



*Interior from Forskaren 2 in Lund*

# CASTELLUM

Half-year Report January-June 2012

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Castellum is one of the major listed real estate companies in Sweden. The fair value of the real estate portfolio amounts to SEK 35 billion, and comprises of commercial properties.

The real estate portfolio is owned and managed by six wholly owned subsidiaries with strong local roots in five growth regions: Greater Gothenburg (incl. Borås and Halmstad), the Öresund Region (Malmö, Lund, Helsingborg and Copenhagen), Greater Stockholm, Mälardalen (Örebro, Västerås and Uppsala) and Eastern Götaland (Jönköping, Linköping, Värnamo and Växjö).

Castellum is listed on NASDAQ OMX Stockholm AB Large Cap.

- Rental income for the period January-June 2012 amounted to SEKm 1,521 (SEKm 1,447 corresponding period previous year).
- Income from property management amounted to SEKm 606 (555), corresponding to SEK 3.70 (3.38) per share, an increase of 9%.
- Changes in value on properties amounted to SEKm 28 (388) and on interest rate derivatives to SEKm 109 (67).
- Net income after tax for the period amounted to SEKm 580 (757), corresponding to SEK 3.54 (4.62) per share.
- Net investments amounted to SEKm 735 (738) of which SEKm 613 (528) were new constructions, extensions and reconstructions.

	2012 Jan-June	2011 Jan-June	2011	2010	2009	2008	2007	2006	2005	2004	2003
Income from property management, SEK/share	3.70	3.38	7.15	6.96	6.89	5.93	5.63	5.38	5.00	4.52	4.07
<i>Change previous year</i>	<i>+9%</i>	<i>+3%</i>	<i>+3%</i>	<i>+1%</i>	<i>+16%</i>	<i>+5%</i>	<i>+5%</i>	<i>+8%</i>	<i>+11%</i>	<i>+11%</i>	<i>+8%</i>
Net income after tax, SEK/share	3.54	4.62	4.34	11.98	0.98	-4.04	9.07	10.21	7.89	5.59	2.68
<i>Change previous year</i>	<i>-23%</i>	<i>+26%</i>	<i>-64%</i>	<i>+1,122%</i>	<i>pos.</i>	<i>neg.</i>	<i>-11%</i>	<i>+29%</i>	<i>+41%</i>	<i>+108%</i>	<i>-33%</i>
Dividend, SEK/share			3.70	3.60	3.50	3.15	3.00	2.85	2.62	2.38	2.13
<i>Change previous year</i>			<i>+3%</i>	<i>+3%</i>	<i>+11%</i>	<i>+5%</i>	<i>+5%</i>	<i>+9%</i>	<i>+11%</i>	<i>+12%</i>	<i>+13%</i>
Property value, SEKm	34,632	32,896	33,867	31,768	29,267	29,165	27,717	24,238	21,270	19,449	18,015
Net investments, SEKm	735	738	1,908	1,279	1,129	2,710	2,559	1,823	889	774	711
Loan to value	52%	51%	51%	50%	52%	50%	45%	45%	45%	45%	48%

## 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.

## Objective

Castellum's operations are focused on growth in cash flow, which along with a low financial risk provides the preconditions for robust growth in the company, and offers shareholders a competitive dividend.

The objective is an annual growth in cash flow, i.e., income from property management per share, of at least 10%. In order to achieve this objective, net investments of at least 5% of the property value will be made yearly. At the moment, this is equivalent to approx. SEKm 1,700. 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 and when an alternative investment with a higher return can be found.

## Strategy for Funding

### Capital structure

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

Purchase or transfer of own shares shall be available as a method 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.

### Dividend

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

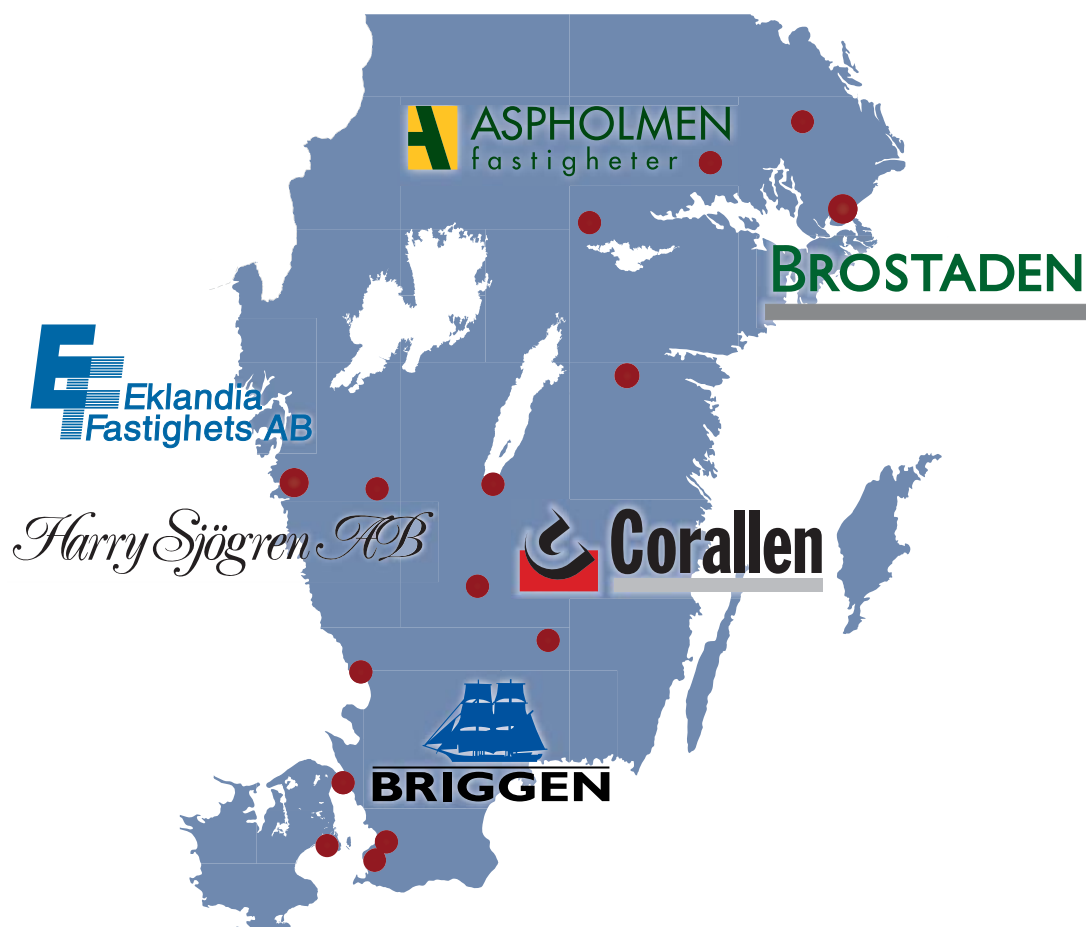
### The stock and credit markets

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.

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



# Customers and organization



## The customers - a reflection of Swedish domestic economy

Castellum has approx. 4,600 commercial contracts, with good risk exposure regarding geography, type of premises, length of contracts and fields of industry of the customer. The single largest contract corresponds to approx. 1% of Castellum's total rental income.

It is important that Castellum meets customers expectations. To follow up and evaluate efforts, an external customer survey is carried out annually, Satisfied Customer Index. The latest survey, that included offices, warehouses, industry and retail, continues to show consistently high marks for Castellum.

## Commercial leases

Commercial leases are signed for a specified period of time, generally 3-5 years, where the period of notice is 9 months. The leases normally include a base-rent and an index clause, which provides for an adjustment of the rent corresponding to a certain percentage or connected to the inflation. Leases may also contain supplements for the tenant's share of the property's total heating, cooling and property-tax costs.

## Decentralized and small-scale organization

Castellum's operations are run in a small-scale organization consisting of six subsidiaries which own and manage the properties under their own brands. By having local roots, the subsidiaries forge close relationships with customers and develop thorough knowledge of the market situation and rental development within each market area.

Property management is mainly carried out by Castellum personnel.

## Subsidiaries with strong brands

Castellum has six wholly owned subsidiaries which each engage about 35 employees. The subsidiary organizations are not identical but are in principle made up of a Managing Director, 2-4 market areas, business developers and 3-5 employees within finance and administration. Each market area employs one property manager with one assistant, one person working with leasing and 3-8 facility managers. Everyone has customer contact. The flat organization provides a short decision-making process and creates a customer oriented and active organization.

Castellum subsidiaries operate under their own names, which are strong brands on each local market.

## Castellums' 4 corner stones



### Cash flow focus

- An annual growth in cash flow, i.e. income from property management per share, of at least 10%
- Net investments of at least 5% of the property value yearly



### Commercial properties in growth regions

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



### Customer focus through local organizations

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



### Strong balance sheet and low financial risk

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

## Employees

Castellum works actively to hire and retain top-notch employees by offering a stimulating work environment, competence development and sharing of experiences both internally and externally.

Employee viewpoints on Castellum are monitored regularly and surveys show that employees enjoy their working situation and have high confidence in the company and its management.

The group has approx. 240 employees.

## 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). Further Castellum also handles rules for decision making and work allocation, overall policies, IT/IS strategies and personnel matters. Castellum AB has 15 employees.

The parent company takes active part in operations through involvement in subsidiary Boards.

## Responsible business

Responsible business for Castellum means a responsible manner towards customers, employees and other stakeholders and to develop the business activities with least possible impact on the environment. The driving forces for this work are, besides contributing to a sustainable society, added value through good management and hence customer satisfaction, lower costs, stronger brand and increased competitiveness.

The social responsibility covers employees, with a corporate culture where employee skills and commitment are utilized and developed. Castellum's code of business conduct rate governing day-to-day activities, and are closely aligned with the UN's Global Compact Code of Conduct. The responsibility also means to set firm environmental and quality demands on suppliers. Castellum, as one of the largest real estate owners on local markets, also contributes to the regional development and the development of the property portfolio through co-operation with municipalities and universities/colleges.

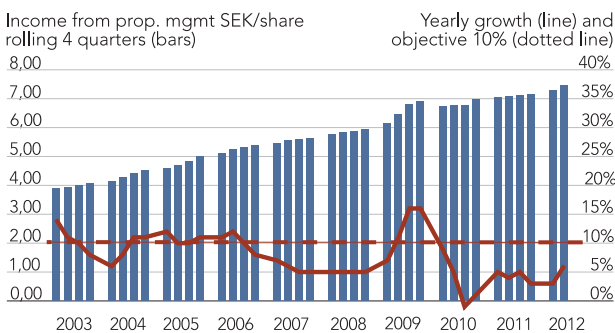
Environmental efforts are focused on efficient energy consumption and improving the general environmental status of each property. Castellum owns 92 of 248 Green Building classified buildings in Sweden.

# Income, Costs and Results

Comparisons, shown in brackets, are made with the corresponding period previous year except in parts describing assets and financing, where comparisons are made with the end of previous year. For definitions see Castellum's website, [www.castellum.se](http://www.castellum.se)

Income from property management, i.e. net income excluding changes in value and tax, amounted for the period January-June 2012 to SEKm 606 (555), equivalent to SEK 3.70 (3.38) per share – an increase of 9%. Income from property management rolling four quarters amounted to SEKm 1,224 (1,159) equivalent to SEK 7.46 per share (7.07) – an increase of 6%.

## Income from Property Management per share



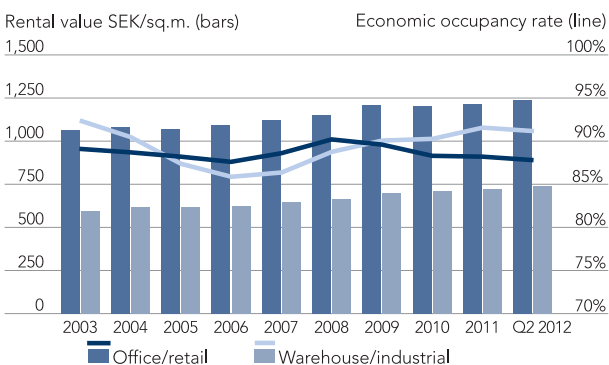
During the period, changes in value on properties amounted to SEKm 28 (388) and on interest rate derivatives to SEKm 109 (67). Net income after tax for the period was SEKm 580 (757), equivalent to SEK 3.54 (4.62) per share.

## Rental income

Group rental income amounted to SEKm 1,521 (1,447). For office and retail properties, the average contracted rental level, including charged heating, cooling and property tax, amounted to SEK 1,240 per sq.m., whereas for warehouse and industrial properties, it amounted to SEK 740 per sq.m. Rental levels, which are considered to be in line with the market, have increased by 2% in comparable portfolio compared with previous year, which is mainly an effect of index clause adjustments.

The average economic occupancy rate was 88.9% (89.0%).

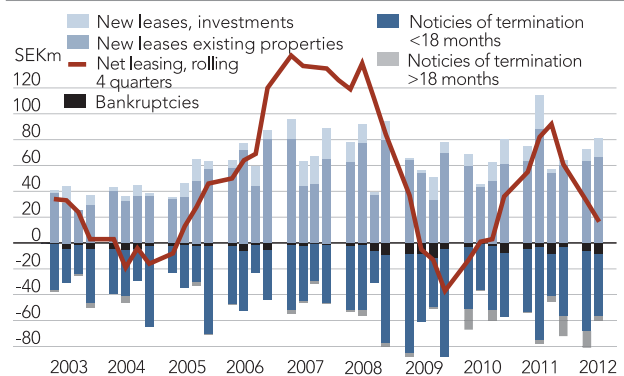
## Rental value and economic occupancy rate



The total annual rental value for vacant premises on yearly basis amounted to approx. SEKm 416 (380).

Gross leasing (i.e. the annual value of total leasing) during the period was SEKm 154 (189), of which SEKm 25 (38) were leasing of new constructions, extensions and reconstructions. Notices of termination amounted to SEKm 141 (132), of which bankruptcies were SEKm 14 (7) and SEKm 17 (4) were notices of termination with more than 18 months remaining length of contract. Hence net leasing for the period was SEKm 13 (57) of which SEKm 21 (36) relates to the second quarter isolated. The time difference between reported net leasing and the effect in income thereof is estimated to be between 9-18 months.

## Net leasing



After the slowdown at the end of last year, the demand has stabilized and is now on a good level. Generally, this is valid for different property types as well as regions, even if the supply of vacant premises varies between different local markets.

Rental levels are generally expected to remain stable.

## Property costs

Property costs amounted to SEKm 524 (526) corresponding to SEK 308 per sq.m. (319) – a decrease with 3%. Costs for heating during the period has been calculated to 94% (93%) of a normal year according to the degree day statistics.

## Property costs, SEK/sq.m.

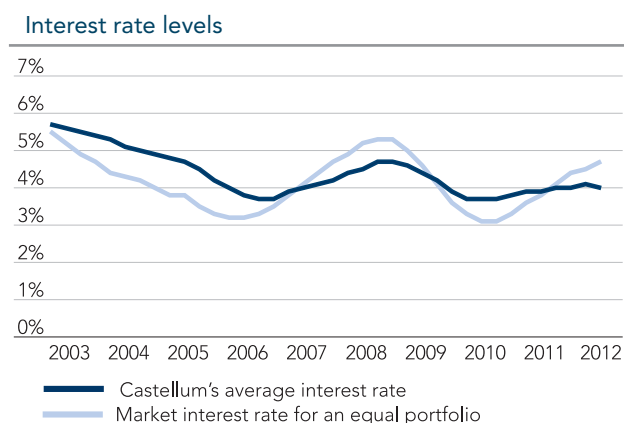
	Office/ Retail	Warehouse/ Industrial	Total
Operating expenses	204	126	168
Maintenance	44	21	34
Ground rent	7	7	7
Property tax	67	18	45
Direct property costs	322	172	254
Leasing and property administration (indirect)	–	–	54
<b>Total</b>	<b>322</b>	<b>172</b>	<b>308</b>
Previous year	336	191	319

## Central administrative expenses

Central administrative expenses totalled SEKm 47 (45). This includes costs for a profit-and-share-price related incentive plan for 10 persons in executive management of SEKm 6 (9).

## Net interest rate

Net interest items were SEKm –344 (–321). The average interest rate level was 4.0% (4.0%).



## Changes in value

The transaction volume in Swedish real estate market totalled SEK 49 billion during the first half-year, which is in line with corresponding period previous year. Commercial properties accounted for 72% (70%) and foreign buyers for approx. 20% (17%) of the transaction volume. Despite difficulties on the credit market there is a continued good demand on the market, resulting in stable price levels on all markets as well as segments.

The change in value in Castellum's portfolio during the period amounted to SEKm 28 (388). No general yield change has been made in the internal valuations during the period. The change in value includes SEKm 10 due to 13 sold properties. The net sales price amounted to SEKm 211 after reduction for assessed deferred tax and transaction costs of SEKm 13. Hence the underlying property price, which amounted to SEKm 224, exceeded the latest valuation of SEKm 201 with SEKm 23.

Castellum utilizes interest rate derivatives to achieve the desired interest rate maturity structure. If the agreed interest rate deviates from the market interest rate, there is a theoretical surplus or sub value in the interest rate derivatives where the non-cash-flow affecting changes in value are reported in the income statement. Note that interest rate derivatives used to achieve an interest rate maturity structure are subject to market valuation, which is normally not the case for credit margins or loans with fixed interest rates. Castellum also has a few derivatives in order to hedge currency fluctuation in its investment in Denmark. As for currency derivatives, a theoretical surplus / sub value occurs if the agreed exchange rate deviates from the current

exchange rate, where the effective portion of value changes is accounted for in other total income.

The value in the derivatives portfolio has changed by SEKm 109 (66), mainly due to changes in long-term market interest rates and the value was SEKm –894 (–1,003) at the end of the period.

## Tax

The nominal corporate tax rate in Sweden is 26.3%. Due to the possibility to deduct depreciation and reconstructions for tax purposes, and to utilize tax loss carryforwards, the paid tax costs are low.

Remaining tax loss carryforwards can be calculated to SEKm 1,511 (1,772). Fair values for the properties exceed their fiscal value by SEKm 16,577 (16,197) of which SEKm 348 relates to properties acquired and accounted for as asset acquisitions. As deferred tax liability, a full nominal 26.3% tax of the net difference is reported, reduced by the deferred tax relating to asset acquisitions, i.e., SEKm 3,871 (3,714).

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

### Tax Calculation 30-06-2012

SEKm	Basis current tax	Basis deferred tax
Income from property management	606	
Deductions for tax purposes		
depreciations	– 325	325
reconstructions	– 129	129
Other tax allowances	– 2	– 14
Taxable income from property management	150	440
Properties sold	26	– 122
Changes in value on properties	–	18
Changes in value on interest rate derivatives	109	–
Taxable income before tax loss carry forwards	285	336
Tax loss carry forwards, opening balance	– 1,772	1,772
Tax loss carry forwards, closing balance	1,511	– 1,511
Taxable income	24	597
<b>Of which 26.3% current/deferred tax</b>	<b>– 6</b>	<b>– 157</b>

# Real Estate Portfolio



The real estate portfolio is located in Greater Gothenburg, the Öresund Region, Greater Stockholm, Mälardalen and Eastern Götaland. The three major urban regions represents approx. 75% of the portfolio.

The commercial portfolio consists of 67% office and retail properties and 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 adequate means of communication and services. The remaining 3% consist of projects and undeveloped land.

Castellum owns approx. 770,000 sq.m. of unutilized building rights and ongoing projects with an remaining investment level of approx. SEKm 1,300.

## Investments

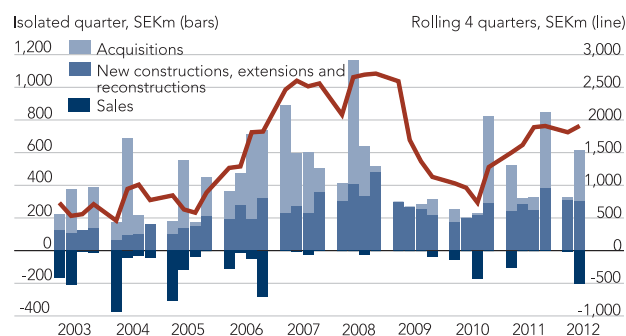
During the period the real estate portfolio has changed according to the table below.

Changes in the real estate portfolio	Value, SEKm	Number
Real estate portfolio on 1 January, 2012	33,867	617
+ Acquisitions	333	7
+ New constructions, extensions and reconstructions	613	-
- Sales	-201	-13
+/- Unrealized changes in value	18	-
+/- Currency translation	2	-
<b>Real estate portfolio on 30 June, 2012</b>	<b>34,632</b>	<b>611</b>

During the period, investments totalling SEKm 946 (841) were carried out, of which SEKm 613 (528) were new constructions, extensions and reconstructions and SEKm 333 (313) were acquisitions. Of the total investments SEKm 336 refers to Greater Gothenburg, SEKm 227 to Öresund Region, SEKm 156 to Mälardalen, SEKm 139 to the Eastern Götaland and SEKm 88 to Greater Stockholm.

Following sales of SEKm 211 (103) the net investments totalled SEKm 735 (738).

## Net property investments



## Property value

### Internal valuations

Castellum assesses the value of the properties through internal valuations. These are based on a 10-year cash flow based model with an individual valuation for each property of both its future earnings capacity and the required market yield. Projects in progress have been valued using the same principle, but with deductions for remaining investments. Sites with building rights have been valued on the basis of an estimated market value per square metre, on average approx. SEK 960 per sq.m. In order to ensure and validate the quality of the internal valuations, an external valuation – representing over 50% of the portfolio – is made every year-end. The difference between the internal and external valuations has historically been small.

Based on these internal valuations the value of the properties at the end of the period were assessed to SEKm 34,632 (33,867), corresponding to SEK 9,971 per sq.m.

### Average valuation yield

(excl. project/land and building rights)	SEKm
Net operating income properties	1,092
+ Real occupancy rate, 94% at the lowest	125
+/- Property cost annual rate	31
- Property administration, 30 SEK/sq.m.	-51
<b>Normalized net operating income (6 months)</b>	<b>1,197</b>
Valuation (excl. building rights of SEKm 465)	33,165
<b>Average valuation yield</b>	<b>7.2%</b>

### Average valuation yield over time





Fullriggaren 4, Malmö



Lindholmen 28:3, Gothenburg



Atollen, Jönköping



Märsta 1:219, Sigtuna



Sketch Trucken 4, Viared, Borås



Inköparen 1, Örebro

## Larger investments and sales

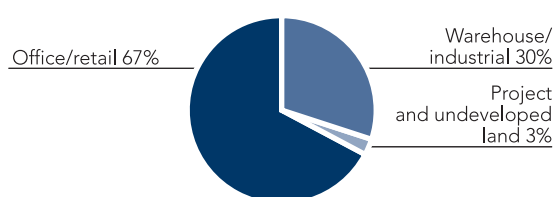
Larger projects		Area	Econ. occup.	Total inv.	Remain. inv.	Completed	Comment
Property	sq.m	July 2012	SEKm	SEKm			
<b>Ongoing projects</b>							
Lindholmen 28:3, Gothenburg	10,500	5%	242	184	Q1 2013	New construction office premises	
Atollen, Jönköping	6,019	0%	169	116	Q3 2013	New construction office/retail/residential	
Fullriggaren 4, Malmö	5,400	0%	149	45	Q3 2013	New construction office premises	
Forskaren 2, Lund	7,400	19%	135	54	Q3 2013	New construction office premises	
Inköparen 1, Örebro	4,300	76%	62	18	Q2 2013	New construction office premises	
Åby 1:223, Jordbro	6,550	0%	66	58	Q1 2014	New construction warehouse/logistics	
Trucken 4, Borås	9,200	100%	58	40	Q4 2012	New construction warehouse	
Kärra 28:18, Gothenburg	5,440	100%	43	3	Q3 2012	New construction warehouse	
Rosersberg 11:34, Sigtuna	4,080	0%	40	22	Q4 2012	New construction warehouse/office	
<b>Projects completely / partly moved in</b>							
Gården 15, Linköping	9,855	46%	106	18	Q1 2013	New construction office/retail/warehouse	
<b>Larger acquisitions during 2012</b>							
Property	Area	Econ. occup.	Acquisition-		Access	Category	
	sq.m	July 2012	SEKm				
Högsbo 17:7, 36:6 and 36:7, Gothenburg	17,540	93%	148		April 2012	Office/warehouse	
Helgeshøj Allé 38, Copenhagen	19,195	100%	111		June 2012	Warehouse/office/other	
Transformervej 14-16, Copenhagen	5,900	100%	46		June 2012	Office	
<b>Larger sales during 2012</b>							
Property	Area	Underlying prop.	Trans. costs	Net sales	Access	Category	
	sq.m	price, SEKm	deferred tax, SEKm	price, SEKm			
Märsta 16:2, 17:6, 21:54, 16:3, 1:219 and Broby 11:2, Sigtuna	16,620	123	- 7	116	June 2012	Industrial/office/warehouse	
Lorensberg 46:5, Gothenburg	970	44	- 4	40	May 2012	Office	
Lindome 2:40, 2:47, Mölndal	12,430	33	- 2	30	June 2012	Warehouse	

## Castellum's real estate portfolio 30-06-2012

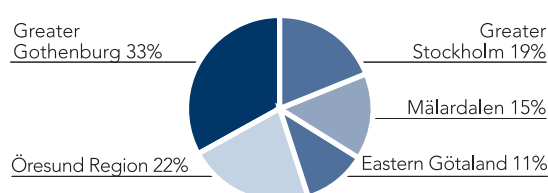
	30-06-2012				January-June 2012						
	No. of properties	Area thous. sq.m.	Property value SEKm	Property value SEK/sq.m.	Rental value SEKm	Rental value SEK/sq.m.	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m.	Net operating income SEKm
<b>Office/retail</b>											
Greater Gothenburg	79	430	6,111	14,205	277	1,287	93.6%	259	67	311	192
Öresund Region	60	361	5,334	14,775	249	1,379	85.5%	213	63	349	150
Greater Stockholm	51	340	4,351	12,797	234	1,376	78.3%	183	59	345	124
Mälardalen	77	394	4,295	10,907	219	1,114	91.8%	201	63	319	138
Eastern Götaland	53	321	3,034	9,452	166	1,030	89.6%	149	46	284	103
<b>Total office/retail</b>	<b>320</b>	<b>1 846</b>	<b>23,125</b>	<b>12,527</b>	<b>1,145</b>	<b>1,240</b>	<b>87.8%</b>	<b>1 005</b>	<b>298</b>	<b>322</b>	<b>707</b>
<b>Warehouse/industrial</b>											
Greater Gothenburg	100	655	4,974	7,594	244	747	93.0%	227	54	165	173
Öresund Region	42	316	1,878	5,950	112	710	84.9%	95	25	161	70
Greater Stockholm	43	222	2,016	9,062	106	951	90.7%	96	27	247	69
Mälardalen	34	153	900	5,887	55	723	105.0%	58	14	183	44
Eastern Götaland	33	181	737	4,078	48	526	83.1%	39	10	116	29
<b>Total warehouse/industrial</b>	<b>252</b>	<b>1 527</b>	<b>10,505</b>	<b>6,881</b>	<b>565</b>	<b>740</b>	<b>91.3%</b>	<b>515</b>	<b>130</b>	<b>172</b>	<b>385</b>
<b>Total</b>	<b>572</b>	<b>3 373</b>	<b>33,630</b>	<b>9,971</b>	<b>1,710</b>	<b>1,014</b>	<b>88.9%</b>	<b>1 520</b>	<b>428</b>	<b>254</b>	<b>1,092</b>
Leasing and property administration									91	54	- 91
<b>Total after leasing and property administration</b>									<b>519</b>	<b>308</b>	<b>1,001</b>
Development projects	12	52	698	-	22	-	-	4	5	-	- 1
Undeveloped land	27	-	304	-	-	-	-	-	-	-	-
<b>Total</b>	<b>611</b>	<b>3,425</b>	<b>34,632</b>	<b>-</b>	<b>1,732</b>	<b>-</b>	<b>-</b>	<b>1,524</b>	<b>524</b>	<b>-</b>	<b>1,000</b>

The table above relates to the properties owned by Castellum at the end of the period and reflects the income and costs of the properties as if they had been owned during the whole period. The discrepancy between the net operating income of SEKm 1,000 accounted for above and the net operating income of SEKm 997 in the income statement is explained by the deduction of the net operating income of SEKm 7 on properties sold during the period, as well as the adjustment of the net operating income of SEKm 10 on properties acquired/completed during the period, which are recalculated as if they had been owned or completed during the whole period.

### Property value by property type



### Property value by region



### Property related key ratios

	2012 Jan-June	2011 Jan-June	2011 Jan-Dec
Rental value, SEK/sq.m.	1,014	992	995
Economic occupancy rate	88.9%	89.0%	89.3%
Property costs, SEK/sq.m.	308	319	300
Net operating income, SEK/sq.m.	594	564	589
Property value, SEK/sq.m.	9,971	9,778	9,835
Number of properties	611	602	617
Lettable area, thousand sq.m.	3,425	3,324	3,411

### Segment information

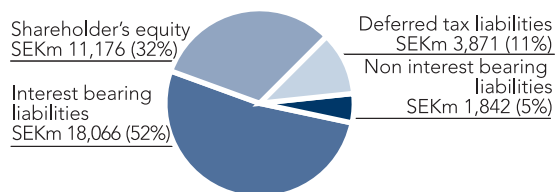
SEKm	Rental income		Income from property management	
	2012 Jan-June	2011 Jan-June	2012 Jan-June	2011 Jan-June
Greater Gothenburg	487	472	223	215
Öresund Region	301	282	120	112
Greater Stockholm	279	270	107	94
Mälardalen	265	240	101	81
Eastern Götaland	189	183	74	68
<b>Total</b>	<b>1,521</b>	<b>1,447</b>	<b>625</b>	<b>570</b>

The discrepancy between the income from property management of SEKm 625 (570) above and the groups accounted income before tax of SEKm 743 (1,010) consists of unallocated income from property management of SEKm -19 (-15), changes in property value of SEKm 28 (388) and changes in values of interest rate derivatives of SEKm 109 (67).

# Financing

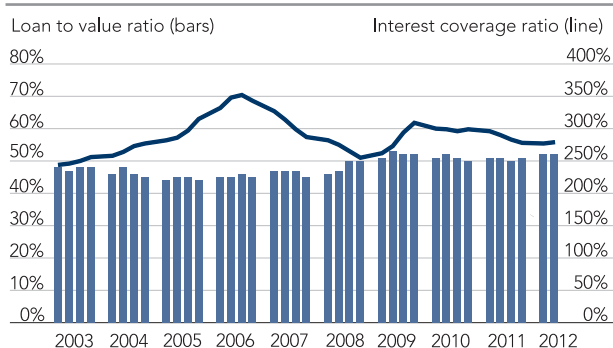
Castellum's assets had a value of SEKm 34,955 (34,171) on 30 June 2012 and these are financed as follows.

## Financing 30-06-2012



Castellum shall have a low financial risk, meaning a loan to value ratio not permanently exceeding 55% and an interest coverage ratio of at least 200%

## Loan to value ratio and interest coverage ratio



## Credit market

The period was marked by an increased unease on the financial markets in Europe. The Swedish economy developed more strongly than expected during the first months of the year, while the weak development in the euro area results in increased unease for the domestic economy. On July 4th the Swedish Riksbank decided to keep the repo rate unchanged at 1.5%. The long term interest rates have been highly volatile during the period but are now in line with the levels from the beginning of the year

Generally, access to credit is now somewhat lower than for the same period last year, whereas it is considered stable for Castellum's part.

## Loan maturity structure

At the end of the period Castellum had long term binding credit agreements totalling SEKm 19,371 (19,374) and short term binding credit agreements totalling SEKm 424 (420). Further there is a commercial paper program of SEKm 4,000 (4,000). As of June 1, the Swedish Financial Supervisory Authority approved Castellum's prospectus concerning the company's Medium Term Note program (MTN-program) of SEKm 5,000. After deduction of liquid assets of SEKm 59 (97), net interest bearing liabilities were SEKm 18,007 (17,063), of which SEKm 1,840 (2,235) refers to outstanding commercial papers.

Most of Castellum's loans are short-term revolving loans, utilized in long-term binding credit agreements in the largest nordic banks. This means great flexibility in the choice of interest rate base, interest rate period and tied up capital. The MTN-program is a complement to the existing funding in banks and will broaden the base of funding.

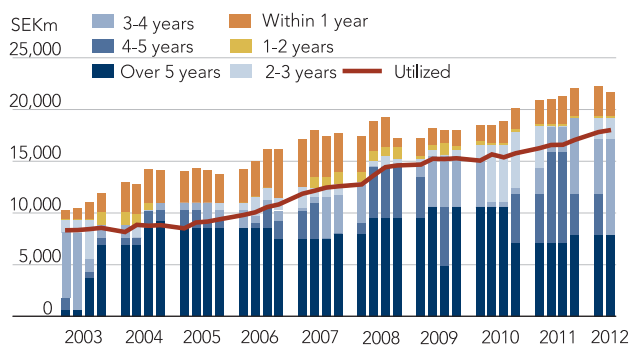
Long-term loan commitments in banks are secured by pledged mortgages and/or financial covenants. Outstanding commercial papers and the MTN-program are unsecured. The interest bearing liabilities amounted to SEKm 18,007 (17,063) of which SEKm 16,098 (14,797) were secured by the company's properties and SEKm 1,909 (2,266) unsecured. The financial covenants state a loan-to-value ratio not exceeding 65% and an interest coverage ratio of at least 150%, which Castellum fulfils with comfortable margins, 52% and 276% respectively. The average duration of Castellum's long-term credit agreements was 4.6 years (5.1). Margins and fees on long-term credit agreements had an average duration of 3.0 years (3.5).

## Loan maturity structure 30-06-2012

SEKm	Credit agreements	Utilized in:		
		Bank	MTN/Cert	Total
0 - 1 year	2,264	- 54	1,840	1,786
1 - 2 years	207	7	-	7
2 - 3 years	2,007	1,607	-	1,607
3 - 4 years	9,307	7,957	-	7,957
4 - 5 years	8	8	-	8
> 5 years	7,842	6,642	-	6,642
<b>Total</b>	<b>21,635</b>	<b>16,167</b>	<b>1,840</b>	<b>18,007</b>

**Unutilized credit in long term credit agreements 1,364**

## Credit agreement maturity structure



## Interest rate maturity structure

The average effective interest rate as of 30 June, 2012 was 3.9% (4.0%). The market interest rate for an equal portfolio, regarding both current market rate and credit margin, can be assessed to 5.0% (4.7%). In order to secure a stable and low net cash flow of interest income/costs the interest rate maturity structure is distributed over time. The average fixed interest term on the same date was 2.6 years (2.7).

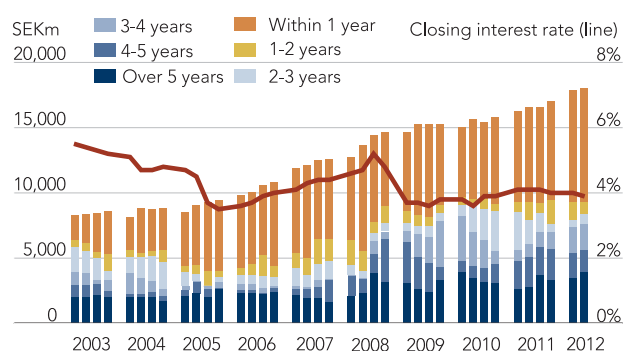
Castellum utilizes interest rate derivatives to achieve the desired interest rate maturity structure. Interest rate derivatives is a cost effective and flexible way of extending loans with short term interest rates to achieve the desired fixed interest term. In the interest rate maturity structure, interest 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 30-06-2012

	Loan SEKm	Interest rate derivatives SEKm	Net, SEKm	Closing interest rate
0 - 1 year	18,007	- 9,300	8 707	3.8%
1 - 2 years	-	900	900	2.6%
2 - 3 years	-	800	800	4.0%
3 - 4 years	-	2,000	2,000	4.4%
4 - 5 years	-	1,700	1,700	4.1%
5 - 10 years	-	3,900	3,900	4.0%
<b>Total</b>	<b>18,007</b>	<b>-</b>	<b>18,007</b>	<b>3.9%</b>

## Interest rate maturity structure



## Currency

Castellum has made investments of SEKm 431 in Denmark, which means that the Group is exposed to a currency risk. A currency translation 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.

## Interest rate and currency derivatives

According to the accounting standard IAS 39, derivatives are subject to market valuation. Regarding interest rate derivatives, this means that there is a theoretical surplus / sub value if the stipulated interest rate varies from the current market rate, where the change in value, for Castellum, is accounted for in the income statement. Note that interest rate derivatives used to achieve an interest rate maturity structure are subject to market valuation, which is normally not the case for credit margins or loans with fixed interest rates. As for currency derivatives, a theoretical surplus / sub value occurs if the agreed exchange rate deviates from the current exchange rate, where the effective portion of value changes is accounted for in other total income.

As of 30 June, 2012, the market value of the interest rate and the currency derivative portfolio amounted to SEKm -894 (-1,003).

### 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%	276%
Interest rate risk			
- average fixed interest term	0.5-3 years	-	2.6 years
- proportion maturing within 6 months	No more than 50%	-	43%
Currency risk			
- investment	60%-100% funded in local currency	-	69%
- other currency risks	Not allowed	-	No exposure
Funding risk	At least 50% of interest bearing liabilities have a duration of at least 2 years	-	100%
Counterparty risk	Credit institutions with high ratings, at least "investment grade"	-	Satisfied
Liquidity risk	Liquidity reserve in order to fulfill payments due	-	SEKm 1,364 in unutilized credit agreements

## Consolidated statement of Comprehensive Income

SEKm	2012 April - June	2011 April - June	2012 Jan - June	2011 Jan - June	Rolling 4 quarters July 11 - June 12	2011 Jan - Dec
Rental income	768	730	1,521	1,447	2,993	2,919
Operating expenses	- 120	- 128	- 288	- 310	- 531	- 553
Maintenance	- 30	- 28	- 57	- 52	- 120	- 115
Ground rent	- 6	- 6	- 12	- 12	- 24	- 24
Property tax	- 38	- 36	- 76	- 71	- 153	- 148
Leasing and property administration	- 46	- 40	- 91	- 81	- 173	- 163
<b>Net operating income</b>	<b>528</b>	<b>492</b>	<b>997</b>	<b>921</b>	<b>1,992</b>	<b>1,916</b>
Central administrative expenses	- 24	- 25	- 47	- 45	- 85	- 83
Net interest rates	- 171	- 162	- 344	- 321	- 683	- 660
<b>Income from property management</b>	<b>333</b>	<b>305</b>	<b>606</b>	<b>555</b>	<b>1,224</b>	<b>1,173</b>
Changes in value						
Properties	18	291	28	388	- 166	194
Derivatives	- 97	- 104	109	67	- 387	- 429
<b>Income before tax</b>	<b>254</b>	<b>492</b>	<b>743</b>	<b>1,010</b>	<b>671</b>	<b>938</b>
Current tax	- 4	- 1	- 6	- 2	- 14	- 10
Deferred tax	- 32	- 128	- 157	- 251	- 123	- 217
<b>Net income for the period/year</b>	<b>218</b>	<b>363</b>	<b>580</b>	<b>757</b>	<b>534</b>	<b>711</b>
<i>Other total net income</i>						
Translation of currencies	1	1	0	1	- 1	0
Unrealized change in value, derivatives	- 1	- 1	0	- 1	1	0
<b>Total net income for the period/year</b>	<b>218</b>	<b>363</b>	<b>580</b>	<b>757</b>	<b>534</b>	<b>711</b>

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

## Data per Share

	2012 April - June	2011 April - June	2012 Jan - June	2011 Jan - June	Rolling 4 quarters July 11 - June 12	2011 Jan - Dec
Average number of shares, thousand	164,000	164,000	164,000	164,000	164,000	164,000
Income from property management, SEK	2.03	1.86	3.70	3.38	7.46	7.15
Income from property management after tax (EPRA EPS*), SEK	1.87	1.76	3.46	3.23	7.24	7.01
Earnings after tax, SEK	1.33	2.21	3.54	4.62	3.26	4.34
Outstanding number of shares, thousand	164,000	164,000	164,000	164,000	164,000	164,000
Property value, SEK	211	201	211	201	211	207
Long term net asset value (EPRA NAV*), SEK	97	95	97	95	97	97
Actual net asset value (EPRA NNAV*), SEK	87	87	87	87	87	87

Since there is no potential common stock (e.g. convertibles), there is no effect of dilution.

## Financial Key Ratios

	2012 April - June	2011 April - June	2012 Jan - June	2011 Jan - June	Rolling 4 quarters July 11 - June 12	2011 Jan - Dec
Net operating income margin	69%	67%	66%	64%	67%	66%
Interest coverage ratio	295%	288%	276%	273%	279%	278%
Return on actual net asset value	6.0%	13.5%	9.7%	14.0%	4.3%	6.4%
Return on total capital	6.0%	9.3%	5.7%	7.8%	5.1%	6.2%
Net investments, SEKm	412	319	735	738	1,905	1,908
Loan to value ratio	52%	51%	52%	51%	52%	51%

\*EPRA, European Public Real Estate Association, is an association for listed real estate owners and investors in Europe, which sets standards for financial reporting. A part of this involves key ratios EPRA EPS (Earnings Per Share), EPRA NAV (Net Asset Value) and EPRA NNAV (Triple Net Asset Value).

## Consolidated Balance Sheet

SEKm	30 June 2012	30 June 2011	31 December 2011
<b>Assets</b>			
Investment properties	34,632	32,896	33,867
Other fixed assets	22	13	15
Current receivables	242	168	192
Cash and bank	59	104	97
<b>Total assets</b>	<b>34,955</b>	<b>33,181</b>	<b>34,171</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	11,176	11,249	11,203
Deferred tax liability	3,871	3,747	3,714
Derivatives	894	508	1,003
Long term interest-bearing liabilities	18,066	16,677	17,160
Non interest-bearing liabilities	948	1,000	1,091
<b>Total shareholders' equity and liabilities</b>	<b>34,955</b>	<b>33,181</b>	<b>34,171</b>
Pledged assets (property mortgages)	18,880	18,873	18,986
Contingent liabilities	-	-	-

## Changes in Equity

SEKm	No of outstanding shares, thousand	Share capital	Other capital contribution	Translation of currency reserve	Hedging of currency reserve	Retained earnings	Total equity
<b>Shareholders' equity 31-12-2010</b>	<b>164,000</b>	<b>86</b>	<b>4,096</b>	<b>-</b>	<b>-</b>	<b>6,900</b>	<b>11,082</b>
Dividend, March 2011 (SEK 3.60/share)	-	-	-	-	-	- 590	- 590
Net income January-June 2011	-	-	-	-	-	757	757
Other total net income January-June 2011	-	-	-	-	-	-	-
<b>Shareholders' equity 30-06-2011</b>	<b>164,000</b>	<b>86</b>	<b>4,096</b>	<b>-</b>	<b>-</b>	<b>7,067</b>	<b>11,249</b>
Net income July-December 2011	-	-	-	-	-	- 46	- 46
Other total net income July-December 2011	-	-	-	0	0	-	0
<b>Shareholders' equity 31-12-2011</b>	<b>164,000</b>	<b>86</b>	<b>4,096</b>	<b>0</b>	<b>0</b>	<b>7,021</b>	<b>11,203</b>
Dividend, March 2012 (SEK 3.70/share)	-	-	-	-	-	- 607	- 607
Net income January-June 2012	-	-	-	-	-	580	580
Total net income January-June 2012	-	-	-	0	0	0	0
<b>Shareholders' equity 30-06-2012</b>	<b>164,000</b>	<b>86</b>	<b>4,096</b>	<b>0</b>	<b>0</b>	<b>6,994</b>	<b>11,176</b>

## Cash Flow Statement

SEKm	2012 April - June	2011 April - June	2012 Jan - June	2011 Jan - June	Rolling 4 quarters July 11 - June 12	2011 Jan - Dec
Net operating income	528	492	997	921	1,992	1,916
Central administrative expenses	- 24	- 25	- 47	- 45	- 85	- 83
Reversed depreciations	3	2	4	3	7	6
Net interest rates paid	- 160	- 176	- 313	- 292	- 672	- 651
Tax paid	- 2	0	- 5	- 6	- 13	- 14
<b>Cash flow from operating activities before change in working capital</b>	<b>345</b>	<b>293</b>	<b>636</b>	<b>581</b>	<b>1,229</b>	<b>1,174</b>
Change in current receivables	- 43	- 13	- 6	- 22	- 35	- 51
Change in current liabilities	- 14	- 58	- 122	84	- 22	184
<b>Cash flow from operating activities</b>	<b>288</b>	<b>222</b>	<b>508</b>	<b>643</b>	<b>1,172</b>	<b>1,307</b>
Investments in new constructions, refurbishments and extensions	- 306	- 284	- 613	- 528	- 1,243	- 1,158
Property acquisitions	- 309	- 35	- 333	- 313	- 877	- 857
Change in liabilities at acquisitions of property	- 17	- 238	- 53	- 105	- 43	- 95
Property sales	203	-	211	98	215	102
Change in receivables at sales of property	- 44	24	- 44	- 3	- 38	3
Other net investments	- 5	- 5	- 13	- 6	- 13	- 6
<b>Cash flow from investment activities</b>	<b>- 478</b>	<b>- 538</b>	<b>- 845</b>	<b>- 857</b>	<b>- 1,999</b>	<b>- 2,011</b>
Change in long term liabilities	227	307	906	896	1,389	1,379
Dividend paid	-	-	- 607	- 590	- 607	- 590
<b>Cash flow from investment activities</b>	<b>227</b>	<b>307</b>	<b>299</b>	<b>306</b>	<b>782</b>	<b>789</b>
<b>Cash flow for the period/year</b>	<b>37</b>	<b>- 9</b>	<b>- 38</b>	<b>92</b>	<b>- 45</b>	<b>85</b>
Cash and bank, opening balance	22	113	97	12	104	12
<b>Cash and bank closing balance</b>	<b>59</b>	<b>104</b>	<b>59</b>	<b>104</b>	<b>59</b>	<b>97</b>

## The Parent Company

The parent company Castellum AB is responsible for matters concerning the stock market, such as consolidated reports and stock market information, as well as the credit market, such as funding and financial risk management.

The parent company takes part in property-related operations through involvement in subsidiary Boards.

<b>Income statement</b>	2012	2011	2012	2011
SEKm	April-June	April-June	Jan-June	Jan-June
Income	4	4	8	8
Operating expenses	-18	-18	-34	-31
Net financial items	3	7	7	8
Changes in value, interest rate derivatives	-97	-104	109	67
<b>Income before tax</b>	<b>-108</b>	<b>-111</b>	<b>90</b>	<b>52</b>
Tax	29	29	-24	-14
<b>Net income for the period</b>	<b>-79</b>	<b>-82</b>	<b>66</b>	<b>38</b>

<b>Comprehensive income for the parent company</b>	2012	2011	2012	2011
SEKm	April-June	April-June	Jan-June	Jan-June
Net income for the period	-79	-82	66	38
<i>Other total net income</i>				
Translation diff. foreign operations	1	1	0	0
Unrealized change, currency hedge	-1	-1	0	0
<b>Total net income for the period</b>	<b>-79</b>	<b>-82</b>	<b>66</b>	<b>38</b>

<b>Balance sheet</b>	30 June	30 June	31 Dec
SEKm	2012	2011	2011
Participations in group companies	5,338	4,087	5,338
Receivables, group companies	17,953	17,095	18,204
Other assets	254	165	280
Cash and bank	0	0	0
<b>Total</b>	<b>23,545</b>	<b>21,347</b>	<b>23,822</b>
Shareholders' equity	4,316	3,376	4,857
Derivatives	894	508	1,003
Interest bearing liabilities	16,843	15,531	15,909
Interest bearing liabilities, group companies	1,308	1,752	1,899
Other liabilities	184	180	154
<b>Total</b>	<b>23,545</b>	<b>21,347</b>	<b>23,822</b>
Pledged assets (receivables group companies)	16,018	16,103	16,103
Contingent liabilities (guaranteed commitments for subsidiaries)	1,175	1,062	1,174

## Accounting Principles

Castellum follows the EU-adopted IFRS standards and interpretations (IFRIC). This interim report has been prepared according to IAS 34 Interim Financial Reporting and Annual Accounts Act. Castellum has changed the reporting of sales of property through companies. Previously the transaction was gross accounted concerning underlying property price and calculated tax, while it's now net accounted. The change doesn't affect net income, but it is an offset between changes in value and deferred tax. Previous years have not been adjusted because the amounts were insignificant. Accounting principles and methods for calculations have otherwise remained unchanged compared with the Annual Report of the previous year.





# Opportunities and Risks for Group and Parent Company

## Opportunities and risks in the cash flow

Over time, increasing market interest rates normally constitute an effect of economic growth and increasing inflation, which is thought to result in higher rental income. This is partly due to the fact that the demand for premises is thought to increase. This leads in turn to reduced vacancies and hence to the potential for increasing market rents. It is also partly due to the fact that the index clause in commercial contracts compensates for increasing inflation.

An economic boom therefore means higher interest costs but also higher rental income, while the opposite relationship is true during a recession. The changes in rental income and interest cost do not take place at the exact same time, which is why the effect on income in the short run may occur at different points in time.

### Sensitivity analysis - cash flow

Effect on income next 12 months

Effect on income, SEKm	+/- 1% (units)	Probable scenario	
		Boom	Recession
Rental level / Index	+ 30/- 30	+	-
Vacancies	+ 35/- 35	+	-
Property costs	- 10/+ 10	-	0
Interest costs	- 67/+ 62	-	+

## Opportunities and risks in property values

Castellum reports its properties at fair value with changes in value on the income statement. This means that the result in particular but also the financial position may be more volatile. Property values are determined by supply and demand, where prices mainly depend on the properties' expected net operating incomes and the buyers' required yield. An increasing demand results in lower required yields and hence an upward adjustment in prices, while a weaker demand has the opposite effect. In the same way, a positive development in net operating income results in an upward adjustment in prices, while a negative development has the opposite effect.

In property valuations, consideration should be taken of an uncertainty range of +/- 5-10%, in order to reflect the uncertainty that exists in the assumptions and calculations made.

### Sensitivity analysis - change in value

Properties	-20%	-10%	0	+10%	+20%
Changes in value, SEKm	-6,926	-3,463	0	3,463	6,926
Loan to value ratio	65%	58%	52%	47%	43%

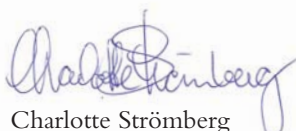
## Financial risk

Ownership of properties presumes a working credit market. Castellum's greatest financial risk is to lack access to funding. The risk is reduced by low loan-to-value ratio and long-term credit agreements.

## Signing of the Report

The Board of Directors and the Chief Executive Officer assure that the Half-year Report provide a fair view of the parent company's and the Group's operations, financial position and result as well as describes significant risks and uncertainties that the parent company and the companies included in the Group are faced with.

Gothenburg July 12, 2012



Charlotte Strömberg  
Chairman



Per Berggren  
Board member



Mariamme Dicander Alexandersson  
Board member



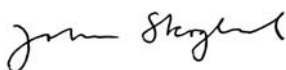
Christer Jacobson  
Board member



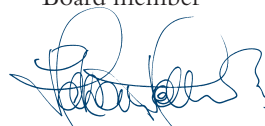
Ulla-Britt Fräjdin-Hellqvist  
Board member



Jan Åke Jonasson  
Board member



Johan Skoglund  
Board member



Håkan Hellström  
CEO

## Auditors' Report

*Independent Auditors' Report on Review of Half-year Financial Information.*

### To the Board of Directors of Castellum AB

Corporate identity number: 556475-5550

#### Introduction

We have reviewed the half-year report for Castellum AB (publ), corporate identity number 556475-5550, for the period January 1 – June 30, 2012. The Board and the Managing Director are responsible for the preparation and presentation of this half-year report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this half-yearly report based on our review.

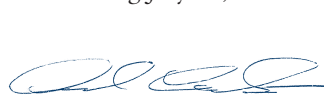
#### Scope of Review

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by FAR. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-year report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Gothenburg July 12, 2012



Carl Lindgren  
Authorized Public  
Accountant



Magnus Fredmer  
Authorized Public  
Accountant

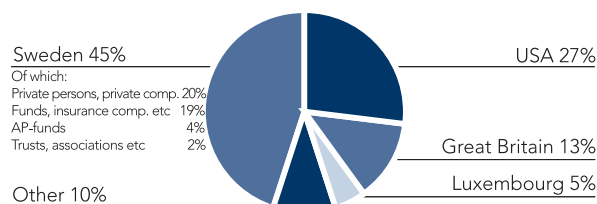
# The Castellum Share

The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap. At the end of the year the company had about 10,000 shareholders. Shareholders registered abroad cannot be broken down in terms of directly held and nominee registered shares except for one foreign shareholder who has flagged for holding over 5%, Stichting Pensioenfonds ABP. Castellum has no direct registered shareholders with holdings exceeding 10%. The ten single largest Swedish shareholders can be seen in the table below.

Shareholders on 30-06-2012	Number of shares thousand	Percentage of voting rights and capital
AFA Sjukförsäkrings AB	5,759	3.5%
László Szombatfalvy	5,000	3.1%
Magdalena Szombatfalvy	4,935	3.0%
Lannebo Småbolag	2,600	1.6%
Andra AP-fonden	2,528	1.5%
Länsförsäkringar Fastighetsfond	1,856	1.1%
Fjärde AP-fonden	1,688	1.0%
AMF Pensionsförsäkrings AB	1,685	1.0%
Tredje AP-fonden	1,599	1.0%
Caceis Bank France	1,527	0.9%
Board and executive management Castellum	403	0.2%
Other shareholders registered in Sweden	44,378	27.2%
Shareholders registered abroad	90,042	54.9%
Total outstanding shares	164,000	100.0%
Repurchased shares	8,007	
Total registered shares	172,007	

*There is no potential common stock (eg. convertibles.)*

## Distribution of shareholders by country 30-06-2012



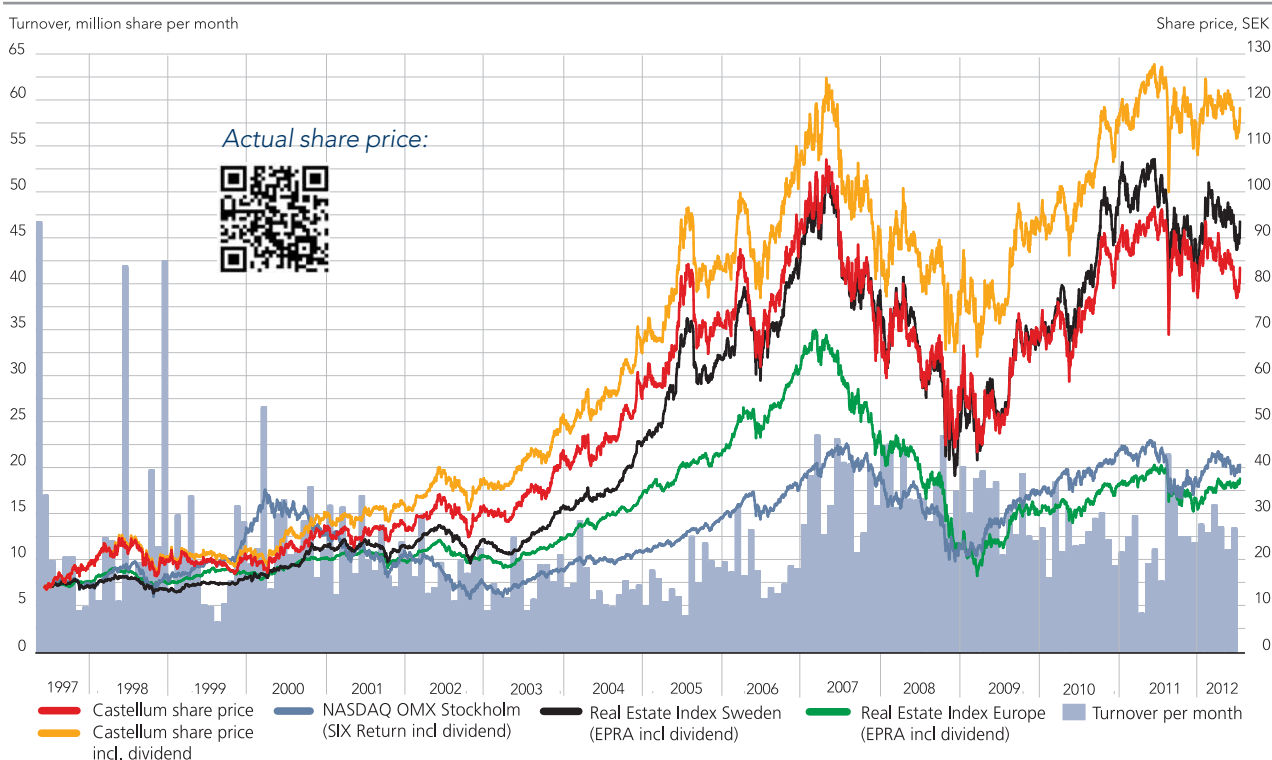
The Castellum share price as at 30 June, 2012 was SEK 83.50 (94.80) equivalent to a market capitalization of SEK 13.7 billion (15.5), calculated on the number of outstanding shares.

During the period, a total of 80 million (68) shares were traded, equivalent to an average of 651,000 shares (551,000) per day, corresponding on an annual basis to a turnover rate of 100% (85%). The share turnover is based on statistics from NASDAQ OMX, Chi-X, Burgundy, Turquoise and BATS Europe.

## Growth, yield and financial risk

During the last 12-month period the total yield of the Castellum share has been -8% (38%), including dividend of SEK 3.70 (3.60).

## The Castellum share's price trend and turnover since IPO may 23, 1997 until June 30, 2012



	1 year	3 years average/ year	10 years average/ year
<b>Total yield of the share (incl. dividend)</b>			
Castellum	-8%	24%	14%
NASDAQ OMX Stockholm (SIX Return)	-7%	13%	9%
Real Estate Index Sweden (EPRA)	-9%	23%	14%
Real Estate Index Europe (EPRA)	-5%	17%	6%
<b>Growth</b>			
Income from prop. management SEK/share	6%	5%	8%
Net income for the year after tax SEK/share	-75%	neg.	-6%
Long term net asset value SEK/share	2%	7%	7%
Actual net asset value SEK/share	0%	7%	6%
Dividend SEK/share	3%	6%	9%
Real estate portfolio SEK/share	5%	6%	7%
Change in property value, unweighted	0%	1%	1%
<b>Yield</b>			
Return on actual net asset value	4.3%	12.3%	10.9%
Return on total capital	5.1%	7.0%	7.2%
<b>Financial risk</b>			
Interest coverage ratio	279%	290%	288%
Loan to value ratio	52%	51%	48%

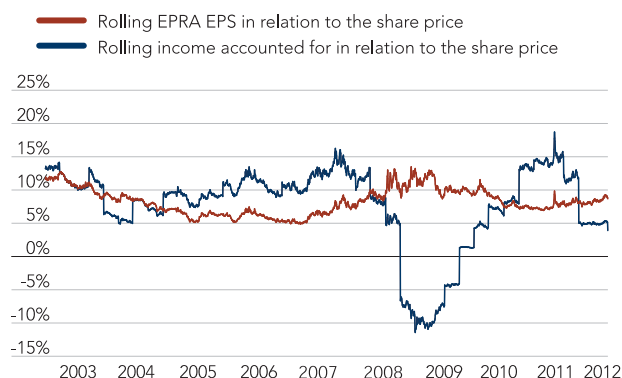
## Valuation - share price related key figures

### Earnings

Post-tax income from property management relating to income from property management (EPRA EPS) amounted to SEK 7.24 (6.79) on rolling annual basis. This results in a share price yield of 8.7% (7.2%).

Net income after tax amounted on rolling annual basis to SEK 3.26 per share (12.91), which from the share price gives a yield of 3.9% (13.6%).

### Yield earnings per share



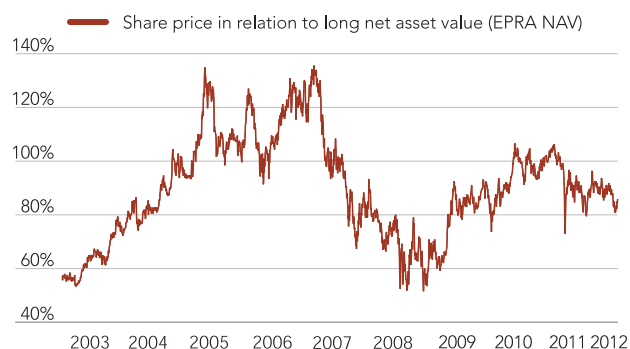
## Net asset value

Net asset value 30-06-2012		SEKm	SEK/share
Equity according to the balance sheet		11,176	68
Reversed			
Derivatives according to balance sheet		894	5
Deferred tax according to balance sheet		3,871	24
<b>Long term net asset value (EPRA NAV)</b>		<b>15,941</b>	<b>97</b>
Deduction			
Derivatives as above		- 894	- 5
Estimated real liability, deferred tax 5.2%*		- 784	- 5
<b>Actual net asset value (EPRA NNAV)</b>		<b>14,263</b>	<b>87</b>

\* Estimated real deferred tax liability net has been calculated to 5.2% based on a discount rate of 3%. Further, assessments have been made that tax loss carry forwards are realized in 5 years with a nominal tax of 26.3%, giving a present value of deferred tax liability of 24.1%, and that the properties are realized in 50 years where 33% are directly sold with a nominal tax of 26.3% and that 67% are sold indirect through company disposals where the buyers tax discount is 7%, which gives a present value of deferred tax liability of 6.9%.

The long term net asset value (EPRA NAV) can be calculated to SEK 97 per share (95). The share price at the end of the period was thus 86% (100%) of the long term net asset value.

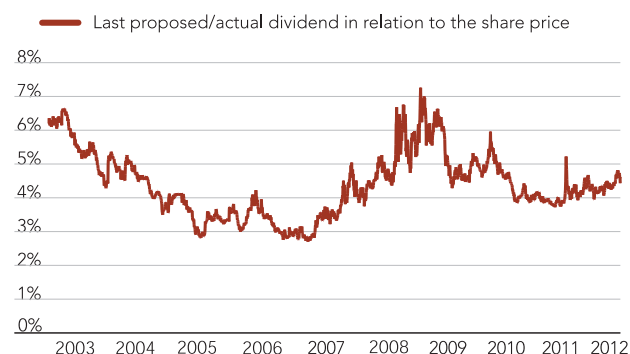
### Share price/net asset value



### Dividend Yield

The latest carried out dividend of SEK 3.70 (3.60) corresponds to a yield of 4.4% (3.8%) based on the share price at the end of the period.

### The share's dividend yield



## Calendar

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Interim Report January-September 2012	16 October, 2012, around 11 AM
Year-end Report 2012	22 January, 2013
Annual General Meeting 2013	21 March, 2013
Interim Report January-March 2013	17 April, 2013
Half-year Report January-June 2013	16 July, 2013
Interim Report January-September 2013	16 October, 2013
Year-end Report 2013	22 January, 2014
Annual General Meeting 2014	20 March, 2014

### [www.castellum.se](http://www.castellum.se)

On Castellum's website it is possible to download as well as subscribe to Castellum's Press releases and Interim Reports.

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

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