

CASTELLUM



Interim Report January-March 2009

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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 approx. SEK 29 billion, and comprises premises for office, retail, warehouse and industrial purposes.

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, Halmstad, Alingsås), the **Öresund Region** (Malmö, Lund and Helsingborg), **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-March 2009 amounted to SEKm 669 (SEKm 605 corresponding period previous year).
- Income from property management improved by 17% to SEKm 262 (225), equivalent to SEK 1.60 (1.37) per share.
- Changes in value on properties amounted to SEKm – 397 (– 171) and on interest rate derivatives to SEKm – 109 (– 44).
- Net income after tax amounted to SEKm – 177 (9), equivalent to SEK – 1.08 (0.05) per share.
- The investments amounted to SEKm 298 (415).
- The total value of the properties amounted to SEKm 29,066 (29,165 at the end of previous year) with a loan to value ratio of 51% (50%).

Data per share

SEK	2009 Jan-March	2008 Jan-March	2008	2007	2006	2005	2004	2003	2002
Income property management	1.60	1.37	5.93	5.63	5.38	5.00	4.52	4.07	3.77
Change	+17%		+5%	+5%	+8%	+11%	+11%	+8%	
Net income after tax	– 1.08	0.05	– 4.04	9.07	10.21	7.89	5.59	2.68	4.00
Change	neg		neg	-11%	+29%	+41%	+108%	-33%	
Dividend			3.15	3.00	2.85	2.62	2.38	2.13	1.88
Change			+5%	+5%	+9%	+11%	+12%	+13%	

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 cash flow growth, which along with a stable capital structure provide the preconditions for good growth in the company, while at the same time offering shareholders a competitive dividend.

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

Strategy for Funding

Capital structure

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

Repurchase of own shares shall be available as a method to use for adjusting the company's capital structure to the company's capital needs. Transfer of own shares held by the company may be used at acquisitions but may not be traded for the sole purpose of capital gain.

Dividend

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

The stock and credit markets

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

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

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



Moving in to the property Kärna 74:2 in Gothenburg. The property, which consists of 15,400 sq.m. warehouse, logistic and office premises, was completed during the end of 2008.

Customers

Being close to the customers

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

Castellum works with facility management services that can improve and facilitate the customer's day-to-day operations and improve the attractiveness of the area where the customer is operating.

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

Castellum's customers reflect Swedish economy

Castellum has just over 4,000 commercial contracts, with good risk exposure regarding both geography, type of premises, length of contracts and fields of industry of the customer. The single largest contract makes up for approx. 1% of Castellum's total rental income.

Satisfied customers

In order to measure how well Castellum meets the customers' expectations and to follow up and evaluate efforts made, an external customer survey is carried out annually.

The survey which was carried out 2008 and included office, warehouses, industry- and retail properties, continues to show consistently high marks for Castellum. A large portion of the surveyed customers replies willing to lease from Castellum again and gladly recommends Castellum as a landlord to others.

Decentralized organization

Castellum has six wholly owned subsidiaries which each have about 35 employees. The subsidiaries organizations are not identical but are in principal made up of a Managing Director, 3-5 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 2-4 facility managers, where everyone has customer contact.

The flat organization gives short decision making processes and creates a customer oriented and active organization. Property management is mainly carried out by own personnel.

Employees

Castellum is working actively in order to hire and keeping good employees by offering a stimulating work environment, competence development and sharing of experiences both internally and externally

The employees' view on Castellum is regularly measured and the survey shows that the employees are pleased and have a great faith in the company and its management.

The group has approx. 225 employees.

Responsible business

Castellum is working towards a sustainable development by developing the properties in those cities where the subsidiaries are present, a common set of values for actions towards employees, customers and vendors as well as active work on environmental issues.

The environmental work is focused on efficient energy consumption and improving the properties' environmental status.

CASTELLUM



Örebro, Uppsala and Västerås



Malmö, Lund and Helsingborg



Greater Stockholm



Jönköping, Linköping, Värnamo and Växjö



Centrala, Northern and Eastern
Greater Gothenburg



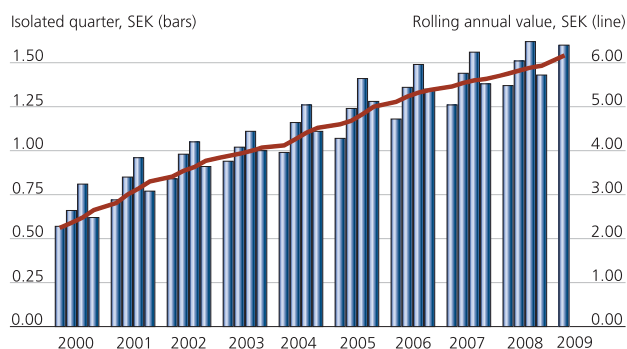
Southern Greater Gothenburg, Borås,
Alingsås and Halmstad

Income, Costs and Results

All amounts corresponds to the whole period or the position at the end of the period. Comparisons, shown in brackets, are made with the corresponding period previous year except in parts describing assets and financing, where comparison are made with the end of previous year. For definitions see Castellum's website, www.castellum.se

Income from property management, i.e. net income excluding changes in value and tax, amounted to SEKm 262 (225), equivalent to SEK 1.60 (1.37) per share. The improvement is 17% and above all an effect of lower interest rates, but also higher rental incomes and investments made have had a positive effect.

Income from property management per share



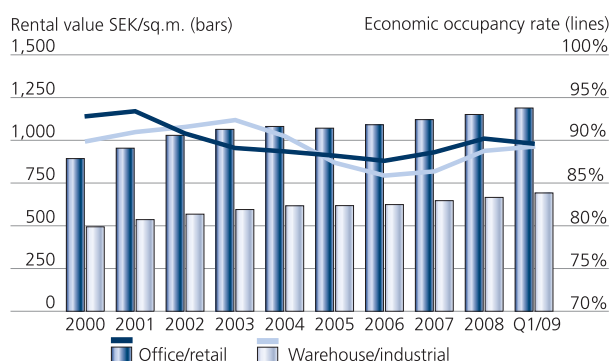
During the period, changes in value on properties amounted to SEKm -397 (-171) and on interest rate derivatives to SEKm -109 (-44). Net income for the period was SEKm -177 (9), equivalent to SEK -1.08 (0.05) per share.

Rental income

Group rental income amounted to SEKm 669 (605). The improvement is chiefly an effect of higher rental levels and investments made.

For office and retail properties, the average contracted rental level, including charged heating, cooling and property tax, amounted to SEK 1,189 per sq.m., whereas it for warehouse and industrial properties amounted to SEK 692 per sq.m.

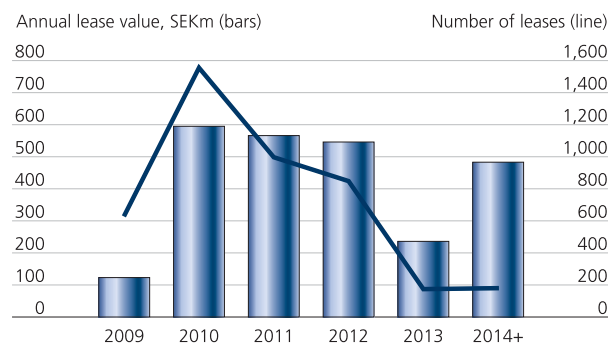
Rental value and occupancy rate



Rental levels have increased by approx. 4% compared with previous year, which is mainly an effect of index clause adjustments.

Contracted rental levels, on average approx. SEK 953 per sq.m., including charged heating, cooling and property tax, are assessed to be in line with the market.

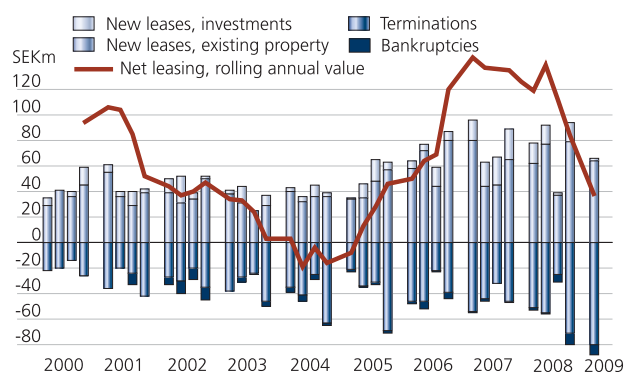
Lease maturity structure



The average economic occupancy rate was 89.5%. The total annual rental value for vacant premises during the period amounted to approx. SEKm 336.

The gross leasing (i.e. the annual value of total leasing) during the period was SEKm 66 (78), of which SEKm 2 (16) were leasing on new construction, extensions and refurbishments. Terminations amounted to SEKm 88 (53), of which bankruptcies was SEKm 8 (2), hence net leasing for the period were SEKm -22 (25). The time difference between reported net leasing and the effect in income thereof is estimated to between 9-18 months.

Net leasing



After some years with positive development of the rental market, the effect of the recession is starting to appear more and more. Even if the demand and new leasing are on relatively good levels the notice of terminations increases. At the moment there is no pressure on the rental levels in Castellums' local markets, which are characterized by generally low vacancies.

Property costs

Property costs amounted to SEKm 255 (227) corresponding to SEK 322 per sq.m. (301). The increase is chiefly an effect of a colder first quarter compared to last year. Energy consumption for heating during the period has been calculated to 97% (82%) of a normal year according to the degree day statistics. The rental losses, i.e. charged not paid rents with the risk of loss, amounted to SEKm 1 (2) corresponding to 0.1% of rental income.

Property costs, SEK/sq.m.	Office/ Retail	Warehouse/ Industrial	Total
Operating expenses	237	147	194
Maintenance	40	19	30
Ground rent	8	5	7
Real estate tax	59	16	39
Direct property costs	344	187	270
Leasing and property administration (indirect)	–	–	52
Total	344	187	322
<i>Previous year</i>	<i>336</i>	<i>166</i>	<i>301</i>

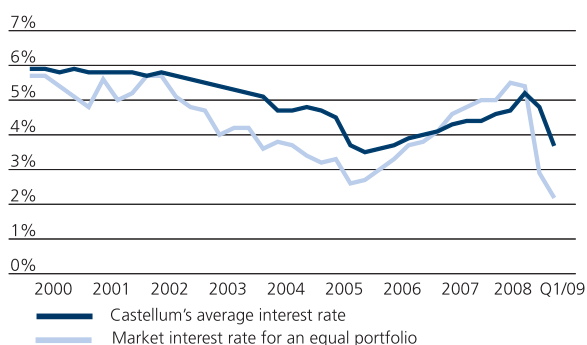
Central administrative expenses

Central administrative expenses were SEKm 18 (16). This includes costs for a profit and share price related incentive plan for 10 persons in executive management of SEKm 3 (1).

Net financial items

Net financial items were SEKm –134 (–137). The net financial items have been affected positively with SEKm 20 due to that the average interest rate level during the period has decreased 0.7%-units to 3.7% (4.4%)

Interest rate levels



Changes in value

The transaction volume of commercial properties on the Swedish property market has decreased considerably lately, chiefly due to significantly weaker conditions on the credit market. To assess a fair value on properties based on transactions made therefore gets more difficult. However it is Castellum's apprehension that the sellers expected view on prices has decreased slightly, which indicates a further decrease in prices.

The total change in value of Castellum's portfolio during the period amounted to SEKm –397 (–171) corresponding to 1% of the property value. Despite the write downs of last year, the change in value amounts to approx SEKm 2,000 during the latest 6-years period, corresponding to just over 2%.

Castellum uses interest rate derivatives in order to achieve the desired interest rate maturity structure. If the agreed interest rate deviates from the market interest rate there is a theoretical surplus or sub value in the interest rate derivatives, where the non cash flow effecting changes in value are reported in the income statement. The value has changed above all due to the falling long term interest rates with SEKm –109 (–44) and the value was SEKm –1,075 (–966) at the end of the period.

Tax

The nominal corporate tax rate in Sweden is 26.3%. Due to the possibility to make depreciations for tax purposes, reconstructions deductible for tax purposes, and to use tax loss carry forwards there is in principle no paid tax costs. Paid tax occur because a few subsidiaries are not allowed to make fiscal group contributions.

Remaining tax loss carry forwards can be calculated to SEKm 1,934 (1,830), while the properties' fair value exceed their fiscal value by SEKm 12,244 (12,419). As deferred tax liability a full nominal 26.3% tax of the net difference is reported, SEKm 2,711 (2,785).

Tax Calculation	Basis current tax	Basis deferred tax
SEKm		
Income from property management	262	
Deductions for tax purposes		
depreciations	- 127	127
reconstructions	- 58	58
Other tax allowances	- 1	- 2
Taxable income from property management	76	183
Changes in value on properties	-	- 397
Changes in value on interest rate derivatives	- 109	-
Taxable income for the period	- 33	- 214
Tax loss carry forwards, opening balance	- 1,830	1,830
Deductions for tax purposes		
reconstructions previous years	- 40	40
other	- 5	- 5
Tax loss carry forwards, closing balance	1,934	- 1,934
Taxable income	26	- 283
Of which 26.3% current/deferred tax	- 7	74

Accounting Principles

Castellum follows the by the EU adopted IFRS standards and the interpretations of them (IFRIC). This interim report has been prepared according to IAS 34 Interim Financial Reporting. Accounting principles and methods for calculations have remained unchanged compared to the Annual Report previous year, as well as the segment classification. However, the accounted income measure for segment has changed to income from property management, which is also the line of income which each segment, as well as the group, is managed by.



The pictures shows the property Forskaren 2 in Lund where Fastighets AB Briggen during the first quarter 2009 opened a new local office.

Real Estate Portfolio



The real estate portfolio, which consists entirely of Swedish properties, is found in Greater Gothenburg, the Öresund Region, Greater Stockholm, Mälardalen and Eastern Götaland. The main focus with 75% of the portfolio is in the three major urban regions.

The commercial portfolio consists of 64% office and retail properties as well as 31% warehouse and industrial properties. The properties are located from inner city sites (except in Greater Stockholm from inner suburbs) to well-situated working-areas with good means of communication and services.

Castellum owns 876,000 sq.m. unutilized building rights. Castellum has ongoing projects with remaining investments of approx. SEKm 700.

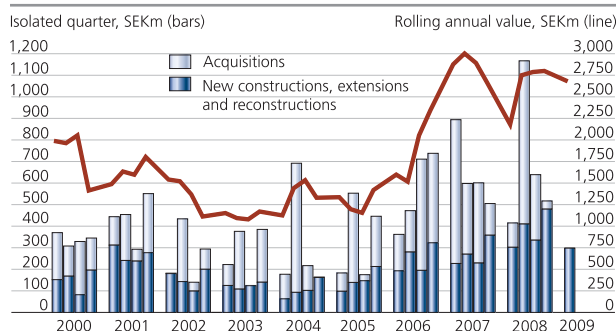
Investments

During the period the real estate portfolio has changed as below.

Changes in the real estate portfolio	Value, SEKm	Number
Real estate portfolio on 1 January, 2009	29,165	587
+ Acquisitions	-	-
+ New constructions, extensions and reconstructions	298	-
- Sales	-	-
+/- Unrealized changes in value	- 397	-
Real estate portfolio on 31 March, 2009	29,066	587

During the period investments totalling SEKm 298 (415) were made, of which SEKm 0 (113) were acquisitions and SEKm 298 (302) new constructions, extensions and reconstructions. Of the total investments SEKm 109 relates to Greater Stockholm, SEKm 75 to Mälardalen, SEKm 57 to Greater Gothenburg, SEKm 40 to Eastern Götaland, and SEKm 17 to the Öresund Region.

Investments



Property value

Castellum assesses the value of the properties through internal valuations. These are based on a 10-year cash flow based model with an individual assessment for each property of both its future earnings capacity and the required market yield.

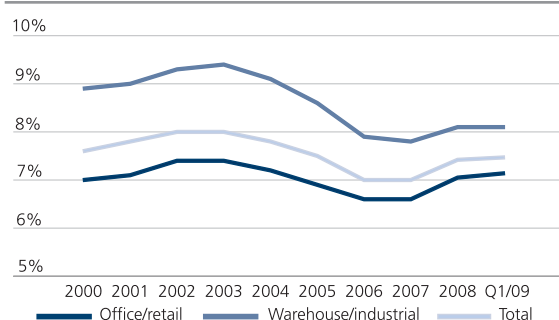
Projects in progress have been valued using the same principle, but with deductions for remaining investments. Sites with building rights have been valued on the basis of an estimated market value per square metre. In order to ensure and validate the quality of the internal valuations, an external valuation representing over 50% of the portfolio is made every year-end. The difference between the internal and external values has historically been insignificant.

Based on these internal valuations the value of the properties was assessed to SEKm 29,066 (29,165), corresponding to almost SEK 9,000 per sq.m. The normalized yield can be calculated to 7.5%.

Normalized yield

SEKm	
Net operating income properties	450
Adjusted for:	
Real occupancy rate, 94% at the lowest	52
Property costs to a normal year	28
Property administration, 30 SEK/sq.m.	- 23
Normalized net operating income	507
Valuation excl. projects/land	27,190
<i>excl. building rights in office/retail and warehouse/industrial</i>	387
Normalized yield annual basis	7.5%

Normalized yield over time

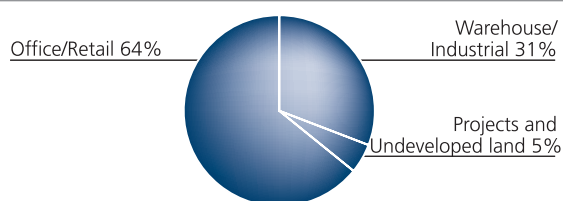


Castellum's real estate portfolio

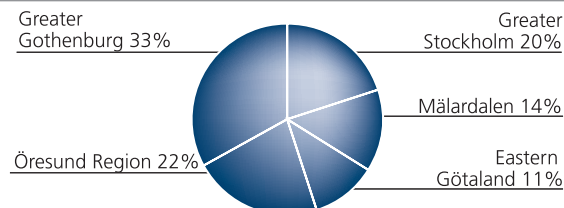
	31-03-2009				January-March 2009						
	No. of properties	Area thous. sq.m.	Fair value SEKm	Fair value SEK/sq.m.	Rental value SEKm	Rental value SEK/sq.m.	Economic occupancy rate	Rental income SEKm	Property costs SEKm	Property costs SEK/sq.m.	Net operating income SEKm
Office/retail											
Greater Gothenburg	79	405	5,225	12,912	125	1,237	93.5%	117	33	330	84
Öresund Region	51	314	4,363	13,871	106	1,344	88.4%	93	29	367	64
Greater Stockholm	45	304	3,656	12,027	102	1,344	83.0%	85	28	371	57
Mälardalen	67	306	2,916	9,539	80	1,050	92.2%	74	24	316	50
Eastern Götaland	49	295	2,419	8,210	70	941	90.9%	63	25	341	38
Total office/retail	291	1,624	18,579	11,444	483	1,189	89.6%	432	139	344	293
Warehouse/industrial											
Greater Gothenburg	96	612	4,221	6,899	108	703	93.0%	100	28	182	72
Öresund Region	42	295	1,651	5,587	50	674	85.6%	43	13	178	30
Greater Stockholm	36	193	1,416	7,333	43	896	85.4%	37	13	269	24
Mälardalen	42	177	980	5,547	30	687	89.9%	27	8	174	19
Eastern Götaland	35	185	730	3,939	22	475	87.6%	19	7	151	12
Total warehouse/industrial	251	1,462	8,998	6,153	253	692	89.4%	226	69	187	157
Total	542	3,086	27,577	8,937	736	953	89.5%	658	208	270	450
Leasing and property administration									40	52	-40
Total after leasing and property administration									248	322	410
Development projects	14	85	1,109	-	18	-	-	12	6	-	6
Undeveloped land	31	-	380	-	-	-	-	-	-	-	-
Total	587	3,171	29,066	-	754	-	-	670	254	-	416

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 416 accounted for above and the net operating income of SEKm 414 in the income statement is explained by the adjustment of the net operating income of SEKm 2 on properties completed during the period, which are recalculated as if they had been completed during the whole period.

Fair value by property type



Fair value by region



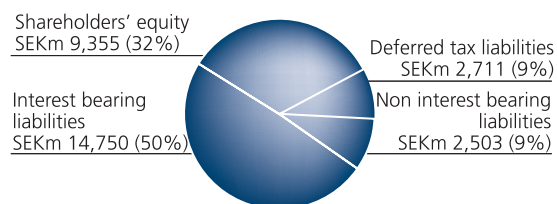
Property related key ratios	2009	2008	2008
	Jan-March	Jan-March	Jan-Dec
Rental value, SEK/sq.m.	953	919	921
Economic occupancy rate	89.5%	89.3%	89.7%
Property costs, SEK/sq.m.	322	301	268
Net operating income, SEK/sq.m.	531	519	559
Fair value, SEK/sq.m.	8,937	9,110	8,984
Number of properties	587	557	587
Lettable area, thousand sq.m.	3,171	3,020	3,172

Segment information	Rental income		Income from property management	
	2009	2008	2009	2008
SEKm	Jan-March	Jan-March	Jan-March	Jan-March
Greater Gothenburg	217	198	94	80
Öresund Region	141	132	58	56
Greater Stockholm	122	115	48	40
Mälardalen	107	84	37	27
Eastern Götaland	82	76	28	21
Total	669	605	265	224

The discrepancy between the income from property management of SEKm 265 (224) accounted for and the groups accounted income before tax of SEKm -244 (10) above consists of unallocated income from property management of SEKm -3 (1), changes in property value of SEKm -397 (-171) and changes in values of interest rate derivatives of SEKm -109(-44).

Financing

Financing



Shareholders' equity and net asset value

Shareholders' equity was SEKm 9,355 (10,049). In order to adjust the company's capital structure the company may repurchase 9.2 million own shares in addition to the eight million shares which were repurchased earlier.

The net asset value, using an estimated discounted real deferred tax liability of 5%, can be calculated as follows.

Net asset value	SEKm	SEK/share
Equity according to the balance sheet	9,355	57
Reversed 26.3% deferred tax	2,711	16
Net asset value excluding tax	12,066	73
Estimated real liability, deferred tax 5%	- 515	- 3
Net asset value	11,551	70
<i>Uncertainty range valuation of properties</i>		
+/- 5% after tax	+/- 1,381	+/- 8

Interest-bearing liabilities

The increased credit crunch has so far not directly affected Castellum's access to long-term funding. The turbulence on the market has remained during the first quarter 2009, which has led to continued fluctuations in market interest rates.

Loan maturity structure

As of 31 March, 2009 Castellum had long term binding credit agreements totalling SEKm 15,300 (15,800), long term bonds totalling SEKm 650 (650), short term binding credit agreements totalling SEKm 1,270 (770) and a unutilized commercial paper program of SEKm 4,000 (4,000). After deduction of liquid assets of SEKm 70 (9), net interest bearing liabilities were SEKm 14,680 (14,598).

Loans in banks are secured by pledged mortgages and/or financial covenants. The financial covenants state a loan to value ratio not exceeding 65% and an interest coverage ratio of at least 150%. Utilized credits secured by pledged mortgages in properties were at the end of the year SEKm 13,846 (13,696).

The average duration of Castellum's long term credit agreements was 5.5 years (5.5). Margins and fees on long term credit agreements had an average duration on 3.0 years (3.2).

Loan maturity structure

Long term, SEKm	Credit agreements	Utilized
1 - 2 years	300	300
2 - 3 years	700	200
3 - 4 years	1,000	1,000
4 - 5 years	4,000	4,000
> 5 years	9,500	8,300
Total long term credit agreements	15,500	13,800
Total short term credit agreements (0-1 year)	1,720	880
Total credit agreements	17,220	14,680
Unutilized credit in long term credit agreements		820

Interest rate maturity structure

The average effective interest rate as of 31 March, 2009 was 3.7% (4.8%), while the market interest rate for an equal portfolio was 2.2% (2.9%). The average fixed interest term on the same date was 2.8 years (2.9).

In order to secure a stable and low net cash flow of interest income/costs over time, Castellum has chosen a relatively long fixed interest term. Castellum has also chosen to work with interest rate derivatives, which is a cost effective and flexible way of extending loans with short term interest rates to achieve the desired fixed interest term.

Interest rate maturity structure

	Amount, SEKm	Average interest rate
0 - 1 year	6,078	2.3%
1 - 2 years	950	4.4%
2 - 3 years	602	4.5%
3 - 4 years	800	4.4%
4 - 5 years	3,150	4.7%
5 - 10 years	3,100	5.0%
Total	14,680	3.7%

Interest rate derivatives

According to the accounting standard IAS 39 interest rate derivatives are subject to market valuation, which 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, should be accounted for in the income statement.

As of 31 March, 2009, the market value of the interest rate derivative portfolio amounted to SEKm -1,075 as an effect of that the market interest rate for obtaining an interest portfolio equal to Castellum's interest rate structure was 2.2% compared to Castellum's average interest rate of 3.7%.

Consolidated Income Statement

SEKm	2009 Jan - March	2008 Jan - March	Rolling 12 months April 08 - March 09	2008 Jan-Dec
Rental income	669	605	2,565	2,501
Operating expenses	- 155	- 131	- 479	- 455
Maintenance	- 24	- 27	- 93	- 96
Ground rent	- 5	- 5	- 21	- 21
Real estate tax	- 31	- 30	- 116	- 115
Leasing and property administration	- 40	- 34	- 150	- 144
Net operating income	414	378	1,706	1,670
Central administrative expenses	- 18	- 16	- 73	- 71
Net financial items	- 134	- 137	- 623	- 626
Income from property management	262	225	1,010	973
<i>Changes in value</i>				
Properties	- 397	- 171	- 1,488	- 1,262
Interest rate derivatives	- 109	- 44	- 1,075	- 1,010
Income before tax	- 244	10	- 1,553	- 1,299
Current tax	- 7	- 3	- 18	- 14
Deferred tax	74	2	722	650
Net income for the period/year	- 177	9	- 849	- 663

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

Data per Share

	2009 Jan - March	2008 Jan - March	Rolling 12 months April 08 - March 09	2008 Jan - Dec
<i>Average number of shares, thousand</i>	<i>164,000</i>	<i>164,000</i>	<i>164,000</i>	<i>164,000</i>
Earnings after tax, SEK	- 1.08	0.05	- 5.18	- 4.04
Income from property management, SEK	1.60	1.37	6.16	5.93
<i>Outstanding number of shares, thousand</i>	<i>164,000</i>	<i>164,000</i>	<i>164,000</i>	<i>164,000</i>
Fair value of properties, SEK	177	170	177	178
Net asset value (5% deferred tax), SEK	70	82	70	75
Shareholders' equity, SEK	57	65	57	61

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

Financial Key Ratios

	2009 Jan - March	2008 Jan - March	Rolling 12 months April 08 - March 09	2008 Jan-Dec
Net operating income margin	62%	62%	67%	67%
Interest coverage ratio	296%	264%	262%	255%
Return on equity	- 7.2%	0.3%	- 8.1%	- 6.1%
Return on net asset value	- 7.6%	0.5%	- 10.5%	- 8.3%
Return on total capital	- 0.0%	2.7%	0.5%	1.2%
Investments, SEKm	298	415	2,621	2,738
Loan to value ratio	51%	46%	51%	50%

Consolidated Balance Sheet

SEKm	31 March 2009	31 March 2008	31 Dec 2008
Assets			
Investment properties	29,066	27,961	29,165
Other fixed assets	14	13	15
Current receivables	169	87	215
Interest rate derivatives	–	0	–
Cash and bank	70	9	9
Total assets	29,319	28,070	29,404
Shareholders' equity and liabilities			
Shareholders' equity	9,355	10,721	10,049
Deferred tax liability	2,711	3,332	2,785
Long term interest-bearing liabilities	14,750	12,770	14,607
Interest rate derivatives	1,075	–	966
Non interest-bearing liabilities	1,428	1,247	997
Total shareholders' equity and liabilities	29,319	28,070	29,404

Changes in Equity

SEKm	<i>Number of outstanding shares, thousand</i>	Share capital	Reserves	Retained earnings	Total equity
Shareholders' equity 31-12-2007	<i>164,000</i>	86	20	11,098	11,204
Dividend, March 2008	–	–	–	– 492	– 492
Net income January-March 2008	–	–	–	9	9
Shareholders' equity 31-03-2008	<i>164,000</i>	86	20	10,615	10,721
Net income April-December 2008	–	–	–	– 672	– 672
Shareholders' equity 31-12-2008	<i>164,000</i>	86	20	9,943	10,049
Dividend, March 2009	–	–	–	– 517	– 517
Net income January-March 2009	–	–	–	– 177	– 177
Shareholders' equity 31-03-2009	<i>164,000</i>	86	20	9,249	9,355

Cash Flow Statement

SEKm	2009 Jan - March	2008 Jan - March	2008 Jan - Dec
Net operating income	414	378	1,670
Central administrative expenses	– 18	– 16	– 71
Reversed depreciations	2	1	6
Net financial items paid	– 169	– 129	– 499
Tax paid	– 16	– 19	– 26
Cash flow from operating activities before change in working capital	213	215	1,080
Change in current receivables	46	20	– 108
Change in current liabilities	– 36	– 18	106
Cash flow from operating activities	223	217	1,078
Investments in new constructions, extensions and reconstructions	– 298	– 302	– 1,526
Property acquisitions	–	– 101	– 1,096
Change in liabilities at acquisitions of property	– 6	– 2	– 7
Property sales	–	–	25
Change in receivables at sales of property	–	3	3
Other net investments	– 1	– 1	– 8
Cash flow from investment activities	– 305	– 403	– 2,609
Change in long term liabilities	143	188	2,025
Dividend paid	–	–	– 492
Cash flow from investment activities	143	188	1,533
Cash flow for the year	61	2	2
Cash and bank, opening balance	9	7	7
Cash and bank closing balance	70	9	9

Opportunities and Risks

Opportunities and risks in the cash flow

Increasing market interest rates is normally over time an effect of economic growth and increasing inflation, which is thought to give higher rental income. This is in part due to that the demand for premises is thought to increase, leading to reduced vacancies and hence the potential for increasing market rents and in part due to that the index clause in the commercial contracts is compensating the 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 change in rental income and interest costs does not take place at the exact same time, why the effect on income in the short term may occur at different points in time.

Sensitivity analysis - cash flow

	Effect on income, SEKm +/- 1% (units)	Probable scenario	
		Boom	Recession
Rental level	+26/-26	+	-
Vacancies	+29/-29	+	-
Property costs	-8/+8	-	0
Interest costs	-25/+25	-	+

Opportunities and risks in property values

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 may be volatile. Assuming a normal capital market, the value of the properties is determined by supply and demand, where the prices are mainly depending on the properties' expected net operating income and the buyer's required yield. An increasing demand, lower required yields and positive real development in net operating income lead to an upward adjustment in prices, while a weaker demand, higher required yields and negative real growth has the opposite effect.

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

Sensitivity analysis - change in value

Properties	-20%	-10%	0	+10%	+20%
Changes in value, SEKm	-5 813	-2 907	-	+2 907	+5 813
Loan to value ratio	63%	56%	51%	46%	42%

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.

The 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.

The parent company takes part in property related operations through involvement in the Board of the subsidiaries.

	2009 Jan-March	2008 Jan-March	2008 Jan-Dec
INCOME STATEMENT, SEKm			
Income	4	3	12
Operating expenses	- 14	- 10	- 52
Net financial items	7	8	7
Dividend	-	-	410
Changes in value, interest rate derivatives	- 109	- 44	- 1,010
Income before tax	- 112	- 43	- 663
Tax	29	12	276
Net income for the period	- 83	- 31	- 357

	31 March 2009	31 March 2008	31 Dec 2008
BALANCE SHEET, SEKm			
Participations in group companies	4,087	4,087	4,087
Receivables, group companies	15,941	13,111	15,555
Other assets	274	12	244
Interest rate derivatives	-	0	-
Cash and bank	58	0	0
Total	20,360	17,210	19,886

Shareholders' equity	3,001	3,845	3,601
Interest bearing liabilities	14,446	12,463	14,304
Interest bearing liabilities, group companies	1,120	294	775
Interest rate derivatives	1,075	-	966
Other liabilities	718	608	240
Total	20,360	17,210	19,886
Pledged assets	14,681	11,426	13,680
Contingent liabilities	300	300	300

Annual General Meeting 2009

At the Annual General Meeting on March 26, 2009 decisions were made on;

- a dividend of SEK 3.15 per share,
- re-election of all present members except Mr Mats Wäppling who had declined re-election,
- un changed remuneration to the members of the Board,
- appointing an election committee for the next AGM,
- authorizing to the Board to be able to purchase and transfer own shares until the next AGM.

Gothenburg 15 April, 2009



Håkan Hellström
Chief Executive Officer

This Interim Report has not been examined by the company's auditors.

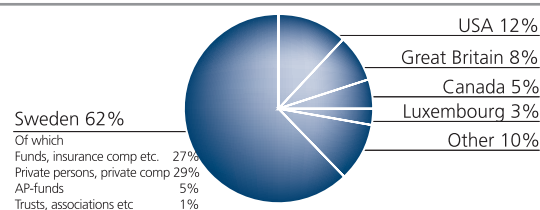
The Castellum Share

The Castellum share is listed on NASDAQ OMX Stockholm AB Large Cap. At the end of the period the company had about 7,300 shareholders. Shareholders registered abroad cannot be broken down in terms of directly held and nominee registered shares. The ten single largest Swedish shareholders can be seen in the table below.

Shareholders	Number of shares thousand	Percentage of voting rights and capital
László Szombatfalvy	11,000	6.7%
AFA Sjukförsäkrings AB	8,670	5.3%
AMF Pensionsförsäkrings AB	8,100	4.9%
Handelsbanken	5,689	3.5%
Andra AP-fonden	4,633	2.8%
Sec Lend Support	3,620	2.2%
KAS Depositary Trust Company	3,328	2.0%
Kåpan Pensioner Försäkringsförening	2,794	1.7%
Swedbank Robur Realinvest	2,154	1.3%
AFA TFA Försäkrings AB	1,957	1.2%
Övriga aktieägare registrerade i Sverige	49,621	30.3%
Aktieägare registrerade i utlandet	62,434	38.1%
Totalt utestående aktier	164,000	100.0%
Återköpta egna aktier	8,007	
Totalt registrerade aktier	172,007	

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

Distribution of shareholders by country



The Castellum share price as at 31 March, 2009 was SEK 46.30 equivalent to a market capitalization of SEK 7.6 billion, calculated on the number of outstanding shares.

During the period a total of 54 million shares were traded, equivalent to an average of 864,000 shares per day, corresponding on an annual basis to a turnover rate of 133%.

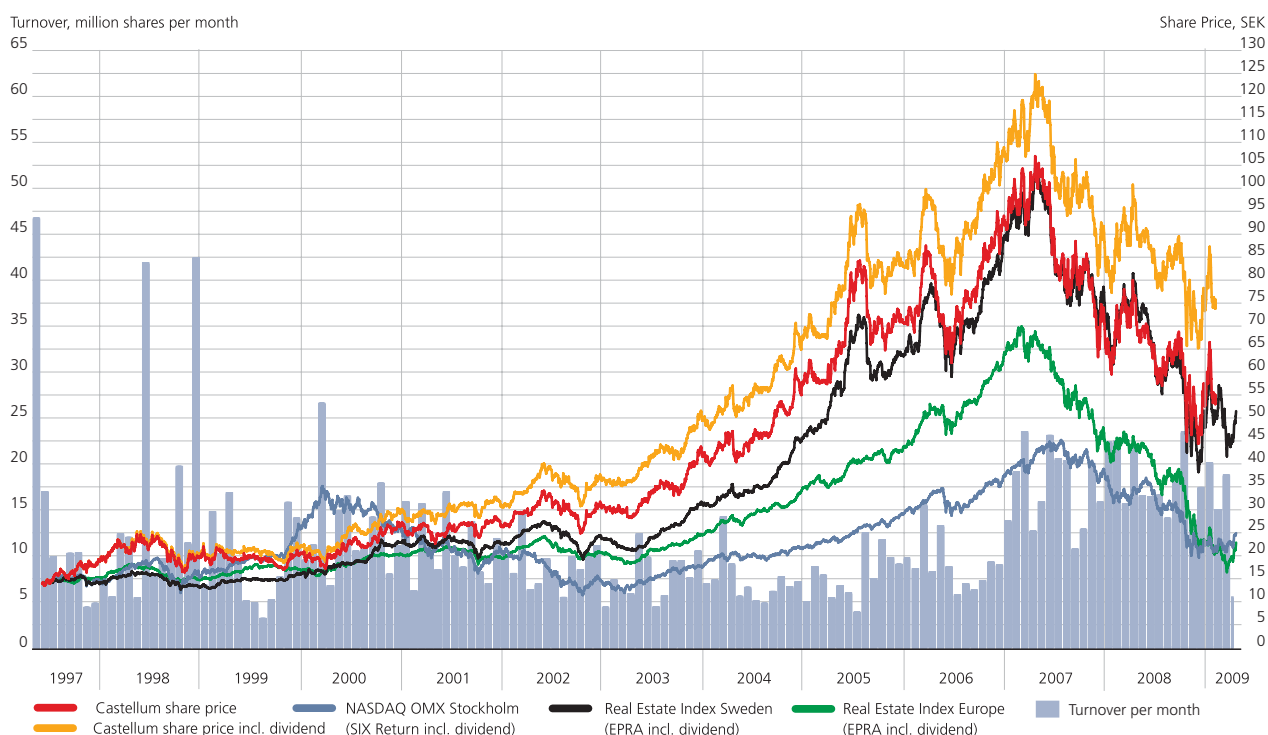
Growth, yield and financial risk

During the last 12-month period the total yield of the Castellum share has been -32%, including dividend of SEK 3.15.

Total yield of the share (incl. dividend)

	April 08 - March 09	3 years average/year	10 years average/year
Castellum	-32%	-12%	+12%
NASDAQ OMX Stockholm (SIX Return)	-33%	-13%	+3%
Real Estate Index Sweden (EPRA)	-39%	-16%	+12%
Real Estate Index Europe (EPRA)	-56%	-28%	+2%

The Castellum share's price trend and turnover since IPO may 23, 1997 until April 9, 2009



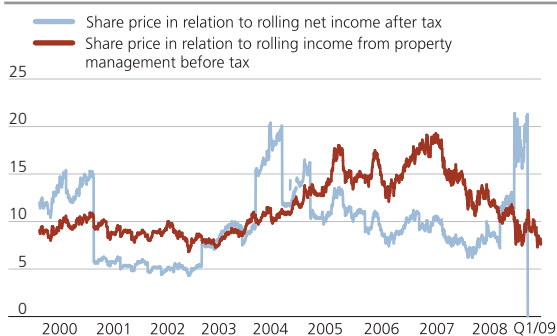
Valuation - share price related key figures

Earnings capacity

Income from property management before tax amounted on rolling annual basis to SEK 6.16 per share, which compared to the share price at the end of the period gives a multiple of 8.

Net income on rolling annual basis amounted to SEK -5.18 per share, which gives a negative multiple.

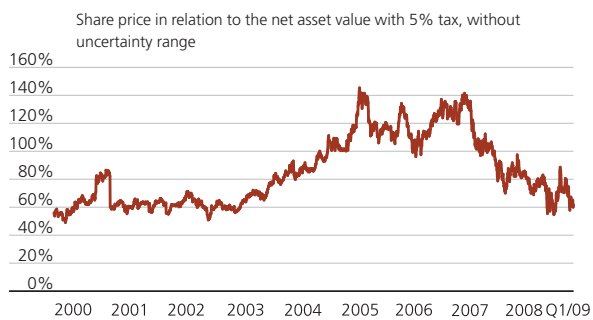
The share's earnings multiple



Net asset value

The net asset value, using an estimated discounted real deferred tax liability of 5%, can be calculated to SEKm 11,551, corresponding to 70 SEK/share. The share price at the end of the period was thus 66% of the net asset value.

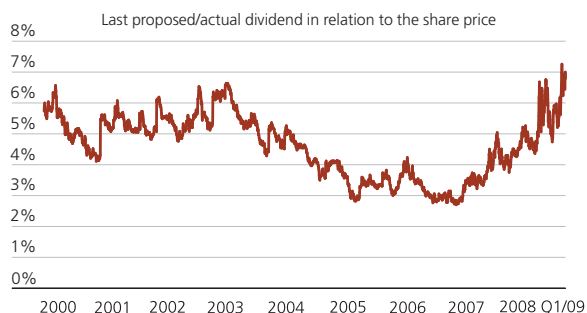
Share price/net asset value



Dividend yield

The proposed dividend of SEK 3.15 corresponds to a yield of 6.8% based on the share price at the end of the period.

The share's dividend yield



Calendar

Half-year Report January-June 2009	14 July, 2009
Interim Report January-September 2009	15 October 2009
Year-end Report 2009	20 January, 2010
Annual General Meeting	25 March, 2010

For further information please contact Håkan Hellström, CEO, or Ulrika Danielsson, Finance Director, telephone +46 31-60 74 00 or visit Castellum's website.

www.castellum.se

On Castellum's website it is possible to download as well as subscribe to Castellum's Pressreleases 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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