



# Interim Report Q2 2016

Catella AB

# Sales and results of operations **Group**

## Progress in the quarter

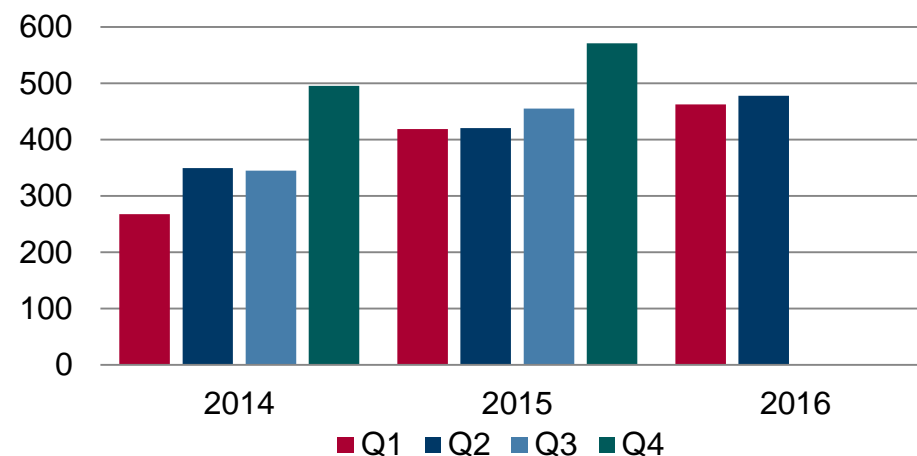
- Total income increased by SEK 57 M, 14%, year-on-year
- Growth in all business areas, mainly in Systematic Funds

SEK M	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Corporate Finance	174	161	634	630
Equity, Hedge and Fixed Income Funds *	163	135	736	651
Banking *	94	85	373	354
Property Investment Management *	54	45	244	249
<b>Total income</b>	<b>478</b>	<b>421</b>	<b>1,967</b>	<b>1,866</b>
Assignment expenses and commission	-91	-81	-370	-347
Operating expenses	-322	-293	-1,305	-1,258
<b>Operating profit/loss **</b>	<b>65</b>	<b>46</b>	<b>292</b>	<b>261</b>
<b>Net profit/loss for the period</b>	<b>198</b>	<b>50</b>	<b>432</b>	<b>272</b>
Profit/loss attributable to the Parent Company shareholders	182	48	359	243
<i>Operating margin, % **</i>	<i>14</i>	<i>11</i>	<i>15</i>	<i>14</i>

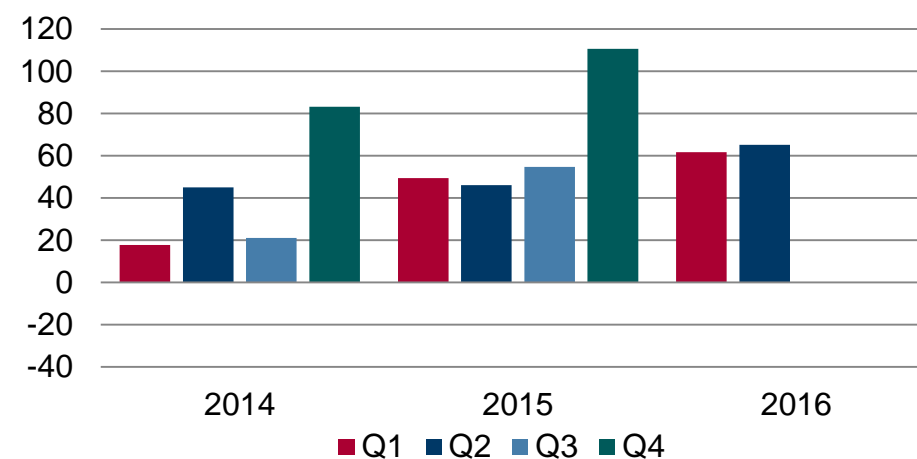
\* Includes internal income.

\*\* Before acquisition-related items.

## TOTAL INCOME, SEK M



## OPERATING PROFIT/LOSS, SEK M \*\*



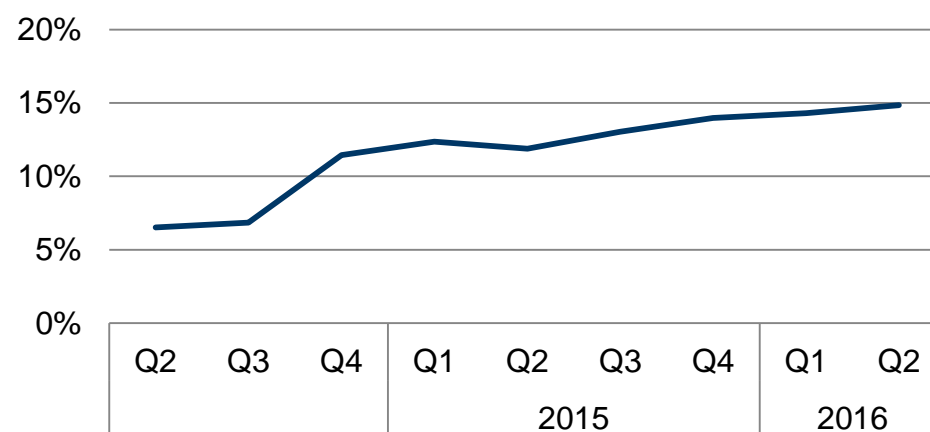
# Key figures Group

Key Figures	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Profit margin, %	41	12	22	15
Return on equity, % *	27	18	-	20
Equity/Asset ratio, %	31	30	-	29
Equity, SEK M *	1,484	1,177	-	1,319
Equity and liabilities, SEK M	5,159	4,130	-	5,011
Earnings per share, SEK *	2.23	0.58	4.38	2.97
Equity per share, SEK *	18.14	14.40	-	16.14
Property transaction volume, SEK Bn	20.0	15.9	61.9	58.3
Asset under management, SEK Bn	137.9	131.8	-	138.3
<i>net in-(+) and outflow(-), mdkr</i>	-0.9	3.2	4.8	14.4
Card and payment volumes, SEK Bn	1.9	1.7	7.2	7.1
No. of employees, at end of period	563	520	-	539

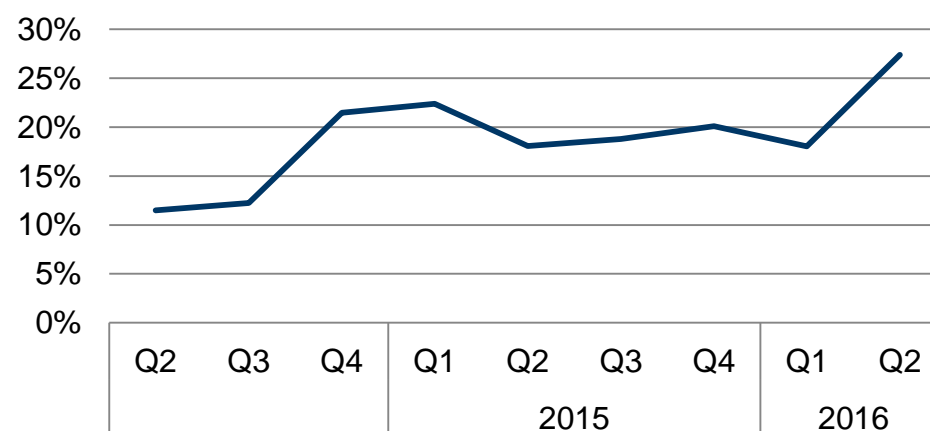
\* Attributable to shareholders of the Parent Company.

\*\* Before acquisition-related items.

## OPERATING MARGIN ROLLING 12 MONTHS, % \*\*



## RETURN ON EQUITY, % \*





# Corporate Finance

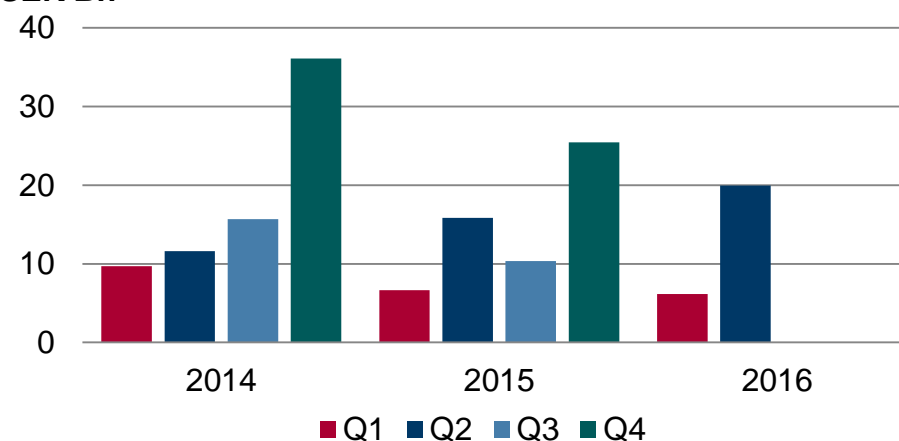
# Property transaction volumes **Corporate Finance**

## Progress in the quarter

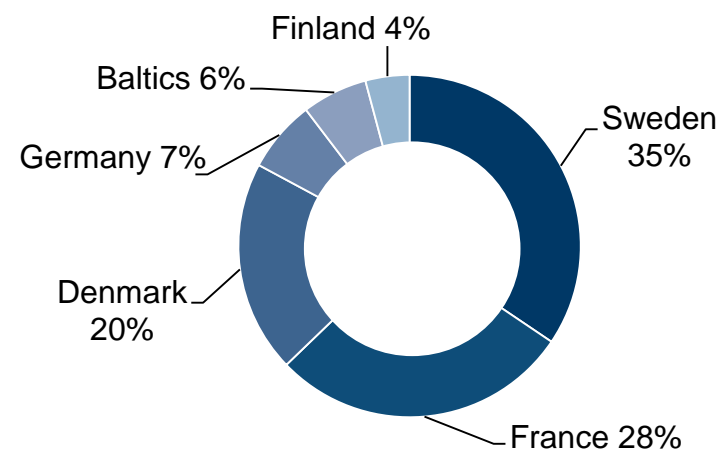
- Property transaction volumes in Europe excl. the UK: EUR 42.3 Bn (46.6), a 9% decrease
  - Germany -42%
  - France +8%
  - Sweden +68%
  - Spain +51%
- Catella's property transaction volumes were up by 26%, amounting to SEK 20.0 Bn (15.9), of which:
  - France SEK 5.8 Bn (3.6)
  - Sweden SEK 5.6 Bn (9.3)
  - Germany SEK 1.3 Bn (0.8)

SEK Bn	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Property transaction volume	20.0	15.9	61.9	58.3
<i>of which Nordic</i>	12.5	11.3	36.0	33.9
<i>of which Continental Europe</i>	7.4	4.6	25.9	24.4

**CATELLA PROPERTY TRANSACTION VOLUME, SEK Bn**



**CATELLA PROPERTY TRANSACTION VOLUME PER COUNTRY YTD, %**



# Sales and results of operations Corporate Finance

## Progress in the quarter

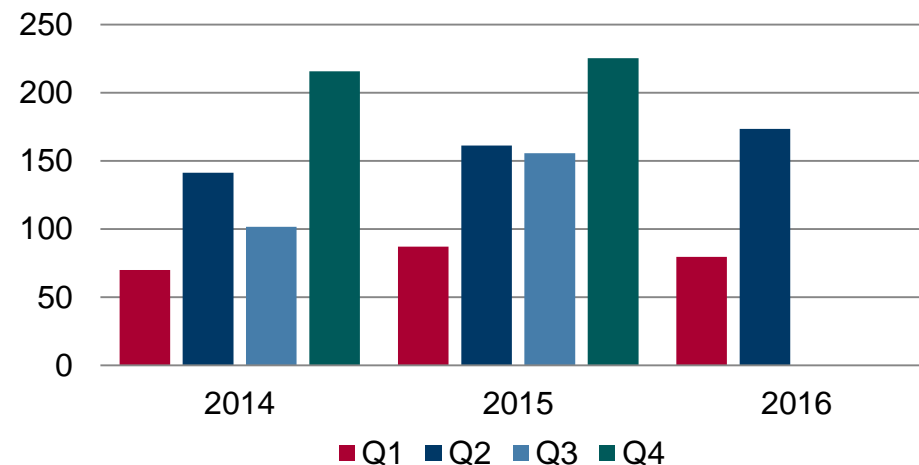
- Income and profit up year-on-year
- Generally positive market activity
- Increased share of value-adding and capital markets-related services
- New Head of Finnish operations and new Head of Transactions in Sweden
- Consumer was terminated after the end of the quarter

SEK M	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Nordic *	106	102	302	305
Continental Europe *	68	59	333	325
<b>Total income</b>	<b>174</b>	<b>161</b>	<b>634</b>	<b>630</b>
Assignment expenses and commission	-14	-11	-37	-37
Operating expenses	-123	-125	-517	-527
<b>Operating profit/loss **</b>	<b>36</b>	<b>25</b>	<b>80</b>	<b>66</b>
<i>Operating margin, % **</i>	21	16	13	11
<i>No. of employees, at end of period</i>	213	214	-	211

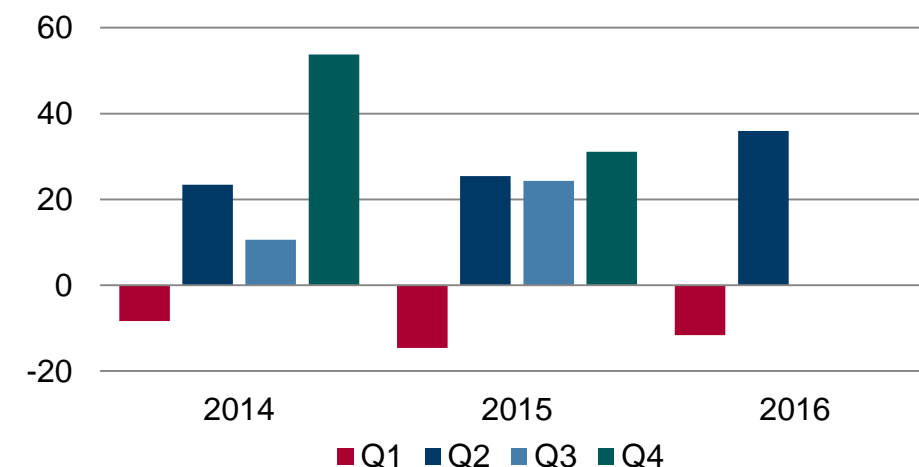
\* Includes internal income.

\*\* Before acquisition-related items.

**TOTAL INCOME, SEK M**



**OPERATING PROFIT/LOSS, SEK M \*\***





# Equity, Hedge and Fixed Income Funds



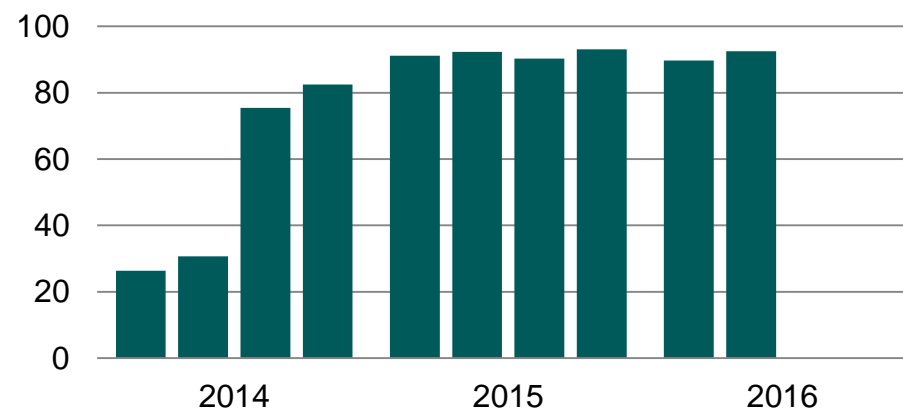
# Assets under management **Equity, Hedge and Fixed Income Funds**

## Progress in the quarter

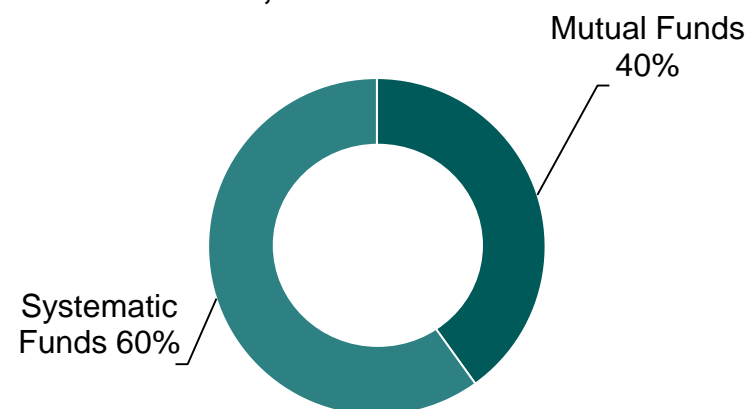
- New savings in mutual funds in Sweden totalled SEK 5.6 Bn
- Catella's share of mutual funds volumes in Sweden was 1.2% (1.2)
- Catella's assets under management increased by SEK 2.7 Bn (1.1)
  - Of which net inflows SEK 0.3 Bn (3.2)
- Net inflows to Catella's hedge products

SEK Bn	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
<b>Asset under management</b>	<b>92.5</b>	<b>92.3</b>	<b>-</b>	<b>93.1</b>
<i>net in-(+) and outflow(-)</i>	<i>0.3</i>	<i>3.2</i>	<i>-0.2</i>	<i>8.2</i>
<b>of which Mutual Funds</b>	<b>37.1</b>	<b>45.5</b>	<b>-</b>	<b>44.6</b>
<i>net in-(+) and outflow(-)</i>	<i>-1.4</i>	<i>3.6</i>	<i>-8.1</i>	<i>5.3</i>
<b>of which Systematic Funds</b>	<b>55.4</b>	<b>46.8</b>	<b>-</b>	<b>48.5</b>
<i>net in-(+) and outflow(-)</i>	<i>1.7</i>	<i>-0.4</i>	<i>7.8</i>	<i>2.9</i>

AUM, SEK Bn



DISTRIBUTION OF AUM, %





# Income and results of operations **Equity, Hedge and Fixed Income Funds**

## Progress in the quarter

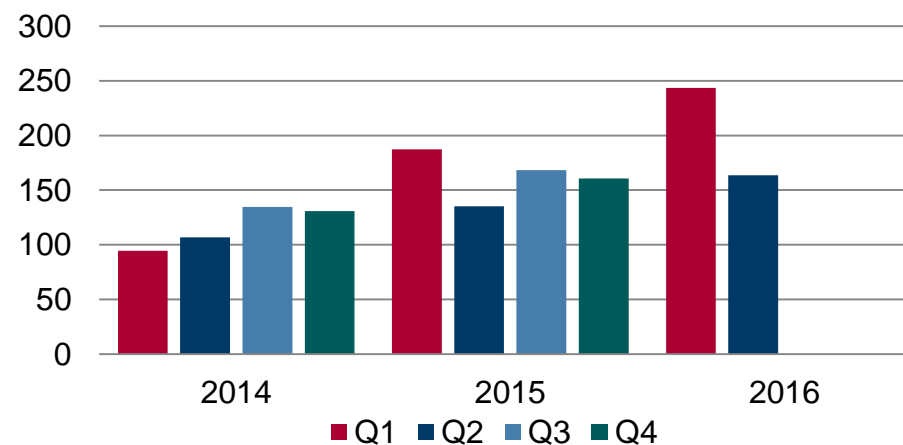
- Fixed income higher driven by increased assets under management in Systematic Funds
- Increased performance-based earnings in Systematic Funds
- Total income in Mutual Funds down by 28%
- To Total income in Systematic Funds up by 208%

SEK M	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Mutual Funds *	78	107	355	433
Systematic Funds *	86	28	381	218
<b>Total income</b>	<b>163</b>	<b>135</b>	<b>736</b>	<b>651</b>
Assignment expenses and commission	-48	-41	-177	-158
Operating expenses	-68	-58	-284	-265
<b>Operating profit/loss **</b>	<b>48</b>	<b>36</b>	<b>274</b>	<b>228</b>
<i>Operating margin, % **</i>	29	27	37	35
<i>No. of employees, at end of period</i>	79	73	-	73

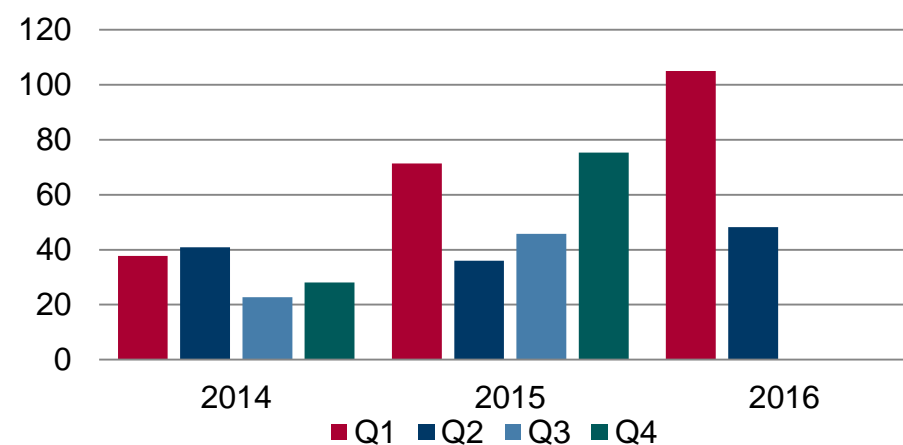
\* Includes internal income.

\*\* Before acquisition-related items.

## TOTAL INCOME, SEK M



## OPERATING PROFIT/LOSS, SEK M \*\*





Banking

# Card and payment volumes & assets under management

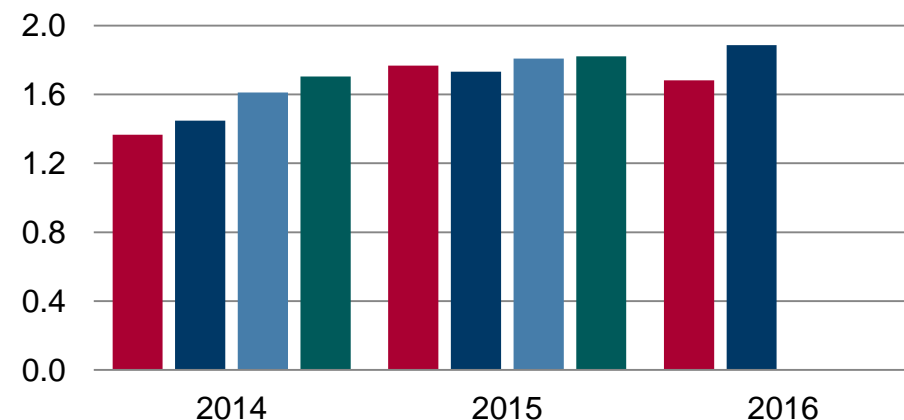
## Banking

### Progress in the quarter

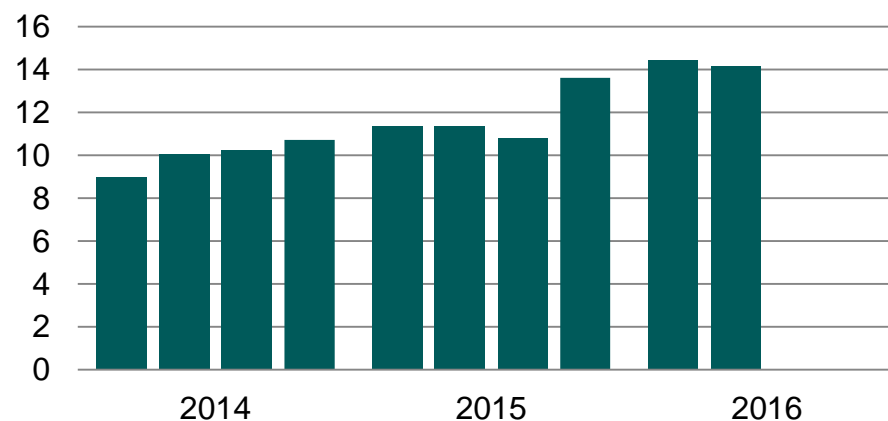
- Card and payment volumes increased by SEK 0.2 Bn, 9%, year-on-year
- Assets under management decreased by SEK 0.2 Bn (0.0), of which net outflows were SEK 0.3 Bn (+0.4)
- Assets under management as of 30 June 2016: SEK 14.2 Bn (11.4)

SEK Bn	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Card and payment volumes	1.9	1.7	7.2	7.1
Asset under management	14.2	11.4	-	13.6
<i>net in-(+) and outflow(-)</i>	-0.3	0.4	3.1	3.1

CARD AND PAYMENT VOLUMES, SEK Bn



AUM, SEK Bn



# Sales and results of operations **Banking**

## Progress in the quarter

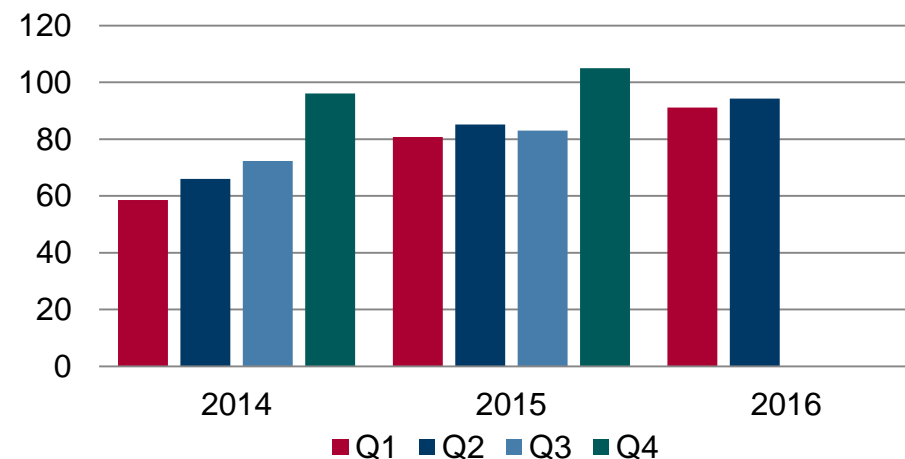
- Total income increased by 11% year-on-year
  - Mainly attributable to Wealth Management
- Focus on expanded loan book, sales and distribution

SEK M	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Cards and Payment Solutions *	62	61	262	254
Wealth Management *	33	24	112	100
<b>Total income</b>	<b>94</b>	<b>85</b>	<b>373</b>	<b>354</b>
Assignment expenses and commission	-19	-20	-93	-89
Operating expenses	-78	-72	-306	-293
<b>Operating profit/loss **</b>	<b>-3</b>	<b>-6</b>	<b>-26</b>	<b>-28</b>
<i>Operating margin, % **</i>	-3	-7	-7	-8
<i>No. of employees, at end of period</i>	170	154	-	163

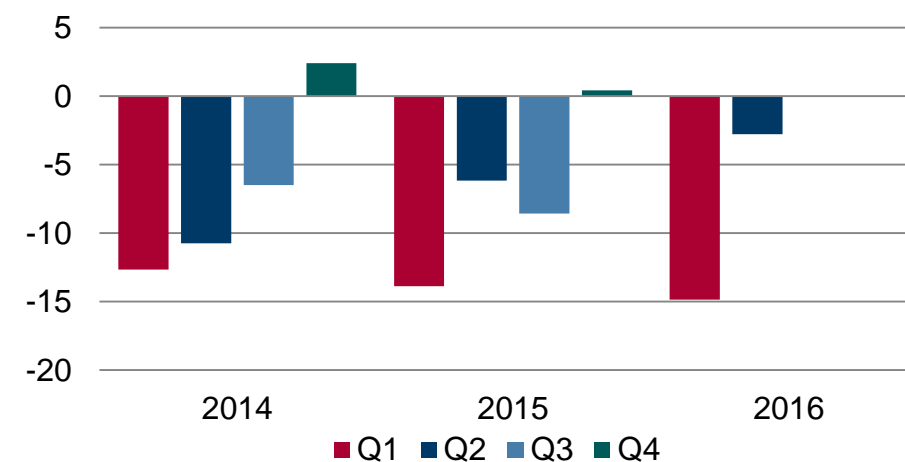
\* Includes internal income.

\*\* Before acquisition-related items.

**TOTAL INCOME, SEK M**



**OPERATING PROFIT/LOSS, SEK M \*\***





# Property Investment Management

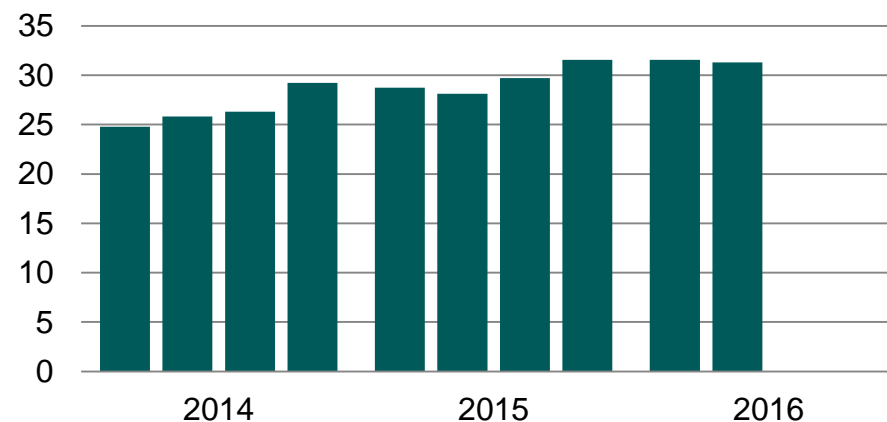


# Assets under management **Property Investment Management**

## Progress in the quarter

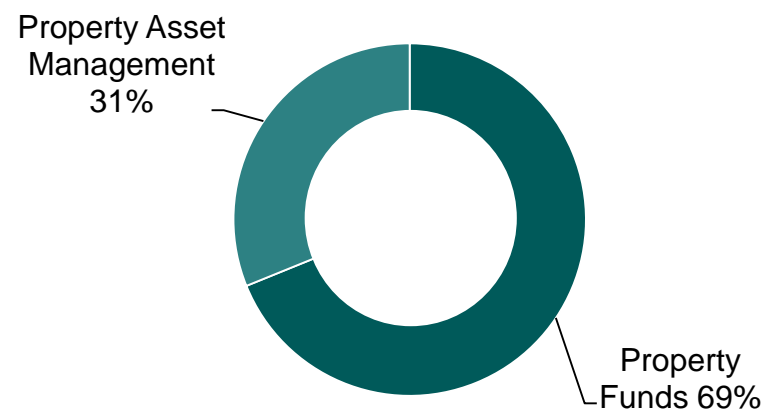
- Assets under management reduced by SEK 0.3 Bn (-0.6) in the quarter
  - Net outflows of SEK 0.9 Bn (-0.4), mainly due to sales of assets in Property Asset Management in Finland
- Assets under management as of 30 June 2016: SEK 31.3 Bn (28.1)

AUM, SEK Bn



	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
<b>Asset under management</b>	<b>31.3</b>	<b>28.1</b>	<b>-</b>	<b>31.6</b>
<i>net in-(+) and outflow(-)</i>	<i>-0.9</i>	<i>-0.4</i>	<i>1.9</i>	<i>3.0</i>
<b>of which Property Funds</b>	<b>21.5</b>	<b>19.1</b>	<b>-</b>	<b>20.2</b>
<i>net in-(+) and outflow(-)</i>	<i>0.4</i>	<i>0.1</i>	<i>1.4</i>	<i>1.0</i>
<b>Management</b>	<b>9.7</b>	<b>9.0</b>	<b>-</b>	<b>11.3</b>
<i>net in-(+) and outflow(-)</i>	<i>-1.3</i>	<i>-0.5</i>	<i>0.5</i>	<i>2.1</i>

DISTRIBUTION OF AUM, %



# Sales and results of operations **Property Investment Management**

## Progress in the quarter

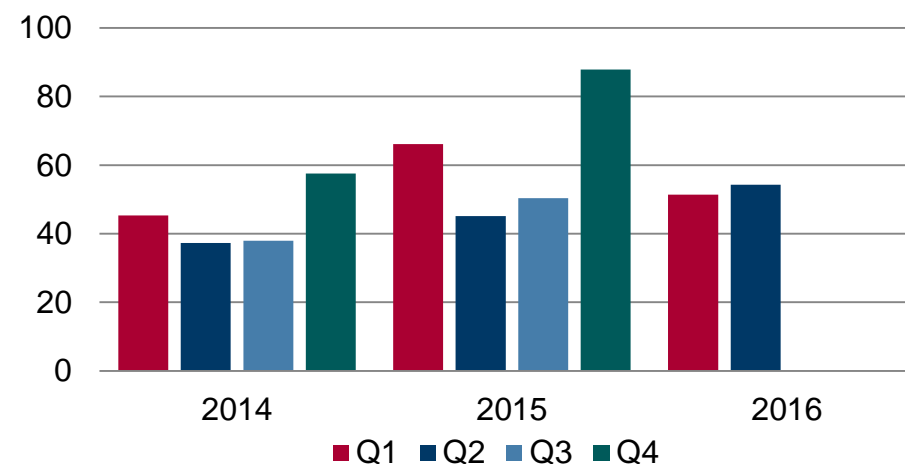
- Increased performance-based earnings in Finland year-on-year
- Profit burdened by start-up costs in Spain and Germany
- Significant inflows from residential property funds in Germany
- Acquisition in Norway and Luxemburg obtained regulatory approval

SEK M	3 Months		12 Months	
	2016 Apr-Jun	2015 Apr-Jun	Rolling 12 Mth.	2015 Jan-Dec
Property Funds *	40	35	168	166
Property Asset Management *	15	11	78	85
<b>Total income</b>	<b>54</b>	<b>45</b>	<b>244</b>	<b>249</b>
Assignment expenses and commission	-15	-14	-72	-71
Operating expenses	-43	-32	-169	-150
<b>Operating profit/loss **</b>	<b>-4</b>	<b>-1</b>	<b>3</b>	<b>28</b>
<i>Operating margin, % **</i>	-8	-2	1	11
<i>No. of employees, at end of period</i>	87	68	-	78

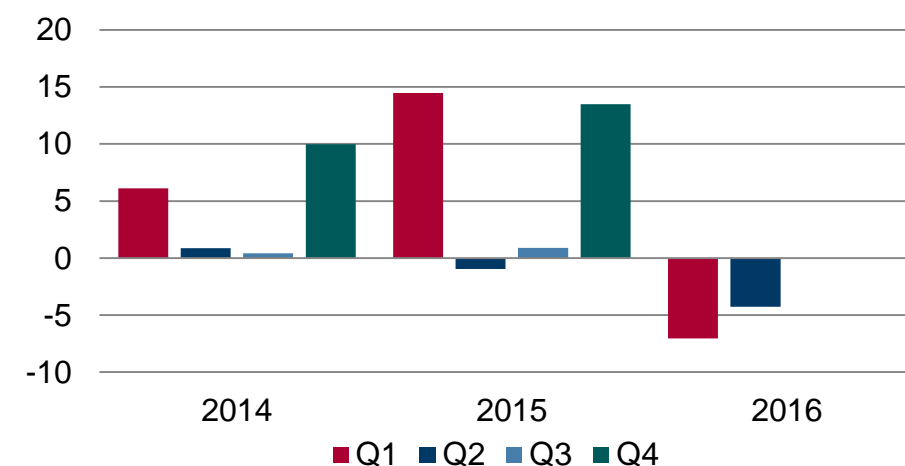
\* Includes internal income.

\*\* Before acquisition-related items.

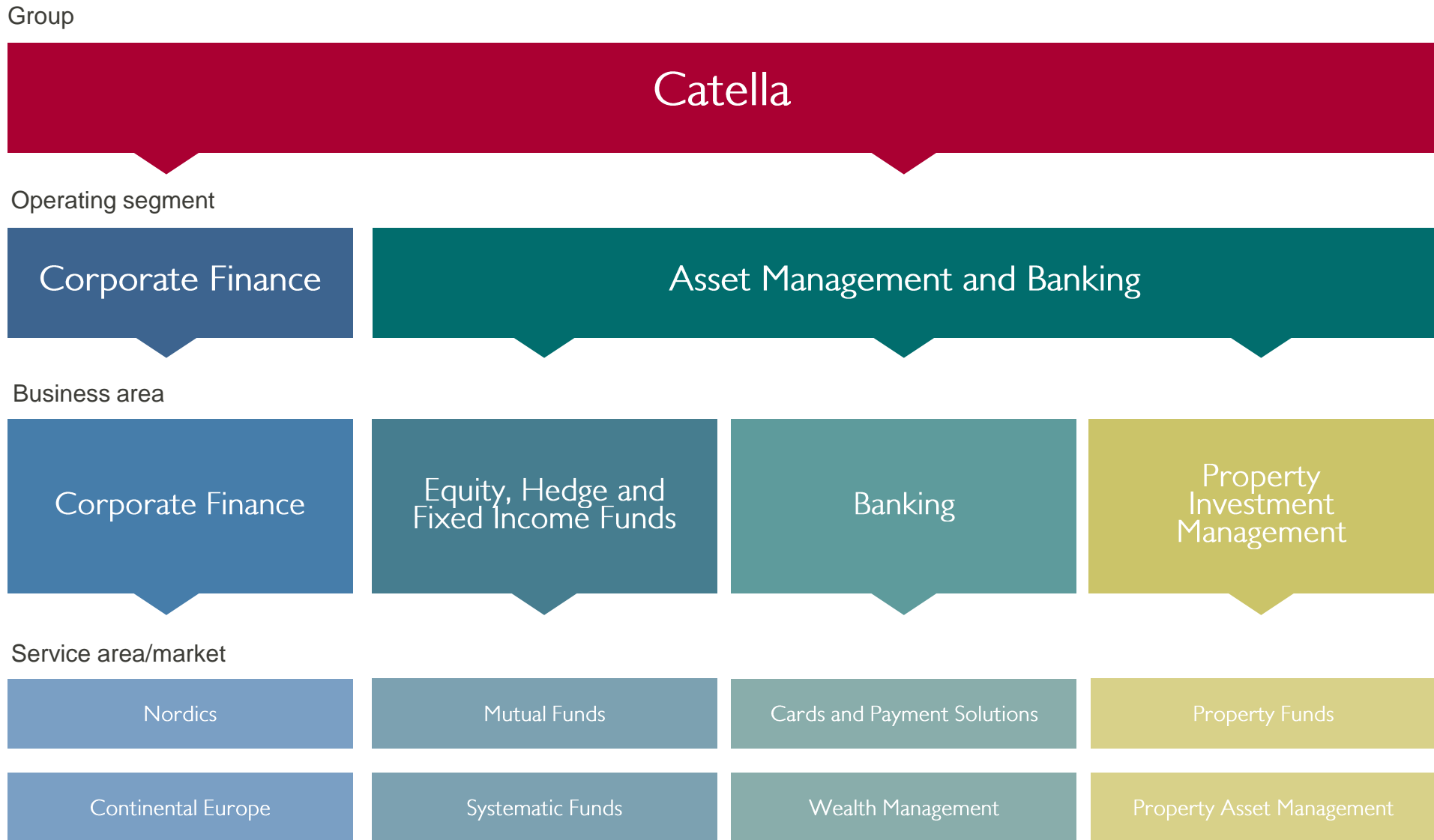
**TOTAL INCOME, SEK M**



**OPERATING PROFIT/LOSS, SEK M \*\***



# Organisationsstruktur







## Loan portfolio

# Securities holdings

## SECURITIES HOLDINGS

SEK M	30 juni 2016
Loan portfolios and Nordic Light Fund *	276
Business-related investments	147
Other securities	48
<b>Total **</b>	<b>471</b>

\* Of which loan portfolios SEK 251 M.

\*\* Of which current investments SEK 82 and non-current investments SEK 388 M.

## Progress in the quarter

- Positive value adjustment of loan portfolios of SEK 3 M (10) in the second quarter

## HISTORICAL CASH FLOW OF LOAN PORTFOLIOS— ACTUAL AND FORECAST

SEK M	Totals		
	Actual	Forecast	Variance
Q4 2009	12.4	7.7	4.7
<b>Full year 2010</b>	<b>35.6</b>	<b>35.7</b>	<b>-0.1</b>
<b>Full year 2011</b>	<b>43.1</b>	<b>28.4</b>	<b>14.7</b>
<b>Full year 2012</b>	<b>25.8</b>	<b>30.1</b>	<b>-4.3</b>
<b>Full year 2013</b>	<b>5.0</b>	<b>7.5</b>	<b>-2.5</b>
<b>Full year 2014</b>	<b>20.9</b>	<b>12.8</b>	<b>8.1</b>
<b>Full year 2015</b>	<b>21.5</b>	<b>23.2</b>	<b>-1.6</b>
Q1 2016	52.4	51.3	1.1
Q2 2016	6.2	5.4	0.9
<b>Total</b>	<b>223.0</b>	<b>202.0</b>	<b>20.9</b>

# Financial calendar 2016

## **Interim Report January – September 2016**

- 4 November 2016 (*new date*)

## **Year-end Report 2016**

- 21 February 2017

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CATELLA

Thanks for listening