential real estate portfolio in Linköping for an estimated price of approx. SEKm 730. This transaction was part of a larger portfolio transaction of approx. SEKm 910.

In Jönköping, one of the larger transactions was the acquisition of a commercial property of 13,000 sq.m. However, the purchase price has not been announced. The largest transaction in Växjö concerned the acquisition of a large real estate portfolio for about SEK 5.5 billion where some of the properties were located in Växjö. Listed real estate companies, followed by institutions, dominated the buyer side.

Prices are expected to be stable for all categories and locations, which in principle means unchanged yield levels.

Rental levels and yield

Jönköping			Växjö			Linköping			Värnamo		
Market rents SEK/sq.m.		Yield	Market rents SEK/sq.m.		Yield	Market rents SEK/sq.m.		Yield	Market rents SEK/sq.m.		Yield
Office											
A-area	1,000 - 1,700	6.00% - 7.00%	900 - 1,550	6.50% - 8.00%		1,200 - 1,700	6.25% - 7.00%		800 - 1,200	7.25% - 8.50%	
B-area	700 - 1,500	7.00% - 8.50%	700 - 1,000	7.50% - 9.00%		900 - 1,550	6.75% - 7.75%		700 - 1,100	7.50% - 9.50%	
Retail											
A-area	1,500 - 4,500	5.50% - 6.75%	1,200 - 2,300	6.00% - 7.00%		2,000 - 5,000	5.50% - 7.00%		1,200 - 1,700	6.75% - 8.00%	
B-area	800 - 1,800	6.25% - 8.00%	750 - 1,400	6.75% - 7.50%		1,000 - 2,500	7.00% - 8.25%		600 - 1,100	7.25% - 8.50%	
Warehouse/industrial											
A-area	400 - 750	7.00% - 8.50%	450 - 650	7.50% - 9.50%		400 - 700	7.50% - 9.25%		450 - 650	8.00% - 10.00%	
B-area	350 - 600	8.25% - 10.00%	350 - 500	8.50% - 10.00%		350 - 550	8.00% - 10.00%		350 - 550	9.00% - 10.00%	

Office rent includes costs for heating excl. additions and property tax costs.

Warehouse/industrial are excl. costs for heating, additions and property tax costs. Source: NAI Svefa

The five largest real estate owners

Jönköping	Premises thous. sq.m.	Växjö	Premises thous. sq.m.	Linköping	Premises thous. sq.m.	Värnamo	Premises thous. sq.m.
Castellum (Corallen)	169	Castellum (Corallen)	128	Klövern	282	Castellum (Corallen)	142
Norrporten	99	Norrporten	86	Obligo	90	Kungsleden	32
Ness, Risan & Partners	95	Tribona	69	Botrygg Bygg	89	Hemfosa	24
Alecta Pensionsförsäkring	84	Corem Property Group	64	Ikano Fastigheter	72	Remnes i Värnamo	21
Tosito	69	Kungsleden	58	Lilium	67	VärnaBo Fastigheter	13
				Castellum (Corallen)	50		

Number of commercial premises (excl. residential) owned as at 31-12-2013. Municipal and State-owned companies and government institutions have been excluded.

Source: Byggsstatistik and Castellum



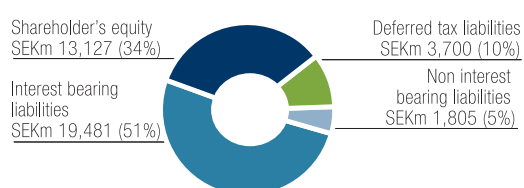
Financing



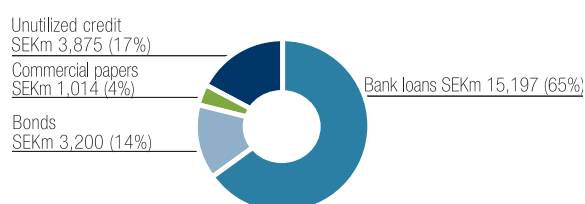
Property ownership is a capital intensive business and access to funding is one of the fundamentals to ensure successful development of the real estate portfolio.

Castellum's assets had at the year-end a value of SEK 38 billion. Castellum shall have low financial risk and the key ratios are loan to value and interest coverage ratio. Year-end loan to value ratio was 52% and interest coverage ratio was 292%.

Financing 31-12-2013



Distribution of financing 31-12-2013



Financial policy

Castellum's funding and management of financial risk are conducted in accordance with the financial policy adopted by the Board of Directors. Castellum shall have a low financial risk with a loan to value ratio not exceeding 55% in the long run and an interest coverage ratio of at least 200%. The financial operations in Castellum shall be run in such a way that the need for long- and short-term funding and liquidity is ensured. In addition, net interest expenses at each time shall be minimized within the given risk authorization. The financial policy outlines the overall authorization and how financial risk should be reported and monitored. The financial risks are monitored and reported quarterly to the Board. As part of continually improving and adapting the financial risk management, the Board has an annual review of the financial policy.

Loan to value ratio and capital tied up

Properties are long-term assets and requires long-term funding with distribution between shareholders' equity and interest-bearing debt. The loan-to-value ratio is the financial key ratio that describes the proportion of the properties value that is covered by loans. Castellum has lower loan-to-value ratio and higher interest coverage ratios than the industry on average.

Castellum's assets had on December 31, 2013, a value of SEKm 38,113 (36,631) and these are financed by SEKm 13,127 (12,065) in shareholders' equity and SEKm 24,986 (24,566) in liabilities – of which SEKm 19,481 (19,094) are interest-bearing liabilities. Year-end loan-to-value ratio was 52% (53%).

Demand for long-term funding makes Castellum look for long-term credit agreements in order to minimize the refinancing risk. Existing agreements are regularly renegotiated and new agreements are added. At year end, Castellum had unutilized binding long-term credit agreements with banks totalling SEKm 2,448 (1,212). The average duration of Castellum's long-term credit agreements was 3.4 years (4.1).

Credit maturity structure 31-12-2013

SEKm	Credit agreements	Utilized in		Total
		Bank	MTN/Cert	
0 - 1 year	2,441	938	1,014	1,952
1 - 2 years	6,508	2,308	1,700	4,008
2 - 3 years	4,007	3,807	–	3,807
3 - 4 years	8,708	6,008	1,000	7,008
4 - 5 years	507	7	500	507
> 5 years	2,129	2,129	–	2,129
Total	24,300	15,197	4,214	19,411
Unutilized credit in long term credit agreements				2,448

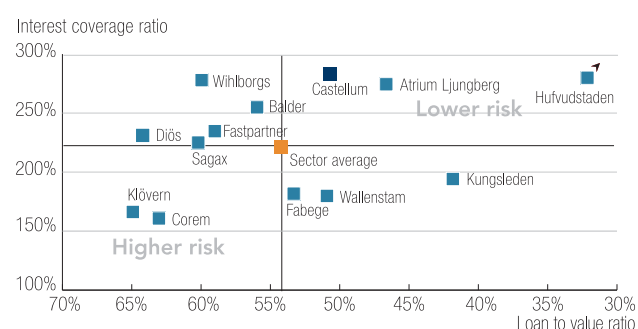
During the year SEKm 2,000 were issued under the MTN-program, existing credit agreements of SEKm 7,800 were renegotiated and/or extended and a credit agreement of SEKm 200 were terminated. Altogether, this gives Castellum easy access to new funding for investments in new constructions, extensions, reconstructions and acquisitions.

Interest rate risk and interest coverage ratio

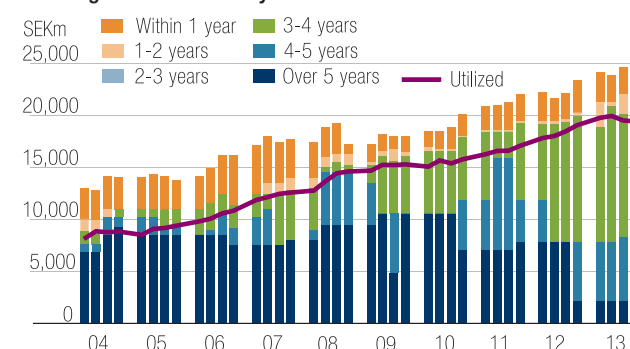
Interest expenses are the single largest cost item and affects the growth of income from property management. The interest rate is affected both by changes in market interest rates and the demanded interest margin. The short-term market interest rate is controlled by the Swedish Riksbank, whereas the long-term market interest rate is affected by other factors such as expectations of future economic growth and inflation. The credit margin is controlled by supply and demand for credits, as well as by regulations under which the banks operate. Both interest and credit markets can change rapidly and are out of Castellum's control.

Increased market interest rates are generally a result of economic growth and rising inflation and are, in turn, assumed to increase demand for commercial premises and hence increased rents and/or reduced vacancies. Falling interest rates are assumed to have the opposite causes and effects. Rising or falling interest expenses will thus, over time, coincide with rising or falling rental income. Changes in

Listed real estate companies



Credit agreement maturity structure



credit margins may occur regardless of economic situation and have, of late, mainly been affected by changes in credit and capital market regulations.

Changes in market interest rates affect net financial items. How quickly, and by how much, largely depends on the chosen fixed interest term and the binding period of credit margins. To ensure a low and stable financial net in terms of cash flow, Castellum has chosen to limit the net debt and to keep the average fixed interest term between 0.5–3 years. 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 risk level regarding changes in net financial items.

Castellum's strategy is an interest coverage ratio of at least 200%. For 2013, the interest coverage ratio was 292% (284%). The average fixed interest term at December 31, 2013, was 2.7 years (2.8). Margins and fees on long-term credit agreements had an average duration of 2.4 years (2.8).

Organization

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

Net financial item

Net financial items were SEKm –702 (–683) with an average interest rate level of 3.7% (3.9%). The average effective rate as of December 31, 2013, was 3.5% (3.6%). Castellum's interest costs consist of market interest rate at the date of the loan issue plus the creditor's margin.

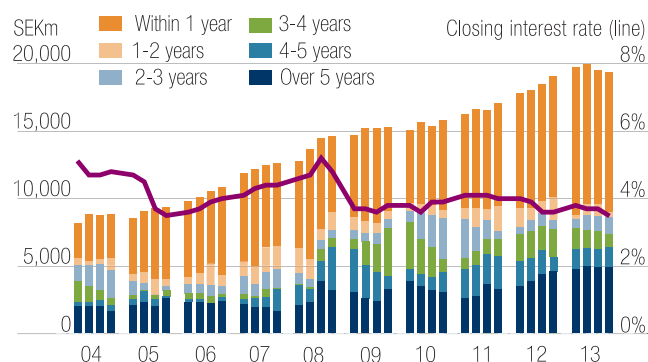
Interest bearing liabilities

Castellum's interest bearing debt is mainly made up of short-term loans under long-term credit agreements. Short-term loans allow for great flexibility regarding the choice of the interest rate base and fixed interest rate term, while they facilitate amortization payments and repayments without marginal breaking costs or other compensations. The possibility to increase or decrease the amount of outstanding loans in long-term credit agreements also means that the amount of interest-bearing loans can be minimized at all times. The credit agreements are mainly bilateral credit agreements with Nordic banks. As a complement to the credit agreements, there is a MTN program and a commercial paper program. Outstanding commercial papers are fully covered by unutilized long-term credit agreements. After deduction of liquid assets of SEKm 70 (44), net interest bearing liabilities were SEKm 19,411 (19,050), of which SEKm 3,200 (1,200) were MTN and SEKm 1,014 (1,872) outstanding commercial papers. At the end of the year Castellum had binding credit agreements totalling SEKm 24,300 (23,361) of which SEKm 21,859 (20,262) were long term binding and SEKm 2,441 (3,099) short term binding.

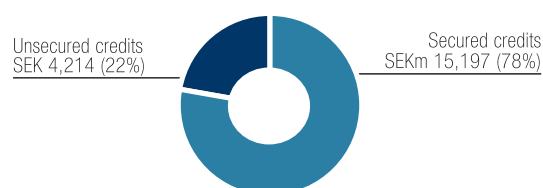
Interest rate maturity structure 31-12-2013

	Credit, SEKm	Interest rate derivatives SEKm	Net, SEKm	Closing interest rate
0 - 1 year	19,286	– 8,850	10,436	3.4%
1 - 2 years	125	200	325	5.9%
2 - 3 years	–	1,250	1,250	3.9%
3 - 4 years	–	1,000	1,000	3.4%
4 - 5 years	–	1,450	1,450	3.6%
5 - 10 years	–	4,950	4,950	3.7%
Total	19,411	–	19,411	3.5%

Interest rate maturity structure



Secured credit facilities 31-12-2013



Secured interest-bearing liabilities

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

Of net outstanding credits SEKm 19,411 (19,050), SEKm 15,197 (15,917) were secured by the company's properties and SEKm 4,214 (3,133) unsecured. The proportion of used secured financing was thus 40% of the property value.

The committed financial covenants state a loan-to-value ratio not exceeding 65% and an interest coverage ratio of at least 150%. Castellum should also provide the lenders with financial information such as annual reports and interim reports. In some cases, the lender has the right to renegotiate the credit agreements due to a material change in business or discontinued stock exchange listing.

Currency

Castellum own properties in Denmark with a value of SEKm 466 (435), which means that the Group is exposed to a currency risk. The currency risk is primarily related to translation of income statement and balance sheet in foreign exchange into Swedish currency. In accordance with the financial policy, between 60–100% of investments in foreign subsidiaries are to be financed in local currency. At the end of 2013, 79% (82%) of the assets in Denmark were hedged.

Derivatives

Derivatives are a cost effective and flexible way to manage financial risks such as interest rate risks and currency risks. Castellum uses derivatives to manage both risks. As of December 31, 2013, the market value of the interest rate derivatives portfolio to –687 (–1,116) and in the currency derivative portfolio to SEKm 4 (11). The market value in the balance sheet change when market interest rates change,

the portfolio's duration is shortened and the exchange rates change. At maturity, the market value of the derivative is dissolved with no effect on shareholder's equity.

Interest rate derivatives

Different types of derivatives are used to limit the interest rate risk and achieve the desired interest maturity structure. Through interest-rate derivatives, loans with short duration can be extended without issuing loans with fixed interest rates.

According to the accounting standard IAS 39, derivatives are subject to market valuation. For interest-rate derivatives, this means that a theoretical surplus or sub value occurs if the stipulated interest rate varies from the current market rate. Castellum accounts for this change in value in the income statement.

Currency derivatives

Funding in Danish currency can be achieved by borrowing in Danish kroner or by using currency derivatives. The exposure is the same but according to the accounting standard IAS 39 derivatives are subject to market valuation, which means that there is a theoretical surplus or sub value if the stipulated currency rate varies from the current exchange rate. Castellum applies hedge accounting according to IAS 39, implying that the effective portion of value changes are accounted for in other total net income.

Counterparty risk

Counterparty risk refers to the risk that at any moment, is deemed to exist Castellum counterparties do not fulfill their contractual obligations.

Castellum limiting counterparty risk by requiring high credit ratings of the counterparties. Castellum counterparties are major Nordic banks.

Castellum's financial policy and commitments in credit agreements

	Policy	Commitment	Outcome
Loan to value ratio	Not in the long run exceeding 55%	No more than 65%	52%
Interest coverage ratio	At least 200%	At least 150%	292%
Interest rate risk			
– average fixed interest term	0.5-3 years	–	2.7 years
– proportion maturing within 6 months	No more than 50%	–	44%
Currency risk			
– investment	60%-100% funded in local currency	–	79%
– other currency risks	Not allowed	–	No exposure
Funding risk	At least 50% of interest bearing liabilities have a duration of at least 2 years	–	79%
Counterparty risk	Credit institutions with high ratings, at least investment grade	–	Satisfied
Liquidity risk	Liquidity reserve in order to fulfill payments due	–	SEKm 2,448 unutilized credit agreements

The Castellum share

Castellum will work for a competitive total return on the company's share relative to risk and also strive for high liquidity.

All actions will be made from a long-term perspective and the company will hold frequent, open and fair reports to shareholders, the capital and credit markets and the media, without disclosing any individual business relationship.

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

The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap. Castellum's market capitalization, i.e. the value of all outstanding shares in Castellum, amounted to SEK 16.4 billion (15.1) as per December 31, 2013, corresponding to nearly 12% of the total market capitalization of Swedish real estate companies operating solely in this field totalling over SEK 140 billion and 0.4% of the total market capitalization of listed Swedish companies of approx SEK 4,700 billion.

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.

Proposed dividend

The Board intends to propose the annual general meeting to decide on a dividend of SEK 4.25 per share, an increase of 8% compared with previous year. The dividend ratio is 52% of income from property management before tax.

If the annual general meeting decides to accept the Board's dividend proposal and Tuesday March 25, 2014 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 20, 2014. Payment of the dividend is expected to take place on Friday March 28, 2014.

The dividend falls within Castellum's objective of distributing at least 50% of income from property management, 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.

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 SEK 107 per share (100). The share price at the end of the year was thus 94% (92%) of the long term net asset value.

Net asset value	SEKm	SEK/share
Equity according to the balance sheet	13,127	80
Reversed		
Derivatives according to balance sheet	683	4
Deferred tax according to balance sheet	3,700	23
Long term net asset value (EPRA NAV)	17,510	107
Deduction		
Derivatives as above	- 683	- 4
Estimated real liability, deferred tax 5.0%*	- 887	- 6
Actual net asset value (EPRA NNAV)	15,940	97

* Estimated real deferred tax liability net has been calculated to 5.0% based on a discount rate of 3%. Further, assessments have been made that tax loss carry forwards are realized in 3 years with a nominal tax of 22%, giving a present value of deferred tax liability of 20.7%, and that the properties are realized in 50 years where 33% are sold directly with a nominal tax of 22% and that 67% are sold indirect through company disposals where the buyers tax discount is 6%, which gives a present value of deferred tax liability of 5.8%.

Growth, yield and financial risk

The Castellum share price as at 31 December, 2013 was SEK 100.10 (92.30). During 2013, the total yield of the share, including dividend of SEK 3.95, was 13% (13%). Growth, yield and financial risk are shown below for both the present year as well as the average for three and ten years.

	2013	3 years average/year	10 years average/year
Growth			
Rental income SEK/share	6%	6%	6%
Income from prop. management SEK/share	7%	6%	7%
Net income for the year after tax SEK/share	16%	neg.	15%
Dividend SEK/share	8%	6%	7%
Long term net asset value SEK/share	7%	5%	7%
Actual net asset value SEK/share	8%	5%	6%
Real estate portfolio SEK/share	4%	6%	8%
Change in property value	0.9%	0.4%	1.4%
Yield			
Return on actual long term net asset value	10.4%	10.6%	11.0%
Return on actual net asset value	13.2%	11.6%	11.1%
Return on total capital	6.4%	6.6%	7.0%
Total yield of the share (incl. dividend)			
Castellum	13%	7%	13%
NASDAQ OMX Stockholm (SIX Return)	28%	9%	12%
Real Estate Index Sweden (EPRA)	21%	7%	15%
Real Estate Index Europe (EPRA)	10%	9%	7%
Financial risk			
Interest coverage ratio	292%	284%	294%
Loan to value ratio	52%	51%	49%
Unutilized long term credit agreements	2,448	1,804	1,612

Yield including long-term change in value

Change in value of both properties and derivatives can fluctuate greatly from year to year and result in volatile earnings. As a long term actor with stable cash flow and a balanced property portfolio, change of property value over time should be at least in line with inflation. From a shareholder valuation perspective, the long-term value can be used to achieve comparability with other industries. If this view is used for Castellum it means a return of both shares (inverted P/E), is based on a price of SEK 100.10, as well as net asset value of 11.0% and 11.2%. The calculation, as shown in the table below, based on Castellum income from property management in 2013, the property portfolio's average change in value last 10 years, that the derivatives portfolio's value over time is zero and the an effective current tax of 5%. The table also shows the outcome in 2013, and a sensitivity analysis on long-term value change of -/+1% unit.

Yield including long-term change in value

		Sensitivity analysis	
		-1%-unit	+1%-unit
Income from property management 2013	1,346	1,346	1,346
Change in property value (on average 10 years)	525	150	900
D:o %	1.40%	0.40%	2.40%
Current tax, 5%	- 67	- 67	- 67
Earnings after tax	1,804	1,429	2,179
Earnings SEK/share	11.00	8.72	13.29
Return on share (Inverted P/E)	11.0%	8.7%	13.3%
Return on actual long term net asset value	11.2%	8.9%	13.6%

Valuation

How a share is valued at all times is based on supply and demand, which is controlled by a number of parameters such as investors' yield requirements (including their current assessment of the Company's long-term yield, growth and

risk), alternative investments, asset allocation issues, views on macro and regulations. In the long term, however, the company's actual performance in terms of yield and growth determines the share price development.

Dividend yield

The proposed dividend of SEK 4.25 (3.95) corresponds to a yield of 4.2% (4.3%) based on the share price at the end of the year.

Earnings

Income from property management per share net of tax attributable to property management (EPRA EPS) amounted in 2013 to 8.04 kronor (7.27), which is based on the share price provides a return of 8.0% (7.9%).

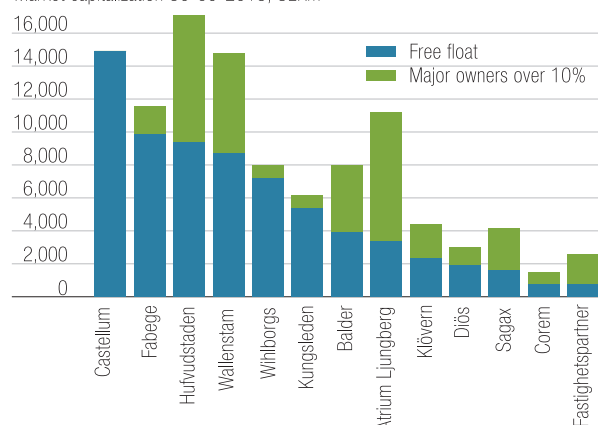
Earnings per share amounted in 2013 to 10.41 SEK (8.98), which based on the share price provides a return on 10.4% (9.7%), corresponding to a multiple of 10 (10).

Shareholder

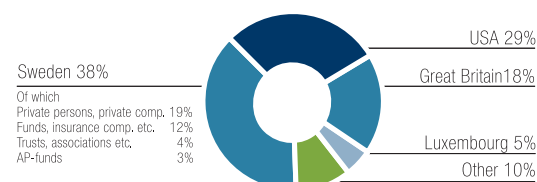
At the year-end, Castellum had approx. 12,200 shareholders. The amount of shares registered abroad at the year-end was 62%. Shareholders registered abroad can not be broken down in terms of directly held and nominee registered shares except when the shareholder is required to declare substantial share acquisitions. Two foreign shareholders has declared holding over 5%, Stichting Pensioensfonds ABP and EII Capital Management B.V. EII Capital Management B.V. has declared that they have decreased their holdings to under 5% after the year-end. Castellum has no direct registered shareholders with holdings exceeding 10%.

Listed Real Estate Companies

Market capitalization 30-09-2013, SEKm



Shareholders distributed by country 31-12-2013



Investor relations

Investor relations are primarily on quarterly financial reports, press releases on significant commercial events and presentations of Castellum. Presentations take place in connection with quarterly financial reports and visits from investors and analyst and investor meetings both in Sweden and abroad. The large share of foreign shareholders means that there are extensive contacts with foreign investors. Additional market and financial information is provided on the company's webpage www.castellum.se.

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

Repurchase of own share

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

Shareholders as per 31-12-2013

Shareholders	Numbers of share thousand	Percentage of voting rights and capital
Magdalena Szombatfalvy	4,935,000	3.0%
Lannebo Småbolag	3,345,000	2.0%
Stiftelsen Global Challenges Foundation	2,500,000	1.5%
László Szombatfalvy	2,500,000	1.5%
Länsförsäkringar Fastighetsfond	2,482,499	1.5%
Andra AP-fonden	1,856,721	1.1%
Caceis Bank France	1,705,543	1.0%
Fjärde AP-fonden	1,307,856	0.8%
Tredje AP-fonden	1,227,623	0.7%
SEB Världenfond	924,806	0.6%
KPA Pensionsförsäkring AB	922,949	0.6%
Swedbank Robur Småbolagsfond Sverige	908,936	0.6%
AFA Sjukförsäkrings AB	873,320	0.5%
Skandia Fond Småbolag Sverige	720,358	0.4%
Avanza Pension	677,355	0.4%
SEB Sverigefond Stora Bolag	668,367	0.4%
KAS Depositary Trust Company	639,217	0.4%
SEB Sverigefond Småbolag	587,700	0.4%
Livförsäkrings AB Skandia	560,790	0.4%
Folksam Ömsesidig Livförsäkring	556,005	0.3%
Board and executive management Castellum	301,701	0.2%
Swedish shareholders < 500,000 share:		
53 shareholders, 100,000-499,999 shares	11,862,827	7.2%
402 shareholders, 10,000- 99,999 shares	9,501,885	5.8%
3,542 shareholders, 1000-9,999 shares	8,481,148	5.2%
7,464 shareholders, 1-999 shares	2,172,545	1.4%
707 shareholders registered abroad	101,779,849	62.1%
Total outstanding shares	164,000,000	100.0%
Repurchased shares	8,006,708	
Total registered shares	172,006,708	

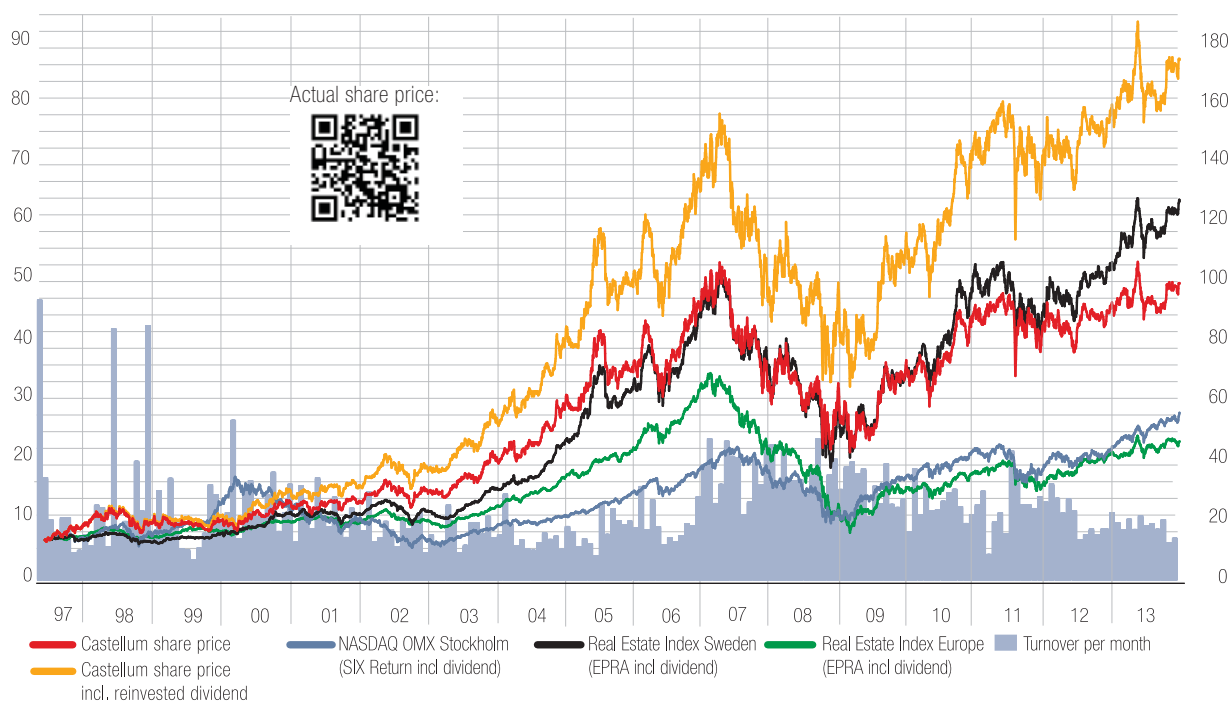
Press releases 2013

2013-01-16	The election committee's proposal regarding the board of directors etc of Castellum AB (publ)
2013-01-22	7% growth in income from property management and dividend
2013-02-01	The Swedish version of Castellum's Annual Report 2012 is now available on www.castellum.se
2013-02-13	Summons to the Annual General Meeting of shareholders in Castellum AB (publ)
2013-03-21	Annual General Meeting in Castellum AB (publ)
2013-04-17	10% growth in Castellums income from property management
2013-05-06	Castellum invests SEKm 178
2013-05-15	Castellum invests SEKm 219
2013-06-12	Castellum invests SEKm 239
2013-07-16	Stable income from property management and positive net leasing
2013-08-28	Castellum sells for SEKm 249
2013-09-16	AGM 2014: Election Committee for Castellum AB
2013-09-23	Castellum invests for SEKm 250 and sells for SEKm 84
2013-10-16	Continued growth in income from property management
2013-11-05	Castellum strengthen the Executive Group Management with a Head of Business Development
2013-11-15	Castellum sells for SEKm 181
2014-01-20	The election committee's proposal regarding the board of directors etc of Castellum AB (publ)

The Castellum share's price trend and turnover since IPO may 23, 1997 until December 31, 2013

Turnover, million share per month

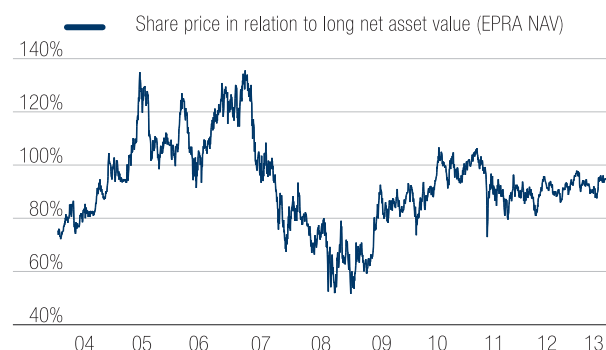
Share price, SEK



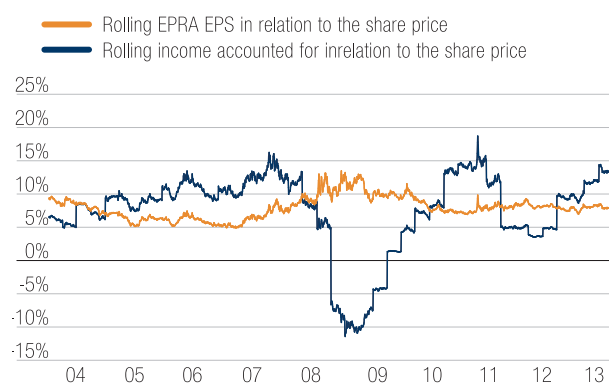
The share's dividend yield



Share price/net asset value



Yield earnings per share



Castellum's share is since 1997 listed on NASDAQ OMX Stockholm large cap under the name CAST.

IR-contact

Henrik Saxborn, CEO. Phone +46 31-60 74 50

Ulrika Danielsson, Finance Director. Phone +46 31-60 74 74

Ten year summary

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Key ratios, SEK/share										
Rental income	19.81	18.74	17.80	16.82	16.43	15.25	13.77	12.28	11.63	11.32
Income from property management	8.21	7.65	7.15	6.96	6.89	5.93	5.63	5.38	5.00	4.52
Income from property mgmt after tax (EPRA EPS)	8.04	7.27	7.01	6.62	6.93	5.85	5.50	5.09	4.49	4.15
Net income for the year	10.41	8.98	4.34	11.98	0.98	-4.04	9.07	10.21	7.89	5.59
Dividend (for 2013 proposed)	4.25	3.95	3.70	3.60	3.50	3.15	3.00	2.85	2.62	2.38
Property portfolio	230	222	207	194	178	178	169	148	130	119
Long term net asset value (EPRA NAV)	107	100	97	92	82	84	88	79	69	61
Net asset value (EPRA NNNAV)	97	90	87	85	73	75	85	76	65	57
Valuation										
Pre tax income from property management per share / Share price	8.2%	8.3%	8.6%	7.6%	9.5%	9.8%	8.4%	5.9%	7.0%	7.6%
Income from property management after tax per share / Share price (EPRA EPS)	8.0%	7.9%	8.4%	7.2%	9.6%	9.6%	8.2%	5.6%	6.3%	7.0%
Dividend/Share price (dividend yield)	4.2%	4.3%	4.3%	3.9%	4.8%	5.2%	4.5%	3.1%	3.7%	4.0%
Long-term net asset value per share/Share price	94%	92%	99%	88%	72%	76%	116%	104%	98%	77%
Net asset value per share / Share Price	97%	103%	108%	99%	81%	79%	120%	110%	104%	82%
The share										
Market capitalization, SEKm	16,416	15,137	13,989	15,014	11,890	9,963	11,029	14,965	11,726	9,758
Total yield, the Castellum share	13.1%	13.0%	- 3.1%	32.6%	27.4%	- 5.9%	- 24.2%	31.7%	25.0%	46.7%
NASDAQ OMX Stockholm (Six Return)	28.0%	16.5%	- 13.5%	26.7%	52.5%	- 39.0%	- 2.6%	28.1%	36.3%	20.8%
Real Estate Index Europa (EPRA)	20.6%	16.2%	- 13.0%	48.5%	24.0%	- 21.4%	- 18.5%	35.8%	40.2%	48.8%
Real Estate Index Sweden (EPRA)	10.1%	28.7%	- 9.2%	19.8%	33.7%	- 48.8%	- 32.2%	49.4%	25.8%	41.7%
Dividend ratio income from prop. mgmt	52%	52%	52%	52%	51%	53%	53%	53%	52%	53%
Dividend ratio long term net asset value	4%	4%	4%	4%	4%	4%	3%	4%	4%	4%
Share price, SEK										
last paid during the last day for trading	100.10	92.30	85.30	91.55	72.50	60.75	67.25	91.25	71.50	59.50
highest paid during the year	107.50	94.50	97.50	91.75	73.75	80.00	107.00	95.50	85.00	60.75
lowest paid during the year	87.75	76.30	65.25	58.50	42.80	41.40	62.00	56.50	55.00	39.38
average (high/low per day)	95.43	87.27	88.69	75.70	58.57	63.42	87.55	78.54	68.29	47.32
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
registered	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008	172,008
Number of shareholders	12,200	9,900	9,400	10,000	8,900	7,300	7,300	7,700	7,900	8,900
Percentage of shareholders registered abroad	62%	60%	51%	46%	46%	47%	49%	53%	46%	37%
Turnover, thousand shares per year	106,266	129,276	150,482	152,186	191,129	218,304	207,442	107,710	93,268	86,289
Turnover rate per year	65%	79%	92%	93%	117%	133%	126%	66%	57%	53%

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).

Property valuation

Castellum's internal valuation assess a fair value of the properties of SEKm 37,752, corresponding to SEK 10,285 per sq.m, at December 31, 2013. The average valuation yield for Castellum's real estate portfolio, excluding development projects, undeveloped land and building rights can be calculated to 7.2%.

Internal valuation

Castellum records the investment properties at fair value and has made an internal valuation of all properties as of December 31, 2013. The valuation was carried out in a uniform manner, and was based on a 10-year cash flow model, which is described in principle below. The internal valuation was based on an individual assessment for each property and reflects both its future earnings capacity and its required market yield. In the valuation of a property's future earnings capacity, consideration has been taken of potential changes in rental levels, occupancy rates and property costs – as well as an assumed inflation level of 1.5%. Projects in progress have been valued using the same principle, but with deductions for remaining investments. Building rights have been valued on the basis of an estimated market value per square metre, on average approx. SEK 1,100 per sq.m. (990). For further information about the assumptions in cash-flow and required yield see note 11.

Assumptions in Castellum's internal valuations

	Office/retail	Warehouse/industrial
Cash flow year 1		
Rental value, SEK/sq.m.	1,265	769
Vacancy, %	11%	9%
Direct property costs, SEKm/sq.m.	326	180
Property administration, SEK/sq.m.	35	25
Required yield		
Real interest rate	3.0%	3.0%
Inflation	1.5%	1.5%
Risk	4.5% - 11.1%	7.1% - 12.5%
Return on equity	9.0% - 15.6%	11.6% - 17.0%
Interest rate	5.5%	5.5%
Loan to value ratio	65%	55%
Return on total capital	6.7% - 9.0%	8.3% - 10.7%
Weighted d.o, discounted factor year 1-9	7.9%	9.1%
Weighted d.o, disc. factor residual value*	6.4%	7.6%

* (required yield on total capital minus growth equal to inflation)

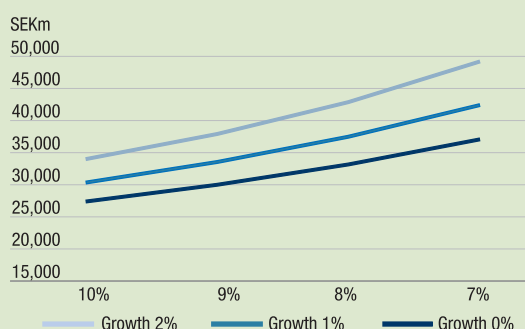
To illustrate the model, the following example is provided. It should be noted that assumptions regarding cash flow growth and other assumptions included in the model are only intended to illustrate the model. Even if relevant figures is used the example should thus not be regarded as a forecast of the 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 96% in the year 2019.
- Net operating income for 2013 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 2,139.
- The required yield, discount factor, is calculated according to the following assumptions:

	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%

Property value with different required yield and growth in rental value and property costs



SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Rental value	3,646	3,701	3,756	3,813	3,870	3,928	3,987	4,046	4,107	4,169	4,231
Rental income	3,222	3,294	3,362	3,450	3,541	3,692	3,827	3,885	3,943	4,002	4,062
Economic occupancy rate	88.4%	89%	90%	91%	92%	94%	96%	96%	96%	96%	96%
Property costs	-987	-1,002	-1,017	-1,032	-1,048	-1,063	-1,079	-1,095	-1,112	-1,129	-1,145
Net operating income = cash flow	2,235	2,292	2,345	2,418	2,493	2,629	2,748	2,790	2,831	2,873	2,917
Discounted cash flow year 1-9	16,298										
Discounted residual value year 10	19,315										
Projects, land and building rights	2,139										
Total property value	37,752										

Average valuation yield

(excl. project/land and building rights)

	2013	2012
Net operating income properties	2,341	2,293
+ Index adjustment 2014, 1% (1%)	35	34
+ Real occupancy rate, 94% at the lowest	279	268
– Property administration, 30 SEK/sq.m.	– 107	– 105
Normalized net operating income	2,548	2,490
Valuation (excl. building rights of SEKm 574)	35,613	34,245
Average valuation yield	7,2%	7,3%

Uncertainty range

Property valuations are calculations performed according to accepted principles and on the basis of certain assumptions. The value range of ± 5 –10%, often used in property valuations in a normal market, should therefore be seen as an indication of the uncertainty that exists in assumptions and calculations. In a market with lower liquidity, the range may be wider. For Castellum, an uncertainty range of $\pm 5\%$ means a range in value of \pm SEKm 1,888, corresponding to SEKm 35,864–39,640.

Change in value

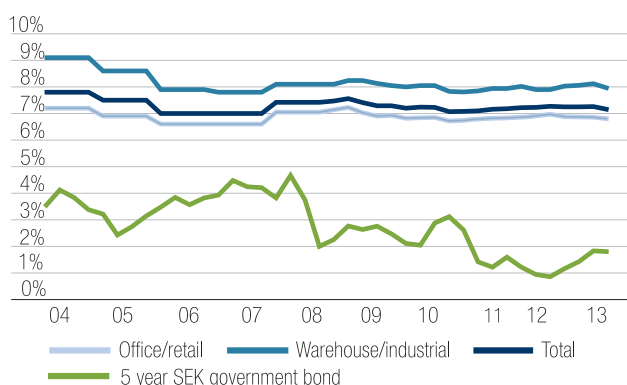
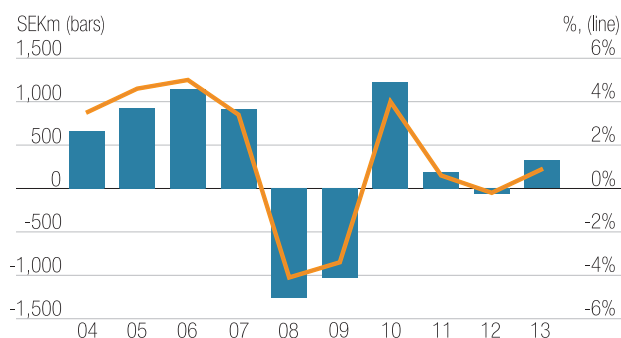
The change in value in Castellum's portfolio during 2013 amounted to SEKm 328 (–69) corresponding to 0.9% (–0.2%) of which approx. SEKm 220 refers mainly to project gains but also acquisitions, approx. SEKm 14 net refers to revaluation of individual properties regarding both cashflow, yield and value of building rights and approx. SEKm 94 refers to 18 sold properties. Net sales price amounted to SEKm 687 after reduction for assessed deferred tax and transaction costs of SEKm 31 in total. Hence the underlying

property price, which amounted to SEKm 718, exceeded the latest valuation of SEKm 593 with SEKm 125, mainly due to sales of properties with changed use as infrastructure and future residential development. The net increase in value, including the years change, over the past 10 years has been 1.4% per year, which is well in line with inflation.

Total yield

Concerning the total yield of the properties – i.e., the sum of yields and changes in value – it can be noted that Castellum's performance depends on when measurements were started. On average, Castellum has had a better total yield on warehouse/industrial compared to office/retail – regardless of when measuring was started. The annual average total yield for the past 10 years has been 7.8% (7.2% yield + 0.6% change in value), thereby surpassing office/retail which had 6.8% (6.0% yield + 0.8% change in value). Calculations do not include project gains or acquisitions from the year the acquisition was completed.

	1 year	3 years average per year	10 years average per year
Total yield			
Properties	7%	6%	7%
Castellum share	13%	7%	13%
NASDAQ OMX Stockholm (Six Return)	28%	9%	12%
Real Estate Index Sweden (EPRA)	21%	7%	15%
Real Estate Index Europe (EPRA)	10%	9%	7%
Change in value			
Change in property value, unweighted	0.9%	0.4%	1.4%
Inflation	0.1%	0.7%	1.2%

Average valuation yield over time**Change in value**

External valuation

In order to provide further assurance and validation of the valuation, 148 properties – representing 52% 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 they also 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 19,624, within an uncertainty range of +/- 5-10% on property level, depending on each property's category and location. Castellum's valuation of the same properties totalled SEKm 19,772, i. e., a net deviation of SEKm –148, corresponding to –1%. The gross deviation was SEKm +427 and SEKm –575 respectively, with an average deviation of 5%.

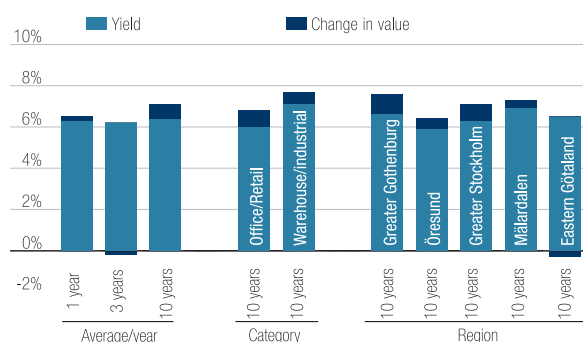
In addition, Forum Fastighetsekonomi AB made a desk-top valuation of 32 properties corresponding in value to 21% of the portfolio. Forum's valuation of the selected properties amounted to SEKm 7,912. Castellum's valuation of the same properties amounted to SEKm 7,861, i.e. a net deviation of SEKm 51 corresponding to 1%. NAI Svefa's valuation of the same properties amounted to SEKm 7,780, i.e. a net deviation of SEKm –81 corresponding to –1% compared to Castellum's valuation.

It can be noted that Castellum's deviation from the two external valuers accommodated well within the uncertainty range of +/- 5-10%.

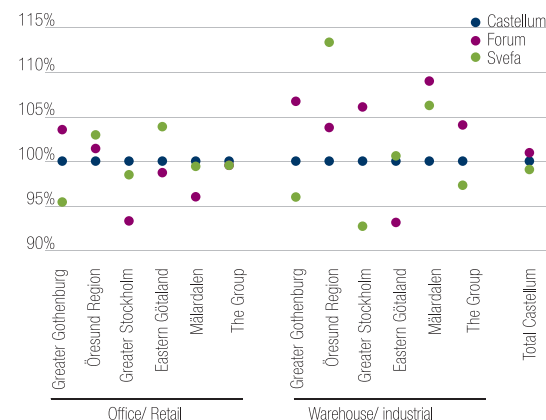
Internal vs. external valuation, SEKm

	2013	2012	2011	2010
External valuation 1 (NAI Svefa)	19,624	18,527	17,058	15,614
Proportion external of internal	52%	52%	51%	50%
Net difference external vs. internal	– 148	– 377	– 182	– 368
D:o %	– 0.8%	– 2.0%	– 1.1%	– 2.4%
Gross deviation positive	427	324	347	291
Gross deviation negative	– 575	– 701	– 529	– 659
Average deviation	5.1%	5.4%	5.1%	5.9%
External valuation 1 (different valuers)	7,912	7,153	5,652	5,265
Proportion external of internal	21%	19%	16%	17%
Net difference external vs. internal	51	117	88	– 36
D:o %	0.6%	1.6%	1.6%	– 0.7%
Gross deviation positive	292	268	199	119
Gross deviation negative	– 241	– 151	– 111	– 155
Average deviation	6.8%	6.0%	5.6%	5.2%

Total yield in average/year in different cycles until 2013



Castellum's valuation vs. external valuations 2013



Tax

Swedish corporate tax rate is 22% and is based on the company's taxable income. Taxable income is based on income before tax adjusted for items according to the current tax legislation: tax depreciations, tax deductible reconstructions, tax effects resulting from sales of properties, changes in value and finally utilization of tax loss carry forwards.

Income tax

Castellum's reported income from property management for 2013 amounted to SEKm 1,346 (1,255), while taxable income from property management amounted to SEKm 127 (239). In the absence of tax loss carry forwards, a paid tax of SEKm 28 (63) would occur, attributable to the income from property management, equivalent to 2% effective tax paid.

Tax Calculation 2013

SEKm	Basis current tax	Basis deferred tax
Income from property management	1,346	
Deductions for tax purposes		
depreciations	- 695	695
reconstructions	- 500	500
Other tax allowances	- 24	11
Taxable income from property management	127	1,206
Properties sold	161	- 355
Changes in value, properties	-	234
Changes in value, interest rate derivatives	429	-
Taxable income before tax loss carry forwards	717	1,085
Tax loss carry forwards, opening balance	- 1,610	1,610
Tax loss carry forwards, closing balance	921	- 921
Taxable income	28	1,774
Tax according to the income statement	- 6	- 390

Tax depreciations

Investments in real estate can be allocated to different parts where the Swedish Tax Authority's specify percentages for tax depreciations: Buildings (2-5% depending on type of property), land improvements 5% and inventories 20% or 30%. Land is not depreciated.

Tax deductible reconstructions

Costs for repairs and maintenance of a building may be deducted immediately. The extended repair concept allows for direct deduction for certain types of value-adding improvements, even if they are capitalized in the accounts.

Property sales

Properties can be sold directly or indirectly through companies, which have different tax consequences.

Profit on properties that fiscally represent fixed assets is 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.

For properties or shares which fiscally represents current assets a profit is always taxable, while a loss is tax deductible.

Changes in value on properties and derivatives

Swedish accounting laws do not allow reporting of properties at fair value in legal entity, meaning that changes in value of properties is only reported in the consolidated accounts and hence do not affect taxation. Some financial instruments such as interest rate derivatives may be reported at fair value in legal entities. 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.

Castellum has entered into an agreement on extended co-operation with the Swedish Tax Authority and has no current tax disputes.

Deferred tax in the balance sheet

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 value changes, tax deductions such as depreciation and deduction of certain reconstructions which are capitalized in the account.

Net Deferred Tax Liability 31-12-2013

SEKm	Basis	Nominal tax liability	Real tax liability	
Tax loss carry forwards	921	202	20,7%	191
Properties	- 18,570	- 4,085	5,8%	- 1 078
Total	- 17,649	- 3,883	5,0%	- 887
Properties, asset acq.	830	183		
In balance sheet	- 16,819	- 3,700		

Since deferred tax in principle is both interest free and amortization free it can be considered as shareholder's equity. The real deferred tax is lower than nominal partly due to the possibility to sell properties in a tax-efficient way, partly due to the time factor which means that the tax shall be discounted.

Estimated real deferred tax liability net has been calculated to 5.0% based on a discount rate of 3%. Further, assessments have been made that tax loss carry forwards are realized in 3 years with a nominal tax of 22%, giving a present value of deferred tax liability of 20.7%, and that the properties are realized in 50 years where 33% are sold directly with a nominal tax of 22% and that 67% are sold indirect through company disposals where the buyers tax discount is 6%, which gives a present value of deferred tax liability of 5.8%.

Opportunities and Risks

Castellum's business is exposed to opportunities and risks in several areas. Castellum is therefore actively working to identify and manage the opportunities and risks that have the largest impact on the business.

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 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. Castellum's lease portfolio has a minimum indexation, which provides a certain protection against deflation. The average remaining duration of leases in Castellum's portfolio is 3.3 years. Castellum's lease portfolio is considered to be in line with market rents. Current inflation level is for Castellum expected to cause an index adjustment of rents of approx. 1% for 2014.

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. 4,600 commercial contracts of which the single largest contract accounts for approx. 2% of total rental income. Castellum's current lease maturity structure, together with the lease portfolio's mix in geography, type of premises, leases sizes and sectors provide a good risk diversification. Vacancies during 2013 amounted to approx. SEKm 467 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 organizations works continuously with operating efficiency. 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 charged 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.

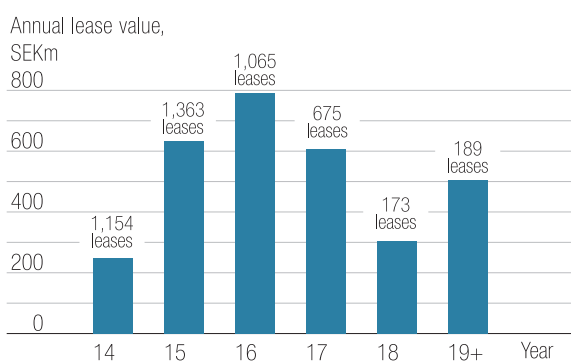
Castellum holds 90 properties by site leasehold. The ground rent for these are currently calculated in such a way that the municipality receives a fair real interest rate, based on the estimated market value of the site. The site leasehold is typically renegotiated with 10 to 20 years intervals. It can 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. The real estate tax is charged the tenants, provided that the premises are not vacant; in such case the owner of the property has to carry the real estate tax cost.

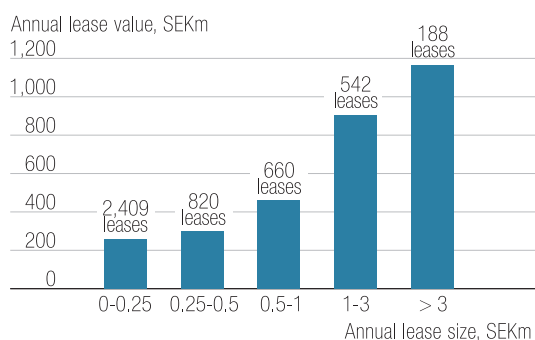
Interest costs

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

Lease maturity structure 13-12-2013



Lease size structure 31-12-2013



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 2.7 years and margins and fees in long term credit agreements are fixed with an average duration of 2.4 years.

Taxes

Castellum is affected by political decisions such as changes in the corporate tax rate, property tax rate, 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.

Sensitivity analysis - cash flow

Effect on income next 12 months

	Effect on income, SEKm +/- 1% (units)	Probable scenario	
		Boom	Recession
Rental level/Index	+ 33/- 33	+	-
Vacancies	+ 37/- 37	+	-
Property costs	- 11/+ 11	-	0
Interest rate costs	- 75/+ 67	-	+

Opportunities and risks in values

The value of the properties

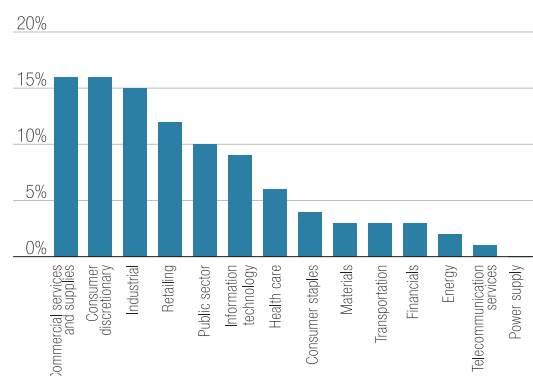
Castellum reports its properties at fair value with changes in value in the income statement. This means that the result in particular but also the financial position is volatile. Assuming a normal credit market, the value of the properties is determined by supply and demand, where the price mainly depends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

Sensitivity analysis - change in value

Properties	-20%	-10%	0	+10%	+20%
Changes in value, SEKm	- 7,550	- 3,775	0	3,775	7,550
Loan to value ratio	65%	57%	52%	47%	43%

The sensitivity analysis above 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 +/- 5-10% 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

Distribution of leases by industry 13-12-2013



Value range - simplified example

		Net Operation Income	
		- 5%	+5%
Yield	+0.5%	$\frac{95}{7.5\%} = 1,267$	$\frac{105}{7.5\%} = 1,400$
	-11%	<div> <div>Net Operating Income</div> <div>100</div> <div>7,0% Yield</div> <div>= 1,429 Value</div> </div>	
	+2%		
	-0.5%	$\frac{95}{6.5\%} = 1,462$	$\frac{105}{6.5\%} = 1,615$

Blue figures relate to change in value.

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.

Investment risk

Castellum's 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, net investments of at least 5% of the property value will be made, which currently corresponds to SEKm 1,900. Castellum invests in both acquisitions and new constructions, extensions and reconstructions of existing properties. The risks of these investments are limited by good planning, structured internal processes and quality assurance and monitoring. Major investment decisions are made by the Board, while smaller investments are notified in retrospect – either individually or on a portfolio basis.

Risks associated with acquisitions consist primarily of unexpected vacancies, adverse environmental conditions and technical shortcomings. For indirect acquisition through companies, company specific risks such as tax matters, are added. Castellum actively limits these risks by utilizing the right skills, either internal or external, and implement legal, technical and financial due diligence processes before the acquisition.

For new constructions, the risk is primarily attributable to increased production costs, and where new premises are not rented out, the void period. Risks in production costs are limited using contractual agreements in relation to both entrepreneurs and tenants, and by follow-up and benchmarking of completed projects within the organization with the purpose to increase cost effectiveness. The letting risk is limited by adding new premises to cities or areas with stable rental markets with low vacancies, or to start production only after part of the new premises are contracted.

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. 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 December 31, 2013 of 52% respectively 292% , leaving a margin for further decrease in value of approx. SEK 7.5 billion corresponding to 20% .

Castellum currently has an average duration of long term credit agreements of 3.4 years and an unutilized volume of long term credit agreements of SEKm 2,448. 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 efficient way Castellum uses interest rate derivatives. If the agreed interest rate deviates from the market interest rate, there is a theoretical overvalue or under-value, 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 December 31, 2013 of $\pm 1\%$, would change the value of the interest rate derivative portfolio by approx. SEKm $+490/-540$.

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. 5.0% , indicating a value of SEKm 887 which is considerably lower than accounted SEKm 3,700.

Environmental Risks

Castellum investigates and continuously identifies potential environmental risks in our property portfolio through efforts to map environmental inventories and maximize energy efficiency. The environmental inventories, conducted by external consultants, investigate environmental and health risks such as hazardous substances, ground pollution and humidity/mould as well as operations requiring special permits. If any risks are identified, action plans are drawn up in order to deal with them.

Environmental risk in Castellum's real estate portfolio is considered low.

Corporate Governance Report

Business dynamics with order and clarity

Let me begin by stating that all Castellum activities should be based on a long-term and customer-driven perspective. Having said that, the topic in focus here will be the annual corporate governance report. Hence, I will commence by looking into the rear-view mirror and highlight some areas that the Castellum Board has given special attention during 2013. Concerning the work of the Board, it is crucial to find the right balance between its two main tasks – to function as a control unit while remaining a dynamic, challenging and supportive driving force within the areas that generate long-term shareholder value.

When it comes to the first task – control – which is sometimes referred to as formalities in a slightly condescending tone, I can proudly confirm that Castellum's DNA and structure are based on "order and clarity". These permeate all Castellum activities and processes, thereby performing as natural hygiene factors. This comes perhaps as no surprise, as Castellum 1994 rose from the chaos and the ashes after the Swedish real-estate crisis. From the chaos rose the key concepts for our culture: meticulous organization and control. Castellum was thus managed in an exemplary fashion: from a corporate governance point of view – long before the term was invented. My personal belief is that competent corporate governance supports the creation of value.

Our business environment and Castellum's operations are, however, constantly changing and we make continuous efforts to improve in this realm as well. One example is that the Board 2014 will establish an Audit and Finance Committee with an expanded field of operations. Within the framework of the Committee, the objective is to allocate adequate time to crucial issues – such as access to finance and risk – without cannibalizing other key issues. This is to be accomplished without taking away the Board's ultimate responsibility for an overview covering all of these matters.

Integrating control issues into the daily work of the company, frees up time for the Board's second key task – to run strategic development, along with Castellum's executive management, with the overall objective of generating shareholder value.

The past year has been both intense and fun – I dare say – and has been a year characterized by progress in the light of unremarkable economic growth and zero inflation.

Before the recruitment process for a CEO in 2012, the Board focused specifically on long-term goals and business environment. This was to sharpen the profile that the winning candidate had to match. At the meeting almost a year ago we welcomed Henrik Saxborn to the role of CEO. This meant continuity but also a gain in tempo.

During 2013, the Board's focus was characterized by a long-term perspective, as well as shorter-term considerations in a complex and dynamic environment. In spring, the CEO and executive management initiated a renewed analysis of objectives and strategies. The Castellum Board consists of a highly dedicated group of individuals who are keen to

contribute to the development of Castellum with their valuable and extensive experiences. Hence, the strategy meeting in early summer became one of the highlights of the year.

The work process included a thorough challenge of Castellum's financial objectives – which had remained unchanged since 2006 – and resulted in these being re-approved by the

Board. The objectives provide a tough and inspiring challenge for cash-flow growth – the very basis for steady and competitive growth of shareholder value. Furthermore, the strategy meeting resulted in new ideas for development, regeneration and fresh activities, all within the framework of previously communicated strategies.

For the purpose of maintaining the Board's capacity to properly support and challenge management, we follow a rolling plan. In the Plan, further studies for crucial company issues, reinforced by hands-on business visits, constitute significant components. The meeting with one of our major customers, Microsoft, was particularly informative. Microsoft – with their highly reputed Swedish headquarters in our property at Akalla – is a leading company in developing their products and work processes. The company sees workplace design as a central and supporting component. Microsoft's premises was appointed as "Sweden's best looking office" and "Great place to work".

Another topic that we also received special attention this year is the remuneration of senior executives. For example, the individually targeted factors within the incentive program framework have been refined to support the Board's value-building priorities. Parameters can be concrete and measurable goals for vacancies, project leasing, investments or sales. The overall outcome of the current incentive program was 68% of the maximum outcome for the annual 2013 portion, and 27% for the three-year share-price-based portion (per year-end reading), which expires May 31, 2014. The Board believes that the outcome is fair when set in the context of goal achievement for cash-flow growth and total return per share. The structure clearly links together the interests of management and shareholders.

To conclude, I'd like to emphasize sustainability in its broadest meaning. This is a prioritized and integral part of all Castellum's business operations. The Board is convinced that sustainability as a guiding principle ultimately creates profitability. The Board is looking forward to the continued pursuit of growth for Castellum's shareholders – in prosperous interaction with management.



January 2014

Charlotte Strömberg
Chairman of the Board in Castellum

Overall Structure for Corporate Governance



Major external regulations

- Swedish Companies Act
- Rules for issuers at NASDAQ OMX Stockholm
- Swedish Code of Corporate Governance

Important internal regulations

- Articles of Association
- Board of Directors' rules of procedures
- Policies for information to the stock market, finance, accounting
- Processes for internal control and risk management
- Code of Conduct

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.

Swedish code for corporate governance

Corporate governance covers the various means of decision making by which the shareholders – directly and indirectly – control the company. Corporate governance has evolved through laws, recommendations, the “Code” (Swedish Code for Corporate Governance), and through self-regulation. It is based upon the comply-or-explain principle, meaning that all rules do not always have to be followed and there is no crime in deviating from one or more particular rules of the Code if there are motives and explanations. The Swedish code for corporate governance is conducted by the Swedish Corporate Governance Board and is found at www.bolagsstyrning.se.

Castellum applies the Code with the purpose of creating good preconditions for taking on the role of active and responsible ownership. The model below describes the overall structure of corporate governance in Castellum AB.

Share and shareholders

The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap. At year end, Castellum had approx. 12,200 shareholders. Of the total share capital, 38% was owned by mainly Swedish institutions and mutual funds and 62% was owned by foreign investors. Castellum has no direct registered shareholders with holdings exceeding 10%.

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. There are no warrants, convertible bonds or similar securities which may lead to additional shares in the company.

Annual General Meeting

The decision-making rights of shareholders in Castellum are exercised at the shareholders' meeting. The AGM (ordinary shareholders' meeting) is held in Gothenburg during the first half-year after the end of the financial year. The annual general meeting elects the board of directors and the company's auditors as well as making decisions on changes in the articles of association and on changes in the share capital.

Participation in decision-making requires the shareholder's presence at the meeting, either personally or through a proxy. In addition, the shareholder must be registered in the share register by a stipulated date prior to the meeting and must provide notice of participation in the manner prescribed. Individual shareholders requesting that a specific issue be included in the agenda of a shareholders' meeting can normally request the Castellum board to do so well in advance of the meeting via an address provided on the Group's website.

Decisions at the meeting are usually taken on the basis of a simple majority. However, regarding certain issues, the Swedish Companies Act stipulates that proposals must be approved by shareholders representing a larger number of votes than the number of votes cast and shares represented at the meeting.

Annual General Meeting 2013

The latest AGM was held on March 21, 2013 in RunAn, Chalmers Kårhus in Gothenburg. At the AGM, 461 shareholders were represented, representing 44.5% of the total number of shares and votes. All members of the board and the company's auditors and the deputy auditor were present at the AGM.

The AGM adopted the financial reports for 2012 and discharged the board of directors and the chief executive officer from liability regarding operations for 2012.

On the AGM on March 21, 2013 the board of directors decided;

- a dividend of SEK 3.95 per share for the fiscal year 2012,
- that remuneration to the members of the board of directors shall be SEK 2,115,000, of which SEK 525,000 should be allocated to the chairman of the board of directors and SEK 25,000 to each other members of the board (including remuneration for work in the audit committee). A separate remuneration committee has been established consisting of three members of the board, including the chairman of the board of directors. Remuneration for work in the remuneration committee should be SEK 30,000 to each member.
- re-election of present board members Mrs. Charlotte Strömberg, Mr. Per Berggren, Mrs. Marianne Dicander Alexandersson, Mrs. Ulla-Britt Fräjdin-Hellqvist, Mr. Christer Jacobson, Mr. Jan Åke Jonsson and Mr. Johan Skoglund. Mrs. Charlotte Strömberg was re-elected as chairman of the board of directors.
- to approve the Board's proposed guidelines for remuneration to members of the executive management,
- to approve a renewed incentive program to the executive management,
- to authorize the Board in order to adjust the company's capital structure and be able to transfer company-owned shares as a payment or financing of real property investments to resolve on the acquisition and transfer of company-owned shares.

Minutes of the annual general meeting held on March 22, 2012 are available on the company's web site.

Election committee

The AGM resolves upon the nomination process for the board of directors and, when appropriate, the auditors. The Annual General Meeting 2013 decided that an election committee should be appointed for the AGM 2014 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 and auditors and remuneration to members of the board of directors and auditors.

The election committee's proposals are publicly announced no later than on the date of notification of the AGM. Shareholders may contact the election committee with proposals for nomination.

The election committee is appointed according to the AGM's decision that the election committee should be established by the chairman of the board of directors that will contact the three largest ownership registered or otherwise known shareholders as per the last share trading day in August and invite them each to appoint one member. The three members appointed constitute, together with the chairman of the board of directors, the election committee. The election committee appoints a chairman amongst its members.

The election committee to the AGM 2014 consists of Mr. Rutger van der Lubbe representing Stichting Pensioenfond ABP, Mr. Björn Franzon (chairman) representing Mrs. Magdalena and Mr. László Szombatfalvy and Stiftelsen Global Challenges Foundation, Mr. Johan Strandberg representing SEB Fonder and Mrs. Charlotte Strömberg, chairman of the board of directors of Castellum.

Election committee AGM 2014

Representative	Representing	Share of votes August 2013
Rutger van der Lubbe	Stichting Pensioenfond ABP	approx. 7%
Björn Franzon	Magdalena and László Szombatfalvy and Stiftelsen Global Challenges Foundation	approx. 6%
Johan Strandberg	SEB Fonder	approx. 3%
Charlotte Strömberg	Chairman of the board in Castellum AB (publ)	

Annual general Meeting 2014

For the AGM on March 20, 2014 the board of directors proposes:

- a dividend of SEK 4.25 per share and March 25, 2014 as record day,
- guidelines for remuneration to 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 Mrs. Charlotte Strömberg, Mr. Per Berggren, Mrs. Marianne Dicander Alexandersson, Mr. Christer Jacobson, Mr. Jan Åke Jonsson and Mr. Johan Skoglund, as members of the board of directors. Mrs. Nina Linander is proposed to be elected as new member of the board of directors. Mrs. Ulla-Britt Fräjdin-Hellqvist, board member since 2003, has declined re-election. Mrs. Charlotte Strömberg is proposed to be re-elected as chairman of the board of directors.
- re-election of the authorised public accountant Mr. Magnus Fredmer (EY). The authorised public accountant Mr. Hans Warén (Deloitte) is proposed to be elected as new auditor. The authorised public accountant Mr. Fredrik Walméus (Deloitte) is proposed to be elected as new deputy auditor,
- that remuneration to the board of directors is proposed to be the following. The board of directors has, following discussion with the election committee, decided

to establish a separate audit and finance committee. The chairman of the board of directors: SEK 585,000, other members of the board of directors: SEK 275,000, member of the board of directors' remuneration committee, including the chairman: SEK 30,000, chairman of the board of directors' audit and finance committee: SEK 50,000, other members of the board of directors' audit and finance committee: SEK 35,000. The proposed total remuneration to the members of the board of directors, including remuneration for committee work, accordingly amounts to SEK 2,445,000 (SEK 2,115,000 previous year).

- that remuneration to the auditors during their term of office is proposed to be based on approved accounts,
- for AGM to decide on appointing an election committee for the AGM 2015 and for the Chairman to contact the three largest registered or in an other way known shareholders at the end of the last day of share trade in August 2014 and invite them each to 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 appoints a chairman amongst its members. The names of the members of the election committee shall be made public no later than six months before the next annual general meeting 2015.

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 discussed, inter alia, (i) to what extent the current board of directors fulfils the requirements that will be imposed on the board of directors as a result of Castellum's business and development phase, (ii) the size of the board of directors, (iii) the different areas of competence that are and should be represented on the board of directors, (iv) the composition of the board of directors with respect to experience, gender and background, (v) election of auditors, (vi) remuneration to the members of the board of directors and auditors and (vii) the procedure for establishing a new election committee for the annual general meeting to be held in 2015. The election committee has further carried out a recruitment process of a new board member. The election committee has also considered the evaluation report of the board of directors' work conducted during autumn 2013, held individual meetings with all board members and has met the new managing director of Castellum, Mr. Henrik Saxborn.

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.

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's proposals are shown on previous page. 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. The election committee's proposals means that three of seven board members are woman, including the chairman.

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 2013, 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 regular 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 apply, 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's work is governed by the Swedish Companies Act, the Code and the Board's rules of procedure.

The Board of Directors responsibility

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

The Board's year

issues besides current state of operations, prospects, investments, sales och financing

Board Meeting (December)

- Business Plans
- Evaluation Board and CEO
- Audit committee
- Visit subsidiaries

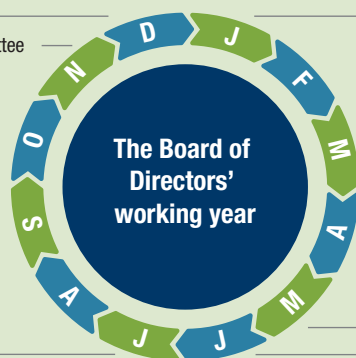
Remuneration Committee (November)

Board Meeting (Oktober)

- Interim Report Q3
- Decision log
- Insurance review

Board Meeting (July)

- Interim Report Q2



Board Meeting (January)

- Net income for the year
- Annual Report
- Proposed distribution of profits
- Documents for Annual General Meeting

Board Meeting (March)

- Preparation for Annual General Meeting
- Audit Committee

Annual General Meeting (March)

Board Meeting following election (March)

- Signatory appointed
- Compositions of the committees is decided

Board Meeting (April)

- Interim Report Q1
- Decision log
- 3-year follow up of investments
- Rules of procedure

Remuneration Committee (May)

Board Meeting (June)

- Strategy
- Audit Committee

The Board of Directors' rules of procedure

The board of directors' rules of procedure are set annually. The rules of procedure describe the work of the Board and the distribution of responsibility between the Board and the Chief Executive Officer. The rules of procedure also state which topics should be dealt with at each Board meeting and give instructions regarding the financial reporting to the board of directors.

The rules of procedure also prescribe that the Board shall have an audit committee and a remuneration committee. The Chairman of the committees should 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 the company's financial position, results, liquidity, financial planning and development. The Chairman of the board of directors is also obliged to fulfill decisions made by the Annual General Meeting regarding establishment of an election committee and to take part in the work of the committee.

The Board of directors activities during 2013

During 2013, Castellum's Board has held 10 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, year end, proposed appropriation of profits and issues relating to the AGM (dealt with in January), interim accounts (April, July and October), strategy (June). The Business Plan for the next year is dealt with at the meeting held in December.

At each of the scheduled Board meetings, matters of significance for the company, such as investments, sales of properties and funding are covered. Furthermore, the Board is informed about the current state of operations and the rental and real estate markets as well as the credit and stock markets. The regular matters dealt with by the Board during 2013 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.

During 2013, the Board has made an external evaluation of its work which demonstrated an open and constructive climate and well-functioning decision making. The evaluation and following discussion in the Board serves as a basis for the continuous development of the Board's work and ensures that the Board can make decisions which are as well-informed as possible.

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 systems, morals, ethics and communication.

No other compensation beside the remuneration has been paid.

Remuneration committee

The Remuneration Committee consists of three Board members and functions according to the following:

- Prepares, according to remuneration principles, remuneration and other employment terms for the CEO and senior executives. The guidelines for remuneration of senior executives are to be submitted to the Board and decided upon at the Annual General Meeting,
- Decides on outcome of the current incentive program,
- Monitors and evaluate ongoing and completed incentive plans for senior executives. The evaluation is to be presented on the company's website,
- Annually evaluates the work of the Chief Executive Officer and, where appropriate, deal with issues concerning the appointment of a CEO.

The Remuneration Committee shall meet at least twice a year. During 2013, the Committee held four meetings. Issues addressed at the meetings included the review of the remuneration of the CEO and Group Executive, decisions about changes in the remuneration of members of executive management and evaluation and follow up of previous incentive programs. In 2013, the Remuneration Committee also made an external evaluation of CEO's efforts and prepared individually targeted factors under the annual profit based incentive program.

Audit committee

The Audit Committee, which consists of all members of the Board, functions as follows:

- Reviews and monitors both financial control as well as internal audit and risk management,
- Keeps informed about the Annual Report and consolidated accounts,
- Review and monitors the auditor's impartiality and independence, and evaluates auditing activities and informs the election committee of the outcome of the evaluation,
- Assists the Committee in preparing proposals for auditors and compensation to them.

The Audit Committee will meet at least three times a year, and of these, the Group's auditors will attend at least twice. On one of the occasions when the Audit Committee meets with the auditors, no one from corporate management is to be present.

In 2013, the Audit Committee met four times. Some of the issues attended to at the meetings involved for example financial reporting, included review of future regulations and their possible consequences for Castellum, internal control and risk management, and the work of the auditors – including their impartiality and independence.

Also on the agenda was procurement and preparation for the appointment of auditors for the 2014 AGM. A number of leading accounting firms have participated in the procurement procedure, and upon evaluation, the Audit Committee recommended that the Board and the Election Committee nominate authorized public accountants Hans Warén (Deloitte), Magnus Fredmer (EY) and Fredrik Walméus (Deloitte) – the latter as deputy auditor.

Board of Directors



Charlotte Strömberg
Chairman of the Board

Born 1959, Master of Business Administration and Economics.



Per Berggren,
Board member

Born 1959, Master of Science KTH and economic education from Stockholm University. CEO of Hemsö Fastighets AB.



Marianne Dicander Alexandersson
Board member

Born 1959, Master of Science.



Ulla-Britt Fräjdin-Hellqvist,
Board member

Born 1954, Master of Science. Own operations in Fräjdin & Hellqvist AB.

Previous positions	CEO for the nordic business at Jones Lang LaSalle, leading positions in investment banking at Carnegie Investment Bank and Alfred Berg (ABN AMRO).	CEO of Jernhusen AB, division manager in Fabege AB, CEO of Drott Kontor AB and property manager in Skanska Fastigheter Stockholm AB.	CEO Sjötte AP-fonden and CEO Kronans Droghandel and Global Health Partner AB, deputy CEO of Apoteket AB and positions within Volvo, ICI, Pharmacia.	Executive positions within Volvo Personvagnar and Head of Department in Confederation of Swedish Enterprise.
Other assignments	Director in Boomerang AB, Fjärde AP fonden, Intrum Justitia AB (publ), karolinska Institutet, Skanska AB (publ) and Swedbank AB (publ).	Board member in BRIS	Director of Mölnlycke Healthcare AB.	Chairman of the Board in Kongsberg Automotive ASA and SinterCast AB. Board member in Data Respons ASA, e-man, Fouriertransform, Micronic Mydata, Stockholm Environment Institute, Tällberg Foundation and Vindora Holding.
Elected	2012	2007	2005	2003
Remuneration, SEK	555	280	250	280
Attendance, Board meetings	9/9	9/9	9/9	9/9
- Remuneration Committee	3/3	3/3	–	3/3
- Audit Committee	4/4	4/4	4/4	4/4
Shareholdings in Castellum AB	5,100	2,700	3,030	800
Independent	Yes	Yes	Yes	Yes



Christer Jacobson,
Board member

Born 1946, Master of Business Administration and Economics DHS. Own operations in Bergsrådet Kapital AB.



Jan Åke Jonsson
Board member

Born 1951, education in computing and business administration from Högre Tekniska Läroverket in Linköping and Uppsala University.



Johan Skoglund,
Board member

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



Johan Ljungberg,
Secretary of the Board

Born 1974, Secretary of the Board since 2008. Lawyer, Mannheimer Swartling Advokatbyrå.

Previous positions	Stock commentator and market manager at Affärsvärlden and Head of Analysis and CEO of the Alfred Berg-group.	CEO at Saab Automobile AB and different operational management positions in Saab Automobil and General Motors.	Has experience since 1986 from JM AB in different positions.	
Other assignments	Director in Global Challenges Foundation. Viscogel AB and Max Matthiessen Värdepapper AB.	Chairman of the board of directors of Polstiernan Industri AB, Bythjul i Norden AB, Väst kustens Affärs-änglar AB and Datachassi AB. Boardmember of Stiftelsen Högskolan i Jönköping and Opus Group AB.	Director of JM AB, Mentor Sverige and Infranord AB.	
Elected	2006	2012	2010	
Remuneration, SEK	250	250	250	
Attendance, Board meetings	8/9	9/9	8/9	
- Remuneration Committee	–	–	–	
- Audit Committee	3/4	4/4	4/4	
Shareholdings in Castellum AB	40,000	1,000	3,000	
Independent	Yes	Yes	Yes	

The information above refers to the situation in the end of January 2014. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies and holdings through capital assurance.

During the year, the Audit Committee has also held a private meeting with the compliance officer without the presence of management.

The Board has decided to establish a separate Audit and Finance Committee, effective from the 2014 AGM, and this will consist of three members of the Board, including the Chairman of the Board.

Audit

Castellum's auditors are elected by the AGM for a period of three years. The present period began in 2011 and the next election will therefore take place at the AGM in 2014. The company's auditors are Magnus Fredmer, who works at EY and deputy auditor Conny Lysér, who works at KPMG. Both are certified public accountants.

Auditor Carl Lindgren, who has been an auditor of the company since 2007, left his profession as auditor in 2013 and thereby left as auditor for Castellum, in connection with the AGM 2013. Deputy auditor Conny Lysér, as deputy auditor, replaced Carl Lindgren for his remaining mandate, i.e. until the 2014 AGM.



Magnus Fredmer
Born 1964
Company's auditor since 2011



Conny Lysér
Born 1962
Company's deputy auditor since 2003

Remuneration to auditors

thousand SEK	2013	2012	2011
Audit assignment	2,535	2,610	2,671
Audit business in addition to the audit assignment	236	221	313
Tax consulting	1,075	1,481	1,599
Other consulting	739	8	–
Total	4,585	4,320	4,583
of which KPMG	4,349	4,127	4,184
of which Ernst & Young	236	193	399

Executive group management

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 held 11 meetings in 2013.

During 2013 a head of business development has been appointed in Castellum AB (publ), who will be a part in the Executive group management. The Chief Executive Officer and the Finance Director together with the Managing Director of each Subsidiary constitutes the Board for each local subsidiary.

The chief executive officer

The Chief Executive Officer is responsible for the company's day-to-day operations and for leading operations according to the guidelines and directives submitted by the Board of Directors and for providing the Board with information and the necessary background/documentation for decision-making. The Chief Executive Officer also reports at the Board meetings and is to assure that members of the Board regularly receive the information required to follow the company's and the Group's financial position, results, liquidity, and development.

Guidelines for remuneration for senior executives

The AGM 2013 decided on the following guidelines for remuneration for senior executives:

Castellum is to uphold the remuneration levels competitive and terms of employment required in order to recruit and maintain excellent management with the competence and capacity to achieve set objectives. A fixed salary will be paid for work performed in a satisfactory manner. In addition, flexible remuneration under an incentive plan may also be offered. The formulation is based on the objective of interconnecting the executive team's interests with shareholder interests and that senior management members also are shareholders in Castellum. Moreover, it entails that an increased proportion of total remuneration is directly connected to the Group's development. This flexible remuneration will aim to promote long-term value creation within the Group. Flexible remuneration which generally cannot 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. It is also determined by how well soft factors, such as customer and employee satisfaction, are developed. Flexible remuneration is paid as non-pensionable salary. Executives who receive flexible remuneration are committed to acquiring Castellum shares for at least half the amount of flexible remuneration after tax.










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

Upon termination by the Company, such period of notice shall not exceed 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 are paid, less pay and compensation received from other employment. Castellum has followed the guidelines decided by the AGM 2013.

The proposed guidelines for remuneration for senior executives which will be put forward at the AGM on March 20, 2014 are in principle unchanged compared with those put forward at the AGM in 2013. At the AGM March 21, 2013, a renewed incentive plan for members of the executive management was decided, which in principle is an extension of the existing program. In respect of the annual profitbased bonus, the incentive program is to be applicable for 2014, 2015, 2016, and for the share-priced-based bonus, the effective period is June 1st, 2011–May 31, 2017.

For further information regarding remuneration see note 10.

Executive Group Management

				
Henrik Saxborn Chief Executive Officer, Castellum AB Born 1964, Master of Science.	Anette Asklin Financial Director, Castellum AB Born 1961, Master of Business Administration and Economics.	Tage Christoffersson Managing Director, Eklandia Fastighets AB ¹⁾ Born 1952, upper secondary school and real estate/economy at KTH.	Ulrika Danielsson Finance Director, Castellum AB Born 1972, Master of Business Administration and Economics.	Claes Junefelt Managing Director, Fastighets AB Corallen Born 1960, Master of Science.
Long experience from both construction business, management and acquisitions of properties, i.e. as CEO for a property management company. Employed since 2006.	More than 20 years experience from bank and finance. Employed since 2000 and Financial Director since 2006.	Has been working in the real estate business since 1976. Employed since 1994 and Managing Director of Eklandia since 1995.	Experience within the financial and controlling function. Employed since 1998 and Finance Director since 2006.	More than 15 years experience from building construction as team manager/district manager. Employed and Managing Director of Corallen since 2005.
Shareholdings: 26,342	Shareholdings: 32,400	Shareholdings: 56,000	Shareholdings: 9,000	Shareholdings: 13,320
				
Claes Larsson Managing Director, Aspholmen Fastigheter AB Born 1957, Master of Science.	Anders Nilsson Managing Director, Fastighets AB Brostaden Born 1967, Master of Science.	Christer Sundberg Managing Director, Harry Sjögren AB Born 1955, Master of Science.	Gunnar Östenson Managing Director, Fastighets AB Briggen ²⁾ Born 1956, Master of Business Administration and Economics.	
More than 10 years experience from building construction as team manager/district manager. Employed and Managing Director of Aspholmen since 2002.	More than 15 years experience from the real estate business. Employed since 1993 and Managing Director of Brostaden since 2006.	More than 25 years experience from banks and real estate companies. Employed and Managing Director of Harry Sjögren AB since 1993.	Previous experience from real estate management and the construction industry. Employed and Managing Director of Briggen since 2006	
Shareholdings: 26,600	Shareholdings: 10,534	Shareholdings: 51,275	Shareholdings: 12,600	

The information above refers to the situation in the end of January 2014. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies and holding through capital assurance. Concerning the CEO he has no significant shares or ownership in companies who Castellum has significant business relations with.

¹⁾ As previously announced, Tage Christoffersson is appointed as Head of Business Development at Castellum AB - a new role that will be part of the Executive Group Management – with effect during the first half of 2014. Cecilia Fasth is appointed as new MD of Eklandia Fastighets AB.

²⁾ As announced January 24, 2014, Gunnar Östenson has resigned at his own request as MD of Fastighets AB Briggen. The process of recruiting a new MD of Fastighets AB Briggen is ongoing.

Internal control

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

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 internal control of financial reporting comprises a control environment, which consists of various parts that form Castellum's management culture and values. The fundamentals for Castellum's internal control comprise the following: a decentralized small-scale organization with over 600 properties, as well as cost centres, which are managed by six Subsidiaries, each with approx. 35–45 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, etc., are also important for internal control. Documents in use are updated regularly to reflect changes in legislation, accounting standards or listing requirements etc.

Risk assessment

At Castellum, risk management is built into our processes and various methods are used to evaluate and limit risks. We 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, and the Audit Committee, review internal control once a year. Identified risks are assessed and measures are set to reduce these risks. The important risks Castellum has identified in financial reporting are errors in 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

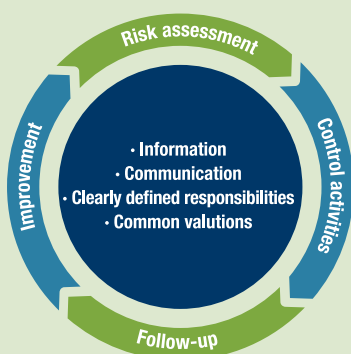
The risks identified in financial reporting are addressed by the company's control structure, resulting in a number of control measures. The control measures aim to prevent, discover and correct errors and deviations. They comprise analytical reviews on many levels in the organization: comparisons of 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 activities; group-wide definitions; templates and tools for reporting as well as accounting and valuation principles.

Castellum subsidiaries have their own financial functions, which take part in the planning and follow-up of financial results for their units. The regular self-analysis of unit financial reporting and the analysis made at Group level constitute an important part of internal control. This ensures that financial reporting does not contain any significant errors.

Information and communication

Castellum has processes for information and communication that aim to ensure the effective and correct distribution of information regarding financial reporting. This demands that all areas of the operation communicate and share relevant and important information. Policies and guidelines

Castellum's internal control environment



The internal control is governed by

- Board of Directors' rules of procedures
- Rules for decision making
- Instructions for authorization
- Accounting manuals
- Reporting manuals
- Policies, guidelines, manuals and Code of Conduct

regarding financial reporting as well as updates and changes are made available and clearly communicated 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, we have both a policy for communicating with the stock market and an information security policy.

Company culture

That Castellum's operations are conducted in a responsible way is a prerequisite for the company's long-term successful business. The objective is to make sound and proper business decisions in all respects high business morality, good business ethics, responsibility awareness and impartiality. 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.

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.

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 company management and the auditors. The company's auditors also report in person directly to the Audit Committee at least twice a year re their observations from the audit and their assessment of internal control. In addition, the Audit Committee conducts an annual review of the risk assessments and agreed-upon measures. Monitoring by the Audit Committee and the Board of Directors is of particular importance for the development of internal control and for ensuring that measures are taken for possibly emerging shortcomings and suggestions.

The need for internal audits

Castellum features a small-scale organization with approx. 35-45 employees in each company. Together, these units manage over 600 cost centres. All property management is run by the Subsidiaries while financial management is taken care of by the parent company's treasury department. This means that Castellum AB is not a profit centre. It places the financial function of the parent company in the twin roles of a controlling function for the Subsidiaries as well as a compliance-officer function for the treasury department. The finance director in the parent company also report directly to the Audit Committee, without other management attendance, observations made and measures relating to compliance. In all, this structure provides a rationale for the assessment that there is no need for a special internal auditing unit.



Quartely Summary

	Jan-March 2013	Apr-June 2013	July-Sept 2013	Oct-Dec 2013	2013	Jan-March 2012	Apr-June 2012	July-Sept 2012	Oct-Dec 2012	2012
Income Statement, SEKm										
Rental income	814	808	809	818	3,249	753	768	764	788	3,073
Property costs	- 317	- 269	- 233	- 286	- 1,105	- 284	- 200	- 229	- 289	- 1,042
Net operating income	497	539	576	532	2,144	469	528	535	499	2,031
Central administrative expenses	- 21	- 28	- 18	- 29	- 96	- 23	- 24	- 19	- 27	- 93
Net interest costs	- 176	- 177	- 177	- 172	- 702	- 173	- 171	- 169	- 170	- 683
Income from property management	300	334	381	331	1,346	273	333	347	302	1,255
Changes in value, properties	32	87	182	27	328	10	18	28	- 125	- 69
Changes in value, derivatives	166	221	53	- 11	429	206	- 97	- 192	- 27	- 110
Current tax	- 2	- 4	- 6	6	- 6	- 2	- 4	- 3	2	- 7
Deferred tax	- 93	- 139	- 107	- 51	- 390	- 125	- 32	- 46	607	404
Net income for the period/year	403	499	503	302	1,707	362	218	134	759	1,473
Other total net income	0	3	- 3	3	3	0	0	- 6	2	- 4
Total net income for the period/year	403	502	500	305	1,710	362	218	128	761	1,469
Balance Sheet, SEKm										
Investment properties	36,683	37,301	37,505	37,752	37,752	34,200	34,632	35,433	36,328	36,328
Other fixed assets	283	276	303	291	291	176	264	292	259	259
Cash and bank	18	59	176	70	70	22	59	14	44	44
Total assets	36,984	37,636	37,984	38,113	38,113	34,398	34,955	35,739	36,631	36,631
Shareholders' equity	11,820	12,322	12,822	13,127	13,127	10,958	11,176	11,304	12,065	12,065
Deferred tax liability	3,403	3,542	3,649	3,700	3,700	3,839	3,871	3,917	3,310	3,310
Derivatives	932	721	666	683	683	796	894	1,072	1,105	1,105
Long term interest-bearing liabilities	19,773	19,988	19,676	19,481	19,481	17,839	18,066	18,472	19,094	19,094
Non-interest-bearing liabilities	1,056	1,063	1,171	1,122	1,122	966	948	974	1,057	1,057
Total shareholders' equity and liabilities	36,984	37,636	37,984	38,113	38,113	34,398	34,955	35,739	36,631	36,631
Financial key ratios										
Net operating income margin	61%	67%	71%	65%	66%	62%	69%	70%	63%	66%
Interest rate, average	3.8%	3.7%	3.7%	3.6%	3.7%	4.1%	3.9%	3.9%	3.7%	3.9%
Interest coverage ratio	270%	289%	315%	292%	292%	258%	295%	305%	278%	284%
Return on actual net asset value	12.3%	15.5%	14.3%	9.2%	13.2%	13.3%	6.0%	4.8%	7.0%	7.9%
Return on total capital	5.5%	6.4%	7.8%	5.6%	6.4%	5.3%	6.0%	6.2%	3.8%	5.3%
Investments in properties, SEKm	413	538	379	438	1,768	331	615	843	1,009	2,798
Sales, SEKm	80	25	351	231	687	8	203	42	-	253
Loan to value ratio	54%	54%	52%	52%	52%	52%	52%	52%	53%	53%
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	1.83	2.04	2.32	2.02	8.21	1.66	2.03	2.12	1.84	7.65
Income prop mgmt after tax (EPRA EPS), SEK	1.77	1.96	2.17	2.14	8.04	1.59	1.87	1.93	1.88	7.27
Earnings after tax, SEK	2.46	3.04	3.07	1.84	10.41	2.21	1.33	0.82	4.63	8.98
Outstanding number of shares, thousand	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000	164,000
Property value, SEK	224	227	229	230	230	209	211	216	222	222
Long term net asset value (EPRA NAV), SEK	99	101	104	107	107	95	97	99	100	100
Actual net asset value (EPRA NNAV), SEK	88	92	95	97	97	86	87	88	90	90
Dividend, SEK (2013 proposed)					4.25					3.95
Dividend ratio					52%					52%
Property related key ratios										
Rental value, SEK/sq,m,	1,025	1,032	1,029	1,042	1,036	1,011	1,015	1,020	1,032	1,015
Economic occupancy rate	89.3%	87.6%	89.0%	88.6%	88.4%	88.5%	89.4%	88.2%	88.8%	88.6%
Property costs, SEK/sq,m,	353	299	258	322	307	335	281	267	325	298
Property value, SEK/sq,m,	10,006	10,081	10,170	10,285	10,285	9,903	9,971	9,927	9,916	9,916

Multi-Year Summary

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Income Statement, SEKm										
Rental income	3,249	3,073	2,919	2,759	2,694	2,501	2,259	2,014	1,907	1,856
Property costs	– 1,105	– 1,042	– 1,003	– 960	– 942	– 831	– 771	– 700	– 637	– 628
Net operating income	2,144	2,031	1,916	1,799	1,752	1,670	1,488	1,314	1,270	1,228
Central administrative expenses	– 96	– 93	– 83	– 84	– 81	– 71	– 69	– 67	– 68	– 69
Net interest costs	– 702	– 683	– 660	– 574	– 541	– 626	– 495	– 364	– 382	– 418
Income from property management	1,346	1,255	1,173	1,141	1,130	973	924	883	820	741
Changes in value, properties	328	– 69	194	1,222	– 1,027	– 1,262	920	1,145	932	660
Changes in value, derivatives	429	– 110	– 429	291	102	– 1,010	99	178	– 40	– 146
Current tax	– 6	– 7	– 10	– 5	– 10	– 14	– 22	– 10	– 1	– 5
Deferred tax	– 390	404	– 217	– 685	– 35	650	– 434	– 522	– 417	– 334
Net income for the year	1,707	1,473	711	1,964	160	– 663	1,487	1,674	1,294	916
Other total net income	3	– 4	0	–	–	–	–	–	–	–
Total net income for the year	1,710	1,469	711	1,964	160	– 663	1,487	1,674	1,294	916

Balance Sheet, SEKm

Investment properties	37,752	36,328	33,867	31,768	29,267	29,165	27,717	24,238	21,270	19,449
Other fixed assets	291	259	207	156	201	230	123	200	103	94
Cash and bank	70	44	97	12	8	9	7	8	5	7
Total assets	38,113	36,631	34,171	31,936	29,476	29,404	27,847	24,446	21,378	19,550
Shareholders' equity	13,127	12,065	11,203	11,082	9,692	10,049	11,204	10,184	8,940	8,035
Deferred tax liability	3,700	3,310	3,714	3,502	2,824	2,785	3,322	2,723	2,126	1,659
Derivatives	683	1,105	1,003	574	865	966	– 44	55	233	391
Long term interest-bearing liabilities	19,481	19,094	17,160	15,781	15,294	14,607	12,582	10,837	9,396	8,834
Non-interest-bearing liabilities	1,122	1,057	1,091	997	801	997	783	647	683	631
Total shareholders' equity and liabilities	38,113	36,631	34,171	31,936	29,476	29,404	27,847	24,446	21,378	19,550

Financial key ratios

Net operating income margin	66%	66%	66%	65%	65%	67%	66%	65%	67%	66%
Interest rate, average	3.7%	3.9%	4.1%	3.7%	3.7%	4.7%	4.2%	3.7%	4.3%	4.9%
Interest coverage ratio	292%	284%	278%	299%	309%	255%	287%	343%	315%	277%
Return on actual net asset value	13.2%	7.9%	6.4%	21.5%	1.6%	– 8.3%	16.2%	20.7%	18.2%	14.6%
Return on total capital	6.4%	5.3%	6.2%	9.8%	2.1%	1.2%	9.1%	10.4%	10.4%	9.6%
Net investments in properties, SEKm	1,768	2,798	2,015	1,506	1,165	2,738	2,598	2,283	1,357	1,268
Sales, SEKm	687	253	107	227	36	28	39	460	468	494
Loan to value ratio	52%	53%	51%	50%	52%	50%	45%	45%	45%	45%

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	8.21	7.65	7.15	6.96	6.89	5.93	5.63	5.38	5.00	4.52
Income prop mgmt after tax (EPRA EPS), SEK	8.04	7.27	7.01	6.62	6.93	5.85	5.50	5.09	4.49	4.15
Earnings after tax, SEK	10.41	8.98	4.34	11.98	0.98	– 4.04	9.07	10.21	7.89	5.59
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
Property value, SEK	230	222	207	194	178	178	169	148	130	119
Long term net asset value (EPRA NAV), SEK	107	100	97	92	82	84	88	79	69	61
Actual net asset value (EPRA NNAV), SEK	97	90	87	85	73	75	85	76	65	57
Dividend, SEK (2013 proposed)	4.25	3.95	3.70	3.60	3.50	3.15	3.00	2.85	2.62	2.38
Dividend ratio	52%	52%	52%	52%	51%	53%	53%	53%	52%	53%

Property related key ratios

Rental value, SEK/sq,m,	1,036	1,015	995	974	969	921	896	864	851	859
Economic occupancy rate	88.4%	88.6%	89.3%	89.0%	89.8%	89.7%	87.9%	87.1%	88.1%	89.6%
Property costs, SEK/sq,m,	307	298	300	298	300	268	262	259	247	255
Property value, SEK/sq,m	10,285	9,916	9,835	9,499	9,036	8,984	9,098	8,466	7,930	7,706



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Consolidated Statement of Comprehensive Income

SEKm		2013	2012
Rental income	Note 3	3,249	3,073
Operating expenses	Note 4	– 583	– 544
Maintenance	Note 4	– 125	– 130
Ground rent	Note 4	– 26	– 24
Property tax	Note 4	– 169	– 152
Leasing and property administration	Note 4	– 202	– 192
Net operating income		2,144	2,031
Central administrative expenses	Note 5	– 96	– 93
<i>Net interest</i>			
Interest income	Note 6	4	7
Interest cost	Note 7	– 706	– 690
Income from property management		1,346	1,255
<i>Changes in value</i>	Note 8		
Properties		328	– 69
Derivatives		429	– 110
Income before tax		2,103	1,076
Current tax	Note 9	– 6	– 7
Deferred tax	Note 9	– 390	404
Net income for the year		1,707	1,473
Other total net income			
Items that will be reclassified into net income			
Translation difference foreign operations		10	– 12
Change in value, currency hedge foreign operations		– 7	8
Total net income for the year		1,710	1,469

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
Net income for the year after tax, SEK	10.41	8.98

Consolidated Balance Sheet

SEKm		Dec 31 2013	Dec 31 2012
ASSETS			
Fixed assets			
Investment properties	Note 11	37,752	36,328
Tangible fixed assets	Note 12	31	24
Long-term receivable		–	3
Total fixed assets		37,783	36,355
Current assets			
Rent receivables	Note 3	23	20
Other receivables		154	154
Prepaid expenses and accrued income		83	58
Cash and bank		70	44
Total current assets		330	276
TOTAL ASSETS		38,113	36,631
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to the shareholders of the parent company			
	Note 13		
Share capital		86	86
Other capital contribution		4,096	4,096
Reserves		– 1	– 4
Retained earnings		8,946	7,887
Total shareholders' equity		13,127	12,065
Liabilities			
	Note 14		
<i>Long-term liabilities</i>			
Deferred tax liability	Note 15	3,700	3,310
Derivatives	Note 16	683	1,105
Long-term interest-bearing liabilities	Note 17	19,481	19,094
<i>Total long-term liabilities</i>		<i>23,864</i>	<i>23,509</i>
<i>Short-term liabilities</i>			
Accounts payable		198	171
Tax liabilities		1	22
Other liabilities		208	176
Accrued expenses and prepaid income	Note 18	715	688
<i>Total short-term liabilities</i>		<i>1,122</i>	<i>1,057</i>
Total liabilities		24,986	24,566
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		38,113	36,631
Pledged assets	Note 19	18,375	18,764
Contingent liabilities	Note 20	–	–

Income Statement for the Parent Company

SEKm		2013	2012
Income	Note 3	18	15
Central administrative expenses	Note 5	– 71	– 68
<i>Financial items</i>			
Financial income	Note 6	1,451	1,387
Financial costs	Note 7	– 718	– 727
Income before changes in value and tax		680	607
<i>Changes in value</i>			
Derivatives	Note 8	429	– 110
Income before tax		1,109	497
Current tax	Note 9	–	–
Deferred tax	Note 9	– 119	– 49
Net income for the year		990	448

Comprehensive Income for the Parent Company

SEKm		2013	2012
Net income for the year according to the Income Statement		990	448
Other total net income			
Items that will be reclassified into net income			
Translation difference foreign operations		7	– 10
Change in value, currency hedge foreign operations		– 7	8
Total net income for the year		990	446

Balance Sheet for the Parent Company

SEKm		Dec 31 2013	Dec 31 2012
ASSETS			
Fixed assets			
Tangible fixed assets	Note 12	4	3
<i>Financial fixed assets</i>			
Participations in group companies	Note 21	5,869	5,338
Deferred tax assets	Note 15	103	222
Long-term receivables, group companies	Note 23	17,419	17,983
<i>Total financial fixed assets</i>		<i>23,391</i>	<i>23,543</i>
Total fixed assets		23,395	23,546
Current assets			
Short-term receivables, group companies		718	645
Prepaid expenses and accrued income		12	9
Cash and bank		52	27
Total current assets		782	681
TOTAL ASSETS		24,177	24,227
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted equity</i>			
Share capital	Note 13	86	86
Restricted reserves		20	20
<i>Non-restricted equity</i>			
Fair value reserves		– 2	– 2
Retained earnings		3,944	4,144
Net income for the year		990	448
Total shareholders' equity		5,038	4,696
Liabilities			
Derivatives	Note 14		
	Note 16	683	1 105
Long-term interest-bearing liabilities	Note 17	17,315	16,924
Long-term interest-bearing liabilities, group companies		967	1,361
Short-term interest bearing liabilities, group companies		31	–
Accounts payable		4	3
Accrued expenses and prepaid income	Note 18	139	138
Total liabilities		19,139	19,531
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		24,177	24,227
Pledged assets	Note 19	14,928	15,090
Contingent liabilities	Note 20	2,166	2,170

Change in Equity

Group, SEKm (note 13)	Attributable to the shareholders of the parent company						
	<i>Number of out- standing shares, thousand</i>	Share capital	Other capital contribution	Currency translation reserve	Currency hedge reserve	Retained earnings	Total equity
Shareholders' equity 31-12-2011	164,000	86	4,096	0	0	7,021	11,203
Dividend, March 2012 (3.70 per share)	–	–	–	–	–	– 607	– 607
Net income for the year	–	–	–	–	–	1,473	1,473
Other total net income	–	–	–	– 12	8	–	– 4
Shareholders' equity 31-12-2012	164,000	86	4,096	– 12	8	7,887	12,065
Dividend, March 2013 (3.95 per share)	–	–	–	–	–	– 648	– 648
Net income for the year	–	–	–	–	–	1,707	1,707
Other total net income	–	–	–	10	– 7	–	3
Shareholders' equity 31-12-2013	164,000	86	4,096	– 2	1	8,946	13,127

Parent Company, SEKm (note 13)	<i>Number of out- standing shares, thousand</i>	Share capital	Restricted reserves	Fair value reserves		Retained earnings	Total equity
				Currency translation reserve	Currency hedge reserve		
Shareholders' equity 31-12-2011	164,000	86	20	0	0	4,751	4,857
Dividend, March 2011 (3.70 per share)	–	–	–	–	–	– 607	– 607
Net income for the year	–	–	–	–	–	448	448
Other total net income	–	–	–	– 10	8	–	– 2
Shareholders' equity 31-12-2012	164,000	86	20	– 10	8	4,592	4,696
Dividend, March 2013 (3.95 per share)	–	–	–	–	–	– 648	– 648
Net income for the year	–	–	–	–	–	990	990
Other total net income	–	–	–	7	– 7	–	0
Shareholders' equity 31-12-2013	164,000	86	20	– 3	1	4,934	5,038

Cash Flow Statement

SEKm	Group		Parent Company	
	2013	2012	2013	2012
Operating activities				
Net operating income	2,144	2,031	18	15
Central administrative expenses	– 96	– 93	– 71	– 68
Depreciations reversed	11	9	2	1
Net financial items paid	– 701	– 700	17	– 2
Tax paid	– 12	– 1	–	–
Translation difference of currencies	– 5	3	–	–
Cash flow from operating activities before change in working capital	1,341	1,249	– 34	– 54
<i>Cash flow from change in working capital</i>				
Change in current receivables	– 22	– 32	– 76	126
Change in current liabilities	56	33	0	4
Cash flow from operating activities	1,375	1,250	– 110	76
Investment activities				
Investments in new constructions, extensions and reconstructions	– 1,583	– 1,279	–	–
Property acquisitions	– 185	– 1,519	–	–
Change in liabilities at acquisitions of properties	14	– 56	–	–
Property sales	687	253	–	–
Change in receivables at sales of properties	– 6	– 8	–	–
Net capital contributions, subsidiaries	–	–	187	645
Other net investments	– 18	– 18	– 3	– 3
Cash flow from investment activities	– 1,091	– 2,627	184	642
Financing activities				
New borrowing in interest-bearing liabilities	387	1 934	28	477
Change in long-term receivables	3	– 3	571	– 561
Dividend paid	– 648	– 607	– 648	– 607
Cash flow from financing activities	– 258	1 324	– 49	– 691
Cash flow for the year	26	– 53	25	27
Cash and bank, opening balance	44	97	27	0
Cash and bank, closing balance	70	44	52	27

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, 2013, have been approved by the Board of Directors and the Chief Executive Officer for publication on January 31, 2014, and will be proposed to the 2014 Annual General Meeting for adoption. The parent company is a Swedish limited liability company (publ), registered in Gothenburg, Sweden. The business activities 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 Board's recommendation RFR 1 (Complementary accounting principles for consolidated accounts).

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

Critical assessments

For 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 experience and other factors which are considered fair under current conditions. Actual outcome may be different from these assessments if other assumptions are made or other conditions exist.

Investment properties

For valuation of investment properties, the assessments and assumptions can have a significant affect on the income and financial position of the Group. The valuation requires estimates and assumptions of future cash flows and the discounting factor (required yield). To reflect the uncertainty that exists in the assessments and assumptions, an uncertainty range of +/- 5-10% is normally used in property valuations. Information about this along with prevailing assessments and assumptions is presented in note 11.

Asset acquisition versus business combination

Company acquisitions can be classified as either business combinations or asset acquisitions. A company acquisition that has as its primary purpose to acquire a company's property - i.e., where the company's possible property management and administration are of secondary importance to the acquisition - is classified as an asset acquisition. Other company acquisitions are classified as business combinations.

Regarding asset acquisitions, no deferred tax is attributable to the property acquisition. Instead, a possible discount reduces the acquisition value of the property. This means that changes in value will be affected by the tax discount in the subsequent valuation.

Deferred tax liability

According to the accounting principles, deferred tax shall be accounted for using nominal value without discount, meaning the decided 22% nominal tax rate. Actual tax is considerably lower, in part due to the possibility to sell properties in a tax-efficient manner, and in part due to the time factor.

Income from property management

Castellum's operations are focused on cash flow growth from property management - i.e., growth in income from property management - with the objective of an annual increase in property management income by at least 10%. It is also the income from property management that forms the basis of what is yearly distributed to shareholders - at least 50% of the property management income before tax. Thus, changes in value has not been targeted since they are neither included in the basis for distribution, nor in any other base, e.g. the management's incentive program. To give an accurate picture of Castellum's view on its business operations, the statement of comprehensive income has been designed accordingly - i.e., changes in values (not affecting cash-flow) are presented after items affecting cash-flow. Furthermore, one performance measure has been added on which the business operations are managed and targeted: the income from property management.

Classification

Fixed assets and long-term liabilities consist of amounts that are expected to be regained or maturing more than twelve months from the balance sheet date. 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 date.

The consolidated financial statements

The Group's balance sheet and income statement include all companies where the parent company has direct or indirect control. 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 method. This means that shareholders' equity in the subsidiaries at the time of acquisition, calculated as the difference between the fair value of the assets and liabilities, is fully eliminated. The shareholders' equity of the Group includes only the part of shareholders' equity in the subsidiaries that has been earned after acquisition.

The consolidated income statement includes records of companies acquired or sold during the year only for the time of possession. Intra-group sales, income, losses and balances are eliminated in the consolidated accounts. The accounts of foreign operations are translated to SEK by translating the balance sheet to the exchange rate at balance date - except for shareholders' equity which is translated at the historical exchange rate. The income statement is translated at the average exchange rate of the period. Currency translation differences are recognized in other total income.

Income

Rental income

Rental income, which from an accounting perspective represents income from operating leases, is debited in advance and recorded as a linear allocation in the income statement, based on the terms in the lease. Rental income includes supplementary charges for the tenant, such as debited property tax and heating costs. Pre-paid rents 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 accrued over the leasing period. Pure discounts, such as reduction for successive moving in, are recorded in the income statement for the period in which 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. Sales of properties through companies are net accounted concerning underlying property price and calculated tax. The result from 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 consists of interest rate income and is recorded as income in the period to which they refer. Received group contributions received and anticipated dividends are also recorded as financial income.

Financial cost

Financial costs include interest and other costs that occur when borrowing money. Pledging costs for mortgages are not considered as financial costs but are capitalized as a property investment since it increases valuation. Financial costs are accounted for in the period which they refer to. Financial costs also include the interest cost for interest-rate derivatives. Payments for these interest-rate derivatives are accounted for in the period to which they refer. Net financial items are not affected by market valuation of the undertaken interest rate derivatives. Instead, changes in market value of interest-rate derivatives are recorded as changes in value under a separate headline. The portion of interest cost originating from the construction period for major new constructions, extensions or reconstructions are capitalized. Interest is calculated based on the average interest rate level for the Group.

Employee benefits

Employee benefits are accounted for as employees perform services in exchange for

remuneration. Benefits from incentive plans 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 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, 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 in addition to what has already been paid to Alecta.

Income taxes

Income tax in the income statement is divided into current and deferred tax. Income tax is recorded in the income statement except when related to transactions recorded directly in equity. In these cases, related tax effects also are recorded directly in equity. Current and deferred taxes are calculated based on current tax rate, 22%.

Open claims in the income tax return that contain a certain degree of uncertainty are taken into consideration in the tax calculation at the earliest in the year after the fiscal year, after taxation has been assessed by the tax authorities.

Deferred tax

Deferred tax is recorded in Castellum, using the balance sheet method, for all temporary differences 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 for which the asset or liability is realized. Exceptions are made for temporary differences that arise from the initial accounting for assets and liabilities relating to asset acquisitions. Castellum has two entries that contains temporary differences - 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 to offset tax-loss carry forwards. Deferred tax liability is calculated on the difference between the properties book value and their tax basis value. For changes in either of the two entries above, the deferred tax liability/tax asset is also changed, which is recorded in the income statement as deferred tax.

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

Current tax

Current tax is also recorded in the income statement and is the tax the company must pay on taxable income for the year, adjusted for possible prevailing taxes for previous periods.

Leases

Leases where all crucial risks and benefits associated with the ownership fall on the lessor, are classified as operational leases. From an accounting perspective, all existing rental leases related to Castellum's investment properties are classified as operational leases. Refer to accounting principles for income and note 3 for further information of accounting for leases.

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

There are 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 leased cars. Payments made during the leasing period are recorded as running costs in the income statement, distributed over the leasing period.

Investment properties

An investment property is a property held for the purpose of generating rental income, capital appreciation - or both. This opposed to utilization 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 ground-leased 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 are initially recorded at acquisition cost including expenses directly related to the acquisition. The acquisitions 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 an earnings-based value, determined by calculating the net prevailing value of future cash flows. A differentiated required yield for each property depending on such factors as location, intended use, condition and standard is taken into consideration. In order to provide further assurance, part of the portfolio has been valued externally.

Changes in value

Changes in value are recorded in the income statement and consist 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 with the previous year's valuation, or the acquisition value if the property has been acquired during the year, with the addition of capitalized subsequent expenditures. 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 are calculated is described in the accounting principles for "income from property sales".

Subsequent expenditures

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

Acquisitions and sales

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

Tangible fixed assets

Tangible fixed assets comprise all equipment, which has been recorded at acquisition value, including deduction of accumulated depreciation according to plan and any write-downs. The acquisition value includes the purchase price and costs directly related to, e.g., transport-to-site and proper condition for utilization according to the purpose of the acquisition. Depreciation on equipment is based on historical acquisition values after deduction of subsequent write-downs. Residual value is assumed 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 that are expected to have a three-year period of use.

Financial instruments

Financial instruments which are recorded in the balance sheet include assets such as cash-and-bank, lease receivables, other receivables and long-term receivables and liabilities such as interest and currency derivatives, accounts payable, other liabilities and loans.

Financial instruments are initially recorded to fair value equivalent to acquisition value, with the addition of transaction costs, except for financial instruments which are recorded at fair value through the income statement, where transaction costs are excluded. Following the initial recognition, accounting is based on the classification made according to the criteria below. Financial transactions such as cash received or paid as interest and amortization 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.

A financial asset is removed from the balance sheet when the rights are realized, expired or the company loses control of it. A financial liability is removed from the balance sheet when the contractual obligations have been paid or in some other way extinguished.

Cash and bank

Cash and bank consists of the bank balance at the end of the accounting period and is recorded at nominal value.

Receivables

Financial assets which are not derivatives, that have fixed or predictable payments and that are not quoted on an active market, are recorded as receivables. In the Group there are mainly rent receivables and other receivables. After individual valuation, receivables have been recorded as the amount at which they are expected to be received. This means that they are recorded at acquisition value with deduction for receivables which are uncertain. Reservation for uncertain receivables is made when an objective risk assessment concludes that the Group might not receive the entire receivable. Receivables in the parent company consist only of receivables from the subsidiaries, and are recorded at acquisition value.

Liabilities

Liabilities refer to credits and operating liabilities such as accounts payable. The majority of Castellum's credit agreements are long-term. In cases where short-term credits are drawn under long-term credit agreements, the credits are considered long-term. The

credits are recorded on the settlement date at accrued acquisition value. Deferred unpaid interest is recorded in accrued expenses. A liability is recorded when the counterparty has performed services and a legal obligation to pay exists, even if the invoice has not yet been received. Accounts payable are recorded when the invoice is received. Accounts payable and other operative liabilities with short duration are recorded at nominal value.

Foreign currency

Transactions in foreign currencies are translated to Swedish kronor (SEK) to the spot exchange rate of the transaction. Monetary assets and liabilities are translated at the balance day rate.

Derivatives

Interest-rate derivatives are financial assets or liabilities which are valued at fair value, with value-changes recorded in the income statement. In order to manage exposure to fluctuations in the market interest rate according to financial policy, Castellum has entered into interest-rate-derivative agreements. When using interest-rate derivatives, changes in value may occur, mainly due to changes in market interest rates. Interest-rate derivatives are initially recorded in the balance sheet on the trade day at acquisition value, where the absolute majority refer to exchanges in interest-rate flows, entailing an acquisition value of zero. They are subsequently valued at fair value with value-changes in the income statement.

Changes in value can be realized as well as unrealized. Realized changes in value refer to redeemed interest-rate derivatives and comprise 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 fiscal year. Changes in value are calculated based on the valuation at the end of the fiscal year compared to the valuation in the 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 the previous year. Payments made under these agreements are accounted for in the period to which they refer.

In accordance with the financial policy, between 60-100% of foreign investments must be financed in the functional currency of the company. This can be accomplished either by borrowing in the functional currency of the foreign company or by using currency derivatives. In cases where currency derivatives are used they are initially reported in the balance sheet at cost on trade date. Subsequently, they are reported at fair value where the effective portion of the foreign exchange rate change regarding the hedging instrument is recognized in other total income, while the ineffective portion is recognized as change in value in the income statement. The balance date rate is used to determine real value.

Shareholders' equity

Repurchased shares

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

Dividends

Dividends are accounted for as a deduction of shareholders' equity, after decision by the AGM (Annual General Meeting). The recipient accounts for an anticipated dividend as a financial income.

Earnings after tax per share

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

Definition of segments

The Group's operations are organized, managed and reported primarily by geographical region. Segments are consolidated according to the same principles as the Group. 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.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Net profit or loss is adjusted for effects of non-cash transactions during the period as well as income or costs associated with the cash flow from investment or financing activities. Cash and cash equivalents refers to cash and bank.

Differences in accounting principles between the Group and the parent company

The Annual Report of the parent company has been prepared according to the Annual Accounts Act and by application 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 relationship between accounting and taxation. Differences in accounting principles between the Group and the parent company are presented below.

Presentation

The income statement and balance sheet for the parent company are presented according to the Annual Accounts Act schedules.

Shares in subsidiaries

Shareholdings in subsidiaries are accounted for in the parent company according to the acquisition value method. 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. Previous write-down no longer justified are reversed.

Contingent liabilities

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, but instead Castellum provides information in the notes.

New accounting rules and regulations

New and revised existing standards and interpretations, approved by the EU

Changes to existing standards effective in 2013

A number of minor changes and clarifications were made to existing standards, effective 2013.

The presentation of other comprehensive income shall, after an update of IAS 1, be divided into two categories: items to be recycled and items not to be recycled through the income statement. As a result of the investment in Denmark, Castellum reports both translation differences and value changes of currency derivatives in other comprehensive income. Both of these items are reported as items that will be recycled through net income statement.

Accounting for defined benefit pension liabilities under IAS 19 is altered where the largest difference is that the "corridor method" is abolished. The change will not affect Castellum's accounting while the small defined benefit ITP plans that exists in the Group are recognized as defined contribution plans due to insufficient information from Alecta.

According to IFRS 7, supplemental information shall be disclosed on financial assets and liabilities that are offset. Castellum reports interest and currency derivatives net. Further disclosure of netted amounts can be found in Note 16.

New standard effective in 2013

IFRS 13 defines a common framework for items measured at fair value and shall be applied prospectively from January 1, 2013. Although the standard does not have any effect on Castellum's valuation methodology, valuation or accounting, a number of new disclosure requirements are introduced, such as description of the valuation methodology, description of the valuation process and inputs and the sensitivity to changes in input variables and the relationships between them. Castellum already classifies derivatives in Level 2, based on market observable quoted prices for similar assets and liabilities, while properties are classified in Level 3, which regulates items measured on non-observable market data. The new disclosure requirements for properties can be found in Note 11.

New standards effective 2014

IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities applies on annual periods on or after January 1, 2014, where earlier application is permitted under certain conditions. As a result of the introduction of these recommendations IAS 27 Separated Financial Statements and IAS 28 Investments in Associates and Joint Ventures are updated. The new updates will not affect Castellum accounting.

The EU is expected to approve IFRIC 21 Levies in the beginning of 2014. The IFRIC states that a levy imposed by a government, for Castellum property taxes, shall be disclosed as a liability when the obligating event occurs. Since the obligating event for property tax is incurred annually on January 1, Castellum will, given that the interpretation is accepted, recognize full year's obligation already in the interim report for January-March 2014.

Changes in Swedish regulations

The Swedish Financial Reporting Council (RFR)

RFR 2, Complementary accounting principles for consolidated accounts, contains a number of adjustments related to the adoption of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities, IAS 27 Separated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. None of these changes affects Castellum's reporting. The section in RFR 2 which deals with IAS 27 Consolidated and Separate Financial Statements has introduced new guidance on reporting of group contributions where Castellum already reports under the general rule.

Note 2 Segment reporting

The Group's operational segments are the following geographical areas; Greater Gothenburg (incl. Borås, Halmstad, and Alingsås), Öresund Region (Malmö, Lund, Helsingborg and Copenhagen), Greater Stockholm, Mälardalen (Örebro, Västerås and Uppsala) and Eastern Götaland (Jönköping, Linköping, Värnamo and Växjö). 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.

The Group only manages commercial properties.

Operating Segments	Greater Gothenburg		Öresund Region		Greater Stockholm		Mälardalen		Eastern Götaland		Unallocated items		The Castellum Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Rental income, external	1,014	976	669	621	623	569	548	526	395	381	—	—	3,249	3,073
Property costs	-291	-286	-254	-227	-213	-200	-200	-191	-147	-138	—	—	-1,105	-1,042
Net operating income	723	690	415	394	410	369	348	335	248	243	—	—	2,144	2,031
Central administration	-14	-13	-7	-7	-8	-7	-8	-7	-6	-6	-53	-53	-96	-93
Interest income	17	14	14	30	5	7	9	3	2	3	-43	-50	4	7
Interest costs	-233	-231	-159	-162	-144	-134	-136	-139	-92	-89	58	65	-706	-690
Income from prop. mgmt.	493	460	263	255	263	235	213	192	152	151	-38	-38	1,346	1,255
Change in value properties	259	40	-7	-127	-1	-4	113	20	-36	2	—	—	328	-69
Change in value derivatives	—	—	—	—	—	—	—	—	—	—	429	-110	429	-110
Income before tax	752	500	256	128	262	231	326	212	116	153	391	-148	2,103	1,076
Tax income	—	122	—	128	—	75	—	50	—	34	—	-5	—	404
Tax cost	-159	-1	-49	-5	-36	—	-41	-1	-25	—	-86	—	-396	-7
Net income for the year	593	621	207	251	226	306	285	261	91	187	305	-153	1,707	1,473
Investment properties	12,128	11,569	8,059	7,758	7,261	7,158	6,059	5,763	4,245	4,080	—	—	37,752	36,328
of which investments this year	523	584	339	597	291	605	392	692	223	320	—	—	1,768	2,798
Current assets	453	623	406	590	202	160	253	148	91	168	-1,044	-1,386	361	303
Total assets	12,581	2,192	8,465	8,348	7,463	7,318	6,312	5,911	4,336	4,248	-1,044	-1,386	38,113	36,631
Shareholders' equity	4,911	4,535	3,144	2,997	2,892	2,824	2,198	1,464	1,380	1,361	-1,398	-1,116	13,127	12,065
Deferred tax liability	1,337	1,214	844	800	692	673	520	464	410	381	-103	-222	3,700	3,310
Interest rate derivatives	—	—	—	—	—	—	—	—	—	—	683	1,105	683	1,105
Interest-bearing liabilities	5,932	6,178	4,255	4,350	3,632	3,664	3,379	3,801	2,441	2,394	-158	-1,293	19,481	19,094
Non-interest-bearing liabilities	401	265	222	201	247	157	215	182	105	112	-68	140	1,122	1,057
Total shareholders' equity & liabilities	12,581	12,192	8,465	8,348	7,463	7,318	6,312	5,911	4,336	4,248	-1,044	-1,386	38,113	36,631

Of the Groups external rental income SEKm 40 (34) refers to customers located in Denmark. Of the Groups investment properties SEKm 466 (435) refers to investment properties located in Denmark.

Note 3 Rental income

Rental value

Group rental income was SEKm 3 249 (3,073). 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, property 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 1% (2%) in comparable portfolio compared with previous year.

	Office/Retail		Warehouse/Industrial		Total	
Rental value, SEK/sq.m.	2013	2012	2013	2012	2013	2012
Greater Gothenburg	1,335	1,287	761	745	993	957
Öresund Regionen	1,420	1,426	739	724	1,121	1,107
Greater Stockholm	1,369	1,398	985	957	1,198	1,203
Mälardalen	1,098	1,117	719	703	977	967
Eastern Götaland	1,066	1,031	537	524	885	844
Total	1,263	1,257	765	744	1,036	1,015

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 2014 is that a majority of the leases maturing were already renegotiated in 2013 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 3.3 years (3.2).

Lease maturity structure	No. of leases	Lease value, SEKm	Percentage of value
Commercial, term			
2014	1,154	251	8%
2015	1,363	634	20%
2016	1,065	791	26%
2017	675	608	20%
2018	173	305	10%
2019 +	189	504	16%
Total commercial	4,619	3,093	100%
Residential	311	26	
Parking spaces and other	2,483	42	
Total	7,413	3,161	

Economic occupancy rate

Castellum's average economic occupancy rate during 2013 was 88.4% (88.6%). The economic occupancy rate for warehouse and industrial properties amounted to 91.1% (90.2%) and for office and retail properties 87.0% (87.8%). The total annual rental value for vacant premises during the year amounts to approx. SEKm 467 (447).

The rental income for the period includes a lump sum of SEKm 11 (8) as a result of early termination of a lease.

Gross leasing (i.e. the annual value of total leasing) during the year was SEKm 366 (327), of which SEKm 96 (79) were leasing of new constructions, extensions and reconstructions. Notices of termination amounted to SEKm 261 (278), of which bankruptcies were SEKm 23 (28) and SEKm 18 (40) were notices of termination with more than 18 months remaining length of contract. Hence net leasing for the year was SEKm 105 (49). The time difference between reported net leasing and the effect in income is estimated to 9-18 months.

Economic occupancy rate	Office/Retail		Warehouse/Industrial		Total	
	2013	2012	2013	2012	2013	2012
Greater Gothenburg	92.1%	94.0%	96.5%	92.7%	94.1%	93.4%
Öresund Region	83.3%	83.7%	89.1%	86.5%	85.0%	84.5%
Greater Stockholm	81.9%	79.8%	85.2%	88.5%	83.1%	82.8%
Mälardalen	90.3%	92.0%	91.1%	94.8%	90.5%	92.7%
Eastern Götaland	87.2%	90.0%	85.2%	83.2%	86.8%	88.4%
Total	87.0%	87.8%	91.1%	90.2%	88.4%	88.6%

Risk exposure and credit risk

Castellum's lease portfolio has a good risk exposure. The Group has approx. 4,600 commercial leases and 300 residential leases and their distribution in terms of size is presented in the table below. The single largest lease as well as the single largest customer accounts for approx. 2% of the Group's total rental income, meaning that Castellum's exposure to a single customers credit risk is very low.

Lease size, SEKm	No. of leases	Percentage	Lease value, SEKm	
			SEKm	Percentage
Commercial				
< 0.25	2,409	32%	258	8%
0.25-0.5	820	11%	298	9%
0.5-1.0	660	9%	467	15%
1.0-3.0	542	7%	905	29%
> 3.0	188	3%	1,165	37%
Total commercial	4,619	62%	3,093	98%
Residential	311	4%	26	1%
Parking space and other	2,483	34%	42	1%
Total	7,413	100%	3,161	100%

The distribution of commercial leases across various business sectors is presented in the table below.

Commercial leases distributed by sector (GICS-code)	No. of leases	Lease value, SEKm	Percentage
Energy (10)	74	46	2%
Materials (15)	105	105	3%
Capital goods (2010)	594	458	15%
Commercial Services & Supplies (2020)	1,418	485	16%
Transportation (2030)	124	105	3%
Retailing (2550)	457	371	12%
Other Consumer Durables and Services (2510-2540)	556	481	16%
Consumer Staples (30)	126	120	4%
Health Care (35)	228	187	6%
Finance and Real Estate (40)	140	100	3%
Software and Services (4510)	245	161	5%
Technology Hardware and Equipment (4520)	142	128	4%
Telecommunication Services (50)	74	20	1%
Utilities (55)	24	3	0%
Public sector etc.	312	323	10%
Total	4,619	3,093	100%

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

Future rental income for existing leases	Group		Parent Company	
	2013	2012	2013	2012
Contracted rental income year 1				
Commercial leases	3,144	3,038	—	—
Residential	9	8	—	—
Contracted rental income between 2 and 5 years	6,399	5,926	—	—
Contracted rental income after more than 5 years	1,481	1,211	—	—
Total	11,033	10,183	—	—

Rent receivables

Rents are invoiced and paid in advance, which means that all the Group's rental receivables of SEKm 23 (20) are overdue.

Parent company

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

Note 4 Property costs

Property costs in 2012 was SEKm 1,105 (1,042), equivalent to SEK 307/sq.m. (298). This amount includes both direct property costs such as costs of operation, maintenance, ground rent and property 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 for 2013 were SEKm 583 (544), equivalent to SEK 161/sq.m. (156). Operating expenses, which are considered to be at a normal level for the business, are weather dependent, which means that they vary between both different years and seasons of the year. Energy consumption for heating during the period has been calculated to 96% (97%) 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 125 (130), equivalent to SEK 35/sq.m. (37).

Ground rent

Ground rent including leasing fees for 2013 was SEKm 26 (24) of which approx. half of the amount relates 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 2013 Castellum had 90 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	
	2013	2012	2013	2012
Future contracted ground rents				
Contracted ground rents year 1	23	24	–	–
Contracted ground rents between 2 and 5 years	90	92	–	–
Contracted ground rents after more than 5 years	618	657	–	–
Total	731	773	–	–

Property tax

The Group's property tax was SEKm 169 (152), equivalent to SEK 47 sq.m. (44). Property tax is a state tax based on the property's tax assessment value. The increase 2013 is due to increased tax values of in average 10%. Most of the costs are charged the tenants, why the impact on earnings is marginal. The tax rate for 2013 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 2013 were SEKm 202 (192), equivalent to SEK 57/sq.m. (54). 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 112 (101) refers to employee benefits and SEKm 9 (9) 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	
	2013	2012	2013	2012	2013	2012
Operating expenses	196	190	120	118	161	156
Maintenance	45	48	23	25	35	37
Ground rent	8	7	7	7	7	7
Property tax	68	66	21	18	47	44
Direct property costs	317	311	171	168	250	244
Leasing and property management (indirect)	–	–	–	–	57	54
Total	317	311	171	168	307	298

Note 5 Central Administrative Expenses

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 56 (52) refers to employee benefits and SEKm 2 (1) 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 8 (11).

Remuneration to auditors

	Group		Parent company	
	2013	2012	2013	2012
Remuneration to auditors				
Audit assignment	3	3	1	1
Audit in addition to the audit assignment	0	0	0	0
Tax consulting	1	1	0	0
Other consulting	1	0	0	0
Total	5	4	1	1

Of the Group's total remuneration of SEKk 4,585 (4,320), SEKk 4,349 (4,127) refers to KPMG and SEKk 236 (193) to Ernst & Young.

Note 6 Interest and Financial Income

	Group		Parent company	
	2013	2012	2013	2012
Interest income	4	7	1	4
Received group contributions, subsidiaries	–	–	150	170
Anticipated dividend, subsidiaries	–	–	568	475
Interest income, subsidiaries	–	–	732	738
Other financial income	0	0	0	0
Total	4	7	1,451	1,387

Interest income, for the Group as well as for the Parent Company, is related to receivables valued at accrued acquisition value.

Note 7 Interest and Financial Costs

	Group		Parent company	
	2013	2012	2013	2012
Interest costs	704	689	673	670
Interest costs, subsidiaries	–	–	44	57
Other financial costs	2	1	1	0
Total	706	690	718	727

Net financial items were SEKm –702 (–683). During the year, interest costs of SEKm 26 (19) were capitalized as investments in the real estate portfolio where an average interest rate level of 3.7% (3.9%) has been used.

Of the Group's interest costs, SEKm 467 are related to liabilities valued to accrued acquisition value. Corresponding value for the parent company is SEKm 480. Remaining interest costs refers to interest attributable to Castellums interest derivatives.

Note 8 Changes in value

Investments properties

In 2013, the Swedish real estate market was characterized by stability, a strong domestic interest and increased activity outside big-city CBD. In total, the transaction volume for 2013 amounted to approx. SEK 100 billion (110). Transaction volumes for the first and fourth quarters were lower compared to the same quarters for 2012, but higher for the second and third quarters.

Swedish real estate companies dominated on both the seller and buyer sides, and foreign buyers accounted for 13% (18%) of the volume. Compared with 2012, the proportion of transactions increased for both the residential and warehouse/logistics segments. Commercial real estate represented approx. 69% (79%) of the volume and big-city areas approx. 58% (65%).

Castellum believes that demand will remain strong in all markets and segments, and that pricing will mainly remain stable. However, a slight increase in value has been recorded for central Stockholm and Göteborg during the second half of 2013.

The change in value in Castellum's portfolio during the period amounted to SEKm 328 (–69), corresponding to 0.9%, of which approx. SEKm 220 refers mainly to project gains but also acquisitions, approx. SEKm 14 net refers to revaluation of individual properties regarding both cashflow, yield and value of building rights and approx. SEKm 94 refers to 18 sold properties. The net sales price amounted to SEKm 687 after reduction for assessed deferred tax and transaction costs of SEKm 31 in total. Hence the underlying property price, which amounted to SEKm 718, exceeded the latest valuation of SEKm 593 with SEKm 125, mainly due to sales of properties with changed use as infrastructure and future residential development.

Derivatives

Castellum utilizes interest rate derivatives to achieve the desired interest rate maturity structure. If the agreed interest rate deviates from the market interest rate, regardless credit margins, there is a theoretical surplus or sub value in the interest rate derivatives where the non cash-flow changes in value are reported in the income statement.

The value in the interest derivatives portfolio has changed, mainly due to changes in long-term market interest rates, by SEKm 429 (–110). The value of Castellum's currency derivatives, with the purpose to hedge currency fluctuations in the Danish investment, has during the period changed SEKm –7 (8) where the effective portion of the value changes of SEKm –7 (8) is accounted for in other total net income.

Note 9 Income taxes

The Swedish income tax for limited liability companies is 22%. 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,
- use direct tax deductions for certain reconstructions of the properties, which are capitalized in the accounts,
- utilize existing tax loss carry forwards.

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

Swedish accounting legislation does not permit the presentation of properties at fair value in legal entities, meaning that changes in property values only occurs at Group level and thus not affect taxation. Some financial instruments, such as interest rate swaps, might be recorded at fair value at entity level. In Castellum negative value changes on such instruments are a tax deductible item, while changes up to the acquisition cost of the instruments is a taxable income.

As shown in the table below, taxable income for 2013 is negligible, since Castellum uses the above mentioned depreciation for tax purposes and tax deductions for certain reconstructions. The current paid tax that occur is because a few subsidiaries are not allowed to make fiscal group contributions.

	Basis 2013		Basis 2012	
	Current tax	Deferred tax	Current tax	Deferred tax
Tax calculation for the Group				
Income from property management	1,346		1,255	
Deductions for tax purposes				
depreciation	– 695	695	– 679	679
reconstructions	– 500	500	– 289	289
Other tax allowances	– 24	11	– 48	27
Taxable income from property management	127	1 206	239	995
Properties sold	161	– 355	58	– 145
Changes in value on properties	–	234	–	– 89
Changes in value on interest rate derivatives	429	–	– 110	–
Taxable income before tax loss carry forwards	717	1 085	187	761
Tax loss carry forwards, opening balance	– 1,610	1,610	– 1,772	1,772
Tax loss carry forwards, closing balance	921	– 921	1,610	– 1,610
Taxable income	28	1,774	25	923
Of which current/deferred tax	– 6	– 390	– 7	– 243
Restatement due to new tax rate	–	–	–	647
According to statement of comprehensive income	– 6	– 390	– 7	404

Tax loss carry forwards consist of prior year's tax losses. The losses, which are not time limited, are used to offset future taxable profits. Remaining tax loss carry forwards are estimated to SEKm 921.

Total tax may differ from nominal tax due to non-taxable/tax-deductible income/costs or as an effect of other tax adjustments. The total tax cost in Castellum's income statement is less than nominal tax, which depends on non-taxable sales of properties through companies. The effective tax on income from property management, without considering the use of tax loss carry forwards, can be calculated to 2%.

	Group		Parent company	
	2013	2012	2013	2012
Tax cost/income				
Income before tax	2,103	1,076	1,109	497
Tax according to current tax rate	– 463	– 283	– 244	– 131
Tax effects due to:				
non-taxable dividend	–	–	125	125
non-taxable sale of property (indirect)	63	28	–	–
restatement of deferred tax	–	647	–	– 43
other tax adjustments	4	5	–	–
Tax according to income statement	– 396	397	– 119	– 49

Note 10 Personnel and Board of Directors

Number of employees	Group		Parent company	
	2013	2012	2013	2012
Average number of employees	293	265	19	19
of which women	113	105	10	10
of which Denmark (of which women)	2 (1)	1 (–)	–	–

Salaries, remuneration and benefits

During 2013, the parent company had 7 (7) board members, of which 3 (3) are women, while the total number of board members in the Group's subsidiaries were 21 (21), of which 7 (6) are women. The Group, as well as the parent company, have 9 (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 37 (39), of which 13 (10) are women.

	Group		Parent company	
	2013	2012	2013	2012
Salaries, remuneration and benefits				
Chairman of the Board	0.5	0.4	0.5	0.4
Other Board members	1.6	1.1	1.6	1.1
Chief Executive Officer (retiring)				
Fixed salary	1.5	3.3	1.5	3.3
Variable remuneration	0.7	1.7	0.7	1.7
Benefits	0.0	0.1	0.0	0.1
Chief Executive Officer (acceding)				
Fixed salary	2.6	–	2.6	–
Variable remuneration	1.3	–	1.3	–
Benefits	0.1	–	0.1	–
Other senior executives				
Group: 8 (9), Parent Company: 2 (3)				
Fixed salary	10.6	12.9	3.2	4.8
Variable remuneration	4.3	6.4	1.3	2.4
Benefits	0.6	0.7	0.1	0.2
Other employees	121.6	108.9	9.0	6.7
Total	145.4	135.5	21.9	20.7

Contractual pensions costs

Chief Executive Officer (retiring)	0.6	1.0	0.6	1.0
Chief Executive Officer (acceding)	0.9	–	0.9	–
Other senior executives (8 vs. 2)	3.6	4.2	0.9	1.5
Other employees	14.7	13.2	1.3	1.1
Total	19.8	18.4	3.7	3.6

Statutory social costs incl. special employer's contributions

Chairman of the Board	0.2	0.1	0.2	0.1
Other Board members	0.5	0.3	0.5	0.3
Chief Executive Officer (retiring)	0.8	–	0.8	–
Chief Executive Officer (acceding)	1.5	1.8	1.5	1.8
Other senior executives (8 vs. 2)	6.1	7.5	1.6	2.7
Other employees	39.3	36.2	3.2	2.4
Total	48.4	45.9	7.8	7.3
Total	213.6	199.8	33.4	31.6

In 2013 the CEO Håkan Hellström retired. The Board appointed Henrik Saxborn, since 2006 executive vice president of Castellum, to new CEO from March 21, 2013.

Board remuneration

Board remuneration was decided by the Annual General Meeting 2013 to SEKk 2,025 thousand, of which SEKk 525 to the Chairman of the Board and SEKk 250 to each other Board member. Additional remuneration for committee work is added with SEKk 90. The amounts range from the AGM 21-03-2013 to the AGM 20-03-2014.

Executive management

The executive management includes the Chief Executive Officer, the Financial Director, the Finance Director and the Head of Business Development of Castellum AB and the six Managing Directors of the subsidiaries. The Head of Business Development is a new position that will be possessed during the first half of 2014.

Remuneration and benefits

Remuneration and benefits for the executive management are 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. During the three-year period of the plan, the variable remuneration can amount to a maximum of three years' salary. The executive management, have an incentive plan that comprises two parts:

- One profit-based part based - on the result of income from property management compared to the previous year, and an overall determination of the development of certain soft factors such as customer and personnel satisfaction. Full outcome requires that the growth in income from property management per share is 10% per year. When growth is in the range 0-10%, a linear calculation of the incentive is made. The profit-based part is paid out yearly as salary after the year-end closing and can total no more than six months' salary per year. The outcome for 2013 was 68%, representing a cost of SEKm 6.5 including social costs. The plan ran out at the end of 2013.
- 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, the Eurozone and Great Britain. In order to receive full outcome of the incentive program, the total return must be at least 50% during the period and the total return has to exceed the index development by at least 5%-units during the period. When growth is in the ranges 0-50% and 0-5%-units respectively, a linear calculation of the incentive is made. Any payments due is paid as salary after the measurement period of June 2011 – May 2014. During the three-year period, the share-price-based part can total no more than one-and-a-half-years' salary, equal to a cost for Castellum of SEKm 31, including social costs. As of December 2013, the outcome outcome was 27%, representing a cost of SEKm 7.2 including social costs. Final measurement and settlement will take place in May 2014.

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

The 2013 Annual General Meeting decided on a new incentive plan which basically is an extension of the above presented programs and consists of an annual profit-based remuneration plan for the years 2014, 2015 and 2016 and a three-year share-price-based remuneration plan for the period June 2014 – may 2017.

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 executive management is 65 years.

Notice of dismissal

The period of notice shall, when given from the company, not exceed 6 months regarding the Managing Director and 12 months for any other member of the executive management of the company. When given by the Managing Director or any other member of the executive management of the company, the period of notice is 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. No deduction will occur for the Managing Director. At the company's dismissal of the Managing Director, a severance pay of 12 months' fixed salary is paid which shall not be reduced as a result of other income that the Managing Director receives.

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 40 employees within the Castellum Group who instead have defined ITP-plans 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 2013 153% (December 2012: 129%). 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 1.0%-unit (0.5%) was for long-term sick leave. Absences due to illness for men and women were 2% (1%) and 3% (4%) respectively. Absences due to illness were 1% (2%) for the age group 29 years and younger, 3% (3%) for the age group 30-49 years and 1% (1%) for the age group 50 years or older. Absence due to illness for the parent company was 1% (1%), of which 0%-unit (0) was for long-term sick leave.

Note 11 Investment Properties

	Group	
Schedule of the changes during the year	2013	2012
Opening balance	36,328	33,867
New construction, extension and reconstruction	1,583	1,279
<i>of which capitalized interest costs</i>	26	19
Acquisitions	185	1 519
Sales	– 593	– 233
Unrealized changes in value	234	– 89
Currency translation	15	– 15
Closing balance	37,752	36,328
<i>Schedule of tax assessment value</i>		
Buildings	15,674	14,976
Land	5,367	4,212
Total tax assessment value	21,041	19,188
Rental income from investment properties	3,249	3,073
Property costs for investment properties	1,105	1,042

Change by category	Office/Retail	Warehouse/ Industrial	Project/ Land
Opening balance	23,267	11,421	1,640
Category shifts	793	– 235	– 558
New construction, extension and reconstruction	843	328	412
Acquisitions	34	77	74
Sales	– 337	– 165	– 91
Unrealized changes in value	199	– 53	88
Currency translation	10	5	–
Closing balance	24,809	11,378	1,565

The Parent company does not own any investment properties.

Investments during the year

During 2013, Castellum made investments totalling SEKm 1,768 (2,798), of which SEKm 1,583 (1,279) new construction, extensions and reconstructions and SEKm 185 (1,519) were acquisitions. Of total investments SEKm 523 related to Greater Gothenburg, SEKm 392 to Mälardalen, SEKm 339 to the Öresund Region, SEKm 291 to Greater Stockholm and SEKm 223 to Eastern Götaland.

Significant obligations

Castellum has no significant obligations to acquire or sell any investment property. However, Castellum is obligated to complete ongoing investments of a further SEKm 1,000 in addition to what is accounted for in the balance sheet.

Larger ongoing investments

Property	Investment, SEKm	of which remainig, SEKm	To be completed
Lundbyväsen 8:1, Gothenburg	219	137	Q4 2014
Dragarbrunn 20:4, Uppsala	198	35	Q4 2014
Algen 1, Jönköping	136	83	Q1 2015
Jägmästaren 1, Linköping	109	82	Q1 2015
Spejaren 3, Huddinge	83	61	Q4 2014

Valuation model

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.

Internal valuation

Castellum records the investment properties at fair value and has made an internal valuation of all properties as of December 31, 2013. The valuation was carried out in a uniform manner, and was based on a ten-year cash flow model, which was summarized above. The internal valuation was based on an individual assessment for each property of both its future earnings capacity and its required market yield. Valuations are made locally in each subsidiary and are quality assured by Castellum AB, which also has overall responsibility for both the process, system and for determining the macroeconomic assumptions.

Assumptions of 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, property tax, and leasing and property administration.

Assumptions per property category 31-12-2012, year 1	Office/Retail	Warehouse/Industrial
Rental value SEK/sq.m.,	1,265	769
Vacancy	11%	9%
Direct property cost SEK/sq.m.	326	180
Property management SEK/sq.m	35	25

Assumptions of 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.

Assumptions per property category 31-12-2013	Office/Retail	Warehouse/Industrial
Real interest rate	3.0%	3.0%
Inflation	1.5%	1.5%
Risk	4.5% - 11.1%	7.1% - 12.5%
Return on equity	9.0% - 15.6%	11.6% - 17.0%
Interest rate	5.5%	5.5%
Loan to value ratio	65%	55%
Return on total capital	6.7% - 9.0%	8.3% - 10.7%
Weighted d.o, discounted factor year 1-9	7.9%	9.1%
Weighted d.o, discounted factor residual value*	6.4%	7.6%

* required yield on total capital minus growth equal to inflation

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 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	2013	2012
Net operating income, properties according to income statement	2,144	2,031
Reversed leasing and property administration	202	192
Net operating income, ongoing development projects	- 19	- 21
Properties acquired/completed as if owned the whole year	39	100
Properties sold	- 25	- 9
Net operating income excl. leasing and property admin. for properties as if owned during the whole year, excl. projects and land	2,341	2,293
Adjusted for:		
Index adjustments 2014, 1% (1%)	35	34
Real occupancy rate, 94% at the lowest	279	268
Property administration, 30 SEK/sq.m.	- 107	- 105
Normalized net operating income	2,548	2,490
Valuation excl. building rights of SEKm 574 (443)	35,613	34,245
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 1,100 per sq.m. (990).

The value of the real estate portfolio

The internal valuation indicates a fair value of SEKm 37,752 (36,328), corresponding to a change in value of -0.9% (-0.2%). Of the value approx. SEKm 3,566 are properties held through site leasehold rights, with a rental income of SEKm 378.

The table below shows the fair value distributed by property category and region.

Property value, SEKm 31-12-2013	Office/Retail	Warehouse/Industrial	Projects and landk	Total
Greater Gothenburg	6,723	5,076	329	12,128
Öresund Region	5,968	1,961	130	8,059
Greater Stockholm	4,410	2,493	358	7,261
Mälardalen	4,330	1,099	630	6,059
Eastern Götaland	3,378	749	118	4,245
Total	24,809	11,378	1,565	37,752

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 on the basis of certain assumptions. The value range of +/- 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 +/- 5%, means a range in value of +/- 1,888 SEKm which corresponds to SEKm 35,864-39,640.

Sensitivity analysis +/-1% (unit)	Effect on value, SEKm	
	Office/Retail	Warehouse/Industrial
Rental value SEK/sq.m.	+/- 364	+/- 157
Economic occupancy rate	+/- 357	+/- 156
Property costs SEK/sq.m.	-/+ 97	-/+ 39
Required yield = discount rate	-/+ 2,853	-/+ 1,177

The sensitivity analysis shown above illustrates how a +/- 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.

External valuation

In order to provide further assurance and validation of the valuation, 148 properties - representing 52% 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 they also 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 19,624, within an uncertainty range of +/- 5-10% on property level, depending on each property's category and location. Castellum's valuation of the same properties totalled SEKm 19,772, i. e., a net deviation of SEKm -148, corresponding to -1%. Gross deviation was SEKm +427 and SEKm -575 respectively, with an average deviation of 5%.

In addition, Forum Fastighetsekonomi AB made a desktop valuation of 32 properties corresponding in value to 21% of the portfolio. Forum's valuation of the selected properties amounted to SEKm 7,912. Castellum's valuation of the same properties amounted to SEKm 7,861, i. e. a net deviation of SEKm 51 corresponding to 1%. NAI Svefa's valuation of the same properties amounted to SEKm 7,780, i. e. a net deviation of SEKm -81 corresponding to -1% compared to Castellum's valuation.

It can be noted that Castellum's deviation from the two external valuers accommodated well within the uncertainty range of +/- 5-10%.

Note 12 Equipment

	Group		Parent Company	
	2013	2012	2013	2012
Opening acquisition value	73	61	7	4
Acquisitions	18	18	3	3
Sales/retirement of assets	-7	-6	0	0
Closing acquisition value	74	73	10	7
Opening depreciation	-49	-46	-4	-3
Sales/retirement of assets	7	6	0	0
Depreciation for the year	-11	-9	-2	-1
Closing depreciation	-53	-49	-6	-4
Book value	31	24	4	3

Note 13 Shareholders' Equity and Net Asset Value

Items in shareholders' equity

The share capital as of December 31, 2013 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	100.00	+50,000
New share issue, A-shares	27-09-1994	+999,500	100.00	+99,950,000
Share split 50:1	25-03-1997	+49,000,000	2.00	-
IPO	23-05-1997	50,000,000	2.00	100,000,000
New share issue, C-shares	12-07-2000	+7,142,857	2.00	+14,285,714
Redemption, A-shares	12-07-2000	-6,998,323	2.00	-13,996,646
Redemption, C-shares	13-11-2000	-7,142,857	2.00	-14,285,714
Share split 4:1	27-04-2006	129,005,031	0.50	-
Year-end	31-12-2013	172,006,708	0.50	86,003,354

Other capital contribution

Other capital contribution is shareholders' equity contributed by shareholders.

Currency translation reserve

Currency translation differences as a result of foreign operations.

Currency hedge reserve

Refers to the effective part of unrealized changes in value related to currency derivatives used to hedge investments in foreign operations.

Retained earnings

Retained earnings relates to earnings earned in the Group. The Group's earlier depostions to the restricted reserves is included in this item.

Restricted and non-restricted equity in the parent company

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.

Retained earnings

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.

Dividend

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 2013 is SEK 4.25 per share, SEKm 697 in total. The amount is recorded as a liability after the annual general meeting has approved the dividend.

Net asset value

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 683 and SEKm 3,700 respectively.

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 22%, 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 is equivalent to approx. 5.0%, meaning that an additional SEKm 2,813 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 a +/- 5% uncertainty range is equal to SEKm +/- 1,793 after tax.

Net asset value	SEKm	SEK/share
Equity according to the balance sheet	13,127	80
Reversed		
Derivatives according to the balance sheet	683	4
Deferred tax according to the balance sheet	3,700	23
Long term net asset value (EPRA NAV)	17,510	107
Deduction		
Derivatives as above	-683	-4
Estimated real liability, deferred tax 5.0%*	-887	-6
Actual net asset value (EPRA NNAV)	15 940	97
Uncertainty range valuation of properties +/- 5% after tax	+/- 1 793	+/- 11

* Estimated real deferred tax liability net has been calculated to 5.0% based on a discount rate of 3%. Further, assessments have been made that tax loss carry forwards are realized in 3 years with a nominal tax of 22%, giving a present value of deferred tax liability of 20.7%, and that the properties are realized in 50 years where 33% are sold directly with a nominal tax of 22% and that 67% are sold indirect through company disposals where the buyers tax discount is 6%, which gives a present value of deferred tax liability of 5.8%.

Capital structure

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

In the balance sheet there is, besides shareholders equity, liabilities which in principle are both interest free and amortization free and therefore can be considered as shareholders equity. The real estate industry therefore uses loan to value as a key ratio for capital structure instead of solidity. For the same reason the net asset value can be calculated in different ways, which is shown above.

Castellum's objective is based on growth in cash flow and is not directly related to the 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, net investments of at least 5% of the property value will be made yearly. At the moment, this is equivalent to approx. SEKm 1,900. 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 return can be found.

Note 14 Liabilities

	Group		Parent Company	
	2013	2012	2013	2012
Non-interest-bearing liabilities due within one year of the balance sheet date	1,122	1,057	143	141
Interest-bearing liabilities due within one year of the balance sheet date	—	—	31	—
1-5 years of the balance sheet date	17,352	16,960	18,282	18,285
5 years after the balance sheet date	2,129	2,134	—	—
Total liabilities excl. deferred tax liability and derivatives	20,603	20,151	18,456	18,426

During 2014, current interest-bearing liabilities amounting to SEKm 1,952 (1,838) are due for payment, but since they are covered by unutilized long-term credit agreements, they are treated as long-term interest-bearing liabilities.

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 17,649 (15,802), which with a tax rate of 22% is equivalent to a tax payment of SEKm 3,883 (3,477). Castellum has deferred tax of SEKm 183 (167) which relates to properties accounted for as asset acquisitions. According to present regulations deferred tax at the time of the acquisition shall not be accounted for in the balance sheet, which is shown in the table below.

The parent company reports a deferred tax asset of SEKm 103 (222) corresponding to 22% of the unutilized tax loss carry forwards of SEKm 468 (1,009).

Tax loss carry forward

Castellum's tax loss carry forwards as of December 31, 2013 are estimated to SEKm 921 (1,610). The change is presented in note 9.

Surplus- and sub value of properties for tax purposes

When calculating the tax effect on a sale of all properties in the Group, the book value in the Group of SEKm 37,752 (36,328) must be compared to the residual value for tax purposes in the legal entity, which amounts to SEKm 19,182 (18,916). 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 18,570 (17,412). Previous write-downs where tax deductions have been made amount to approx. SEKm 230. These may be reversed in the case of a future increases in value.

Deferred tax liability	2013		2012	
	Basis	Tax	Basis	Tax
<i>Tax loss carry forwards</i>				
Opening balance	1,610	354	1,772	466
Change of the year in income statement	– 689	– 152	– 162	– 43
Restatement to new tax rate	—	—	—	– 69
Closing balance in the balance sheet	921	202	1 610	354

Difference between the properties book and tax basis value

Opening balance	– 17,412	– 3,831	– 16,197	– 4,260
Change of the year in income statement	– 1,086	– 238	– 761	– 200
Company acquisitions	– 72	– 16	– 454	– 119
Restatement to new tax rate	—	—	—	748
Closing balance	– 18,570	– 4,085	– 17,412	– 3,831
Less, attributable to asset acquisitions				
Opening balance	758	167	304	80
Company acquisitions	72	16	454	119
Restatement to new tax rate	—	—	—	– 32
Closing balance	830	183	758	167
Closing balance in the balance sheet	– 17,740	– 3,902	– 16,654	– 3,664

Total

Opening balance	– 15,044	– 3,310	– 14,121	– 3,714
Change of the year in income statement	– 1,775	– 390	– 923	– 243
Restatement to new tax rate	—	—	—	647
Closing balance in the balance sheet	– 16,819	– 3,700	– 15,044	– 3,310

Note 16 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 value changes occur primarily due to changes in market interest rates. Castellum uses currency derivatives to provide financing in foreign currency, which are included in the derivative portfolio market value. As of December 31, 2013 the market value of the interest rate and currency derivatives portfolio amounted to SEKm –683 (–1,105) where fair value is determined according to level 2, IFRS 13.

In the balance sheet derivatives are accounted for as long-term liabilities since the amount will not be settled in cash. However, a theoretical matured amount during 2014 can be mathematically calculated to SEKm 62.

To calculate the market value of derivatives, market rates for each term, and when appropriate, exchange rates, as quoted on the market at the closing date are used. Interest rate swaps are valued by discounting future cash flows to present value while instruments containing options are valued at the current repurchase price, which is obtained from the counterparty.

Fair value of a derivative contract can be described as the risk-free market value, adjusted for the value of counterparty risk. The value of the counterparty risk can be calculated estimating expected credit exposure at the time of default, the risk of default and the recovery rate of exposed credits. If a derivative contract is prematurely terminated because of a counterparty default, losses occur on derivatives with positive market values. For derivatives with negative market values, no loss occurs.

In order to limit counterparty risk all of Castellum derivative transactions are covered by general agreement with netting clauses. This allows Castellum to offset positive and negative market values so that the debt, or claim, to the other party is the net of all market values of outstanding derivative transactions between the parties. In light of Castellum's net debt, estimated counterparty risk on derivative transactions is estimated as negligible in relation to the outstanding market values. Castellum has joined the ISDA 2013 EMIR protocol that address the risk mitigation techniques provided in EMIR.

	31-12-2013			31-12-2012		
	Asset	Liability	Net	Asset	Liability	Net
Interest rate derivatives	16	– 703	– 687	24	– 1,140	– 1,116
Currency derivatives	4	0	4	11	0	11
Gross value derivatives	20	– 703	– 683	35	– 1,140	– 1,105
Netting	– 20	20	0	– 35	35	0
Net value derivatives	0	– 683	– 683	0	– 1,105	– 1,105

The table below shows the interest rate derivatives portfolio's nominal net amount and market value as of 31-12-2013 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.

End date	Amount, SEKm	Acquisition value, SEKm	Market value, SEKm	Average interest rate	Market value interest +1%-unit	Market value interest -1%-unit
2014	100	—	2	— 4.3%	4	1
2015	400	—	— 21	4.4%	— 17	— 25
2016	1,450	—	— 65	3.2%	— 36	— 99
2017	1,100	—	— 57	3.2%	— 17	— 84
2018	1,150	—	— 86	3.7%	— 37	— 138
2019+	6,350	—	— 460	3.5%	— 94	— 878
Total	10,550	—	— 687	3.4%	— 197	— 1,223

Currency derivatives with a market value of SEKm 4 is not included in the table above, since a change in the market interest rate has an insignificant effect on the market value.

Note 17 Long-term Interest-bearing Liabilities

Financial policy

Castellum's funding and management of financial risk are conducted in accordance with the financial policy adopted by the Board of Directors. Castellum shall have a low financial risk with a loan to value ratio not exceeding 55% in the long run and an interest coverage ratio of at least 200%. The financial operations in Castellum shall be run in such a way that the need for long- and short-term funding and liquidity is ensured. In addition, net interest expenses at each time shall be minimized within the given risk authorization. The financial policy outlines the overall authorization and how financial risk should be reported and monitored. The financial risks are monitored and reported quarterly to the Board. As part of continually improving and adapting the financial risk management, the Board has an annual review of the financial policy.

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 risk management

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, followed by interest rate derivative transactions 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%	52%
Interest coverage ratio	At least 200%	292%
Interest rate risk		
— average fixed interest rate term	0.5-3 years	2.7 years
— proportion maturing within 6 months	No more than 50%	44%
Currency risk		
— investment	60-100% funded in local currency	79%
— other currency risk	Not allowed	No exposure
Funding risk	At least 50% interest bearing liabilities have a duration of at least 2 years	79%
Counterparty risk	Credit institutions with high ratings, at least "investment grade"	Satisfied
Liquidity risk	Liquidity reserve in order to fulfill payments due	SEKm 2,448 in unutilized long term credit agreements

Funding risk

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 52% (53%).

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 for liquidity and long-term funding, Castellum are regularly re-negotiating and, when needed, entering into new credit agreements or forms of borrowing. At the end of the year Castellum had binding credit agreements totalling SEKm 24,300 (23,361) of which SEKm 21,859 (20,262) were long term binding and SEKm 2,441 (3,099) short term binding. Of utilized credits, SEKm 18,659 (19,062) were long term binding credit agreements in bank and SEK 3,200 (1,200) were MTN. Of short term credits, SEKm 1,427 (1,227) were short term credits in bank and SEKm 1,014 (1,872) were outstanding commercial papers. At year-end unutilized credit in long term credit agreements amounted to SEKm 2,448. Castellum thus has good access to credits to finance investment in new constructions, extensions, reconstructions and acquisitions.

The average duration of Castellum's long-term credit agreements was 3.4 years (4.1). Margins and fees on long-term credit agreements had an average duration of 2.4 years (2.8).

During the year existing credit agreements of SEKm 7,800 were renegotiated and/or extended, a credit agreement of SEKm 200 were terminated, and an additional SEKm 2,000 were issued under the MTN-program.

Credit agreements/-limits	Amount, SEKm	Utilized, SEKm
Long-term credit agreements	18,659	14,259
Short-term credit agreements	1,427	1,008
Liquidity	—	— 70
Total credit agreements	20,086	15,197
MTN program	5,000	3,200
Commercial paper program	4,000	1,014
Total	29,086	19,411

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

Credit maturity structure	Utilized in			
	Agreements, SEKm	Bank	MTN/Cert	Total
0-1 year	2,441	938	1,014	1,952
1-2 year	6,508	2,308	1,700	4,008
2-3 year	4,007	3,807	—	3,807
3-4 year	8,708	6,008	1,000	7,008
4-5 year	507	7	500	507
> 5 year	2,129	2,129	—	2,129
Total	24,300	15,197	4,214	19,411
Unutilized credits in long term credit agreements	2,448			

The credit agreements can be divided into the following categories:

- Credits pledged by Castellum's receivables from subsidiaries, including mortgages. Utilized credits secured by pledged mortgages were at the end of the year SEKm 15,197. 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 within 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%.
- Credits directly to subsidiaries pledged by mortgages. Credits directly to subsidiary have, in the majority of the cases, also a guaranteed commitment from the parent company.
- Unsecured credits.
- Issuing of bonds, without pledged security.
- Issuing of commercial papers, without pledged security.

All types of credit agreements contain normal termination terms, and in some cases renegotiation terms for changes in business and delisting. If the lender calls for such renegotiation and the parties can not agree, the credit agreements have established settlement times for the credit agreement subject to such terms.

Interest risk

Changes in market interest rates and credit spreads affect borrowing costs. How fast and how much changes in these two components affect depends on the selected term. To limit the immediate impact of changes in market interest rates, Castellum has chosen to work with both a short and long term interest rate maturity structure. For the same reason, Castellum has chosen to enter credit agreements, issue commercial papers and MTN with different maturities on agreed credit margin. Changes in both interest rates and credit margins will, however, always have an impact on net financial items over time.

The interest coverage ratio is the financial measure that describes a company's risk level and resilience to changes in the net interest. Castellum has an objective of an interest coverage ratio of at least 200%. For 2013, the interest coverage ratio was 292% (284%). The average duration was as per December 31, 2013 2.7 years (2.8), the average effective interest rate was 3.5% (3.6%) and the average interest rate for the year was 3.7% (3.9%).

Margins and fees on long-term credit agreements are established with an average duration of 2.4 years (2.8).

An interest rate change of +/- 1% effects profit next twelve months with -75 respectively +67 SEKm.

In the interest rate maturity structure, interest rate derivatives are accounted for in the earliest time segment in which they can mature. Credit margins are distributed in the interval of the underlying loans.

Interest rate maturity structure	Loan, SEKm	Derivatives, SEKm	Amount, SEKm	Average interest rate
0-1 year	19,286	- 8,850	10,436	3.4%
1-2 years	125	200	325	5.9%
2-3 years	—	1,250	1,250	3.9%
3-4 years	—	1,000	1,000	3.4%
4-5 years	—	1,450	1,450	3.6%
5-10 years	—	4,950	4,950	3.7%
Total	19,411	—	19,411	3.5%

Currency risk

Castellum owns properties in Denmark to a value of SEKm 466 (435), which means that the Group is exposed to a currency risk. The currency risk is primarily related to when income statement and balance sheet in foreign exchange are translated into Swedish currency. In accordance with the financial policy, between 60-100% of investments in foreign subsidiaries are to be financed in that country's currency. The transaction risk in the Group is insignificant and will be managed by matching income by costs.

Counterparty risk

Counterparty risk refers to the risk that, at any moment, is estimated that Castellum's counterparties do not fulfill their contractual obligations.

Castellum limits counterparty risk by requiring high credit ratings of the counterparties. High rating is defined to be that no rating agency indicates a rating that is below investment grade. Castellum's counterparties are the major Nordic banks.

Note 18 Accrued Expenses and Prepaid Income

	Group		Parent Company	
	2013	2012	2013	2012
Pre-paid rents	449	406	—	—
Accrued interest	124	123	125	123
Other	142	159	14	15
Total	715	688	139	138

Note 19 Pledged Assets

	Group		Parent Company	
	2013	2012	2013	2012
Property mortgages	18,375	18,764	—	—
Long-term receivables, group companies	—	—	14,928	15,090
Total	18,375	18,764	14,928	15,090

Note 20 Contingent Liabilities

	Group		Parent Company	
	2013	2012	2013	2012
Guaranteed commitments for subsidiaries	—	—	2,166	2,170
Total	—	—	2,166	2,170

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

Note 21 Participations in Group Companies

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.

Direktägda dotterbolag	Corporate identity No.	Registered Office	Share of capital	Book value
Fastighets AB Brostaden	556002-8952	Stockholm	100%	1,205
Aspholmen Fastigheter AB	556121-9089	Örebro	100%	1,297
Eklandia Fastighets AB	556122-3768	Gothenburg	100%	1,041
Harry Sjögren AB	556051-0561	Mölnådal	100%	804
Fastighets AB Corallen	556226-6527	Värnamo	100%	589
Fastighets AB Briggen	556476-7688	Malmö	100%	933
Fastighets AB Regeringsgatan	556571-4051	Göteborg	100%	0
Total				5,869

Principles for consolidation are described in the accounting principles.

	Parent Company	
	2013	2012
Opening acquisition value	5,338	5,338
Paid shareholders' contribution	531	—
Utgående anskaffningsvärde/bokfört värde	5,869	5,338

Note 22 Financial Instruments - future cash flow etc.

Future cash-flows attributable to interest rate derivatives as well as liabilities are shown in the table below. Cash-flows related to interest rate derivatives consist of interest paid minus interest received. To calculate the variable part of the interest rate derivative, the Stibor interest rate - as listed at year end - has been used throughout the full term of the derivative. In calculating cash-flow attributable to loan, the assumption is made that a maturing loan is replaced by a new one during the term or maturity of the underlying credit agreement and to a Stibor interest rate as listed at year end. Other liabilities are short-term and matures within one year.

Derivatives				Loan				
Year	Interest to pay, SEKm	Interest to receive, SEKm	Interest costs, SEKm	Year	Loan, opening balance	Mature	Loan, closing balance	Interest costs, SEKm
2014	- 382	121	- 261	2014	19,411	- 952	18,459	- 425
2015	- 368	110	- 258	2015	18,459	- 5,007	13,452	- 409
2016	- 328	97	- 231	2016	13,452	- 3,808	9,644	- 263
2017	- 279	75	- 204	2017	9,644	- 7,007	2,637	- 187
2018	- 238	64	- 174	2018	2,637	- 508	2,129	- 50
2019+	- 487	127	- 360	2019+	2,129	- 2,129	0	- 107
Total	- 2,082	594	- 1,448	Total		- 19,411		- 1,441

The different categories of financial instruments in the Group's balance sheet are presented in the table below.

SEKm	Loans and accounts receivable		Financial liabilities recorded at fair value in income statement		Derivatives used in hedge accounting		Financial liabilities recorded at accrued acquisition value	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>Assets</i>								
Currency derivatives	-	-	-	-	4	11	-	-
Rent receivables	23	20	-	-	-	-	-	-
Other receivables	41	29	-	-	-	-	-	-
Prepaid expenses and accrued income	83	58	-	-	-	-	-	-
Cash and bank	70	44	-	-	-	-	-	-
<i>Liabilities</i>								
Interest rate derivatives	-	-	687	1,116	-	-	-	-
Long-term liabilities	-	-	-	-	-	-	19,481	19,094
Accounts payable	-	-	-	-	-	-	198	171
Other liabilities	-	-	-	-	-	-	151	132
Accrued expenses and prepaid income	-	-	-	-	-	-	715	688
Total	217	151	687	1,116	4	11	20,545	20,085

Financial instruments such as rent receivables, accounts payable etc. are recorded at accrued acquisition value with deduction for any write-downs. Hence, fair value is assessed to comply with book value. Long-term interest bearing liabilities have primarily short-term interest terms meaning that accrued acquisition cost corresponds to fair value.

Note 23 Long-term Receivables, Group Companies

	Parent Company	
	2013	2012
Opening acquisition value	17,983	17,432
New lending to subsidiaries	- 571	561
Currency translation foreign operation	7	- 10
Closing acquisition value/book value	17,419	17,983

Note 24 Subsequent Events

The Financial Reports are a part of the Annual Report and were signed by the Board of Directors on January 31, 2014.

The Board of Directors of Castellum AB intends to propose the annual general meeting a dividend of SEK 4.25 per share, which is an increase of 8% 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 will take place on March 20, 2014.

Tage Christoffersson, CEO of Fastighets AB Ekländia, will during the first half of 2014 enter as Head of Business Development in Castellum AB - a new role that will be part of the Executive Group Management. Cecilia Fasth, currently President of Sverige-huset, will replace Tage as CEO of Fastighets AB Ekländia within six months.

Gunnar Östenson resigned at his own request as CEO of Fastighets AB Briggen in January 27, 2014. Until a new CEO of Fastighets AB Briggen is appointed, Tage Christoffersson will act as interim CEO in Fastighets AB Briggen. The recruitment of a new CEO to Fastighets AB Briggen is in progress.

Proposed Distribution of Profits

The following funds are at the Annual General Meetings disposal:

Retained profits	SEK 3,942,933,918
Net income for the year	<u>SEK 990,110,247</u>
	<u>SEK 4,933,044,165</u>

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

Dividend to shareholders, SEK 4.25 per share	SEK 697,000,000
Carried forward to the new accounts	<u>SEK 4,236,044,165</u>
	<u>SEK 4,933,044,165</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 697,000,000 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 Swedish law by application of the recommendation RFR 1 (Supplementary Accounting Rules for Groups) by the Swedish Financial Reporting Board. The equity of the parent company has been calculated in accordance with Swedish law and by application of the recommendation RFR 2 (Accounting for Legal Entities) of the Swedish Financial Reporting Board.

The proposed distribution constitutes 52% of the group's income from property management, which is in line with the expressed objective to distribute at least 50% of the group's income from property management, having considered investment plans, consolidation needs, liquidity and overall position. The group's net income after value and tax changes amounted to SEKm 1,707. The distribution policy is based on the group's income from property management, and as a result non-affecting cash flow increases and/or decreases in value on the group's properties and on interest and currency derivatives, do not normally affect the distribution. Such non-affecting cash flow profit or loss, have neither been taken into account 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). Accordingly, the board of directors would 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 of 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 to fulfil their obligations. The proposed dividend constitutes 14% of the company's equity and 5% of the group's equity. The group's loan to value ratio and interest coverage ratio 2013 amounted to 52% and 292% respectively. The expressed objective for the group's capital structure, implying a loan to value ratio which not permanently exceeds 55% and an interest coverage ratio of at least 200%, will be maintained after the proposed dividend. The capital structure of the company and the group is sound considering the prevailing conditions of the real property business. In light of the above, the board of directors concludes that the company and the group have all the necessary requirements to manage future business risks and also to carry potential losses. Planned investments have been considered when deciding on the proposed dividend.

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 longterm credits. The credits may be utilised at short notice, implying 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. In this respect, no circumstances have been found that indicate 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 in accordance with section 4 subsection 14 a of the Swedish Annual Accounts Act. The valuation has presented an undervalue of SEKm 533 after tax, which has affected the equity by the mentioned amount.

Gothenburg January 22, 2014

The Board

Signing of the Annual Report

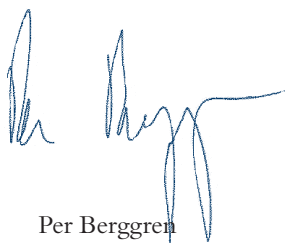
As far as we know the Annual Report is prepared in accordance with generally accepted accounting principles. The Annual Report give a true and fair view of the company's financial position and results, and the directors' report give a true and fair overview of the development of the company's operations, financial position and results, and discribes 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 January 31, 2014



Charlotte Strömberg
Chairman of the Board



Per Berggren
Board member



Marianne Dicander Alexandersson
Board member



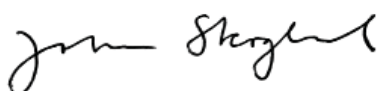
Ulla-Britt Fräjdin-Hellqvist
Board member



Christer Jacobson
Board member



Jan Åke Jonsson
Board member



Johan Skoglund
Board member



Henrik Saxborn
Chief Executive Officer

Our Audit Report regarding this Annual Report was submitted on January 31, 2014



Conny Lysér
Authorized Public Accountant
Deputy auditor who has replaced auditor



Magnus Fredmer
Authorized Public Accountant

Auditor's report

To the annual meeting of the shareholders of Castellum AB (publ), corp. id. 556475-5550

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Castellum AB (publ) for the year 2013. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 4-96.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2013 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the statement of comprehensive income and balance sheet for the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Castellum AB (publ) for the year 2013.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As basis for our opinion on the Board of Directors proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

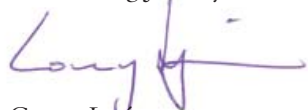
As basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated 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 January 31, 2014



Conny Lyser
Authorized Public Accountant
Deputy auditor who has replaced auditor



Magnus Fredmer
Authorized Public Accountant

Former auditor's notification according to Chapter 9, 23 and 23 a §§ Swedish Companies Act

To Bolagsverket

22-03-2013

Registration and report according to Chapter 9, 23 and 23 a §§ Swedish Companies Act för Castellum AB, registration no 556475-5550

My mission as auditor of the company has ceased prematurely by my request 22-03-2013.

No circumstances that causes any remark in this report has come to my attention.

Notification according to Chapter 9, 23 a § Swedish Companies Act (2005:551)

The reason for my assignment to end prematurely is that I will not exercise my profession as authorized public accountant for the whole 2013, since I will quit as auditor before year end.

Stockholm 22-03-2013



Carl Lindgren
Authorized public accountant

cc:

The Board of Directors of Castellum AB

Castellum's notification according to Chapter 9, 23 a § Swedish Companies Act (2005:551)

To Bolagsverket

22-03-2013

Auditor's premature termination – Castellum AB (publ), registration no 556475-5550

Carl Lindgren has today, to the Board of Directors of Castellum AB (publ), reported that he, as of today, prematurely resigns as auditor of Castellum AB (publ).

The reason for the premature termination is that Carl Lindgren will not practice his profession as authorized public accountant for the whole 2013, since he will resign as accountant before year end.

Yours sincerely

CASTELLUM AB (publ)



Henrik Saxborn
Chief Executive Officer

Castellum's Real Estate Schedule 2013



Mejramen 1, Mölndal

Greater Gothenburg	101
Öresund Region	109
Greater Stockholm	115
Mälardalen	119
Eastern Götaland	125
Properties sold in 2013	131

Management subsidiaries ASP = Aspholmen Fastigheter AB
COR = Fastighets AB Corallen

BRI = Fastighets AB Briggen
EKL = Ekländia Fastighets AB

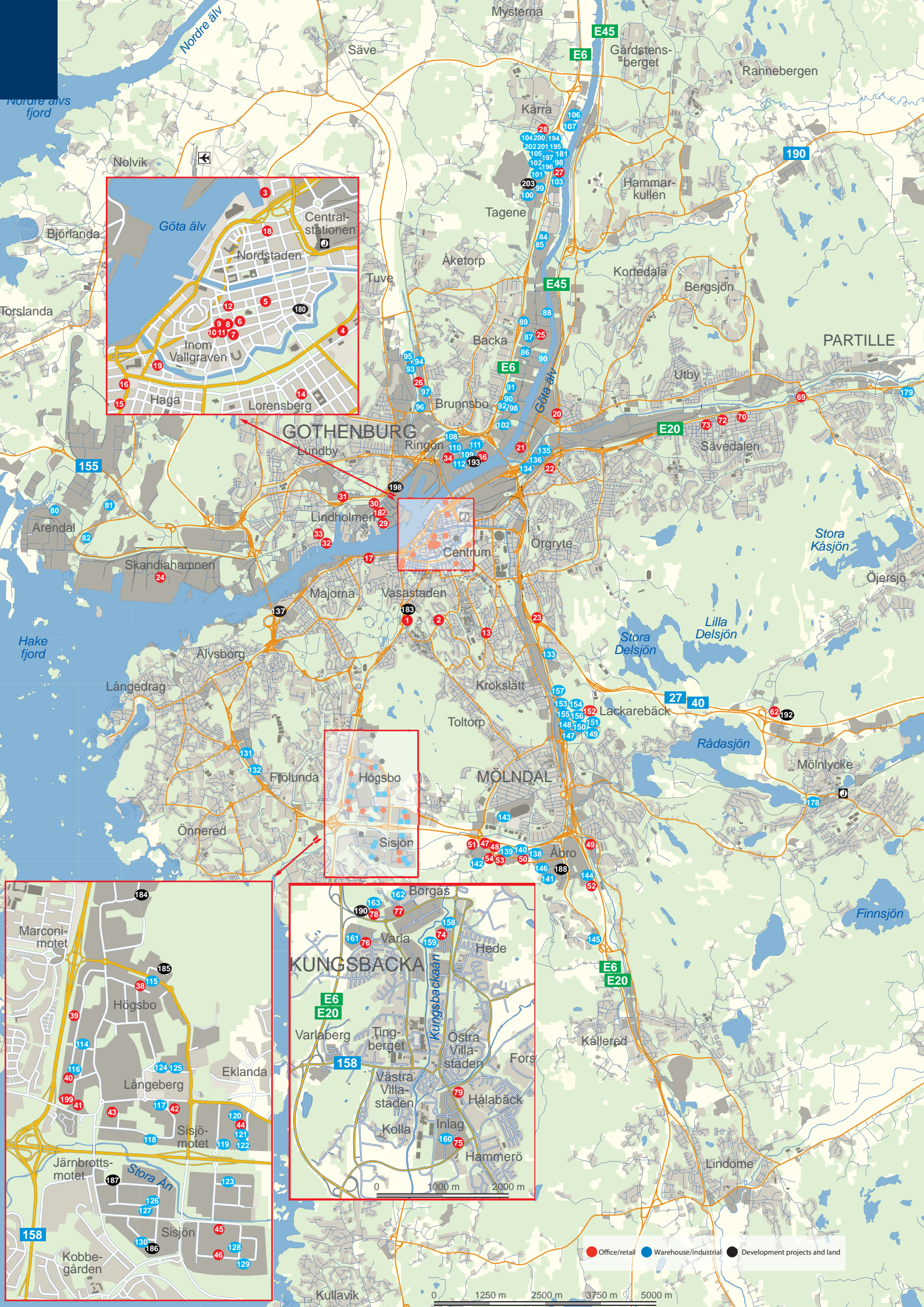
BRO = Fastighets AB Brostaden
HAR = Harry Sjögren AB

Greater Gothenburg

Greater Gothenburg													Tax Mgmt.			
Name of property	Address	Municipality	Acquis-- year	Build/ Recon.year	Square metres per type of premises							Site sq.m.	assessment	Sub- value	sidiary	Note
					Office	Retail	Warehouse	Industrial	Residential	Other	Total					
OFFICE/RETAIL																
1	Annedal 21:10	Gothenburg	1999	1995	4,382	–	–	–	–	–	4,382	3,132	66,800	EKL		
2	Guldheden 8:10 & 8:11	Gothenburg	2000	1995	10,477	–	23	–	–	–	10,500	9,896	11,092	EKL		
3	Gullbergsvass 1:15	Gothenburg	1999	2001	7,954	–	24	–	–	–	7,978	1,835	167,000	EKL		
4	Heden 16:5	Gothenburg	<1995	1961	70	–	–	–	616	1,243	1,929	993	27,867	EKL		
5	Inom Vallgraven 19:17	Gothenburg	<1995	1919	–	368	20	–	–	975	1,363	867	27,200	EKL		
6	Inom Vallgraven 22:3	Gothenburg	<1995	1929	1,080	488	–	–	–	–	1,568	574	39,600	EKL		
7	Inom Vallgraven 33:9	Gothenburg	<1995	1929/1995	1,063	510	–	–	–	–	1,573	829	28,200	EKL		
8	Inom Vallgraven 34:8	Gothenburg	<1995	1929/1994	2,847	1,469	55	–	–	–	4,371	1,242	104,000	EKL		
9	Inom Vallgraven 35:14	Gothenburg	<1995	1929/1991	2,305	1,403	–	–	469	–	4,177	1,315	89,830	EKL		
10	Inom Vallgraven 35:16	Gothenburg	<1995	1991	2,371	590	36	–	–	–	2,997	690	46,200	EKL		
11	Inom Vallgraven 35:17	Gothenburg	<1995	1991	54	248	–	–	1,149	–	1,451	690	27,784	EKL		
12	Inom Vallgraven 57:2	Gothenburg	2000	1988/1990	5,780	1,056	254	–	–	–	7,090	2,422	93,600	EKL		
13	Krokslätt 102:2	Gothenburg	2008	1980	811	–	–	–	–	–	811	1,319	–	EKL		
14	Lorensberg 48:8	Gothenburg	<1995	1900/1992	1,401	202	74	–	–	–	1,677	722	18,626	EKL		
15	Masthugget 3:6	Gothenburg	<1995	1893/1980	492	628	–	–	1,079	790	2,989	745	42,073	EKL		
16	Masthugget 9:17	Gothenburg	1996	1900	2,220	1,163	10	–	–	–	3,393	1,221	46,800	EKL		
17	Masthugget 26:1	Gothenburg	<1995	1923	3,908	1,205	–	–	2,796	–	7,909	3,597	114,800	EKL		
18	Nordstaden 2:16	Gothenburg	2004	1974/2010	13,819	2,759	–	–	–	4	16,582	3,255	461,858	EKL		
19	Pustervik 3:8	Gothenburg	<1995	1988	3,910	–	–	–	–	–	3,910	1,088	36,800	EKL		
20	Gamlestaden 22:14	Gothenburg	2004	1957	18,038	700	540	502	–	8	19,788	20,313	85,498	EKL		
21	Gamlestaden 26:1	Gothenburg	<1995	1914/1987	6,231	270	1,870	6,865	–	–	15,236	24,356	53,700	EKL	T/B	
22	Olskroken 14:2	Gothenburg	<1995	1895/1986	7,391	315	306	4,181	136	–	12,329	10,263	71,114	EKL		
23	Skår 58:1	Gothenburg	<1995	1991	11,855	–	–	–	–	–	11,855	6,151	119,000	EKL	B	
24	Arendal 764:394	Gothenburg	2005	1990	8,969	389	–	–	–	–	9,358	9,646	46,200	EKL	T	
25	Backa 27:43	Gothenburg	1998	1984	3,531	–	984	309	–	–	4,824	3,920	27,200	EKL		
26	Backa 196:6	Gothenburg	1996	1990	1,332	–	474	–	–	–	1,806	5,274	7,952	EKL		
–	Ellesbo 1:5 & 2:10	Gothenburg	2012	1990/2009	–	–	2,270	–	–	–	2,270	30,163	5,169	EKL	B	
27	Kärra 28:19	Gothenburg	1996	2008	–	–	4,600	–	–	–	4,600	21,832	34,241	EKL		
28	Kärra 77:3	Gothenburg	1998	1990	1,197	–	–	–	–	–	1,197	9,200	5,687	EKL	T	
182	Lindholmen 28:3 A	Gothenburg	2011	2013	9,459	–	–	–	–	–	9,459	3,000	103,000	EKL		
29	Lindholmen 28:3 B	Gothenburg	2006	2006	4,873	204	72	–	–	–	5,149	2,725	114,000	EKL		
30	Lundbyvassen 3:1	Gothenburg	2011	1949/2006	10,790	–	–	–	–	13	10,803	6,016	128,200	EKL		
31	Rambergsgården 733:409	Gothenburg	<1995	1988	2,331	939	984	–	–	–	4,254	9,499	21,957	EKL		
32	Sannegården 28:33	Gothenburg	2006	1880/1987	5,237	–	1,130	172	–	34	6,573	3,016	60,400	EKL		
33	Sannegården 52:1	Gothenburg	2011	1956/1993	3,897	484	1,135	2,054	–	–	7,570	12,784	59,600	EKL		
34	Tingstadsvassen 11:11	Gothenburg	<1995	1992	3,401	2,170	364	–	–	2	5,937	4,267	33,000	EKL	B	
36	Tingstadsvassen 26:5	Gothenburg	2002	1989	792	–	2,518	–	–	–	3,310	4,566	20,571	EKL	T/B	
38	Högsbo 8:8	Gothenburg	2000	1961/2001	1,100	–	1,000	–	–	–	2,100	3,500	9,764	HAR	B	
39	Högsbo 13:3	Gothenburg	<1995	1982	1,244	–	–	–	–	–	1,244	3,787	7,257	HAR	T/B	
40	Högsbo 17:7	Gothenburg	2012	1969	3,489	–	559	–	–	–	4,048	2,996	23,000	HAR		
199	Högsbo 20:11	Gothenburg	2013	1969	2,400	–	300	–	–	–	2,700	8,605	13,880	HAR	B	
41	Högsbo 20:22	Gothenburg	2002	1982	14,145	178	760	–	–	–	15,083	15,522	78,600	HAR		
42	Högsbo 24:12	Gothenburg	1999	1968/1990	3,117	–	2,756	–	–	–	5,873	12,817	45,467	HAR	B	
43	Högsbo 27:7	Gothenburg	2002	1988	7,933	–	–	–	–	–	7,933	9,723	64,600	HAR		

Note: T=Ground rent A=Lease B=Unutilized building permission





Greater Gothenburg

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 sidiary Note	
					Office	Retail	Warehouse	Industrial	Residential	Other				
44 Högsbo 36:6	Hulda Mellgrens Gata 1	Gothenburg	2012	1991	3,851	—	510	—	—	—	4,361	5,336	37,000	HAR
45 Kobbegården 6:362	Stora Ävägen 19 A-B, 21	Gothenburg	<1995	1990	5,513	878	1,150	—	—	—	7,541	5,490	59,200	HAR
46 Kobbegården 6:726	Datavägen 14 B	Gothenburg	<1995	1981	2,573	—	—	—	—	—	2,573	4,267	11,992	HAR
47 Anisen 1	Johannefredsgatan 1	Mölndal	2000	1990	1,676	—	237	—	—	—	1,913	5,843	11,910	HAR B
48 Anisen 3	Johannefredsgatan 3	Mölndal	1998	2003	1,800	1,500	—	2,600	—	—	5,900	10,108	47,455	HAR
49 Berguven 1	Möbelgatan 4	Mölndal	2004	1964	6,500	—	—	—	—	500	7,000	24,283	27,000	HAR B
50 Generatorm 5	Aminogatan 16	Mölndal	<1995	1986	640	—	—	483	—	—	1,123	5,169	8,443	HAR
51 Mejramen 1	Lunnagårdsgatan 4	Mölndal	1999	1999	8,300	—	4,700	—	—	—	13,000	38,818	78,445	HAR B
52 Pottegården 4	Kråketorpsgatan 20	Mölndal	<1995	1992	3,182	—	1,836	—	—	—	5,018	6,060	27,850	HAR
53 Riskullaverket 2	Aminogatan 25	Mölndal	<1995	1991	1,692	—	1,261	—	—	—	2,953	3,411	16,898	HAR
54 Sesamfröet 2	Aminogatan 27	Mölndal	2005	1992	5,150	—	700	—	—	—	5,850	11,000	53,600	HAR B
152 Törnrosen 3	Flöjelbergsgatan 10	Mölndal	1999	1964	2,497	—	1,085	—	—	—	3,582	4,468	10,357	HAR B
55 Apollo 5	Österlånggatan 5	Borås	<1995	1930/1979	6,803	552	193	—	—	—	7,548	2,343	41,600	HAR
56 Cedern 9,12,15,16	Ramnåsg 1/Gothenburgsv 6	Borås	2005	1935/1980	4,289	300	2,129	260	—	361	7,339	4,159	12,765	HAR B
57 Katrinedal 14	Katrinedalsgatan 22	Borås	<1995	1990	2,360	—	1,892	—	—	—	4,252	7,675	16,378	HAR
58 Midas 14	Västerlånggatan 17	Borås	<1995	1974	15,408	5,424	—	366	—	—	21,198	8,185	160,400	HAR B
59 Narcissus 5	L:a Brogatan 15/ St. Brogatan 16	Borås	<1995	1930	908	1,484	—	—	1,284	—	3,676	853	31,114	HAR
60 Nestor 2	L:a Brogatan 19-21	Borås	<1995	1962/1991	1,225	3,012	135	—	—	—	4,372	1,381	40,000	HAR
61 Nestor 3	St. Brogatan 24	Borås	1999	1930	1,346	732	—	—	439	—	2,517	590	20,864	HAR
62 Solsten 1:108 A	Designvägen 2	Härryda	<1995	2003	11,756	—	—	—	—	—	11,756	19,206	66,600	EKL
63 Flaggan 1	Laholmsvägen 84	Halmstad	2007	1959/2004	—	2,895	—	—	—	—	2,895	5,941	8,995	HAR
64 Karossen 3	Kristinehedsvägen 5, 7	Halmstad	2007	1965/2004	916	4,458	568	535	—	—	6,477	14,500	20,792	HAR B
65 Kartongen 3	Spikgatan 7	Halmstad	2007	1990/1995	3,434	—	2,842	—	—	40	6,316	20,900	25,751	HAR B
66 Valsen 2	Svingelvägen 2	Halmstad	2007	1979/2003	2,294	—	—	—	—	—	2,294	7,314	10,726	HAR B
67 Filaren 1	Sveagatan 10	Alingsås	<1995	1958/1968	3,116	2,282	158	—	—	—	5,556	4,636	28,177	HAR
68 Gjutareen 26 B	Metallgatan 2-4	Alingsås	<1995	2000	3,585	—	—	—	—	—	3,585	4,000	21,432	HAR B
69 Partille 4:2, 4:25	G:a Kronvägen 22	Partille	<1995	1940/1981	—	2,240	—	—	—	—	2,240	8,250	12,930	HAR
70 Ugglum 8:37	Gothenburgsvägen 78-80	Partille	<1995	1998/1982	2,082	1,312	—	—	278	—	3,672	5,731	30,199	HAR
72 Ugglum 8:92	Gothenburgsvägen 74-76	Partille	<1995	1992	4,944	720	193	—	—	—	5,857	5,408	44,000	HAR
73 Ugglum 126:4	Gibsons väg 3	Partille	<1995	1990	468	—	—	—	—	—	468	767	4,046	HAR
74 Hede 3:125	Sättarevägen 3	Kungsbacka	<1995	1990	1,759	—	601	—	—	—	2,360	3,690	10,825	HAR
75 Kungsbacka 4:46	L:a Verkstadsgatan 8	Kungsbacka	<1995	1979	401	—	—	—	—	—	401	1,356	1,791	HAR B
76 Varla 2:380	Energigatan 11	Kungsbacka	<1995	1990	1,689	—	685	—	—	—	2,374	4,590	13,509	HAR
77 Varla 2:416	Kungsparksvägen 2	Kungsbacka	2001	2002	1,100	—	680	—	—	—	1,780	5,500	10,967	HAR B
78 Varla 3:22 B	Hallabäcksvägen 2	Kungsbacka	2006	1979	1,100	4,700	1,100	—	—	—	6,900	15,000	59,200	HAR B
79 Vägmästaren 5	Syréngatan 1	Kungsbacka	2009	2010	3,000	—	—	—	—	—	3,000	6,500	32,600	HAR B

Total office/retail 315,053 50,227 45,773 18,327 8,246 3,970 441,596 563,101 3,804,998



Greater Gothenburg

Greater Gothenburg												Tax Mgmt.	
Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Site sq.m.	assessment Sub- value	Note
					Office	Retail	Warehouse	Industrial	Residential	Other			
WAREHOUSE/INDUSTRIAL													
80	Arendal 1:13	Gothenburg	2005	2006	—	—	27,787	—	—	—	27,787	6,408	152,800 EKL
81	Arendal 7:4	Gothenburg	1998	1991	553	—	3,119	—	—	—	3,672	12,671	17,000 EKL
82	Arendal 764:130	Gothenburg	2005	1971	—	—	9,517	16,307	—	—	25,824	41,244	91,644 EKL
84	Backa 20:5	Gothenburg	2007	1989/1999	1,175	—	856	13,869	—	—	15,900	37,965	72,401 EKL B
85	Backa 22:11	Gothenburg	<1995	1990	195	—	2,550	—	—	—	2,745	5,031	10,338 EKL
86	Backa 25:7	Gothenburg	1999	1972	—	—	—	11,200	—	—	11,200	23,169	39,732 EKL
87	Backa 26:3	Gothenburg	1996	1947/1988	2,732	763	2,467	—	—	6	5,968	6,000	25,545 EKL
88	Backa 27:2	Gothenburg	<1995	1968	—	—	2,765	—	—	—	2,765	12,927	13,542 EKL B
89	Backa 29:24	Gothenburg	<1995	1977	—	—	2,224	—	—	—	2,224	4,366	8,108 EKL
90	Backa 94:1	Gothenburg	1998	1989	—	—	7,560	—	—	—	7,560	20,947	31,190 EKL B
91	Backa 97:11	Gothenburg	2002	1978	1,508	—	2,486	—	—	—	3,994	19,285	25,632 EKL
92	Backa 107:4	Gothenburg	2010	1983/2006	—	—	22,700	—	—	—	22,700	73,621	29,200 EKL T
93	Backa 192:4	Gothenburg	<1995	1989	521	194	1,329	—	—	—	2,044	3,428	7,755 EKL T
94	Backa 192:6	Gothenburg	1998	1988	—	—	1,371	—	—	—	1,371	4,387	5,073 EKL
95	Backa 192:10	Gothenburg	<1995	1990	1,629	—	1,191	—	—	—	2,820	6,042	12,043 EKL
96	Backa 193:1	Gothenburg	2000	1988/1996	—	—	—	3,750	—	—	3,750	10,524	16,574 EKL B
97	Backa 197:2	Gothenburg	<1995	1990	—	—	1,228	—	—	—	1,228	2,727	4,848 EKL
98	Kärra 28:10	Gothenburg	1996	2010	—	2,217	—	—	—	—	2,217	14,872	16,992 EKL
181	Kärra 28:18	Gothenburg	1996	2012	—	—	5,442	—	—	—	5,442	20,287	40,608 EKL
99	Kärra 37:4	Gothenburg	<1995	1972	—	1,195	11,740	—	—	—	12,935	26,476	41,769 EKL
100	Kärra 72:36	Gothenburg	2008	2011	—	—	6,400	—	—	—	6,400	14,600	39,127 EKL
101	Kärra 74:2	Gothenburg	1996	2010	—	—	19,558	—	—	—	19,558	35,995	97,600 EKL
102	Kärra 74:3	Gothenburg	1998	1985	—	—	—	7,505	—	—	7,505	22,398	32,394 EKL B
103	Kärra 75:3	Gothenburg	2008	1980	455	—	3,688	4,357	—	—	8,500	14,375	36,536 EKL
104	Kärra 77:8	Gothenburg	<1995	1991	227	—	1,859	—	—	—	2,086	8,914	11,686 EKL
200	Kärra 78:12-13	Gothenburg	2013	1982/2012	—	—	4,090	—	—	—	4,090	10,122	16,670 HAR T/B
201	Kärra 78:8	Gothenburg	2013	1962/1982	—	—	2,809	—	—	—	2,809	5,060	10,751 HAR
202	Kärra 80:6	Gothenburg	2013	1990/2010	—	—	—	1,498	—	—	1,498	3,908	10,114 HAR T
105	Kärra 80:7	Gothenburg	<1995	1990	100	—	3,509	—	—	—	3,609	7,185	16,669 EKL T
106	Kärra 94:1	Gothenburg	1999	1990	—	—	—	1,960	—	—	1,960	3,520	8,188 EKL
107	Kärra 96:1	Gothenburg	2001	1991	210	—	3,780	—	—	—	3,990	10,408	18,254 EKL B
108	Tingstadsvassen 11:9	Gothenburg	<1995	1988	343	—	721	—	—	—	1,064	2,213	5,456 EKL
109	Tingstadsvassen 12:6	Gothenburg	<1995	1990	328	—	2,657	—	—	—	2,985	2,960	13,776 EKL T
110	Tingstadsvassen 12:9	Gothenburg	<1995	1957	—	—	6,226	—	—	—	6,226	7,355	13,707 EKL T
111	Tingstadsvassen 14:7	Gothenburg	1997	1993	539	—	—	4,668	—	—	5,207	6,847	17,301 EKL B
112	Tingstadsvassen 19:3	Gothenburg	<1995	1950/1988	432	168	9,787	245	—	—	10,632	16,645	24,954 EKL T
114	Högsbo 7:16	Gothenburg	<1995	1987	1,301	—	—	404	—	—	1,705	4,043	10,216 HAR
115	Högsbo 9:3	Gothenburg	2008	1978/2002	635	—	2,267	—	—	—	2,902	6,007	16,962 HAR
116	Högsbo 18:1	Gothenburg	<1995	1966/1973	1,092	—	7,628	—	—	—	8,720	17,149	31,560 HAR B
117	Högsbo 26:8	Gothenburg	1998	1969/1979	2,123	—	—	2,253	—	—	4,376	6,068	17,132 HAR B
118	Högsbo 28:3	Gothenburg	<1995	1968/1981	785	—	—	2,857	—	—	3,642	3,942	14,025 HAR
119	Högsbo 36:1	Gothenburg	2000	1971/1995	710	—	3,840	—	—	—	4,550	9,057	23,121 HAR
120	Högsbo 36:5	Gothenburg	1998	1991	553	—	—	2,931	—	—	3,484	5,438	16,366 HAR B
121	Högsbo 36:7	Gothenburg	2012	1990	1,710	—	7,421	—	—	—	9,131	18,010	51,400 HAR B
122	Högsbo 36:9	Gothenburg	<1995	2007	400	—	1,475	—	—	—	1,875	4,253	13,349 HAR
123	Högsbo 38:9	Gothenburg	<1995	1984	—	—	—	983	—	—	983	8,609	10,894 HAR B

2



Guldheden 8:10, Gothenburg

41



Högsbo 20:22, Gothenburg

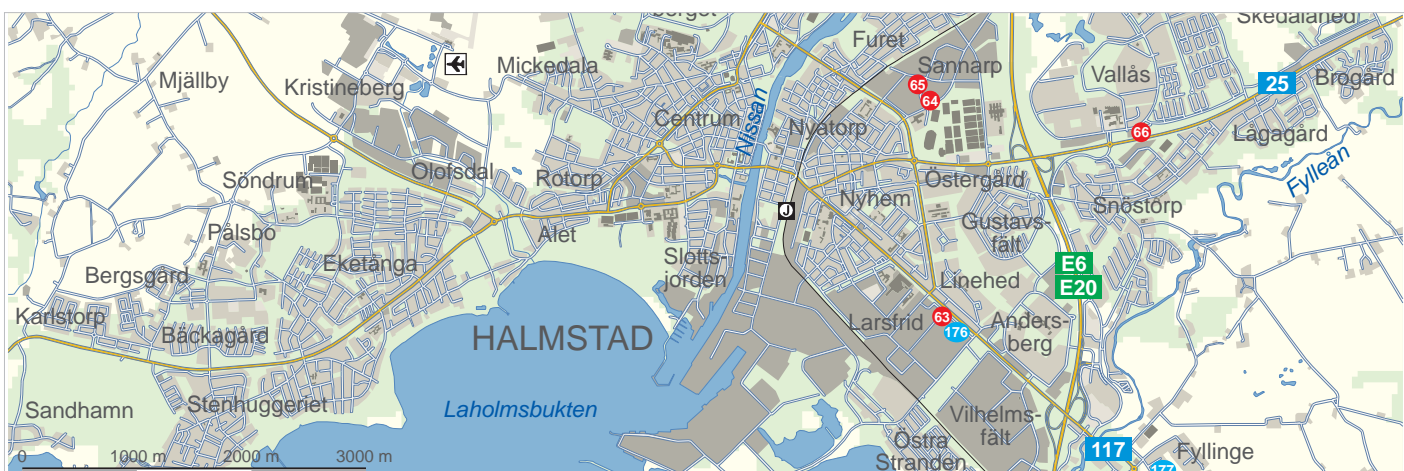
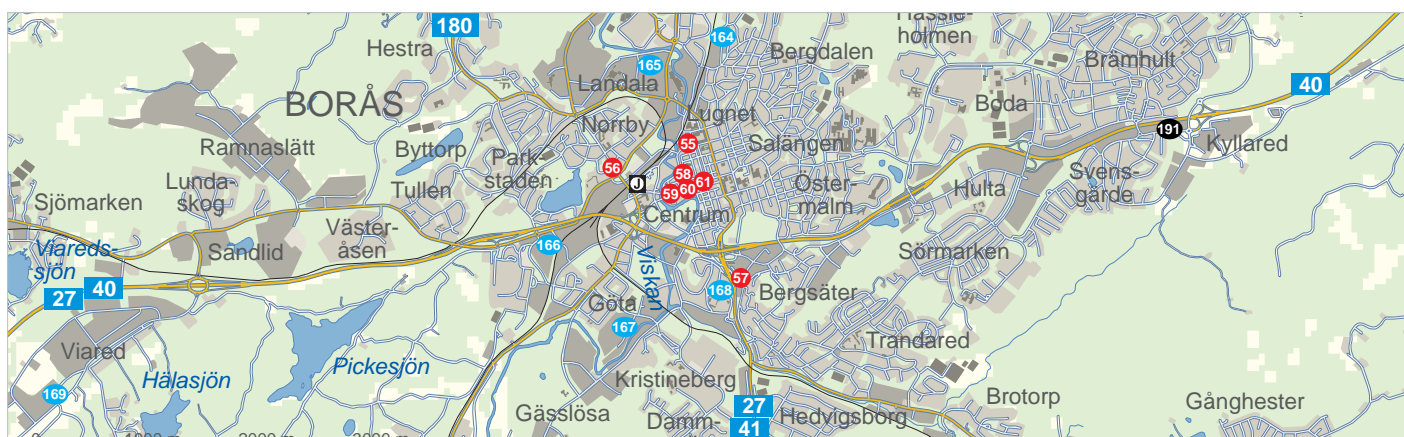
Greater Gothenburg

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 sidiary Note		
					Office	Retail	Warehouse	Industrial	Residential	Other					
124 Högsbo 40:1	Gustaf Werners Gata 2	Gothenburg	1999	1981/1999	1,495	—	5,505	—	—	—	7,000	16,070	33,745 HAR	B	
125 Högsbo 40:2	Gustaf Werners Gata 4	Gothenburg	2006	1978	400	—	2,815	—	—	—	3,215	10,799	19,237 HAR	B	
126 Kobbegården 208:6	Askims Verkstadsväg 16	Gothenburg	1999	1973/1979	480	—	—	1,264	—	—	1,744	3,462	7,458 HAR		
127 Kobbegården 209:1	Askims Verkstadsväg 15	Gothenburg	1999	1973/1996	—	—	—	2,538	—	—	2,538	6,336	12,508 HAR	B	
128 Kobbegården 6:180	Datavägen 20	Gothenburg	<1995	1980	1,704	—	1,078	—	—	—	2,782	5,100	18,100 HAR		
129 Kobbegården 6:360	Datavägen 31	Gothenburg	2001	1979	1,640	—	5,349	—	—	—	6,989	14,508	43,600 HAR		
130 Kobbegården 6:724	Ekonomivägen 11	Gothenburg	1999	1978/1986	—	—	—	6,290	—	—	6,290	12,786	27,600 HAR	B	
131 Rud 51:21	Klangfärgsgatan 2 C	Gothenburg	2006	1979/1989	510	—	2,590	—	—	—	3,100	6,926	— HAR	T	
132 Tynnered 1:10	Kontrabasgatan 12	Gothenburg	<1995	1969	429	140	—	2,152	—	—	2,721	7,475	11,103 HAR	T/B	
133 Kallebäck 3:4	Mejerigatan 1	Gothenburg	2000	1962	7,930	485	21,912	—	—	—	30,327	37,723	104,000 EKL		
134 Olskroken 35:7	Blomstergatan 2	Gothenburg	2009	1977	417	—	3,427	—	—	—	3,844	37,598	12,071 EKL	T	
135 Olskroken 35:9	Grönsaksgatan 5	Gothenburg	2009	1966	874	—	6,781	—	—	—	7,655	9,127	21,595 EKL	T	
136 Olskroken 35:14	Grönsaksgatan 3	Gothenburg	2009	1967	1,184	4,542	—	—	—	—	5,726	6,216	18,129 EKL	T	
138 Gaslyktan 11	Argongatan 26-30	Mölndal	2003	1987	4,000	—	11,000	—	—	—	15,000	38,100	96,000 HAR	B	
139 Generatorm 1	Aminogatan 24	Mölndal	2003	1995/2003	1,445	—	3,110	—	—	—	4,555	30,000	46,512 HAR	B	
140 Generatorm 2	Aminogatan 20-22	Mölndal	<1995	1991	164	—	2,938	—	—	—	3,102	8,933	18,312 HAR		
141 Heliumgasen 11	Kryptogatan 5 B	Mölndal	1999	1975	4,560	—	—	5,093	—	—	9,653	16,300	50,424 HAR	B	
142 Kryddpepparn 3	Östergårdsgatan 8	Mölndal	<1995	1992	—	—	—	4,140	—	—	4,140	15,347	— HAR	B	
143 Kusken 3	Idrottsvägen 10	Mölndal	2011	2005	2,773	—	—	4,852	—	—	7,625	17,665	44,303 HAR		
144 Potttegården 2	Kräketorpsgatan 18	Mölndal	<1995	1964	—	—	1,800	—	—	—	1,800	7,014	10,178 HAR	B	
145 Skinnickan 1	Ålegårdsgatan 5	Mölndal	<1995	1989	1,221	—	—	4,720	—	—	5,941	10,267	11,565 HAR		
146 Syrgasen 8	Kryptogatan 14	Mölndal	<1995	1979	—	—	—	3,055	—	—	3,055	11,197	19,145 HAR	B	
147 Tjärblomman 2	Wolfsgatan 2	Mölndal	1999	1960	2,495	—	4,540	—	—	—	7,035	9,193	18,563 HAR	B	
148 Tjärblomman 3	Sallarångsgatan 3	Mölndal	1999	1970	1,225	—	7,533	—	—	—	8,758	9,394	23,303 HAR		
149 Tulpanen 1	Bergfotsgatan 5	Mölndal	1999	1961	1,812	—	2,954	—	—	—	4,766	5,577	15,425 HAR	B	
150 Tusenskönan 2	Flöjelbergsgatan 6	Mölndal	1999	1960	3,567	—	933	—	—	—	4,500	5,346	13,322 HAR	B	
151 Tusenskönan 4	Bergfotsgatan 3	Mölndal	1999	1961	2,038	—	2,424	—	—	—	4,462	5,397	13,588 HAR	B	
153 Vallmon 2	Flöjelbergsgatan 13	Mölndal	<1995	1965	662	—	2,518	—	—	—	3,180	3,642	8,957 HAR		
154 Vallmon 3	Flöjelbergsgatan 11	Mölndal	<1995	1965	676	—	2,570	—	—	—	3,246	3,830	9,194 HAR		
155 Vallmon 6	Flöjelbergsgatan 7 B	Mölndal	<1995	1965	1,629	—	6,685	—	—	—	8,314	9,956	23,354 HAR		
156 Vallmon 7	Flöjelbergsgatan 7 A	Mölndal	1999	1930	960	—	3,844	—	—	—	4,804	6,894	14,200 HAR	B	
157 Ängsviolen 1	Flöjelbergsgatan 18	Mölndal	<1995	1960/1965	1,765	180	—	3,655	—	—	5,600	10,292	20,450 HAR	B	
158 Hede 3:12	Faktorvägen 1	Kungälv	2003	1992	1,971	—	6,929	—	—	—	8,900	32,809	44,193 HAR	B	
159 Hede 3:131	Tryckarevägen 8	Kungälv	<1995	1991	170	—	1,347	—	—	—	1,517	7,558	6,602 HAR	B	
160 Kungälv 4:47	L:a Verkstadsg 2-6/ Verkstadsg 7	Kungälv	<1995	1978/1990	1,516	—	2,475	—	—	—	3,991	9,317	12,949 HAR		
161 Varla 2:388	Energigatan 21	Kungälv	<1995	1995/2013	500	—	3,970	—	—	—	4,470	10,003	8,980 HAR		
162 Varla 2:415	Borgås Gårdsväg 15	Kungälv	2004	2002	755	—	3,676	—	—	—	4,431	8,852	20,540 HAR		
163 Varla 3:22	Hallabäcksvägen 1	Kungälv	2006	1979	3,500	—	18,500	—	—	—	22,000	78,644	82,256 HAR	B	
164 Hinden 2	Sagagatan 17	Borås	<1995	1956	692	—	—	5,748	—	—	6,440	9,833	10,364 HAR	B	
165 Kilsund 3	Evedalsgatan 5	Borås	<1995	1935	709	260	1,400	9,847	—	—	12,216	16,660	17,890 HAR	B	
166 WAREHOUSEn 8	Hällingsgatan 15	Borås	<1995	1948/1961	239	—	—	8,753	—	—	8,992	5,700	12,103 HAR	B	
167 Silverpoppeln 31	Ålandsgatan 6	Borås	2006	1961/1970	835	—	—	2,165	—	—	3,000	6,143	4,826 HAR		
168 Snödroppen 8	Elmsdalsg 9,13-15/ Södra Korsg 11	Borås	2005	1980/1980	1,543	—	—	5,881	—	—	7,424	14,546	18,696 HAR	B	
169 Trucken 5	Väredsvägen 14	Borås	2001	2001/2012	1,050	—	13,550	—	—	—	14,600	37,700	70,400 HAR	B	
170 Bulten 6	Bultgatan 1	Alingsås	2007	1985/1990	760	—	2,600	—	—	—	3,360	19,559	11,542 HAR	B	
171 Gjutaren 26	Metallgatan 2-4	Alingsås	<1995	1933/1989	1,383	—	9,082	—	—	—	10,465	21,080	22,167 HAR	B	



Greater Gothenburg

Greater Gothenburg											Tax Mgmt.					
Name of property	Address	Municipality	Acquis- Build/		Square metres per type of premises						assessment	Sub-	Note			
			year	Recon.year	Office	Retail	Warehouse	Industrial	Residential	Other				Total	Site sq.m.	value
172	Konfektasken 15	Kolav. 2-8/Sidenv. 7	Alingsås	<1995	1929/1969	3,769	—	6,927	—	—	—	10,696	15,544	24,483	HAR	B
173	Stallet 3	Tomasgårdsvägen 19	Alingsås	2008	1990	1,295	—	2,040	—	—	—	3,335	4,700	11,542	HAR	B
174	Hede 2:11	Hedeforsvägen 6	Lerum	2006	1960/1974	500	—	2,200	—	—	—	2,700	9,973	8,705	HAR	
175	Berg 1:76	Åkerivägen 7	Lerum	2006	2007	1,500	—	8,400	—	—	—	9,900	30,000	50,088	HAR	B
176	Fogden 4	Laholmsvägen 84	Halmstad	2007	1960/1990	278	1,946	8,609	118	—	1,028	11,979	25,800	25,118	HAR	B
177	Fyllinge 20:409	Sadelvägen 5	Halmstad	2011	1992	166	—	—	4,223	—	—	4,389	22,276	17,741	HAR	B
178	Hönekulla 1:571	Ävägen 1	Härnysda	2006	1986/2002	1,762	—	—	2,345	—	187	4,294	6,596	14,919	HAR	
179	Kåbäcken 11:7	G:a Alingsåsvägen 29	Partille	<1995	1961/1964	—	—	2,227	—	—	—	2,227	5,477	5,611	HAR	
Total warehouse/industrial						93,204	12,090	390,285	151,626	0	1,221	648,426	1,404,698	2,528,658		



● 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						Site sq.m.	assessment value	Sub- sidiary	Note	
					Office	Retail	Warehouse	Industrial	Residential	Other					Total
DEVELOPMENT PROJECTS															
180	Inom Vallgraven 4:1	Östra Larmgatan 18	Gothenburg	<1995	1856/1988	–	2,597	–	–	–	–	2,597	671	18,600	EKL
137	Majorna 163:1	Banehagsliden 2	Gothenburg	2006	1949	2,488	–	5,677	452	–	–	8,617	9,263	18,164	EKL B
203	Kärä 73:3	Tagenevägen 15 B	Gothenburg	2013	1999	–	–	1,450	–	–	–	1,450	7,817	8,997	EKL T
198	Lundbyvassen 8:1	Lindholmsallén	Gothenburg	2013	–	8,880	–	–	–	–	–	8,880	2,725	–	EKL
192	Solsten 1:108 B	Designvägen 5	Härryda	<1995	–	–	–	–	–	–	–	–	16,551	6,600	EKL
Total development projects						11,368	2,597	7,127	452	0	0	21,544	37,027	52,361	
UNDEVELOPED LAND															
183	Annedal 21:9	Haraldsgatan 3	Gothenburg	1999	–	–	–	–	–	–	–	–	2,088	–	EKL B
193	Krokslätt 102:9	Eklandagatan 80	Gothenburg	2008	–	–	–	–	–	–	–	–	791	574	EKL B
194	Tingstadsvassen 31:6	Stålvärksgatan 11	Gothenburg	1997	–	–	–	–	–	–	–	–	2,687	1,611	EKL B
184	Högsbo 33:1	Gruvgatan 29	Gothenburg	<1995	–	–	–	–	–	–	–	–	5,483	4,934	HAR B
185	Högsbo 39:3	Ingela Gathenheilms Gata 8	Gothenburg	<1995	–	–	–	–	–	–	–	–	1,720	1,548	HAR B
186	Kobbegården 6:7	Ekonomivägen 11	Gothenburg	1999	–	–	–	–	–	–	–	–	3,187	2,868	HAR B
187	Kobbegården 152:1	Industrivägen 4-6	Gothenburg	<1995	–	–	–	–	–	–	–	–	25,158	22,600	HAR B
188	Heliumgasen 4	Neongatan 4B	Mölnådal	<1995	–	–	–	–	–	–	–	–	4,794	4,314	HAR B
–	Skällared 3:49	Lysekulevägen	Kungsbacka	<1995	–	–	–	–	–	–	–	–	29,297	1,640	EKL B
190	Varla 3:34	Hallabäcksvägen 1	Kungsbacka	2006	–	–	–	–	–	–	–	–	14,356	4,306	HAR B
191	Kyllared 1:112	Tvinnaregatan 27	Borås	<1995	–	–	–	–	–	–	–	–	5,118	1,279	HAR B
Total undeveloped land						0	0	0	0	0	0	0	94,679	45,674	
Total Greater Gothenburg						419,625	64,914	443,185	170,405	8,246	5,191	1,111,566	2,099,505	6,431,691	



● Office/retail ● Warehouse/industrial ● Development projects and land



Karossen 3, Halmstad

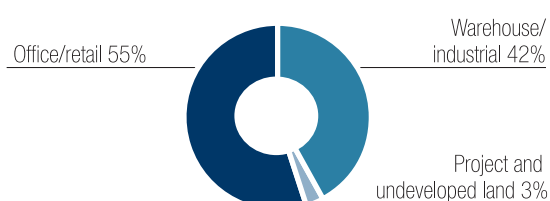


Gjutaren 26 B, Alingsås

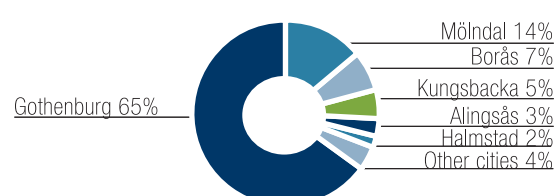
Castellum's Real Estate Portfolio in Greater Gothenburg 31-12-2013

	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 SEK/m
Office/retail									
Central Gothenburg	19	87	188	2,174	97,4%	183	42	491	141
Eastern Gothenburg	4	59	63	1,063	95,8%	60	16	275	44
Mölnadal	9	46	49	1,054	89,6%	44	11	239	33
Hisingen	14	77	108	1,405	83,7%	91	24	306	67
Borås	7	51	55	1,075	94,6%	52	15	279	37
Rest of Greater Gothenburg	27	122	126	1,040	89,4%	113	28	226	85
Total Office/retail	80	442	589	1,335	92,1%	543	136	306	407
Warehouse/industrial									
Hisingen	36	252	182	724	94,6%	173	36	140	137
Mölnadal	19	109	92	838	103,3%	95	19	168	76
Högsbo/Sisjön	19	78	68	882	96,7%	66	12	164	54
Kungsbacka	6	45	33	719	91,5%	30	6	136	24
Borås	6	53	29	546	94,9%	27	5	107	22
Rest of Greater Gothenburg	14	111	89	803	95,4%	85	25	223	60
Total Warehouse/industrial	100	648	493	761	96,5%	476	103	159	373
Total	180	1,090	1,082	993	94,1%	1,019	239	218	780
Leasing and property administration							50	46	-50
Total after leasing and property administration							289	264	730
Development projects	5	21	7	—	—	2	3	—	-1
Undeveloped land	11	—	—	—	—	—	—	—	—
Total	196	1,111	1,089	—	—	1,021	292	—	729

Property value by property type



Property value by municipality



Property related key ratios

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq.m.	993	957	944	935	919	885	856	834	839	834
Economic occupancy rate	94.1%	93.4%	95.4%	94.1%	94.0%	92.6%	90.8%	89.4%	90.7%	92.2%
Property costs, SEK/sq.m.	264	259	257	264	262	228	227	224	230	228
Net operating income, SEK/sq.m.	670	635	644	616	602	591	551	521	531	540
Number of properties	196	194	193	188	190	187	182	176	172	178
Lettable area, thousand sq.m.	1,111	1,103	1,085	1,046	1,028	1,017	1,000	914	859	794

Öresund Region

Öresund Region													Tax Mgmt.			
Name of property	Address	Municipality	Acquis- Build/		Square metres per type of premises							Site sq.m.	assessment Sub-			
			year	Recon.year	Office	Retail	Warehouse	Industrial	Residential	Other	Total		value	sidary	Note	
OFFICE/RETAIL																
1	Amringen 2	Agnesfridsvägen 190	Malmö	2011	1975	480	3,869	24	494	—	—	4,867	14,925	20,327	BRI	T
2	Betongen 11	Krang 4/Västskustv/Nubbg	Malmö	<1995	1991	4,909	—	—	—	—	—	4,909	6,168	32,628	BRI	T/B
4	Brandnåvan 1&2	Stenbärsgatan 1	Malmö	1999	1989	2,822	—	—	—	—	—	2,822	9,670	14,826	BRI	T/B
5	Bältespännat 13	Hornyxeg 12/Amilonsv 3	Malmö	2006	1972/2002	—	1,820	—	—	—	—	1,820	4,402	8,774	BRI	
6	Flygledaren 3	Höjdrodergatan 18	Malmö	2004	1991	1,610	—	—	—	—	—	1,610	3,620	7,956	BRI	T
7	Flygvårdinnan 4	Höjdroderg 30-34/ Vattenverkstv 47	Malmö	<1995	1935/2001	5,418	—	3,838	—	—	—	9,256	17,848	62,844	BRI	T
106	Fullriggaren 4	Riggaregatan 51-57	Malmö	2010	2013	4,758	510	—	—	—	323	5,591	1,857	78,600	BRI	
8	Gustav Adolf 13	Gustav Adolfs Torg 4	Malmö	2003	1968	6,182	3,587	155	—	—	—	9,924	2,224	217,000	BRI	
9	Hälsingland 19	Fosiev 9-19/Finlandsg 1/ Trelleborgsv 12-14	Malmö	<1995	1950/2003	8,232	6,613	13	—	—	—	14,858	25,474	93,132	BRI	B
10	Höjdrodret 3	Kabingatan 11	Malmö	2007	1990	1,182	—	162	—	—	—	1,344	1,600	7,731	BRI	
11	Lybeck 10	St Nygata 46-50/Malm- borgsg 2-8/Studentig.	Malmö	1999	1964/1992	6,544	9,655	—	—	4,995	9,518	30,712	6,199	521,000	BRI	
12	Malte 23	Fredriksbergsgatan 16	Malmö	1999	1965	5,619	533	753	643	—	—	7,548	2,597	69,000	BRI	
13	Murman 8	Murmansg. 126/Kruseg. 27	Malmö	<1995	1960/1989	5,894	—	1,286	—	—	—	7,180	7,200	25,720	BRI	
14	Nejlkebuketten 4	Skiffervägen 15-19	Malmö	2012	1991	6,565	—	—	—	—	—	6,565	12,995	43,600	BRI	
15	Nejlkebuketten 6	Derbyvägen 7	Malmö	2011	1987	1,739	—	—	—	—	26	1,765	10,000	9,875	BRI	
16	Norsen 12	Föreningsg 7-11/Brog 12	Malmö	<1995	1930/1990	2,446	—	96	54	75	593	3,264	1,296	—	BRI	
115	Revolversvarven 12	Jägershillgatan 18	Malmö	2012	1987	9,984	—	—	—	—	—	9,984	16,531	62,000	BRI	
17	Sadelknappen 4	Ridspögatan 10	Malmö	1999	1985	945	—	49	—	—	511	1,505	5,463	6,833	BRI	
18	Skevrodret 1	Kabingatan 9	Malmö	2007	1978/1997	2,158	—	—	—	—	—	2,158	3,000	9,403	BRI	
19	Skjutsstallslyckan 3	Lundavägen 62	Malmö	<1995	1946	—	1,391	—	1,705	—	—	3,096	3,690	6,816	BRI	
20	Spännbucklan 16	Agnesfridsvägen 178	Malmö	<1995	1972/2002	—	4,762	—	—	—	—	4,762	15,561	26,839	BRI	
21	Stadt Hamburg 14	St Hamburgsg. 1/St Nygata/ Malmborgsg. 1-3	Malmö	<1995	1900/2004	2,690	4,055	—	—	373	2,653	9,771	3,671	236,422	BRI	
22	Stenryxan 21	Stenryxegatan 14	Malmö	2007	1992/1999	1,094	—	—	—	—	—	1,094	2,301	5,127	BRI	
23	Stillman 40	Krusegatan 34	Malmö	2005	1975/1986	1,835	—	—	—	—	—	1,835	3,550	7,035	BRI	
24	Svedjenåvan 3	Stenbärsgatan 4-6	Malmö	<1995	1991	4,732	—	—	—	—	—	4,732	4,493	30,021	BRI	
107	Sändaren 1	Agnesfridsvägen 111	Malmö	2010	2013	12,165	—	—	—	—	1,825	13,990	40,239	32,600	BRI	T
25	Torshammaren 11	Hornyxegatan 6	Malmö	2011	1984	647	—	—	—	—	—	647	5,034	3,904	BRI	
26	Tuborg 1	Kronoborgsv. 5/V Rönne- holmsv. 38/Tuborgsg 2	Malmö	<1995	1945/1980	6,508	—	350	403	—	132	7,393	4,377	—	BRI	
27	Värbuketten 3	Huslevägen 21	Malmö	2001	1987/2002	2,710	—	—	—	—	—	2,710	7,421	22,329	BRI	
28	Forskaren 2	Emdalavägen 4-18	Lund	1999	2001	19,176	—	—	—	—	1,500	20,676	18,274	344,000	BRI	
29	Forskaren 2:2	Emdalavägen 4-10	Lund	1999	2008	8,615	—	—	—	—	736	9,351	9,136	162,500	BRI	
105	Forskaren 2:3	Scheelevägen	Lund	1999	2012	7,562	—	—	—	—	1,638	9,200	9,136	162,500	BRI	
30	Jöns Petter Borg 9	Landerigränden 23	Lund	1999	1990	4,442	—	6,794	—	—	—	11,236	22,584	62,344	BRI	B
31	Kvarsten 2	Skiffervägen 15-19	Lund	<1995	1991	695	—	943	—	—	—	1,638	9,543	12,217	BRI	
31	Kvarsten 2:2	Skiffervägen 15	Lund	<1995	1991/2013	—	2,600	—	—	—	—	2,600	9,543	650	BRI	
32	Reuterdaahl 15	Scheelev 16/Neversv	Lund	1997	1990	2,947	—	—	—	—	175	3,122	4,478	41,600	BRI	
33	Reuterdaahl 15:2	Scheelevägen 16	Lund	2006	1990	5,645	—	—	—	—	—	5,645	12,077	82,800	BRI	
34	Rudebok 2	Rudeboksvägen 3	Lund	2004	1985/2004	4,697	—	—	—	—	—	4,697	14,781	37,800	BRI	
35	Smörkärnan 1	Kaprifollevägen 1/Kobjersv.	Lund	1996	1968/1995	6,331	—	136	—	—	1,340	7,807	15,000	73,400	BRI	
36	St Botulf 11	Botulfsg 5/Skomakareg 4	Lund	<1995	1931/1990	—	1,359	—	—	3,139	380	4,878	1,988	87,200	BRI	
37	St Clemens 22	Stortorget 6-8	Lund	<1995	1832/1981	1,160	1,423	128	—	574	—	3,285	2,769	55,516	BRI	B
										Note:	T=Ground rent	A=Lease	B=Unutilized building permission			

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						Site sq.m.	Tax Mgmt. assessment Sub- value subsidiary Note	
					Office	Retail	Warehouse	Industrial	Residential	Other	Total		
38 St Clemens 27	Stortorget 4/Grönegatan	Lund	<1995	1846/1999	255	1,439	—	—	—	—	1,694	1,114	47,800 BRI
39 Stockholmsledet 8	Scheelevägen 30-32	Lund	<1995	1991	10,817	—	1,041	—	—	30	11,888	11,084	149,000 BRI
40 Traktorn 2	Traktorvägen 11-13	Lund	2004	1990/1995	9,797	—	559	—	—	708	11,064	16,573	102,400 BRI
100 Traktorn 4	Traktorvägen 13	Lund	2012	1983	—	—	—	—	—	1,796	1,796	4,500	7,684 BRI
41 Trumlan 1	Traktorvägen 19	Lund	<1995	1990	—	1,183	1,334	—	—	—	2,517	9,066	12,783 BRI
42 Erik Dahlberg 2	Kullagatan 21	Helsingborg	1996	1890/1987	400	442	—	—	—	—	842	350	14,830 BRI
117 Grusbacken 3	Mogatan 14	Helsingborg	2012	2013	2,508	—	—	—	—	—	2,508	9,908	— BRI
43 Kavalleristen 9	Berga Allé 1-3	Helsingborg	1997	1920/1993	11,491	—	105	—	—	775	12,371	27,223	80,099 BRI B
44 Kroksabeln 18	Florettgatan 12	Helsingborg	2004	1988	2,855	—	435	—	—	225	3,515	4,809	17,988 BRI
45 Kulan 3	Garnisonsgatan 5	Helsingborg	2002	1996/2005	—	—	12,730	—	—	—	12,730	18,567	43,400 BRI
46 Musköten 5	Bergavägen 8	Helsingborg	<1995	1970/1985	1,619	725	1,535	—	—	—	3,879	4,000	11,482 BRI
47 Pilbågen 6	Garnisonsgatan 6	Helsingborg	2000	1977	—	4,525	814	—	—	—	5,339	11,400	74,453 BRI B
48 Pilbågen 6:2	Garnisonsgatan 10	Helsingborg	2004	1980	5,215	4,728	1,281	—	—	456	11,680	16,000	— BRI
49 Rustningen 1	Rundgången 26-32	Helsingborg	<1995	1989	7,528	2,677	639	—	—	—	10,844	15,000	74,165 BRI
50 Snärskogen 1	Kanongatan 155-159	Helsingborg	<1995	1991	1,885	4,871	1,872	—	—	—	8,628	27,824	43,093 BRI B
51 Spjutet 2	Garnisonsgatan 14	Helsingborg	2008	1970/2003	1,412	5,169	—	—	—	162	6,743	15,287	35,200 BRI B
52 Studsaren 4	Bergavägen 21	Helsingborg	<1995	2006	850	—	1,182	—	—	—	2,032	7,200	9,407 BRI
53 Vikingen 4	L Strandgatan 5	Helsingborg	<1995	1900/1983	800	—	—	—	—	—	800	257	6,375 BRI
54 Vikingen 6	Mariagatan 10/S Kyrkog 11	Helsingborg	<1995	1878/1984	535	159	—	—	—	—	694	274	7,840 BRI
55 Vikingen 12	L Strandgatan 7/S Kyrkog 7	Helsingborg	<1995	1912/1988	625	—	—	—	—	600	1,225	414	15,140 BRI
57 Abildager 26	Abildager 26	Brøndby	2011	1995	1,805	—	1,738	—	—	—	3,543	14,012	31,339 BRI



● Office/retail ● Warehouse/industrial ● Development projects and land

Öresund Region

Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Site sq.m.	Tax Mgmt. assessment Sub- value sidary Note		
					Office	Retail	Warehouse	Industrial	Residential	Other	Total			
58 Hovedvejen 1-7	Hovedvejen 1-7	Glostrup	2011	2007	3,797	303	—	—	—	2,933	7,033	3,796	168,192 BRI	
59 Roskildevej 22	Roskildevej 22	Albertslund	2011	1970/1994	8,490	—	—	—	—	—	8,490	26,396	57,528 BRI	
60 Vibeholms Allé 15	Vibeholms Allé 15	Brøndby	2011	1961/2007	2,398	—	—	—	—	760	3,158	3,695	43,945 BRI	
61 Transformervej 14-16	Transformervej 14-16	Herlev	2012	1972/1989	3,846	—	1,213	—	—	840	5,899	6,000	51,301 BRI	
Total office/retail					250,066	68,398	41,205	3,299	9,156	30,635	402,759	627,464	3,890,313	
WAREHOUSE/INDUSTRI														
62 Benkammen 6	Skogholmstgatan 5	Malmö	2005	1994	765	—	11,120	—	—	1,112	12,997	30,100	54,705 BRI	B
63 Bjurö 12	Flintränneg 21/Bjurög	Malmö	<1995	1960/1974	2,979	—	11,479	8,198	—	390	23,046	35,500	75,677 BRI	T
64 Bjälken 2	Skruv4/Västkvst/Spettg 1	Malmö	<1995	1962/1990	470	—	2,001	—	—	1,040	3,511	5,623	9,495 BRI	T
65 Bjälken 3	Skruvstgatan 8	Malmö	1998	1962	420	—	2,183	—	—	28	2,631	2,618	6,486 BRI	
66 Dubbelknappen 17	Risxegatan 6	Malmö	1998	1989	—	—	2,450	—	—	—	2,450	8,472	10,659 BRI	B
67 Finngrundet 1	Blidögatan 30	Malmö	1998	1966	—	—	7,490	—	—	—	7,490	10,000	20,008 BRI	T
68 Flygfyrn 1	Flygfältsvägen 1	Malmö	2000	1950/2002	180	1,495	10,365	—	—	—	12,040	38,706	51,843 BRI	B
69 Gulsippan 1	Källvattengatan 5	Malmö	2001	1988	—	—	13,993	—	—	—	13,993	38,450	67,687 BRI	B
70 Haken 3	Vinkelstgatan 5	Malmö	2008	1993	342	—	—	3,224	—	—	3,566	4,871	10,697 BRI	T
71 Hamnen 22:27	Mercurigatan 3	Malmö	<1995	1952/1976	—	—	—	—	—	—	—	545	299 BRI	T
72 Holkyan 5	Bronsyxegatan 11	Malmö	<1995	1977/2000	—	—	6,510	—	—	—	6,510	13,035	22,179 BRI	T
73 Kalkgrundet 5	Borrgatan 15/Koksg 1-3/ Väderög,2	Malmö	<1995	1935/1985	669	—	6,734	—	—	—	7,403	14,274	23,809 BRI	T
74 Kampen 25	Lantmannagatan 22-26	Malmö	<1995	1940/1990	4,764	—	22,867	1,825	—	11,194	40,650	49,281	60,066 BRI	
75 Lillgrund 5	Borrg 31/Flintränneg 2	Malmö	2002	1952/1998	—	—	4,430	—	—	—	4,430	4,685	15,611 BRI	
76 Långdansen 1	Sångelekgatan 9	Malmö	<1995	1980	—	—	1,200	—	—	—	1,200	10,042	8,903 BRI	
77 Murman 7	Murmansgatan 124/ Krusegatan 25	Malmö	<1995	1959/1987	1,120	—	5,160	162	—	—	6,442	10,400	18,698 BRI	T
78 Murman 11	Murmansg 118-120/ Kruseg 21	Malmö	1998	1960	2,925	—	5,221	—	—	291	8,437	6,475	23,085 BRI	T
79 Revolversvarven 9	Jägershillgatan 16	Malmö	1997	1985	—	—	3,900	—	—	—	3,900	10,932	19,030 BRI	T
114 Relvolversvarven 10	Jägershillgatan 14	Malmö	2012	1988	—	—	3,600	—	—	—	3,600	15,570	20,551 BRI	
80 Ringspännat 1	Kantyxeg 5/Knackstengs 1	Malmö	2002	2002	—	—	6,700	—	—	—	6,700	15,730	27,547 BRI	
81 Sadelknappen 1	Sadelgatan 9	Malmö	1999	1979	—	—	2,000	—	—	—	2,000	5,284	8,153 BRI	
82 Stångbättet 1	Travbaneg 1/Skrittig 11	Malmö	2000	1989	—	—	1,743	—	—	—	1,743	4,051	7,858 BRI	
83 Tistlarna 9	Styrsögatan 4/Väderög./ Kocksg.	Malmö	2000	1991	1,453	—	14,000	—	—	—	15,453	31,020	52,413 BRI	B
84 Tågarp 16:22	Företagsvägen 14	Malmö	<1995	1968/1993	1,855	—	8,082	—	—	—	9,937	19,069	28,200 BRI	
85 Tågarp 16:72	Företagsvägen 25	Malmö	<1995	1973/1988	572	—	383	1,099	—	—	2,054	12,656	8,991 BRI	
86 Akvamarinen 1	Diabasgatan 1	Helsingborg	2000	2007	—	—	4,713	—	—	—	4,713	10,000	25,432 BRI	
87 Bergakungen 1	Måndagsgatan 6	Helsingborg	<1995	1990	618	—	2,325	—	—	—	2,943	6,799	11,295 BRI	
88 Dolken 4	Mörsaregatan 16	Helsingborg	2004	1970/1985	410	—	2,586	—	—	—	2,996	4,000	9,187 BRI	
89 Grusbacken 2	Makadamgatan 15	Helsingborg	2005	2005	—	—	—	13,300	—	—	13,300	27,645	62,480 BRI	
90 Grusbådden 2	Mogatan 2-6	Helsingborg	<1995	1989	1,550	—	7,824	—	—	30	9,404	35,657	41,242 BRI	
91 Grusbådden 3	Makadamgatan 16	Helsingborg	2007	2007/2010	—	—	—	13,705	—	—	13,705	29,700	62,400 BRI	
92 Grusplanen 3	Makadamgatan 19-21	Helsingborg	2005	1990	—	—	2,735	—	—	—	2,735	7,292	10,993 BRI	
93 Hyveljärmet 3	Lastgatan 9	Helsingborg	<1995	1990	—	—	2,276	—	—	—	2,276	6,014	9,597 BRI	
94 Mimer 12	S Tvärgången 3	Helsingborg	<1995	1960	—	—	34	—	—	3,733	3,767	9,378	— BRI	B
95 Nide 2	Rundgången 10	Helsingborg	<1995	1955/1985	1,824	—	3,703	1,179	—	—	6,706	23,599	21,966 BRI	
96 Topasen 1	Andesitgatan 8	Helsingborg	2003	1989	—	—	—	8,558	—	—	8,558	33,786	44,821 BRI	B
97 Värjan 3	Garnisonsgatan 9	Helsingborg	2002	1969	1,112	695	3,025	—	—	—	4,832	17,923	15,938 BRI	B



Öresund Region

Öresund Region											Tax Mgmt.			
Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Site sq.m.	assessment Sub-		
					Office	Retail	Warehouse	Industrial	Residential	Other		Total	value	sidary Note
98 Annedal 9	Annedalsvägen 2	Lund	<1995	1990	—	—	1,296	—	—	—	1,296	4,527	6,119	BRI
99 Råbyholm 5	Landerigr 2-4/Borgs väg 9	Lund	1999	1984	2,501	—	7,908	—	—	—	10,409	21,376	62,679	BRI
101 Välten 4	Traktorvägen 8	Lund	2003	2003	—	—	3,100	—	—	—	3,100	8,003	18,870	BRI
102 Välten 5	Traktorvägen 10	Lund	2003	1974/1995	—	—	3,645	—	—	—	3,645	16,384	12,120	BRI
103 Ärdret 12	Höstbruksvägen 14	Lund	<1995	1990	—	—	2,049	—	—	—	2,049	6,223	7,890	BRI
104 Helgeshöj Allé 38	Helgeshöj Allé 38	Taastrup	2012	1991	6,509	—	10,503	—	—	—	17,012	108,180	156,114	BRI B
Total warehouse/industrial					33,038	2,190	211,333	51,250	0	17,818	315,629	773,875	1,231,793	



● Office/retail ● Warehouse/industrial ● Development projects and land

Öresund Region

Öresund Region												Tax Mgmt.				
Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Site sq.m.	assessment	Sub- value	Subsidiary	Note	
					Office	Retail	Warehouse	Industrial/Residential	Other	Total						
DEVELOPMENT PROJECTS																
113	Kulan 3:2	Garnisonsgatan 5	Helsingborg	2010	2013	—	—	9,689	—	—	—	9,689	35,500	7,021	BRI	
56	Motorblocket 1	Ringvägen 170	Landskrona	<1995	1972/1992	130	8,628	100	—	—	—	8,858	22,005	13,503	BRI	T
Total Development projects						130	8,628	9,789	0	0	0	18,547	57,505	20,524		
UNDEVELOPED LAND																
108	Intäkten 5	Lantmannag 20/Ystadsg 49	Malmö	2000	—	—	—	—	—	—	—	2,625	1,181	BRI	B	
116	Krukskärnan 6	Flintyvegatan 6	Malmö	2012	—	—	—	—	—	—	—	18,086	9,800	BRI	T/B	
109	Moränen 1 & 2	Borrgatan 1	Malmö	<1995	—	—	—	—	—	—	—	11,281	6,208	BRI	B	
110	Ringspännat 5	Kantxyegatan 1 A	Malmö	2006	—	—	—	—	—	—	—	10,000	2,010	BRI	B	
111	Svedjenävan 4	Stenbärgsgatan 2	Malmö	2006	—	—	—	—	—	—	—	3,398	2,038	BRI	T/B	
112	Höjdpunkten 2	Östra Torn 27:2	Lund	2001	—	—	—	—	—	—	—	15,079	4,385	BRI	B	
Total Undeveloped land						0	0	0	0	0	0	60,469	25,622			
Total Öresund Region						283,234	79,216	262,327	54,549	9,156	48,453	736,935	1,519,313	5,168,252		



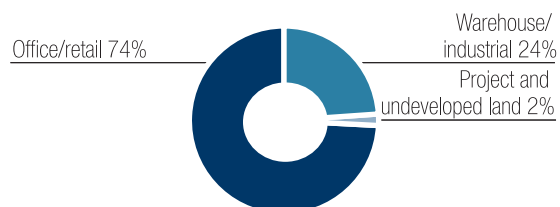
● Office/retail ● Warehouse/industrial ● Development projects and land



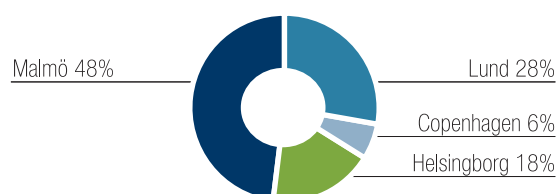
Castellum's Real Estate Portfolio in Öresund Region 31-12-2013

	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	29	178	280	1,577	84.5%	237	78	441	159
Lund	17	113	177	1,567	80.9%	143	38	336	105
Helsingborg	15	84	87	1,036	82.4%	72	21	243	51
Copenhagen	5	28	28	986	88.3%	24	6	231	18
Total office/retail	66	403	572	1,420	83.3%	476	143	355	333
Warehouse/industrial									
Malmö	25	202	142	705	87.4%	124	35	177	89
Helsingborg	12	76	56	737	91.2%	51	11	142	40
Lund	5	20	19	931	86.6%	17	3	150	14
Copenhagen	1	17	16	926	100.0%	16	8	437	8
Total warehouse/industrial	43	315	233	739	89.1%	208	57	181	151
Total	109	718	805	1,121	85.0%	684	200	279	484
Leasing and property administration							54	75	-,54
Total after leasing and property administration							254	354	430
Development projects	2	19	6	—	—	1	2	—	—1
Undeveloped land	6	—	—	—	—	—	—	—	—
Total	117	737	811	—	—	685	256	—	429

Property value by property type



Property value by municipality



Property related key ratios

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq.m.	1,121	1,107	1,065	1,060	1,063	989	971	932	915	931
Economic occupancy rate	85.0%	84.5%	85.2%	86.6%	86.5%	88.1%	87.7%	86.8%	88.1%	91.2%
Property costs, SEK/sq.m.	354	331	304	315	320	278	271	256	244	262
Net operating income, SEK/sq.m.	599	605	603	604	601	593	581	553	563	587
Number of properties	117	117	109	101	100	100	97	92	90	93
Lettable area, thousand sq.m.	737	726	678	646	620	621	602	587	600	571

Greater Stockholm

Greater Stockholm												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	Other	Total		value	sidary		
OFFICE/RETAIL																
2	Betongblandaren 3	Gårdsfogdevägen 16	Stockholm	2001	1971	3,272	3,242	175	—	—	6,689	2,722	43,400	BRO		
3	Betongblandaren 10	Archimedesvägen 1-3/ Gårdsfogdevägen 8-10	Stockholm	2005	1975/1996	1,675	10,437	2,142	—	30	14,284	15,170	111,565	BRO		
4	Betongblandaren 12	Gårdsfogdevägen 18 B	Stockholm	1998	1972	7,263		135	—	—	7,398	3,679	59,400	BRO		
5	Betongblandaren 13	Adolfbergsvägen 15, 25-31	Stockholm	<1995	1989	7,239	2,335	1,273	—	—	10,847	7,690	73,200	BRO	B	
6	Domnarvet 18	Fagerstagatan 11-13	Stockholm	2012	1991	5,527	103		—	—	5,630	6,640	—	BRO	T	
7	Domnarvet 36	Fagerstagatan 15	Stockholm	2012	1991	3,488		317	—	—	3,805	3,071	26,078	BRO	T	
8	Fredsfors 14	Karlsbodavägen 39-41	Stockholm	<1995	1960	11,216		6,774	—	1,443	19,433	7,073	108,377	BRO		
9	Lisenen 2	Hässelby Torg 1	Stockholm	2011	1982/1995	2,299			—	—	2,299	1,104	—	BRO	T	
10	Vallonsmidet 8	Gårdsfogdevägen 1-7	Stockholm	<1995	1963/1992	13,141	2,765	6,969	—	10	22,885	29,425	160,600	BRO	B	
11	Ekenäs 1	Finlandsgatan 24-48	Stockholm	<1995	2003	18,762	540	—	—	8	19,310	9,631	228,600	BRO	T	
12	Ekenäs 2	Finlandsgatan 12-14	Stockholm	<1995	1989	4,652		25	—	—	4,677	1,987	43,400	BRO	T	
13	Ekenäs 3	Finlandsgatan 10	Stockholm	<1995	1989	3,595		740	—	—	4,335	4,792	35,600	BRO	T	
14	Ekenäs 4	Finlandsgatan 16-18	Stockholm	<1995	1991	7,545	100	444	—	—	8,089	2,255	71,200	BRO	T	
15	Karis 3	Finlandsgatan 62	Stockholm	2001	1989	2,881		510	—	5	3,396	2,248	30,600	BRO	T	
16	Karis 4	Finlandsgatan 50-60	Stockholm	2000	1985	4,630	516	114	—	—	5,260	3,920	44,362	BRO	T	
17	Sätessdalen 2	Norgegatan 2	Stockholm	2006	1990/2001	10,327	500	784	—	182	11,793	10,812	106,000	BRO	T	
18	Getholmen 2	Måsholmstorget 1-13	Stockholm	<1995	1990	5,367		356	—	—	5,723	3,195	47,600	BRO	T	
19	Håstholmen 2	Ekholmavägen 23	Stockholm	<1995	1985	1,215			—	—	1,215	1,839	8,841	BRO	T	
20	Renseriet 25	Bolidenvägen 12, 16/ Tjurhornsgård 3	Stockholm	<1995	1910/1965	3,096	—	872	247	—	4,215	7,978	32,207	BRO	B	
22	Tjurhornet 15	Huddingevägen 103-109	Stockholm	<1995	1986	18,731	575	3,796	—	—	6	23,108	13,314	219,568	BRO	
23	Mandelblomman 15	Avestag 29/Kronofogdevägen 56	Stockholm	<1995	1950/1990	3,321		300	—	—	3,621	4,364	22,413	BRO		
24	Drevern 1 & Dvärgsp. 1	Gråhundsavägen 82-84	Stockholm	<1995	1970/1995	1,215	2,745		—	—	3,960	5,729	25,400	BRO		
25	Getholmen 1	Ekholmavägen 32-36	Stockholm	1998	1982	5,851		2,250	—	—	8,101	4,717	58,000	BRO	T	
27	Domnarvet 39	Gunnabogatan 24-26	Stockholm	<1995	1989	1,267		1,386	—	—	2,653	1,940	17,811	BRO	T	
109	Rosteriet 5	Lövholmsv 9, Trekantsv 9	Stockholm	2012	1956	3,270			—	—	3,270	2,390	43,400	BRO	T	
28	Gräslöken 1	Anderstorpavägen 20-26	Solna	2006	1976	6,166	621	233	—	—	7,020	1,288	71,000	BRO		
29	Råsten 4	Råstensg 1/Stureg 10	Sundbyberg	2007	1929/2001	2,700			—	—	2,700	1,111	33,800	BRO		
30	Yrket 4	Smidesvägen 10-12	Solna	2006	1982/1984	9,494		943	—	404	10,841	8,774	121,000	BRO	B	
31	Ekplantan 4	Djupdalsvägen 1-7	Sollentuna	1996	1990	8,349	1,291	129	—	400	10,169	8,595	73,000	BRO		
32	Ekstubbarna 21 & 23	Djupdalsvägen 10-22, 30-32	Sollentuna	1999	1989	6,160		107	—	110	6,377	3,069	52,568	BRO		
33	Ekstubbarna 25	Djupdalsvägen 24-26	Sollentuna	2011	1987/1988	1,050			—	—	1,050	534	—	BRO		
35	Ringpårmen 4	Bergskällavägen 32	Sollentuna	1996	1987	10,813	600	1,188	—	—	12,601	12,206	80,000	BRO		
36	Sjöstugan 1	Sidensvansvägen 8-10	Sollentuna	1996	1990	4,352		1,946	—	—	6,298	9,156	42,400	BRO		
37	Altartorget 22	Jägerhorns Väg 6	Huddinge	1996	1986	818	1,267	630	—	—	2,715	5,767	40,600	BRO	T	
38	Altartorget 23	Jägerhorns Väg 8	Huddinge	1996	1987	1,315	2,906		—	—	4,221	5,756	65,000	BRO	T	
39	Arrendatorn 15	Jägerhorns Väg 3-5	Huddinge	2001	1987	509	625	210	—	—	1,344	2,422	9,794	BRO		
40	Arrendatorn 16	Jägerhorns Väg 1	Huddinge	<1995	1987	628	747	130	—	—	1,505	2,803	11,518	BRO		
42	Varpen 8	Smista Allé 36	Huddinge	1997	2009				11,290	—	—	11,290	6,900	48,352	BRO	B
43	Riggen 2	Botkyrkavägen 4	Huddinge	2012	1991	5,275		150	—	32	5,457	5,901	37,200	BRO		
44	Varpen 8 C	Smista Allé 32	Huddinge	1997	2010				1,390	—	—	1,390	3,100	8,929	BRO	
45	Visiret 2 A	Smista Allé 44	Huddinge	2004	2004				2,690	—	—	2,690	4,890	16,594	BRO	
46	Visiret 2 B&C	Smista Allé 42	Huddinge	1997	2006				7,500	—	—	7,500	13,747	44,800	BRO	
104	Visiret 2 D	Smista Allé	Huddinge	1997	2013	—	—	—	—	12,357	12,357	5,000	18,419	BRO		
47	Visiret 2 F	Smista Allé 38-50	Huddinge	1997	2009				4,895	—	—	4,895	8,241	28,800	BRO	
48	Hammarby-Smedby 1:454	Johanneslundsvägen 2-6	Uppl-Väsby	2006	1991	8,232		138	—	—	8,370	10,460	65,600	BRO		

Note: T=Ground rent A=Lease B=Unutilized building permission





Greater Stockholm

Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Site sq.m.	Tax Mgmt. assessment Sub- value subsidiary Note		
					Office	Retail	Warehouse	Industrial	Residential	Other	Total			
49 Hammarby-Smedby 1:461	Johanneslundsvägen 3-5	Uppl-Väsby	2006	1988	3,659	676	218		–	–	4,553	6,798	35,000	BRO
50 Veddesta 2:22	Nettovägen 7	Järfälla	<1995	1965/1975	508				–	–	508	1,782	2,765	BRO
52 Veddesta 2:58	Fakturavägen 5	Järfälla	2007	1985/1995	980				–	–	980	2,452	6,666	BRO
53 Veddesta 2:66	Girovägen 13	Järfälla	2010	1989	3,183		250		–	8	3,441	7,422	23,415	BRO
54 Sicklaön 393:4	Vikdalsvägen 50	Nacka	<1995	1990	3,486		519		–	–	4,005	10,819	42,822	BRO
Total office/retail					228,522	32,591	36,153	28,012	0	14,995	340,273	306,678	2,597,664	
WAREHOUSE/INDUSTRIAL														
56 Charkuteristen 5	Hallvägen 21	Stockholm	2001	1955	1,520		5,447		–	–	6,967	4,213	11,348	BRO T
57 Charkuteristen 6	Slakthusgatan 20	Stockholm	2001	1955		1,066	1,139	186	–	–	2,391	1,665	8,034	BRO T
58 Charkuteristen 8	Slakthusgatan 22	Stockholm	2001	1968	548		4,667		–	–	5,215	2,582	16,793	BRO T
59 Linde Torp 8	Bolidenvägen 8-10	Stockholm	<1995	1929	574	67	1,141		–	–	1,782	7,350	17,526	BRO B
60 Sandhagen 6	Slakthusgatan 9	Stockholm	2001	1967	1,531		2,659		–	–	4,190	1,728	15,464	BRO T
61 Domnarvet 4	Domnarvetgatan 27-29	Stockholm	<1995	1987	1,682	–	5,497		–	572	7,751	8,605	37,200	BRO T
62 Domnarvet 27	Fagerstagatan 19 B	Stockholm	<1995	1982				1,950	–	–	1,950	4,337	11,665	BRO T
63 Domnarvet 28	Fagerstagatan 19 C	Stockholm	2010	1986				3,720	–	–	3,720	7,272	19,992	BRO T
64 Mandelblomman 16	Kronofogdevägen 62	Stockholm	2007	1974	1,011		1,938	940	–	–	3,889	4,125	15,650	BRO
65 Stensåtra 7	Strömsåtravägen 16	Stockholm	1999	1974			5,288		–	–	5,288	10,212	24,292	BRO T
66 Dagskiftet 4	Elektravägen 10	Stockholm	2007	1945	358		1,352		–	–	1,710	1,892	7,871	BRO T
67 Elektra 3	Västbergavägen 25	Stockholm	<1995	1946	1,169	280	6,000		–	–	7,449	10,106	37,978	BRO
68 Godståget 1	Transportvägen 7-9	Stockholm	<1995	1985	1,818	–	10,830	400	–	–	13,048	31,392	107,976	BRO
69 Furudal 4	Fagerstagatan 10	Stockholm	2010	2008				1,237	–	–	1,237	2,051	9,506	BRO T
70 WAREHOUSEhallen 2	Brunnby 2-4 Parthandlarv 27-45	Stockholm	2004	1975	2,194		7,560		–	3,609	13,363	9,512	57,200	BRO T
71 Ostmästaren 2	Ostmästargränd 4	Stockholm	2012	1980				3,292	–	–	3,292	5,915	22,000	BRO T
72 Tornluggen 1	Bällstav 159/Tornväktargr 1-9	Stockholm	<1995	1963/1983			1,900		–	–	1,900	3,898	9,551	BRO T
73 Tornluckan 1	Tornväktargränd 6	Stockholm	<1995	1960			810		–	–	810	927	3,144	BRO T
74 Vagnhallen 19	Jämtlandsgatan 131	Stockholm	2006	1963/1974				5,544	–	–	5,544	5,177	22,371	BRO T
75 Instrumentet 1	Fabriksvägen 9	Solna	2006	1955/2005				3,673	–	–	3,673	2,065	17,665	BRO
108 Elementet 3	Bäckvägen 20	Sollentuna	2012	1963	722		1,222	799	–	–	2,743	2,624	13,769	BRO
76 Elementet 4	Bäckvägen 18	Sollentuna	<1995	1960	1,084	190	9,794		–	–	11,068	18,469	56,325	BRO
77 Revisorn 4	Bergskällavägen 33	Sollentuna	2011	1988				2,635	–	–	2,635	6,915	17,955	BRO B
78 Tidskriften 2	Kuskvägen 2	Sollentuna	1997	1976	1,235	2,894	5,673		–	–	9,802	18,203	64,341	BRO
79 Rosersberg 2:21-22	Rosersbergsvägen 43-45	Sigtuna	1996	1990			2,126		–	–	2,126	5,240	12,047	BRO
81 Rosersberg 11:34	Tallbacksgatan 14	Sigtuna	1996	1987/1990	464	–	36,139		–	–	36,603	92,299	181,443	BRO
83 Bredgården 1:7	Jättevägen 4	Järfälla	2010	1978	111	294		3,039	–	260	3,704	9,213	14,000	BRO
102 Veddesta 1:9	Fakturavägen 2	Järfälla	2007	1965			285	1,918	–	–	2,203	3,731	19,131	BRO
84 Veddesta 2:17	Nettovägen 9	Järfälla	2006	1968			1,338		–	–	1,338	5,350	7,527	BRO
85 Veddesta 2:19	Girovägen 9	Järfälla	<1995	1964			2,556		–	–	2,556	10,000	16,067	BRO
86 Veddesta 2:21	Nettovägen 5	Järfälla	<1995	1965/1988	150		1,742		–	–	1,892	5,000	9,705	BRO
87 Veddesta 2:26	Nettovägen 11	Järfälla	<1995	1968	465	190	2,288		–	–	2,943	7,000	15,224	BRO
88 Veddesta 2:49	Girov 11	Järfälla	2010	1981			1,263	2,371	–	–	3,634	9,250	22,281	BRO T
89 Veddesta 2:50	Kontov 7/Veddestav 23-25	Järfälla	<1995	1964	909		2,884	857	–	–	4,650	21,889	32,164	BRO B
90 Veddesta 2:60	Fakturavägen 4	Järfälla	2007	1987	320		155	484	–	63	1,022	1,099	4,561	BRO T
91 Veddesta 2:68	Fakturavägen 6	Järfälla	2012	1990	239			2,546	–	–	2,785	2,801	13,136	BRO
92 Veddesta 2:77	Fakturavägen 1-3	Järfälla	2007	1994/1997	1,000		4,215		–	–	5,215	14,857	36,440	BRO
106 Elektronen 1	Hovslagarevägen 5	Sollentuna	2012	1957/1987	261		450	1,662	–	–	2,373	3,639	11,278	BRO
107 Elektronen 4	Hovslagarevägen 3A-B	Sollentuna	2012	1958/1992	855		1,182	1,710	–	–	3,747	5,273	19,255	BRO
34 Ringpärmen 3	Bergskällavägen 30	Sollentuna	2005	1986	895		2,047	997	–	240	4,179	7,918	23,091	BRO
41 Ellipsen 3	Ellipsvägen 11	Huddinge	2001	1993	2,319		1,139		–	–	3,458	3,904	16,828	BRO
– Slipstenen 1	Fräsarv 19/Slipstensv 4-8	Huddinge	2012	2006		2,808			–	–	2,808	11,442	17,208	BRO
93 Skälby 2:9	Instrumentvägen 2	Uppl-väsby	2010	1984	697			2,486	–	–	3,183	7,720	19,997	BRO T
94 Hantverkaren 2	Hantverkärvägen 9	Botkyrka	<1995	1976/1979				5,790	–	–	5,790	11,672	24,497	BRO
95 Kumla Hage 3	Kumla Gårdsväg 24 A-B	Botkyrka	<1995	1985			1,889		–	–	1,889	3,959	8,370	BRO
96 Kumla Hage 13	Kumla Gårdsväg 24 C	Botkyrka	<1995	1990			1,630		–	–	1,630	3,258	8,151	BRO
98 Saltmossen 3	Kumla Gårdsväg 21	Botkyrka	<1995	1983/1986			23,433	3,103	–	–	26,536	57,214	151,801	BRO
110 Segerby 1	Kumla Gårdsväg 10	Botkyrka	2012	1976	325		3,384	8,310	–	–	12,019	24,104	45,304	BRO
105 Åby 1:223	Cementvägen 7	Haninge	2011	2013	–	–	6,552		–	–	6,552	10,209	4,300	BRO
112 Palissaden 4	Pallissadv 2-8, Smista Allé 28	Huddinge	1997	2013	–	–	–	2,198	–	–	2,198	3,458	2,129	BRO
– Skarpnäs 5:10	Skarpnäsvägen 14	Nacka	2010	2008	2,301		2,247	1,274	–	–	5,822	7,491	31,349	BRO
Total warehouse/industrial					26,757	7,789	171,861	63,121	0	4,744	274,272	520,225	1,392,900	

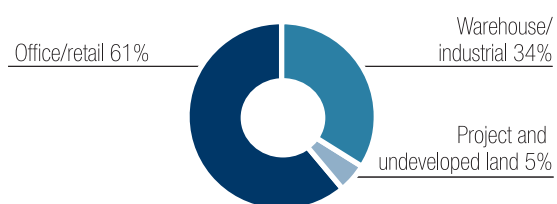
Greater Stockholm

Greater Stockholm												Tax Mgmt.			
Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises							Site sq.m.	assessment Sub- value	Mgmt. sidary	Note
					Office	Retail	Warehouse	Industrial	Residential	Other	Total				
DEVELOPMENT PROJECTS															
1	Archimedes 1	Gårdsfogdevägen 2-6	Stockholm	1996	1979	13,108	2,144	2,645	310	—	—	18,207	13,663	100,479	BRO
113	Spejaren 3	Smista Allé	Huddinge	1997	—	—	—	6,311	—	—	—	6,311	9,250	—	BRO
Total development projects						13,108	2,144	8,956	310	0	0	24,518	22,913	100,479	
UNDEVELOPED LAND															
103	Rankan 3-4	Sollentunaholmsvägen 1-7	Sollentuna	1997	—	—	—	—	—	—	—	88,355	38,000	BRO	B
104	Smista Park	Smista Allé	Huddinge	2011	—	—	—	—	—	—	—	30,955	2,809	BRO	B
Total undeveloped land						0	0	0	0	0	0	0	119,310	40,809	
Total Greater Stockholm						268,387	42,524	216,970	91,443	0	19,739	639,063	969,126	4,131,852	

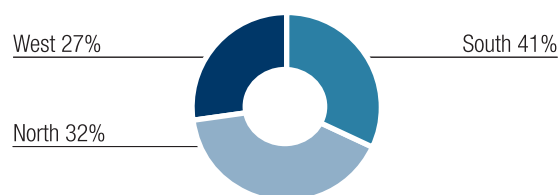
Castellum's Real Estate Portfolio in Greater Stockholm 31-12-2013

	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									
North	17	111	156	1,402	74.4%	116	42	380	74
West	14	120	162	1,345	79.5%	128	34	289	94
South	19	109	148	1,362	92.4%	137	28	253	109
Total office/retail	50	340	466	1,369	81.9%	381	104	307	277
Warehouse/industrial									
North	21	110	111	1,003	80.7%	89	23	216	66
West	9	31	29	946	74.6%	22	8	232	14
South	21	133	130	979	91.3%	119	27	207	92
Total warehouse/industrial	51	274	270	985	85.2%	230	58	213	172
Total	101	614	736	1,198	83.1%	611	162	265	449
Leasing and property administration							44	72	-44
Total after leasing and property administration							206	337	405
Development projects	2	25	21	—	—	13	5	—	8
Undeveloped land	2	—	—	—	—	—	—	—	—
Total	105	639	757	—	—	624	211	—	413

Property value by property type



Property value by municipality



Property related key ratios

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq.m.	1,198	1,203	1,181	1,154	1,175	1,144	1,090	1,038	999	1,031
Economic occupancy rate	83.1%	82.8%	82.2%	82.8%	84.8%	84.0%	81.2%	81.3%	83.1%	84.5%
Property costs, SEK/sq.m.	337	344	362	345	347	343	325	338	315	339
Net operating income, SEK/sq.m.	658	652	609	611	650	618	560	506	515	532
Number of properties	105	109	100	97	90	90	87	80	73	70
Lettable area, thousand sq.m.	639	650	573	569	534	535	517	501	442	422

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- value sidary Note			
					Office	Retail	Warehouse	Industrial	Residential	Other		Total			
Office/Retail															
1 Boländerna 5:12	Fälhagsleden 51	Uppsala	2010	1983/1996	5,984	—	286	—	—	—	6,270	15,251	42,380	ASP	B
2 Boländerna 8:6	Knivstagan 6	Uppsala	2008	1990	2,481	—	—	—	—	—	2,481	3,806	20,674	ASP	
3 Boländerna 8:11	Bergsbrunnagatan 15	Uppsala	2008	1975	3,989	485	3,376	—	—	—	7,850	11,535	16,853	ASP	
4 Boländerna 9:1	Märstagatan 2	Uppsala	2008	1946/2005	1,737	—	537	—	—	—	2,274	2,890	—	ASP	
5 Boländerna 11:5	Märstagatan 7	Uppsala	2011	1975	2,407	—	—	—	—	—	2,407	4,346	14,509	ASP	B
6 Boländerna 28:3	Verkstadsgatan 9	Uppsala	2000	1971	—	24,655	1,064	—	—	—	25,719	64,871	241,696	ASP	B
8 Boländerna 28:4 A	Verkstadsgatan 9	Uppsala	2003	1987	—	—	4,100	—	—	—	4,100	10,981	44,592	ASP	B
7 Boländerna 28:4 B	Verkstadsgatan 11	Uppsala	2003	2002	2,124	—	—	—	—	—	2,124	4,500	25,000	ASP	
11 Boländerna 36:2	DNotearksgatan 20	Uppsala	2011	1982	—	2,400	—	—	—	—	2,400	3,204	15,400	ASP	
12 Dragarbrunn 16:2	Dragarbrunns Torg 2-6/ Klostergatan 13-15	Uppsala	2004	1963	4,616	1,798	184	—	—	129	6,727	2,209	119,000	ASP	
13 Dragarbrunn 20:2	Kungsgatan 43/St Persgatan 17	Uppsala	1999	1963	2,479	767	46	—	—	—	3,292	921	—	ASP	
120 Dragarbrunn 21:1 & 21:5	S:t Persgatan 21	Uppsala	2012	1970	7,226	—	24	—	—	—	7,250	4,747	8,930	ASP	
17 Kungsängen 35:3	Kungsgatan 76	Uppsala	1998	2001	3,030	—	—	—	—	—	3,030	4,547	32,234	ASP	
18 Kvarngärdet 64:3	Sportfältsvägen 3	Uppsala	1996	1991	1,965	—	—	—	—	—	1,965	2,955	14,475	ASP	
19 Årsta 36:2	Möllersvärdsgatan 12	Uppsala	<1995	1978/1989	1,319	—	1,538	—	—	—	2,857	5,143	19,816	ASP	
20 Årsta 36:7	Hanselligatan 6	Uppsala	2007	1986	388	—	1,873	—	—	—	2,261	3,358	13,526	ASP	
21 Årsta 67:1	Stålgatan 8-12	Uppsala	<1995	1988	151	10,605	666	—	—	—	11,422	31,608	85,951	ASP	
22 Årsta 72:3	Svederusgatan 1-4	Uppsala	1997	1990	2,195	1,792	4,649	—	—	28	8,664	10,792	44,770	ASP	
23 Årsta 74:1	Fyrislundsgatan 68	Uppsala	1999	1985	—	6,853	—	—	—	—	6,853	15,268	37,000	ASP	
24 Årsta 74:3	Axel Johanssons Gata 4-6	Uppsala	<1995	1990	13,027	238	161	—	—	490	13,916	17,212	83,000	ASP	
25 Årsta 78:1	Fyrislundsgatan 73	Uppsala	2011	2000	2,838	—	—	—	—	—	2,838	4,156	16,146	ASP	
26 Basen 10	Fridhemsgatan 2-4	Örebro	<1995	1900/1990	6,164	—	100	—	—	—	6,264	4,997	39,200	ASP	
27 Borgaren 1	Fabriksgatan 1 A	Örebro	2008	1969/2001	6,540	—	1,100	—	—	847	8,487	3,375	63,548	ASP	
28 Inköparen 1	Rörvägen 1	Örebro	2007	2008	3,698	5,765	—	—	—	—	9,463	22,500	57,476	ASP	
— Järnmalmen 1	Osmundgatan 10	Örebro	2006	1967/1995	2,695	—	8,249	—	—	—	10,944	47,714	31,768	ASP	B
30 Konstruktören 11	Söderleden 14	Örebro	<1995	1987	1,715	—	—	—	—	—	1,715	7,876	9,915	ASP	
31 Kontrollanten 9	Äbyvägen 3	Örebro	2007	1992	3,714	—	1,106	—	—	—	4,820	11,974	15,881	ASP	
32 WAREHOUSEchefen 3	Aspholmsvägen 3	Örebro	1996	1957/1985	—	1,900	—	—	—	—	1,900	9,213	12,961	ASP	B
33 Lantmannen 7	Boställsvägen 10	Örebro	<1995	1985	72	2,248	250	—	—	—	2,570	8,573	10,117	ASP	
114 Litografen 1&2	Adolfsbergsvägen 4	Örebro	2012	1964	4,310	8,148	19,003	—	—	232	31,693	122,107	120,127	ASP	B
34 Motormannen 1	Radiatorvägen 1	Örebro	<1995	1966	293	3,436	410	—	—	—	4,139	10,501	17,875	ASP	
35 Röda rummet	Radiatorvägen 17	Örebro	1996	2000	3,405	—	—	—	—	—	3,405	7,710	24,650	ASP	
36 Rörläggaren 1	Aspholmsvägen 4	Örebro	<1995	1963/1992	—	—	—	5,180	—	—	5,180	15,881	21,686	ASP	B
37 Rörmokaren 1	Elementvägen 13-15	Örebro	<1995	1963/1986	110	—	—	3,735	—	—	3,845	10,432	16,338	ASP	
38 Rörmokaren 5	Elementvägen 1	Örebro	<1995	1984	1,297	1,023	—	—	—	—	2,320	6,656	12,088	ASP	
40 Stinsen 18	Fabriksgatan 18-22	Örebro	2008	1983/2003	12,102	—	78	—	—	107	12,287	5,008	103,600	ASP	B
41 Svetsaren 4	Elementvägen 12	Örebro	<1995	1976/1984	176	1,695	2,393	—	—	—	4,264	9,644	16,897	ASP	
42 Svetsaren 5	Elementvägen 14	Örebro	<1995	1977/1988	2,885	—	169	—	—	—	3,054	7,355	12,417	ASP	
43 Svetsaren 6	Radiatorvägen 14	Örebro	2000	1962	5,625	—	—	—	—	—	5,625	7,956	50,855	ASP	
44 Svetsaren 7	Elementvägen 16	Örebro	<1995	1960/1983	675	—	180	—	—	—	855	2,658	5,179	ASP	
45 Svetsaren 8	Elementvägen 4	Örebro	<1995	1977	570	3,060	220	—	—	—	3,850	8,074	12,477	ASP	
46 Svänghjulet 1	Stubbengatan 2	Örebro	2010	2004	4,506	1,660	2,747	—	—	250	9,163	24,143	34,052	ASP	B
47 Telemontören 1	Nastagatan 2	Örebro	2007	1993	3,677	—	2,822	—	—	—	6,499	30,750	19,406	ASP	B

Note: T=Ground rent A=Lease B=Unutilized building permission



Stinsen 18, Örebro

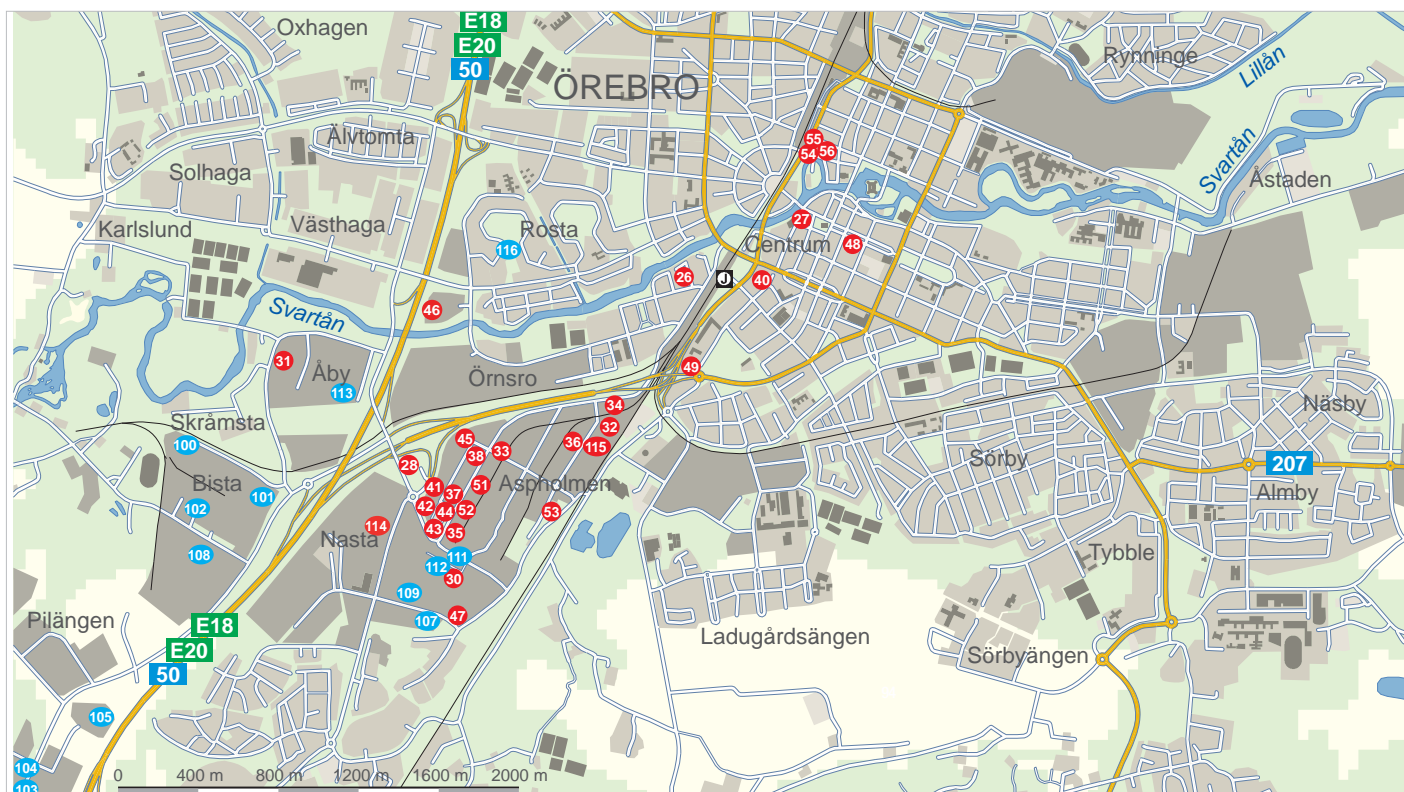


Inköparen 1, Örebro

Mälardalen

Mälardalen

													Tax Mgmt.		
			Acquis- Build/		Square metres per type of premises							assessment Sub-			
Name of property	Address	Municipality	year	Recon.year	Office	Retail	Warehouse	Industrial	Residential	Other	Total	Site sq.m.	value	sidary	Note
48 Tryckeriet 2	Stortorget 8	Örebro	2008	1984/1999	1,400	847	—	—	—	387	2,634	1,350	26,724	ASP	
49 Tågmästaren 25	Fabriksgatan 54	Örebro	2008	1986	6,265	—	1,160	—	—	6	7,431	8,110	34,400	ASP	B
51 Virkeshandlaren 7	Radiatorvägen 11	Örebro	<1995	1970/1987	5,895	—	283	—	—	—	6,178	15,377	27,175	ASP	
52 Virkeshandlaren 10	Radiatorvägen 13-15	Örebro	1996	1979	2,694	3,565	1,060	—	—	—	7,319	20,242	30,498	ASP	
53 Ånsta 20:117	Aspholmsvägen 9	Örebro	1996	1990	755	—	—	—	—	—	755	1,907	3,742	ASP	
54 Ölstången 11	Järntorgsgatan 1	Örebro	2008	1939/2003	3,940	—	580	—	—	—	4,520	937	28,800	ASP	
55 Ölstången 14	Olaigatan 2	Örebro	2008	1929	2,194	—	—	—	—	—	2,194	852	16,700	ASP	
56 Ölstången 15	Olaigatan 4	Örebro	2008	1975/2003	3,101	—	—	—	—	—	3,101	1,517	23,000	ASP	
57 Blåsterugnen 2	Kokillgatan 7	Västerås	1997	1991	—	1,894	—	—	—	—	1,894	11,045	8,938	ASP	T
58 Dagslåndan 11	Jonasborgsvägen 26	Västerås	1996	1990	1,106	—	—	—	—	—	1,106	3,651	6,261	ASP	T
59 Degeln 1	Kokillgatan 1-3	Västerås	1996	1984	4,563	1,050	700	181	—	—	6,494	26,917	21,734	ASP	T
60 Elenergin 1	Elledningsgatan 2	Västerås	2008	1976	119	466	—	4,498	—	—	5,083	26,290	18,763	ASP	B
61 Elledningen 4	Tunbytorpsgatan 31	Västerås	<1995	1991	3,586	—	—	—	—	—	3,586	10,256	20,460	ASP	
62 Fallhamaren 1	Fallhamargatan 3	Västerås	<1995	1989	2,425	—	1,655	407	—	—	4,487	10,700	17,729	ASP	
63 Frlledningen 13	Tunbytorpsgatan 10	Västerås	1999	1978	390	1,440	750	—	—	—	2,580	7,000	11,864	ASP	T
64 Gjutjärnet 7	Gjutjärnsgatan 5	Västerås	<1995	1989	—	2,005	151	260	—	135	2,551	10,517	8,015	ASP	



● Office/retail ● Warehouse/Industrial ● Development projects and land



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- value subsidiary Note		
					Office	Retail	Warehouse	Industrial	Residential	Other					
65 Hjulsmäden 1	Gjutjärmsgatan 8	Västerås	<1995	1990	–	1,112	871	–	–	–	1,983	5,625	8,599 ASP		
66 Jordlinan 2	Stenbygatan 6	Västerås	<1995	1991	179	2,050	6,155	480	–	–	8,864	21,467	27,264 ASP	B	
67 Kokillen 1	Kokillgatan 2	Västerås	1996	1988	545	1,165	1,295	–	–	–	3,005	11,975	13,386 ASP	T	
68 Kopparlunden	Kopparlunden	Västerås	2001	1890/2000	18,978	–	–	1,310	–	–	20,288	10,256	117,444 ASP		
69 Kraftfältet 5	Omformargatan 2	Västerås	2005	1991	715	836	1,640	729	–	–	3,920	11,221	15,950 ASP		
70 Köpmannen 1	Kranbyggargatan 1	Västerås	<1995	1984	–	320	–	1,095	–	–	1,415	5,804	7,303 ASP		
71 Köpmannen 3	Kranbyggargatan 3	Västerås	<1995	1982	–	875	–	1,495	–	–	2,370	10,073	12,006 ASP	T	
72 Ringborren 8&16	Tallmätargatan 1	Västerås	<1995	1956/1988	3,531	–	–	–	–	–	3,531	9,019	14,239 ASP		
73 Tunbytorp 1	Strömledringsgatan 1	Västerås	2005	1965	410	3,797	524	1,278	–	–	6,009	27,584	23,382 ASP	T	
74 Tunbytorp 7	Strömledringsgatan 3	Västerås	2005	1965	–	360	1,901	5,674	–	–	7,935	31,990	32,271 ASP	T	
75 Tunbytorp 19	Tunbytorpsgatan 2 A	Västerås	2005	1990	1,982	–	–	–	–	–	1,982	11,782	6,745 ASP		
77 Vikingatiden 9	Brandthovdagatan 17 A	Västerås	2007	2004	173	–	438	173	–	–	784	3,477	3,124 ASP		
Total office/retail					187,131	100,310	76,494	26,495	0	2,611	393,041	926,338	2,190,981		
WAREHOUSE/INDUSTRIAL															
78 Boländerna 12:1	DNotearksgatan 24	Uppsala	2011	1979	4,601	–	1,927	–	–	–	6,528	14,136	32,284 ASP	B	
79 Husbyborg 1:83	Gamla Börjevågen 2-16	Uppsala	2008	1972/1988	–	218	747	5,969	–	–	6,934	14,543	37,752 ASP	B	
80 Årsta 38:1	Möllersvärdsgatan 5	Uppsala	<1995	1979	–	–	–	2,960	–	–	2,960	8,572	18,160 ASP	B	
81 Barkborren 3	Barkborregatan 3	Västerås	<1995	1970/1989	–	–	–	2,950	–	–	2,950	10,000	8,748 ASP	T	
82 Elkraften 4	Tunbytorpsgatan 16	Västerås	2005	1976	–	–	946	–	–	–	946	5,673	4,100 ASP	T	
83 Elkraften 6	Elledningsgatan 4	Västerås	2008	1981	–	–	1,150	–	–	–	1,150	8,025	4,765 ASP	T	
84 Elkraften 7	Energigatan 3 A	Västerås	2005	1976	250	–	–	1,070	–	–	1,320	5,073	4,373 ASP	T	
85 Elledningen 1	Tunbytorpsgatan 29	Västerås	1999	1982	–	1,200	710	–	–	–	1,910	8,300	7,225 ASP	T	
86 Frlidningen 8	Tunbytorpsgatan 6	Västerås	2005	1971	235	–	568	1,539	–	–	2,342	11,243	8,133 ASP	T	
87 Frlidningen 9	Tunbytorpsgatan 8	Västerås	2005	1968	647	990	2,115	1,400	–	–	5,152	9,995	18,990 ASP		
88 Fällmätaren 29	Fällmätargatan 9	Västerås	2007	1960	810	–	–	2,257	–	–	3,067	10,173	11,032 ASP	T	
89 Järnåldern 6	Brandthovdagatan 11	Västerås	2008	1982	476	–	629	777	–	45	1,927	5,967	7,426 ASP	T	
– Krista 1	Saltängsvägen 59	Västerås	2004	2005	–	–	–	2,980	–	–	2,980	11,500	17,398 ASP		
91 Köpmannen 8	Lundby Gärdsgata 4	Västerås	2004	1988	–	–	351	2,334	–	–	2,685	9,957	10,510 ASP		
92 Ledningstråden 1	Tunbytorpsgatan 1-3	Västerås	2005	1967	520	1,011	4,541	–	–	–	6,072	27,410	20,961 ASP	T	
93 Ledningstråden 6	Tunbytorpsgatan 23	Västerås	2005	1970	–	–	–	620	–	–	620	8,000	3,550 ASP	T/B	
94 Lufthammaren 1	Ånghammargatan 2-4	Västerås	1996	1977	3,894	–	1,803	1,646	–	–	7,343	17,055	20,642 ASP	T	
95 Tunbytorp 2	Tunbytorpsgatan 4	Västerås	2005	1970	–	–	1,548	1,825	–	647	4,020	19,191	12,376 ASP		
96 Tunbytorp 8	Frlidningsgatan 3 A	Västerås	2005	1970	–	–	830	–	–	–	830	5,825	3,714 ASP		
97 Tunbytorp 10	Tunbytorpsgatan 4 A	Västerås	2005	1978	957	–	6,746	–	–	–	7,703	24,663	20,400 ASP		
98 Voltmätaren 3	Lågspänningsgatan 7	Västerås	2006	1990	–	–	–	760	–	–	760	2,254	2,645 ASP		
99 Ånghammaren 2	Ånghammargatan 1-9	Västerås	1996	1972/1994	1,181	520	4,744	6,996	–	40	13,481	35,738	32,101 ASP	T	
100 Bleckslagaren 1	Handelsgatan 9	Örebro	2012	1970	645	–	3,185	–	–	–	3,830	14,405	– ASP		
101 Bleckslagaren 6	Handelsgatan 1	Örebro	2008	1982	–	–	–	4,326	–	–	4,326	22,243	16,096 ASP	B	
102 Bleckslagaren 8	Vattenverksgatan 8	Örebro	2006	1978/2001	–	–	–	4,750	–	–	4,750	24,878	20,017 ASP	B	
103 Chauffören 2	Stuvargatan 3	Örebro	1997	1991	500	–	6,600	–	–	–	7,100	16,974	24,435 ASP		
104 Chauffören 3	Pikullagatan 9	Örebro	2006	1991	–	–	–	1,577	–	–	1,577	5,442	5,519 ASP		
105 Distributören 7	Krangatan 11	Örebro	2012	1989	795	–	6,795	–	–	–	7,590	24,675	24,185 ASP		
– Däcket 1	Dialoggatan 14	Örebro	2008	2012	–	–	740	1,128	–	–	1,868	7,184	10,448 ASP		
107 Försäljaren 2	Nastagatan 9	Örebro	2012	2008	–	–	3,030	–	–	–	3,030	9,545	18,271 ASP	B	



Mälardalen

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	Other	Total			
108 Elektrikern 3	Vattenverksgatan 3	Örebro	2012	1972	—	—	8,440	—	—	—	8,440	18,823	17,800 ASP	
109 Grosshandlaren 2	Nastagatan 6-8	Örebro	2001	1977	2,008	1,955	19,170	—	—	—	23,133	61,695	92,028 ASP	B
— Gällerstå-Gryt 4:9	Gällerståvägen	Örebro	<1995	1969	—	—	—	11,625	—	—	11,625	42,143	24,606 ASP	
111 Konstruktören 9	Söderleden 10	Örebro	1996	1987	—	—	1,260	—	—	—	1,260	3,573	5,838 ASP	
112 Konstruktören 10	Söderleden 12	Örebro	<1995	1987	—	—	—	3,665	—	—	3,665	10,649	16,630 ASP	
113 Kontrollanten 12	Skomaskingatan 6	Örebro	2012	1981	3,630	—	7,203	—	—	—	10,833	30,946	33,400 ASP	
115 Rörläggaren 2	Aspholmsvägen 6	Örebro	2004	1984	—	—	2,955	—	—	—	2,955	4,960	12,387 ASP	
116 Änsta 20:148	Berglunda 208	Örebro	2007	1971/1999	1,380	—	2,805	—	—	—	4,185	44,237	23,281 ASP	B
Total warehouse/industrial					22,529	5,894	91,538	63,154	0	732	183,847	615,665	652,226	

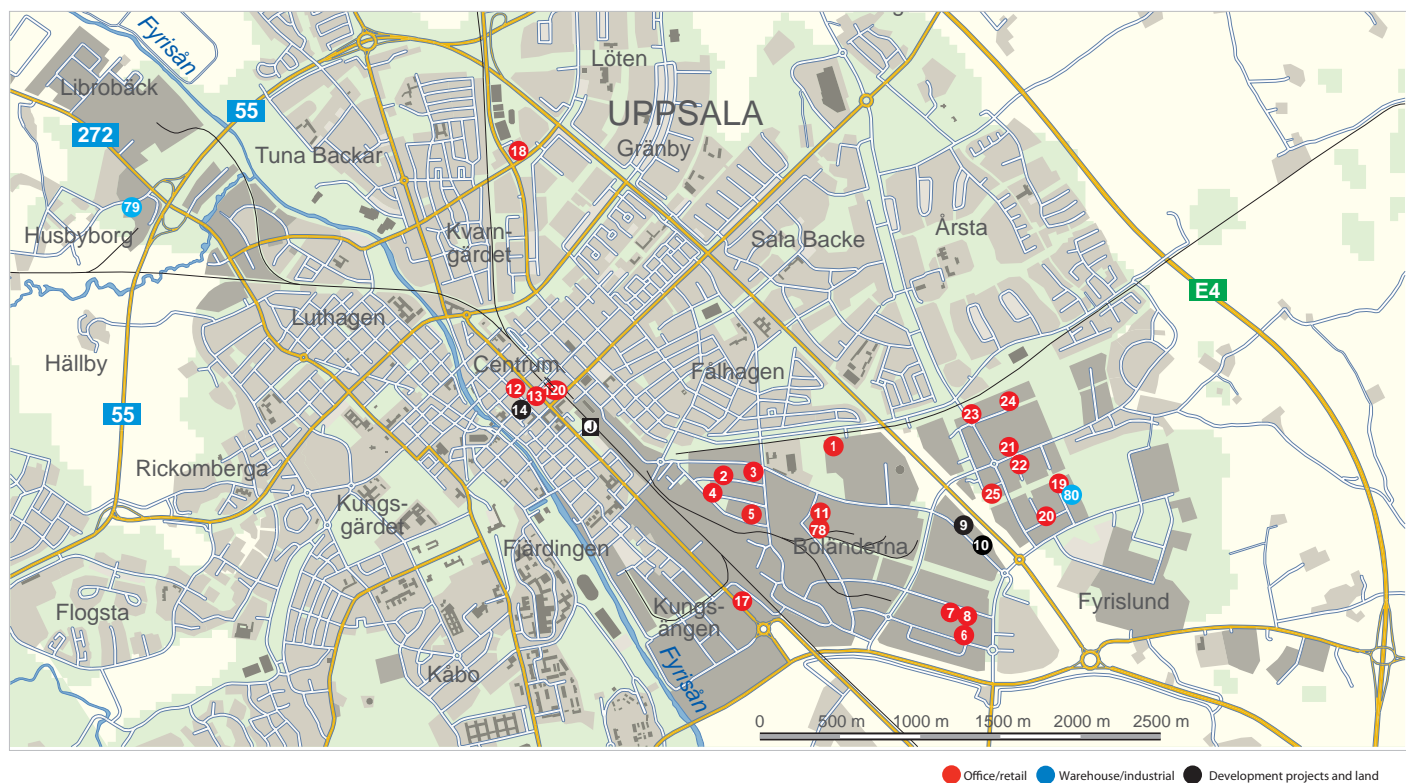


● Office/retail ● Warehouse/industrial ● Development projects and land



Mälardalen

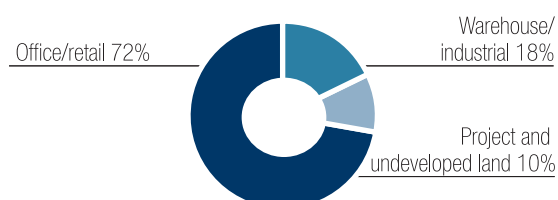
Mälardalen												Tax Mgmt.				
Name of property	Address	Municipality	Acquis- Build/ year Recon.year		Square metres per type of premises						Site sq.m.	assessment	Sub- value	Mgmt. sidary	Note	
					Office	Retail	Warehouse	Industrial	Residential	Other						Total
DEVELOPMENT PROJECTS																
9	Boländerna 35:1	Bolandsgatan 18	Uppsala	2006	2006	—	8,264	250	—	—	—	8,514	26,193	71,018	ASP	B
10	Boländerna 35:2	Bolandsgatan 20	Uppsala	<1995	1981	—	4,118	—	—	—	—	4,118	9,600	35,400	ASP	
14	Dragarbrunn 20:4	Dragarbrunnsgatan 34	Uppsala	2010	2010	9,571	2,959	415	—	1,305	—	14,250	4,472	85,400	ASP	
118	Högspänningen 1	Lågspänningsgatan 8	Västerås	2007	—	—	—	—	3,768	—	—	3,768	22,500	6,400	ASP	B
76	Verkstaden 14	Kopparlunden	Västerås	2001	2001	9,866	—	—	—	—	—	9,866	40,900	39,934	ASP	B
Total development projects						19,437	15,341	665	3,768	1,305	0	40,516	103,665	238,152		
Total Mälardalen						229,097	121,545	168,697	93,417	1,305	3,343	617,404	1,645,668	3,081,359		



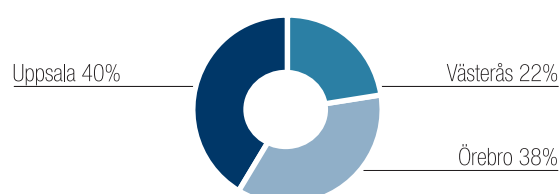
Castellum's Real Estate Portfolio in Mälardalen 31-12-2013

	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	21	127	165	1,301	87.4%	144	42	331	102
Örebro	30	176	176	998	92.9%	164	55	309	109
Västerås	20	90	91	1,007	90.4%	82	26	291	56
Total office/retail	71	393	432	1,098	90.3%	390	123	312	267
Warehouse/industrial									
Västerås	19	67	50	743	88.1%	44	16	234	28
Örebro	16	100	66	660	93.3%	61	14	143	47
Uppsala	3	17	16	978	91.6%	15	4	260	11
Total warehouse/industrial	38	184	132	719	91.1%	120	34	187	86
Total	109	577	564	977	90.5%	510	157	272	353
Leasing and property administration							30	52	-30
Total after leasing and property administration							187	324	323
Development projects	5	40	46			21	8		13
Undeveloped land	0	—	—	—	—	—	—	—	—
Total	114	617	610	—	—	531	195	—	336

Property value by property type



Property value by municipality



Property related key ratios

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq.m.	977	967	982	934	928	859	807	778	766	794
Economic occupancy rate	90.5%	92.7%	92.6%	90.6%	92.4%	93.0%	89.3%	88.4%	87.5%	87.8%
Property costs, SEK/sq.m.	324	312	340	325	329	268	247	258	244	262
Net operating income, SEK/sq.m.	560	584	570	521	528	531	474	429	427	435
Number of properties	114	120	120	116	115	117	101	91	86	75
Lettable area, thousand sq.m.	617	624	560	545	516	519	432	410	384	338

Eastern Götaland

Eastern Götaland													Tax Mgmt.			
Name of property	Address	Municipality	Acquis- Build/		Square metres per type of premises							Site sq.m.	assessment	Sub- value	sidary	Note
			year	Recon.year	Office	Retail	Warehouse	Industrial	Residential	Other	Total					
OFFICE/RETAIL																
87	Atollen 3	Lantmätargränd 53-63	Jönköping	2011	2013	2,792	2,404	—	—	765	—	5,961	870	61,051	COR	
1	Droskan 12	Slottsgatan 14	Jönköping	1998	1990	9,370	—	—	—	—	—	9,370	4,951	98,400	COR	
2	Elektronen 1	Datorgatan 6	Jönköping	2008	2000	524	—	1,168	—	—	—	1,692	4,237	7,311	COR	B
3	Hotellet 8	V Storgatan 9-13	Jönköping	<1995	1963/1999	2,952	15,701	296	—	—	—	18,949	5,121	208,000	COR	
4	Vagnmakaren 7	Hästhovsvägen 2	Jönköping	<1995	1983/2001	—	9,531	—	—	—	14	9,545	19,226	63,400	COR	
5	Valutan 11	Kompanigatan 1-2	Jönköping	<1995	1992/2001	3,123	2,091	249	—	—	5	5,468	7,763	70,600	COR	
6	Varuhuset 1	Batterigatan 2	Jönköping	2009	2009	—	11,041	—	—	—	—	11,041	42,046	118,000	COR	
75	Vattenpasset 2	Ekhagsringen 17	Jönköping	<1995	1980	1,299	—	1,749	1,073	—	—	4,121	17,884	—	COR	
8	Vilan 7	Huskvarnavägen 58-64	Jönköping	2000	1955/1999	9,354	1,003	4,356	—	—	—	14,713	25,576	72,450	COR	
76	Vingen 4	Linnegatan 1	Jönköping	<1995	1970	1,322	530	—	1,937	—	—	3,789	17,281	14,347	COR	B
9	Visionen 3	Bataljonsgatan 10-12	Jönköping	2004	2010	7,353	—	352	—	—	—	7,705	12,269	106,800	COR	
10	Visionen 3 fd 1	Bataljonsgatan 10	Jönköping	2004	1996/1995	9,731	—	423	—	—	—	10,154	27,162	48,812	COR	
11	Vågskålen 3	Huskvarnavägen 40	Jönköping	2003	1983	8,177	—	7,536	—	—	—	15,713	42,536	39,360	COR	B
12	Vågporten 5	Vasavägen 4	Jönköping	2003	1955/2004	251	2,076	—	—	—	—	2,327	8,458	12,392	COR	
13	Ögongloben 5	Gräshagsgatan 11	Jönköping	2006	1961	3,512	—	—	—	—	—	3,512	7,346	7,261	COR	
14	Örontofsen 5	Granitvägen 7-9	Jönköping	2006	1976	1,195	880	3,499	—	—	—	5,574	15,061	28,755	COR	
15	Almen 9	Malmövägen 12-14	Värnamo	1997	1957/1989	1,075	11,304	38	—	—	40	12,457	23,702	35,916	COR	
16	Bodarna 2	Myntgatan 8-10	Värnamo	<1995	1934/1991	1,433	373	—	—	—	—	1,806	1,186	10,143	COR	
17	Bokbindaren 20	Västbovägen 56	Värnamo	<1995	1975/1991	2,167	—	394	—	—	—	2,561	11,385	6,601	COR	
18	Drabanten 1	Nydalavägen 16	Värnamo	1997	1940/1986	230	1,028	—	—	—	—	1,258	2,971	3,496	COR	
19	Gamla Gåsen 4	Boagatan 1	Värnamo	<1995	1907	200	—	—	—	—	—	200	1,903	1,322	COR	B
20	Gillet 1	Flanaden 3-5	Värnamo	1996	1974	2,416	990	103	—	1,704	—	5,213	3,475	33,512	COR	
21	Golvläggaren 2	Silkesvägen 30	Värnamo	2000	1991	734	—	—	—	—	—	734	5,190	2,553	COR	
22	Golvläggaren 2 fd 3	Silkesvägen 32-34	Värnamo	2000	2008	—	8,800	1,620	—	—	—	10,420	37,879	47,996	COR	
23	Jungfrun 11	Köpmansg 3-7/Luddög 1	Värnamo	<1995	2001/1982	315	3,897	158	—	601	—	4,971	5,849	25,438	COR	
24	Karpen 3	Jönköpingsvägen 105-107	Värnamo	1997	1956/1990	542	838	405	888	—	—	2,673	7,930	5,615	COR	
25	Lejonet 11	Lasarettsg 1-5/Storgatsb 23	Värnamo	2000	1987/1987	4,192	807	160	—	89	—	5,248	2,433	33,312	COR	
90	Linden 1	Malmövägen 3	Värnamo	2001	—	—	1,140	—	—	—	—	1,140	3,728	8,620	COR	
26	Linden 1 fd 3	Växjövägen 24-26	Värnamo	<1995	1960/1989	2,350	560	2,264	—	—	—	5,174	9,286	14,492	COR	
27	Ljuset 8	Nydalavägen 1-9	Värnamo	<1995	2003	—	2,590	—	—	—	—	2,590	9,674	13,064	COR	
61	Mattläggaren 2	Silkesvägen 24	Värnamo	2000	1997	195	2,453	485	—	—	—	3,133	8,542	6,827	COR	
28	Mon 13	Karlsdalsgatan 2	Värnamo	1997	1983	1,986	—	—	—	—	—	1,986	2,294	8,268	COR	
29	Plattläggaren 1	Silkesvägen 18	Värnamo	2008	1989	1,798	—	—	—	—	—	1,798	5,994	3,496	COR	
30	Rågen 1	Expovägen 6	Värnamo	<1995	1965/1990	2,361	—	2,836	—	—	—	5,197	8,919	11,358	COR	
31	Vindruvan 4	Storgatsb 14-16	Värnamo	<1995	1982	610	2,954	—	—	437	—	4,001	4,717	21,279	COR	
32	Vindruvan 22	Storgatsb 20/Köpmansg 2-6	Värnamo	<1995	1982	—	7,262	—	—	—	5	7,267	3,394	39,000	COR	
33	Vindruvan 15	Storgatsbacken 12	Värnamo	1997	1989	878	1,110	—	—	—	—	1,988	694	9,842	COR	
34	Värnamo 14:11	Jönköpingsvägen 41-43	Värnamo	<1995	1917/1982	2,209	—	1,972	—	—	—	4,181	5,686	11,473	COR	
35	Bagaren 10	Ljungadalsg 2/Hejareg 10	Växjö	2007	1987	28,593	—	2,335	—	—	—	30,928	89,222	129,289	COR	B
36	Båken 1	Systratorpsvägen 16	Växjö	2006	1983	1,410	—	25	—	—	—	1,435	5,125	4,389	COR	
37	Garvaren 4	Hjalmar Petris väg 32	Växjö	1999	1981	2,526	—	44	—	—	—	2,570	6,901	7,956	COR	B
38	Glasmästaren 1	Arabygatan 80	Växjö	1999	1988	6,381	886	557	—	—	—	7,824	11,297	31,800	COR	

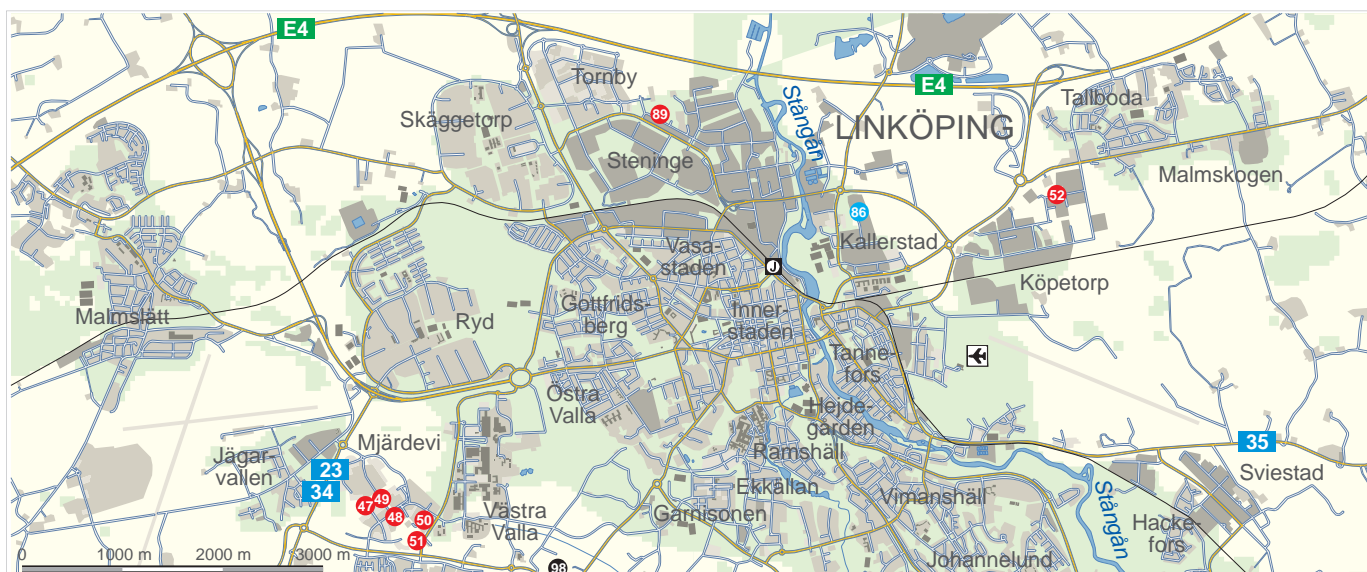
Note: T=Ground rent A=Lease B=Unutilized building permission



Valutan 11, Jönköping



Visionen 3, Jönköping



● Office/retail ● Warehouse/industrial ● Development projects and land



Eastern Götaland

Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises						Total	Site sq.m.	Tax Mgmt.			Note
					Office	Retail	Warehouse	Industrial/Residential	Other				assessment	Sub- value	sidary	
39 Nordstjärnan 1	Kronobergsgatan 18-20	Växjö	2002	1971/2000	5,981	–	149	–	–	–	6,130	2,425	50,400	COR		
40 Plåtslagaren 4	Verkstadsplan 5	Växjö	2002	1967/1988	2,243	780	686	1,893	–	–	5,602	10,000	14,909	COR		
41 Rimfrosten 1	Solängsvägen 4	Växjö	2000	1972	42	6,686	1,922	–	–	–	8,650	58,671	20,000	COR	B	
42 Segerstad 4	Segerstadsvägen 7	Växjö	1998	1990	910	–	–	–	–	–	910	3,911	–	COR		
43 Sotaren 4	Arabygatan 82	Växjö	2002	1992	2,318	457	204	–	–	–	2,979	4,007	15,421	COR		
44 Svea 8	Lineborgsplan 3	Växjö	1998	1982	2,061	–	–	–	–	–	2,061	3,938	12,320	COR		
45 Unaman 8	Klosterg 6/Kungsg 3/ Sandgårdsg 6-8	Växjö	2006	1969	2,075	2,812	300	–	422	–	5,609	2,185	38,536	COR		
46 Ödman 15	Storgatan 29	Växjö	2001	1972	2,380	1,941	–	–	–	–	4,321	2,661	38,200	COR		
89 Gården 15	Gillbergsgatan 37-45	Linköping	2009	2013	6,105	–	3,600	–	–	–	9,705	34,706	17,644	COR		
47 Idemannen 1	Teknikringen 16	Linköping	2007	1990	580	–	–	–	–	–	580	4,212	4,959	COR		
48 Idemannen 2, Collegium	Teknikringen 7	Linköping	2007	1989	12,821	4,136	–	–	–	45	17,002	27,823	122,600	COR		
49 Idemannen 2, Datalinjen	Datalinjen 1	Linköping	2007	1989/1994	1,593	–	–	–	–	–	1,593	4,590	10,363	COR		
50 Idemannen 2, Teknikringen	Teknikringen 1 A-F	Linköping	2007	1984/1996	6,707	–	–	–	–	–	6,707	19,720	43,346	COR		
51 Idemannen 2, Vita Huset	Universitetsvägen 14	Linköping	2007	2002	8,210	–	–	–	–	–	8,210	29,597	69,200	COR	B	
52 Magnetjärnet 6	Finnögatan 5 C	Linköping	2010	1996	2,388	–	–	–	–	–	2,388	8,328	10,623	COR	B	
Total office/retail					181,970	109,061	39,885	5,791	4,018	109	340,834	753,937	1,952,517			

WAREHOUSE/INDUSTRIAL

53 Elefanten 3	Rådursvägen 6	Växjö	<1995	1988	–	–	1,384	934	–	–	2,318	8,940	6,264	COR		
54 Illern 5	Isbjörnsvägen 11-13	Växjö	<1995	1987	885	–	406	855	–	–	2,146	5,276	7,507	COR		
55 Isbjörnen 4	Isbjörnsvägen 6	Växjö	<1995	1993	–	–	625	10,308	–	–	10,933	30,505	27,025	COR		
56 Sjömärket 3	Annavägen 3	Växjö	1998	1989	1,868	341	475	6,811	–	–	9,495	26,853	31,992	COR	B	
57 Snickaren 12	Smedjegatan 10-20	Växjö	1998	1976/1989	3,638	5,194	15,178	–	–	–	24,010	45,018	65,080	COR	B	
58 Draken 1	Ingelundsvägen 1	Värnamo	<1995	1968/1988	–	–	1,750	–	–	–	1,750	21,396	2,567	COR	B	
59 Flundran 4	Runemovägen 1	Värnamo	<1995	1963/1992	–	–	5,459	6,147	–	–	11,606	34,523	23,358	COR		
60 Matläggaren 1	Silkesvägen 24	Värnamo	2008	1997	–	–	–	2,700	–	–	2,700	8,655	8,023	COR	B	
62 Posten 4	Postgatan 3-5	Värnamo	<1995	1929	455	733	321	2,516	159	–	4,184	2,991	12,528	COR		
63 Rödspåttan 1	Runemovägen 10	Värnamo	2004	1973	545	–	4,160	–	–	–	4,705	12,975	8,437	COR		
64 Rödspåttan 4	Runemovägen 4	Värnamo	<1995	1980	–	–	2,960	–	–	–	2,960	7,122	5,210	COR		
65 Sandskäddan 4	Margretelundsvägen 7	Värnamo	<1995	1982	–	–	2,780	–	–	–	2,780	8,005	5,111	COR		
66 Sjötungan 3	Margretelundsvägen 6	Värnamo	1999	1989	–	–	2,570	–	–	–	2,570	14,524	5,703	COR	B	
67 Takläggaren 4	Rörläggarev 8/Silkesv 39	Värnamo	<1995	1991	–	–	9,067	–	–	–	9,067	39,349	21,145	COR	B	
68 Takläggaren 8	Silkesvägen 43	Värnamo	2008	1999	–	–	–	6,995	–	–	6,995	24,814	26,720	COR	B	
69 Värnamo 14:2	Myntgatan 2	Värnamo	<1995	1982	–	–	–	–	–	–	–	1,000	–	COR	A	
70 Yxan 4	Fabriksplan 10-12	Värnamo	2005	1975	–	–	5,595	–	–	–	5,595	10,017	14,162	COR		
71 Yxan 6	Fabriksplan 4	Värnamo	<1995	1978/1990	–	–	1,477	–	–	–	1,477	11,699	3,510	COR	B	
– Flahult 21:3	Momarken 42	Jönköping	2001	1980	–	–	3,994	–	–	–	3,994	24,177	15,383	COR	B	
– Flahult 21:5	Betavägen 17	Jönköping	2012	1997/2008	–	–	9,023	–	–	–	9,023	36,847	29,288	COR	B	
74 Vargön 4	Vasavägen 5	Jönköping	2003	1989	–	–	3,500	570	–	–	4,070	6,694	12,763	COR	B	
88 Ättehögen 18	Fordonsvägen 8	Jönköping	2012	2013	–	–	–	3,220	–	–	3,220	11,009	15,477	COR		
77 Öngloben 6	Kindgrensgatan 4	Jönköping	2008	1997	–	–	3,108	–	–	–	3,108	7,500	6,234	COR	B	
78 Österbotten 4	Skeppsbrogatan 6	Jönköping	<1995	1930/1991	503	–	72	2,369	–	–	2,944	6,972	8,319	COR		
79 Överlappen 13	Kalkstensgatan 6-8	Jönköping	2004	1977/1995	2,105	–	275	3,376	–	–	5,756	22,575	27,852	COR		
80 Överstykett 25	Kindgrensgatan 3	Jönköping	2008	1981	190	–	6,166	1,182	–	–	7,538	16,342	13,591	COR	B	

48



Idemannen 2, Linköping

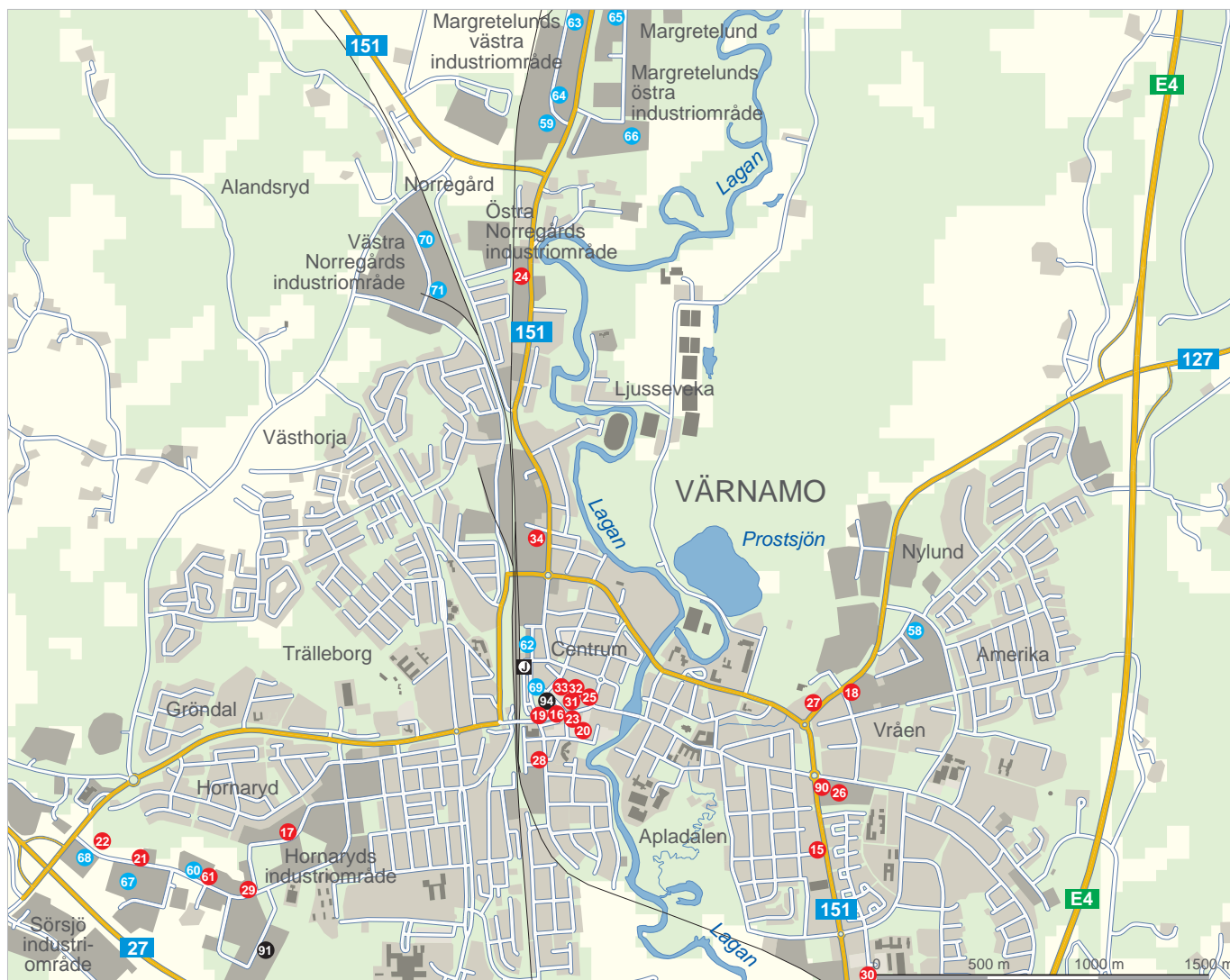
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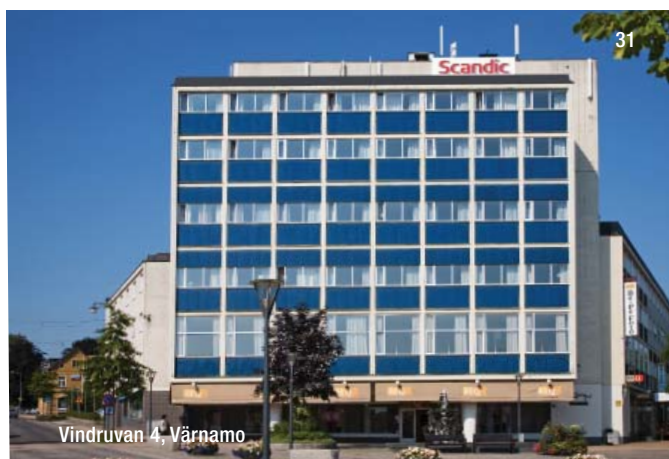
Idemannen 2, "Vita huset", Linköping

Eastern Götaland

Name of property	Address	Municipality	Acquis- year	Build/ Recon.year	Square metres per type of premises					Total	Site sq.m.	Tax Mgmt.		
					Office	Retail	Warehouse	Industrial	Residential	Other		assessment	Sub- value	sidary Note
– Marås 1:12	Maråsliden 7	Gnosjö	<1995	1960	–	–	–	1,140	–	–	1,140	3,335	83	COR
– Törestorp 2:51	Kulltorpsvägen 25	Gnosjö	<1995	1946	–	–	–	14,310	–	–	14,310	55,273	17,457	COR B
– Källemo 1	Källemogatan 12	Vaggeryd	<1995	1956/1988	147	–	7,405	–	–	–	7,552	48,347	11,123	COR B
– Yggen 1	Krokvägen 1	Vaggeryd	<1995	1985/1989	–	–	–	6,303	–	–	6,303	18,598	11,581	COR
86 Pagoden 1	Ottargatan 10	Linköping	2008	1972/2002	–	–	1,668	1,732	–	–	3,400	9,000	8,742	COR B
Total warehouse/industrial					10,336	6,268	89,418	71,468	159	0	177,649	580,331	452,235	

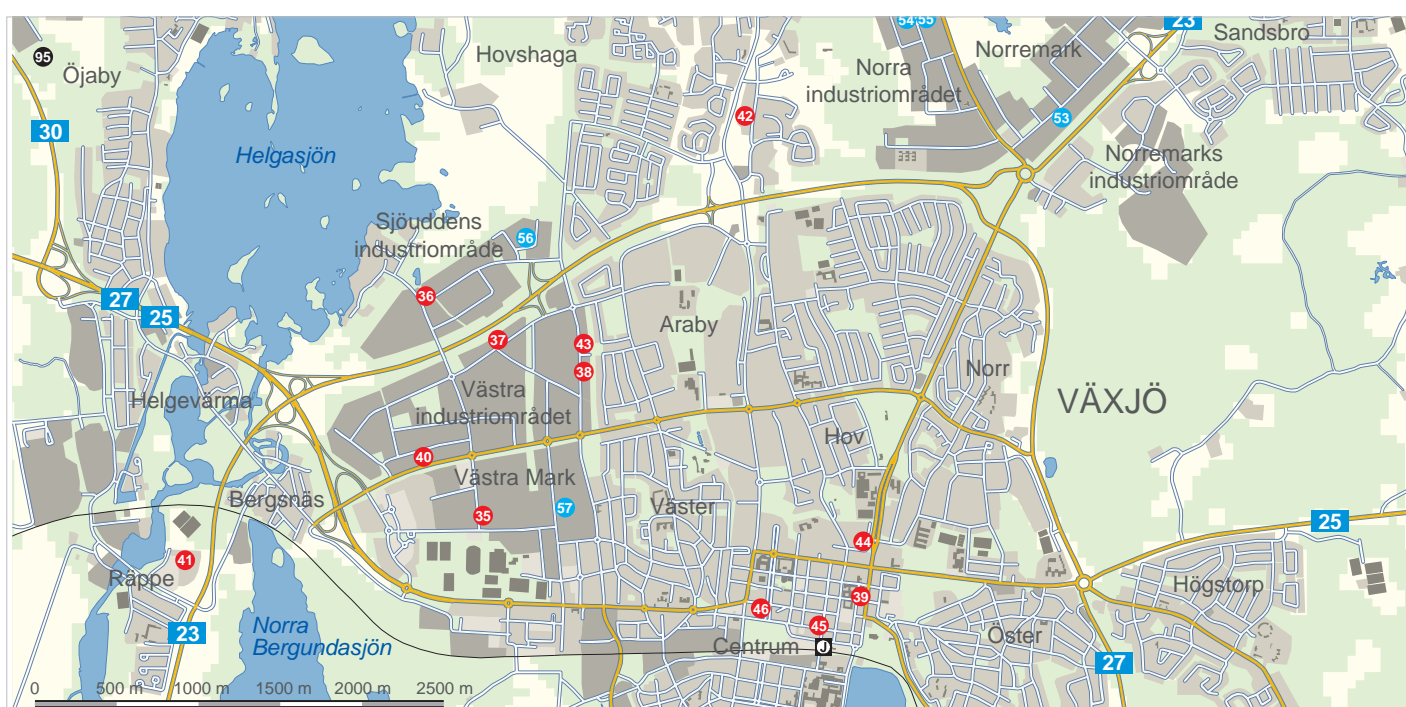


● Office/retail ● Warehouse/industrial ● Development projects and land



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- value	sidiary	Note	
					Office	Retail	Warehouse	Industrial	Residential	Other							
DEVELOPMENT PROJECTS																	
97	Algen 1	Lantmätargränd 42	Jönköping	2013	—	—	—	—	—	—	—	2,749	—	COR			
98	Jägmästaren 1	Djurgården	Linköping	2013	—	—	—	—	—	—	—	44,381	—	COR	B		
Total development projects						0	0	0	0	0	0	47,130	0				
UNDEVELOPED LAND																	
91	Bleckslagaren 1	Repslagarevägen 5	Värnamo	2004	—	—	—	—	—	—	—	5,587	670	COR	B		
94	Värnamo 14:86	Myntgatan 6	Värnamo	<1995	—	—	—	—	—	—	—	2,641	—	COR	B		
96	Visionen 4	Bataljonsgatan 10	Jönköping	2013	—	—	—	—	—	—	—	4,750	—	COR			
95	Postiljonen 2	Öjaby	Växjö	2009	—	—	—	—	—	—	—	19,597	1,959	COR	B		
Total undeveloped land						0	0	0	0	0	0	32,575	2,629				
Total Eastern Götaland						192,306	115,329	129,303	77,259	4,177	109	518,483	1,413,973	2,407,381			



● Office/retail ● Warehouse/industrial ● Development projects and land



Snickaren 12, Växjö

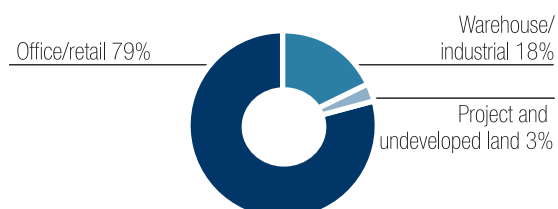


Bagaren 10, Växjö

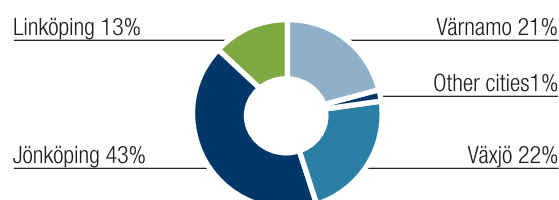
Castellum's Real Estate Portfolio in Eastern Götaland 31-12-2013

	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	16	130	166	1,284	87.1%	145	40	307	105
Värnamo	22	86	76	881	91.1%	69	24	283	45
Växjö	12	79	69	871	87.0%	60	20	247	40
Linköping	7	46	52	1,130	82.1%	43	18	394	25
Total office/retail	57	341	363	1,066	87.2%	317	102	299	215
Warehouse/industrial									
Växjö	5	49	33	682	78.5%	26	7	140	19
Värnamo	13	56	29	507	89.3%	25	5	106	20
Jönköping	8	40	23	569	87.7%	20	6	146	14
Rest of Eastern Götaland	5	33	11	335	89.9%	10	3	73	7
Total warehouse/industrial	31	178	96	537	85.2%	81	21	118	60
Total	88	519	459	885	86.8%	398	123	237	275
Leasing and property administration							24	47	-24
Total after leasing and property administration							147	284	251
Development projects	2	—	—	—	—	—	0	—	0
Undeveloped land	4	—	—	—	—	—	—	—	—
Total	94	519	459	—	—	398	147	—	251

Property value by property type



Property value by municipality



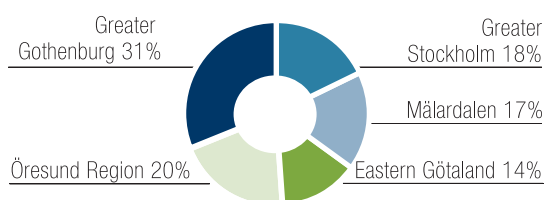
Property related key ratios

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Rental value, SEK/sq.m.	885	844	818	795	775	745	748	688	675	659
Economic occupancy rate	86.8%	88.4%	88.4%	88.0%	90.0%	90.8%	90.4%	90.6%	90.0%	89.8%
Property costs, SEK/sq.m.	284	268	272	268	275	261	269	239	213	198
Net operating income, SEK/sq.m.	483	478	451	432	422	416	407	384	395	393
Number of properties	94	95	95	96	95	93	82	76	73	76
Lettable area, thousand sq.m.	519	518	515	505	501	480	452	375	366	380

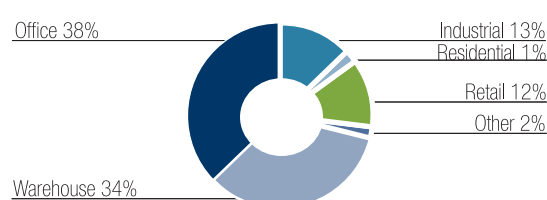
Castellum's Real Estate Schedule 2013, Summary

	Kvadratmeter per lokalslag						Total	Site sq.m.	Tax assessment value
	Office	Retail	Warehouse	Industrial	Residential	Oth			
Greater Gothenburg	419,625	64,914	443,185	170,405	8,246	5,191	1,111,566	2,099,505	6,431,691
Öresund Region	283,234	79,216	262,327	54,549	9,156	48,453	736,935	1,519,313	5,168,252
Greater Stockholm	268,387	42,524	216,970	91,443	0	19,739	639,063	969,126	4,131,852
Mälardalen	229,097	121,545	168,697	93,417	1,305	3,343	617,404	1,645,668	3,081,359
Eastern Götaland	192,306	115,329	129,303	77,259	4,177	109	518,483	1,413,973	2,407,381
Total Castellum	1,392,649	423,528	1,220,482	487,073	22,884	76,835	3,623,451	7,647,585	21,220,535

Distribution by region and sq.m.



Distribution by type of premises and sq.m.



Properties sold in 2013

Properties sold in 2013												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	sidiary	Note
					Office	Retail	Warehouse	Industrial	Residential	Other						
GREATER GOTHENBURG																
Backa 18:7, 18:10	Risbindaregatan 1	Gothenburg	<1995	1964	—	—	16,930	—	—	—	16,930	45,020	50,248	EKL		
Högsbo 4:1	Fältpatsgatan 1	Gothenburg	<1995	1965/1972	1,140	350	3,074	—	—	—	4,564	10,394	17,629	HAR		
Tingstadsvassen 12:12	Kalkbruksgatan 9	Gothenburg	2006	1989	2,489	—	—	—	—	—	2,489	3,751	8,428	EKL		
Tuve 87:1	Hildedalsgatan 2	Gothenburg	2007	1987	1,336	—	3,200	—	—	—	4,536	9,318	22,555	EKL		
Total Greater Gothenburg					4,965	350	23,204	0	0	0	28,519	68,483	98,860			
ÖRESUND REGION																
Björnen 6	Davidhallsg 20/S. Förstadsg 23	Malmö	<1995	1920/1988	1,672	429	71	—	—	—	2,172	1,188	35,400	BRI		
Total Öresund Region					1,672	429	71	0	0	0	2,172	1,188	35,400			
GREATER STOCKHOLM																
Veddesta 2:23	Nettovägen 1	Järfälla	<1995	1971/1985	—	4,342	1,769	—	—	—	6,111	7,063	30,000	BRO		
Sicklaön 394:5	Vikdalsgränd 10	Nacka	1996	1991	1,659	—	151	—	—	—	1,810	4,125	16,269	BRO		
Alphyddan 11	Bällstavägen 28-36	Stockholm	1997	1964	4,363	—	—	—	—	—	4,363	4,126	16,615	BRO		
Landningsbanan 3	Flygfältsgatan 18, 20	Stockholm	2010	1984	—	—	1,000	—	—	—	1,000	2,208	6,161	BRO	T	
Linäberg 15	Alpvägen 17	Stockholm	1999	1973	2,349	—	1,990	—	—	—	4,339	5,448	18,413	BRO	T	
Total Greater Stockholm					8,371	4,342	4,910	0	0	0	17,623	22,970	87,458			
MÄLARDALEN																
Kungsängen 24:3	Kungsgatan 95	Uppsala	<1995	1998	696	5,665	—	—	—	13	6,374	15,284	45,800	ASP		
Kungsängen 29:1	Kungsgatan 70	Uppsala	1997	1985	2,413	1,901	160	—	—	—	4,474	8,966	24,800	ASP		
Signalen 6	Propellervägen 1	Örebro	2006	1991	1,776	—	—	—	—	—	1,776	4,151	9,957	ASP		
Vindrutan 1	Västhagagatan 3	Örebro	1996	1992	—	1,230	85	—	—	—	1,315	10,062	8,283	ASP		
Total Mälardalen					4,885	8,796	245	0	0	13	13,939	38,463	88,840			
EASTERN GÖTALAND																
Töllstorp 1:561	Mobäcksvägen 2	Gnosjö	<1995	1946	—	—	—	4,290	—	—	4,290	7,995	5,632	COR		
Vattenpasset 6	Kungsängsvägen 7	Jönköping	<1995	1971/1990	1,517	—	632	—	—	—	2,149	4,894	6,270	COR		
Bredasten 1	Värnamo	Värnamo	2008	—	—	—	—	—	—	—	—	19,915	—	COR		
Bredasten 2	Värnamo	Värnamo	2008	—	—	—	—	—	—	—	—	10,030	—	COR		
Total Eastern Götaland					0	0	0	4,290	0	0	4,290	37,940	5,632			
Total Castellum					21,410	13,917	29,062	4,290	0	13	68,692	173,938	322,460			

GRI

Castellum reports from 2013, its sustainability work in accordance with the GRI guidelines, level C. The report describes how Castellum group worked with sustainability issues in 2013. The following table lists where in the Annual Report the information is reported. The report is based on what is essential for the business and all core indicator reported. Accounts have not been audited by any external party.

GRI-reference	Accounting	Page	GRI-reference	Accounting	Page
1 Strategy and Analysis			EN8 (K) Total water withdrawal per source	R	34-35
1.1 CEO's comments	R	2	EN9 (T) Water sources significantly affected by withdrawal of water.	NR	
2 Organizational Profile			EN11 (K) Operation in areas of high biodiversity	NA	
2.1 Name of the organization	R	Backside	EN12 (K) Impact on biodiversity	NA	
2.2 Primary brands, products and/or services	R	4-5, backside	EN18 (T) Initiatives to reduce greenhouse gas	R	34-35
2.3 Operational structure of the organization	R	32	EN19 (K) Emissions of ozone-depleting substances	R	34-35
2.4 Location of organization's headquarters	R	80	EN20 (K) NO _x , SO _x , and other significant air emissions	NR	
2.5 Countries where the organization operates	R	12	EN21 (K) Total water discharge	NR	
2.6 Nature of ownership and legal form	R	48-50	EN22 (K) Total weight of waste by type and disposal method	NR	
2.7 Markets	R	12	EN23 (K) Significant spills.	NR	
2.8 Scale of the organization	R	13	EN26 (K) Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	R	34-35
2.9 Significant changes during the reporting period	R	1	EN27 (K) Proportion of recycled products	NA	
2.10 Awards received in the reporting period.	R	30	EN28 (K) Significant fines and total number of non-monetary sanctions for noncompliance with environmental laws	R	28
3 Report Parameters			LA Employment		
3.1 Reporting period	R	28	LA1 (K) Total workforce by employment type, employment contract, sex and region.	R	32-33, 36, 86
3.2 Date of most recent previous report	R	28	LA2 (K) Total number and rate of employee turnover	R	32
3.3 Reporting cycle	R	28	LA4 (K) Percentage of employees covered by collective bargaining agreements.	NR	
3.4 Contact person for questions regarding the report	R	28	LA5 (K) Information regarding operational changes	NA	Law in i Swe
3.5 Process for defining report content	R	28	LA7 (K) Rates of injury and occupational diseases	R	32-33
3.6 Boundary of the report	R	28	LA8 (K) Measures to assist workforce members regarding serious diseases	R	32-33
3.7 Specific limitations on the scope or boundary of the report	R	28	LA10 (K) Average hours of training per year per employee	NR	
3.8 Basis for reporting on subsidiary companies	R	28	LA12 (T) Percentage of employees receiving regular performance and career development reviews.	R	32-33
3.10 Explanation of the effects of any re-statements of information provided in earlier reports	NA		LA13 (K) Diversity indicators for the Board, management and employees	NR	
3.11 Significant changes from previous reporting periods in the scope, demarcation or measurement methods applied	NA		LA14 (K) Ratio of basic salary of men to women by employee category	NR	
3.12 GRI Index	R	132	HR Investment and procurement procedures		
4 Governance, Commitments and Engagement			HR1 (K) Investment agreements that include human rights	NR	
4.1 Governance structure of the organization	R	61	HR2 (K) Suppliers that have undergone screening on human rights	NR	
4.2 Role of the Chairman of the Board in the organisation	R	64	HR4 (K) Total number of incidents of discrimination and actions taken.	R	28
4.3 Independent and/or non-executive board members	R	65	HR5 (K) The right to exercise freedom of association and collective bargaining	NR	
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the board	R	63	HR6 (K) Child labour	NR	
4.14 Stakeholder groups	R	28	HR7 (K) Forced labor	NR	
4.15 Basis for selection of stakeholders	R	28	SO Society Performance Indicators		
5 Management Approach and Performance Indicators			SO1 (K) Programs that handles the impacts of operations on communities	R	28-30
EC Economic Indicators			SO2 (K) Business units analyzed for risks related to corruption	R	28-31
EC1 (K) Direct economic value	R	70-71	SO3 (K) Employees who have received training in the organization's anti-corruption policies and procedures	R	30-31
EC2 (K) Risks and possibilities due to climate change	NR		SO4 (K) Actions taken in response to incidents of corruption	NA	
EC3 (K) Pensions and other benefit plans	R	86	SO5 (K) Public policy positions and participation in public policy development and lobbying.	NR	
EC4 (K) Significant financial assistance received from government.	NR		SO8 (K) Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	R	28
EC6 (K) Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	NA		PR Product Responsibility Performance Indicators		
EC7 (K) Guidelines for local employment	NA		PR1 (K) Health and safety impacts of products and services	NR	
EC8 (K) Infrastructure investments and services provided primarily for public benefit	R	30	PR3 (K) Product and service information required by procedures	NR	
EN Environment Indicators			PR5 (T) Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	R	26-27
EN1 (K) Material usage	NR		PR6 (K) Programme for compliance with laws, standards and voluntary codes for market communication, including marketing, PR and sponsorship	NR	
EN2 (K) Recycled material	NR		PR9 (K) Monetary value of significant fines for noncompliance with laws and regulations	R	28
EN3 (K) Direct energy consumption	R	34-35			
EN4 (K) Indirect energy consumption	R	34-35			
EN5 (T) Energy saved due to conservation and efficiency improvements	R	34-35			
EN6 (T) Initiatives to provide products and services that are energy efficient or based on renewable energy, and reductions in energy needs as a result of these initiatives	R	34-35			
EN7 (T) Initiatives and results to reduce indirect energy consumption	R	34-35			
			Explanation		
			R	Reported	(K) Core Indicator
			NR	Not reported	(T) Additional Indicator
			NA	Not applicable	

Definitions

Actual net asset value (EPRA NNAV)

Reported equity according to the balance sheet, adjusted for actual 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.

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.

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 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 initial net asset value during the year, but with actual 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 long term net asset value

Income after tax with reversed changes in value of derivatives and deferred tax as a percentage of initial long term net asset value. In the interim reports the return has been recalculated on 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 during the year as a percentage of average 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

Share price development with addition of the dividends during the period which was reinvested in shares that day shares traded ex-dividend.

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CASTELLUM

Annual General Meeting

Castellum AB's Annual General Meeting will take place on Thursday March 20 2014 at 5 pm at GöteborgsOperan, Christina Nilssons gata, Gothenburg. For more information and notification of attendance see www.castellum.se.

Annual General Meeting calender and dividend

Notification for the AGM	March 14, 2014
Annual General Meeting	March 20, 2014
Ex-dividend date	March 21, 2014
Record day for the dividend	March 25, 2014
Payment of dividend	March 28, 2014

Financial Reporting

Interim Report January - March 2014	April 22, 2014
Half-year Report January - June 2014	July 16, 2014
Interim Report January - September 2014	October 15, 2014
Year-end Report 2014	January 21, 2015