

Corporate Governance



Idémannen 2, Linköping

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

Articles of association

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

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

Annual general meeting 2008

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

The latest AGM was held on March 27 2008 in RunAn, Chalmers Kårhus in Gothenburg. At the AGM approx. 310 shareholders were present, representing 30.10% of the total number of shares and votes.

The AGM adopted the financial reports for 2007 and discharged the Board of Directors and the Chief Executive Officer from liability regarding the operations for 2007.

Dividend to the shareholders was decided according to the Board's proposal of SEK 3.00 per share.

The AGM decided that the Board of Directors shall consist of seven board members with no deputies and that the Board shall receive a fixed remuneration of SEK 1,740,000 of which SEK 450,000 to the Chairman of the Board and SEK 215,000 to each of the remaining board members. To the Board of Directors Jan Kvarnström, Marianne Dicander Alexandersson, Per Berggren, Ulla-Britt Fräjdin-Hellqvist, Christer Jacobsson, Göran Lindén and Mats Wäppling were elected. The AGM appointed Jan Kvarnström as Chairman of the Board.

The AGM decided to approve the Board's proposed guidelines for remuneration to the executive management.

The AGM also decided to authorize the Board – for the purpose of adjusting the company's capital structure – to acquire the company's own shares, up to 10% of all shares in the company.

Minutes of the annual general meeting held on March 27 2008 is available on the company's web site.

Share capital

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

Board of Directors

According to the articles of association, Castellum's Board shall consist of no less than four and no more than eight members. Board members are elected at the annual general meeting for the time until the end of the first annual general meeting held after the year the board member was elected. During 2007, the Board was made up of seven regular members. The Board works according to a set of procedural rules containing instructions on the allocation of work between the Board and the CEO. No board member is entitled to remuneration if leaving the assignment.

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

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

The Board of Directors responsibility

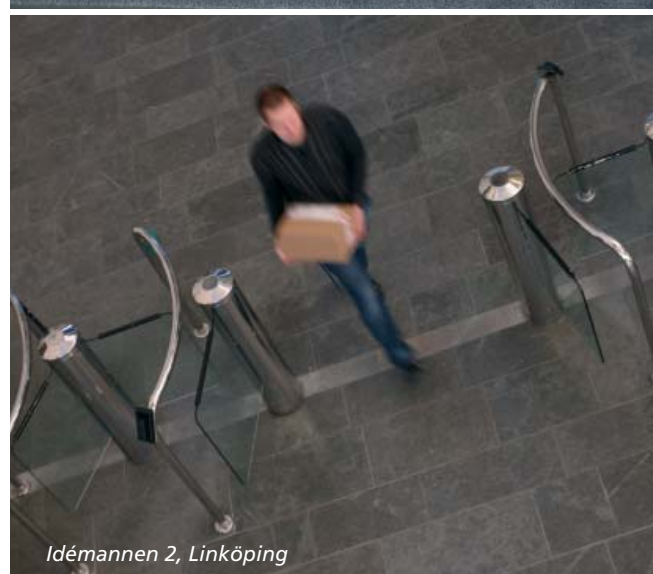
The Board appoints the company's Chief Executive Officer and sets remuneration and other terms of employment benefits for the CEO. According to the Swedish Companies Act and the Board of Directors' rules of procedure the Board is responsible for outlining overall, long-term strategies and objectives,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

The Board of Directors' rules of procedure

The Board of Directors' rules of procedure is set annually. The rules of procedure describes the work of the Board and the distribution of responsibility between the Board and the Chief Executive Officer. The rules of procedure states which topics should be dealt with at each board meeting and instructions regarding the financial reporting to the Board of Directors. The rules of procedure also prescribes that the Board shall have an audit committee and a remuneration committee made up of all members of the Board who are not employed by the company. The Chairman of the committees shall be the Chairman of the Board of Directors.

The Chairman of the Board of Directors

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



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The Board of Directors' activities During 2008

During 2008, Castellum's Board have held eight meetings of which one was an inaugural meeting. According to the prevailing procedural rules, the Board must hold at least five scheduled board meetings each calendar year.

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

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

The regular matters dealt with by the Board during 2008 included the business plan, company-wide policies, overall strategies, the procedural rules for the Board, the capital structure and funding needs, and the company's insurance situation. The Board has made an annual evaluation of its work which has been put together by the Secretary to the Board commissioned by the Board. The evaluation has been handed to the Election Committee and the Board for discussion. The evaluation covers topics such as working climate, working procedures, follow-up and control, composition and communication with owners.

No other compensation beside the remuneration has been paid.

Remuneration Committee

The Remuneration Committee shall propose guidelines for remuneration to executive management which shall be presented to the AGM for decision. Further, the Remuneration Committee shall decide on remuneration for the Chief Executive Officer and other senior executives within the guidelines decided by the AGM. The Remuneration Committee shall annually evaluate the work of the Chief Executive Officer and deal with issues concerning appointing a Chief Executive Officer. The Remuneration Committee shall meet at least twice a year. During 2008, the Committee has held two meetings.

Audit Committee

The Audit Committee's tasks are to take responsibility for the company's internal control, accounting principles, risk management, financial reporting, auditing and prepare for the election committee's process for election of auditors and their remuneration as well as secure a qualified independent review of the company. The Audit Committee shall meet at least three times a year, of which at least twice with the company's auditors present. At one of the occasions when the Audit Committee meets with the auditors no member of the executive management shall be present. During 2008, the Committee has held three meetings.

Board of Directors, number of meetings and attendance during 2008 in Castellum AB

| Name | Elected | Independent | Attendance of the total number of meetings | | | |
|---------------------------------|---------|-------------|--|-----------------|------------------------|----------------------------|
| | | | Board meetings | Audit Committee | Remuneration Committee | Remuneration, SEK thousand |
| Jan Kvarnström | 1994 | No* | 8 av 8 | 3 av 3 | 2 av 2 | 450 |
| Per Berggren | 2007 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |
| Marianne Dicander Alexandersson | 2005 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |
| Ulla-Britt Fräjdin-Hellqvist | 2003 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |
| Christer Jacobson | 2006 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |
| Göran Lindén | 1999 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |
| Mats Wäppling | 2007 | Yes | 8 av 8 | 3 av 3 | 2 av 2 | 215 |

* Member of the Board of Directors in Castellum since 1994

Board of Directors

Jan Kvarnström

Chairman of the Board

Born 1948, Master of Business Administration and Economics and MBA. Partner in ERC.

Has previous experience from different executive positions in the Bonnier-group and PK-banken (now Nordea) etc. and as CEO of Securum AB, Esselte AB and Dresdner Bank AG. Other assignments: Chairman of the Board of PA Resources AB, Collector AB and senior adviser in Investcorp. Shareholdings: 13,600



Per Berggren

Boardmember

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

Present CEO of Jernhusen AB. Previously division manager in Faberge AB, CEO of Drott Kontor AB and property manager in Skanska Fastigheter Stockholm AB. Other assignments: Director of Ny Nationalarena i Solna AB. Shareholdings: 1,100



Marianne Dicander Alexandersson

Boardmember

Born 1959, Master of Science. Deputy CEO of Apoteket AB.

Previous positions within Volvo, ICI, Pharmacia and latest as CEO of Kronans Droghandel AB. Other assignments: Director of Chalmers University of Technology, Confederation of Swedish Enterprise and WHO's Uppsala monitoring center. Shareholdings: 24



Ulla-Britt Fräjdin-Hellqvist

Boardmember

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

Previous executive positions within Volvo Personvagnar and Head of Department in Confederation of Swedish Enterprise. Other assignments: Chairman of the Board of SinterCast AB, Stiftelsen för Strategisk Forskning and Ruter Dam. Director of Kongsberg Automotive, Svedberg i Dalstorp AB, Rymsbolaget, Friskvårds-Checken, 4cycle and e-man. Shareholdings: 800



Christer Jacobson

Boardmember

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

Previously stock commentator and market manager at Affärsvärlden and Head of Analysis and CEO of the Alfred Berg-group. Shareholdings: 0.



Göran Lindén

Boardmember

Born 1944, Bachelor of Business Administration and Economics. Has been CEO of ABBA AB, BCP AB, Fortos AB, Swedish Match AB and deputy CEO of Procordia AB and member of the executive board in AB Volvo.

Other assignments: Chairman of the Board of Insplanet AB, Procordia's retirement fund, Rölunda AB, Flodins Filter AB, Retail House Oy and Västana Slott AB and Director of Wicanders Förvaltnings AB, Plockmatic Int. AB and Grimaldi Industrier AB. Shareholdings: 0.



Mats Wäpling

Boardmember

Born 1956, Master of Science. Present CEO of SWECO AB.

Previous positions as deputy CEO of NCC AB and manager of NCC Property Development and deputy CEO and division manager within Skanska AB. Shareholdings: 0.



Johan Ljungberg

Secretary to the Board

Born 1974 Secretary to the Board since 2008.

Lawyer, Mannheimer Swartling Advokatbyrå. Shareholdings: 0

The information above refers to the situation in the beginning of February 2009. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies.



Carl Lindgren
Born 1958.
Company's auditor since 2007.



Ingemar Rindstig
Born 1949.
Company's auditor since 2003.



Conny Lysér
Born 1962.
Company's deputy auditor
since 2003.

Audit

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

Remuneration to auditors

Remuneration to auditors during the year was SEK 3,896,000 (2007: 3,977,000 2006: 3,492,000) of which SEK 2,612,000 (2007: 2,117,000 2006: 1,942,000) related to auditing assignments and the remainder to consulting. The corresponding amounts for the parent company were SEK 979,000 (2007: 1,058,000 2006: 787,000) and 708,000 (2007: 682,000 2006: 562,000). Of the group's total remuneration of SEK 3,896,000 (2007: 3,977,000 2006: 3,492,000), SEK 3,637,000 (2007: 3,851,000 2005: 3,346,000) refer to KPMG and the remainder to Ernst & Young.

Election Committee

The Annual General Meeting 2008 decided that an election committee should be appointed for the AGM 2009 in order to present proposals for the number of members of the Board of Directors, election of members of the Board of Directors and chairman of the Board of Directors and remuneration to members of the Board of Directors.

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

The election committee formed includes: Maj-Charlotte Wallin representing AFA Försäkring, Lars-Åke Bokenberger representing AMF Pension, Carl Rosén representing Andra AP-fonden, and the Chairman of the Board Jan Kvarnström. Maj-Charlotte Wallin is the chairman of the election committee.

The election committee has held three meetings with minutes. At the meetings the election committee has addressed all the issues the election committee are obliged to address according to the Swedish Code for corporate governance. The election committee has evaluated if the current Board of Directors meet the requirements that will be put on the Board as an effect of Castellum's situation and future operations, e.g. by reviewing the evaluation made of the work of the Board.

The election committee has decided to propose re-election of the Boardmembers Jan Kvarnström, Per Berggren, Marianne Dicander Alexander-sson, Ulla-Britt Fräjdin-Hellqvist, Christer Jacobson and Göran Lindén. Jan Kvarnström is proposed as chairman of the Board. Mats Wäppling has declined re-election. The proposed Board of Directors is considered to possess the versatility and competence, experience and background required with respect to Castellum's business, phase in the development and other circumstances.

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

Remuneration to the Board of Directors is proposed to remain unchanged, SEK 450,000 to the Chairman and SEK 215,000 for each of the remaining board members, SEK 1,525,000 in total.

Finally, the Election Committee has informed Castellum about the work of the Election Committee and which proposals the Election Committee has decided to put forward.

The Annual General Meeting 2009

For the AGM on March 26, 2009 the Board of Directors proposes:

- a dividend of SEK 3.15 per share and March 31, 2009 as record day,
- guidelines for remuneration to members of the executive management,
- a renewed mandate for the Board to decide on purchase or transfer of the company's own shares.

For the AGM the election committee proposes:

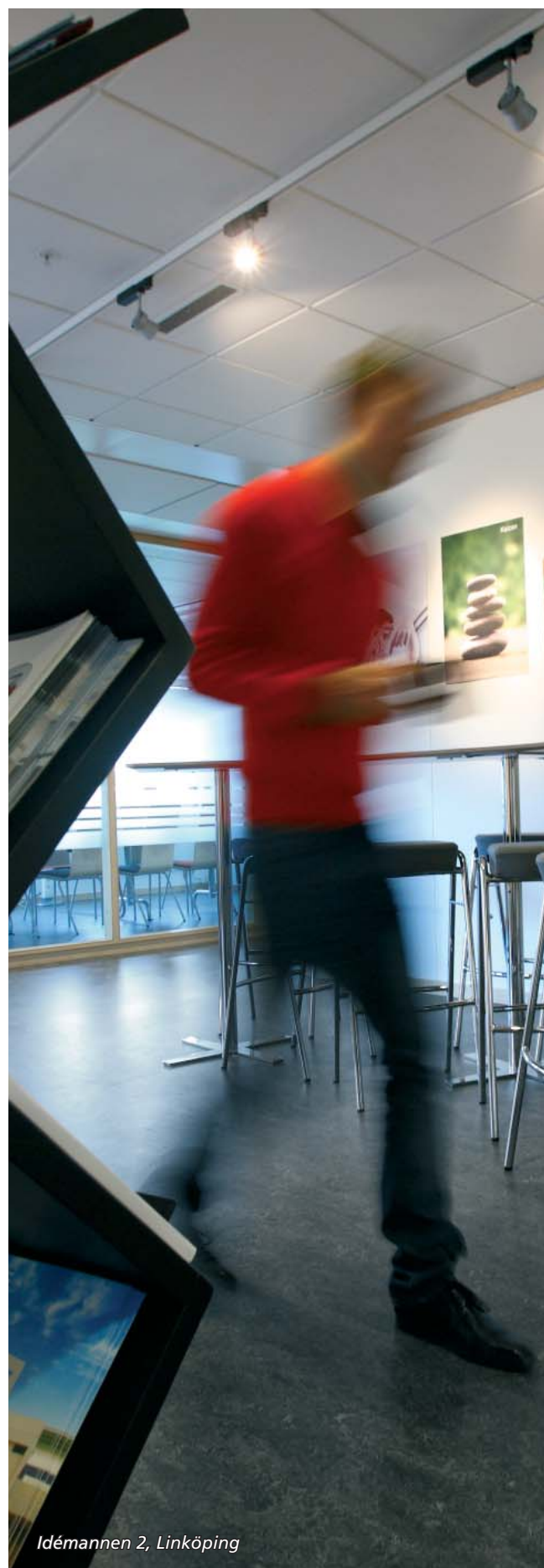
- that the number of board members shall be six,
- that remuneration to the Board of Directors should be SEK 1,525,000 out of which SEK 450,000 should be allocated to the Chairman of the Board and SEK 215,000 to each one of the remaining members of the Board of Directors. The remuneration include work on the committees,
- re-election of the board members Jan Kvarnström, Per Berggren, Marianne Dicander Alexandersson, Ulla-Britt Fräjdin-Hellqvist, Christer Jacobson and Göran Lindén and, that Jan Kvarnström shall be re-elected as Chairman of the Board of Directors,
- for AGM to decide on appointing an election committee for the AGM 2010 and for the Chairman to contact the three largest registered or in an other way known shareholders at the end of the third quarter 2009 and invite them to each appoint one member to the election committee, and that the three appointed members together with the Chairman of the Board of Directors shall constitute the election committee. The election committee will appoint a chairman amongst its members.

Swedish code for corporate governance

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

Castellum deviates from the paragraph, "making the members of the election committee public", which according to the code shall be made six month prior to the AGM. The AGM 2008 decided, according to previous practice, that an election committee should be established at the end of the third quarter, and that the names of the members of the election committee should be published in the company's third interim report for the year. According to this composition of the election committee was published approximately five months prior to the AGM.

Since the Corporate Governance Report, which is made up of the section corporate governance pages 60-69, is an important report Castellum has chosen to include this in the Directors' Report. Hence, the Corporate Governance Report, excluding the section about internal control, is included in the regular audit of the annual report.



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Internal control

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

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

Control environment

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

Risk assessment

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

Control activities

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

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

Information and communication

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

Monitoring

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

The need for internal audits

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



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Executive Group Management

The executive group management includes the Chief Executive Officer, the Deputy Chief Executive Officer with responsibility for business development, the Financial and Finance Directors of Castellum AB and the six Managing Directors of the subsidiaries. Each member of the executive group management has their own area of responsibility and at the meetings mostly issues of overall operations are covered. The executive management has had 12 meetings in 2008.

The Chief Executive Officer

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

Guidelines for remuneration for Senior Executives

The AGM 2008 decided on the following guidelines for remuneration for senior executives:

Castellum shall uphold the remuneration levels and terms of employment required in order to recruit and maintain a good management with competence and capacity to achieve set objectives. The remuneration and other terms of employment for the management shall thus be adjusted to the market conditions. A fixed salary will be paid for work performed in a satisfactory manner.

In addition, flexible remunerations may also be offered, in order to reward clearly goal referenced achievements by simple and transparent constructions. The flexible remuneration of the management shall generally not exceed the fixed salary. The flexible remuneration of the management shall depend upon the extent to which set goals have been fulfilled. The remuneration of the management under the incentive program will depend upon the extent to which set goals have been fulfilled, mainly in respect of profits from property management, development of the company image, training of staff and customer satisfaction, as well as development of the share price, both in nominal figures and compared to real estate index.

The non-monetary benefits of the management shall facilitate the work of the members of management and shall correspond to what is considered reasonable under relevant market practice.

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

Dismissal pay and severance pay of a member of the management shall not exceed 24 monthly salaries in total.

Castellum has followed the guidelines decided by the AGM.

The proposed guidelines for remuneration for senior executives which will be put forward at the AGM on March 26, 2009 are on principle unchanged compared to those put forward at the AGM in 2008.

For further information regarding remuneration for the management see note 10, page 91.

Executive Group Management

Håkan Hellström

Chief Executive Officer, Castellum AB.

Born 1956, Master of Business Administration and Economics. Employed since 1994 as Chief Financial Officer and Deputy Chief Executive Officer. Has previously worked as Authorized Public Accountant. Other assignments: Member of the Board of European Public Real Estate Association (EPRA). Shareholdings: 100,000



Henrik Saxborn

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

Born 1964, Master of Science. Previous experience from management and acquisitions of properties. Employed since 2006. Shareholdings: 8,200

Tage Christoffersson

Managing Director, Eklandia Fastighets AB.

Born 1952, upper secondary schooling and real estate/economy at KTH. Has been working in the real estate business since 1976. Employed since 1994 and Managing Director of Eklandia since 1995. Shareholdings: 47,000



Ulrika Danielsson

Finance Director, Castellum AB.

Born 1972, Master of Business Administration and Economics. Experience within the financial and controlling function. Employed since 1998 and Finance Director since 2006. Shareholdings: 2,800

Anette Engström

Financial Director, Castellum AB.

Born 1961, Master of Business Administration and Economics. More than 20 years experience from bank and finance. Employed since 2000 and Financial Director since 2006. Shareholdings: 24,800



Claes Junefelt

Managing Director, Fastighets AB Corallen.

Born 1960, Master of Science. More than 15 years experience from building construction as team manager/district manager. Employed and Managing Director of Corallen since 2005. Shareholdings: 5,000

Claes Larsson

Managing Director, Aspholmen Fastigheter AB.

Born 1957, Master of Science. More than 10 years experience from building construction as team manager/district manager. Employed and Managing Director of Aspholmen since 2002. Shareholdings: 17,900



Anders Nilsson

Managing Director, Fastighets AB Brostaden.

Born 1967, Master of Science. More than 10 years experience from the real estate business. Employed since 1993 and Managing Director of Brostaden since 2006. Shareholdings: 3,300

Christer Sundberg

Managing Director, Harry Sjögren AB.

Born 1955, Master of Science. More than 25 years experience from banks and real estate companies. Employed and Managing Director of Harry Sjögren AB since 1993. Shareholdings: 40,850



Gunnar Östenson

Managing Director, Fastighets AB Briggen.

Born 1956, Master of Business Administration and Economics. Previous experience from real estate management and the construction industry. Employed and Managing Director of Briggen since 2006. Shareholdings: 2,000

The information above refers to the situation in the beginning of February 2009. Shareholdings include own holdings and those of spouse, minors or children living at home and associated companies.

Audit Report

To the annual meeting of the shareholders of Castellum AB (publ) corporate identity number 556475-5550

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Castellum AB (publ) for the year 2008. The annual accounts and the consolidated accounts are presented in the printed version of this document on pages 64-100. The board of directors and the managing director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of International Financial Reporting Standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain high but not absolute assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director and significant estimates made by the board of directors and the managing director when preparing the annual accounts and the consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Gothenburg February 4th, 2009



Carl Lindgren
Authorized Public Accountant



Ingemar Rindstig
Authorized Public Accountant

