



# Year-end Report 2016

Catella AB



# Sales and results of operations **Group**

## Progress in the quarter

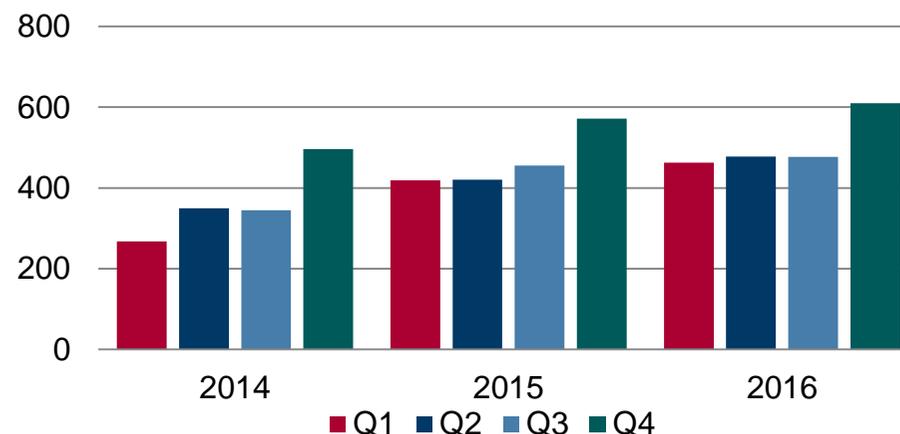
- The income growth is driven by increased assets under management and an increase in transactions in Property Funds and Wealth Management
- The decrease in operating profit/loss is mainly due to lower variable earnings in Mutual Funds

SEK M	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Corporate Finance	188	226	586	630
Equity, Hedge and Fixed Income Funds *	179	161	748	651
Banking *	130	105	433	354
Property Investment Management *	123	88	295	249
<b>Total income</b>	<b>610</b>	<b>571</b>	<b>2,027</b>	<b>1,866</b>
Assignment expenses and commission	-113	-86	-417	-347
Operating expenses	-411	-375	-1,347	-1,258
<b>Operating profit/loss **</b>	<b>85</b>	<b>111</b>	<b>263</b>	<b>261</b>
<b>Net profit/loss for the period</b>	<b>58</b>	<b>128</b>	<b>357</b>	<b>272</b>
Profit/loss attributable to the Parent Company shareholders	37	123	272	243
<i>Operating margin, % **</i>	<i>14</i>	<i>19</i>	<i>13</i>	<i>14</i>

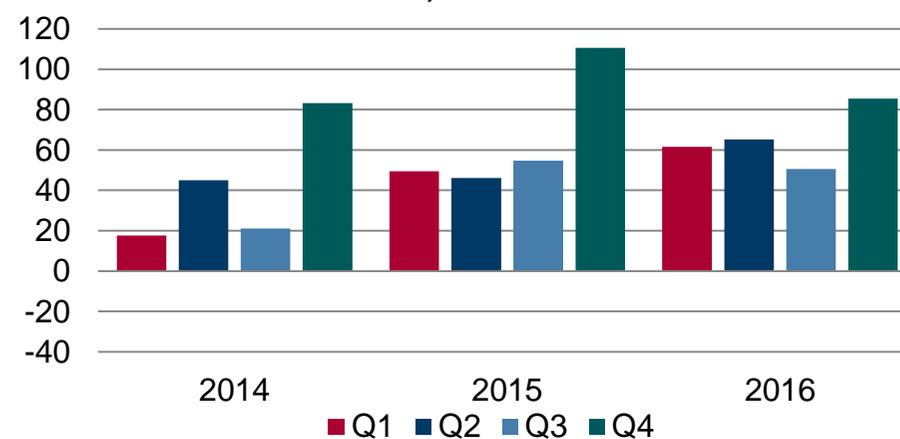
\* Includes internal income.

\*\* Before acquisition-related items.

## TOTAL INCOME, SEK M



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



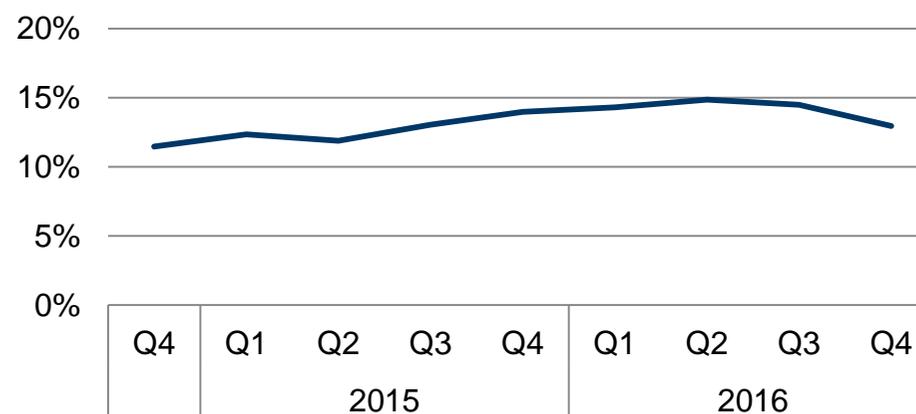
# Key figures Group

Key Figures	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Profit margin, %	10	22	18	15
Return on equity, % *	-	-	19	20
Equity/Asset ratio, %	-	-	31	29
Equity, SEK M *	-	-	1,563	1,319
Equity and liabilities, SEK M	-	-	5,651	5,011
Earnings per share, SEK *	0.45	1.50	3.32	2.97
Equity per share, SEK *	-	-	19.10	16.14
Property transaction volume, SEK Bn	21.7	25.4	55.5	58.3
Asset under management, SEK Bn	-	-	155.7	138.3
<i>net in-(+) and outflow(-), mdkr</i>	2.7	5.1	4.8	14.4
Card and payment volumes, SEK Bn	6.4	1.8	11.8	7.1
No. of employees, at end of period	-	-	579	539

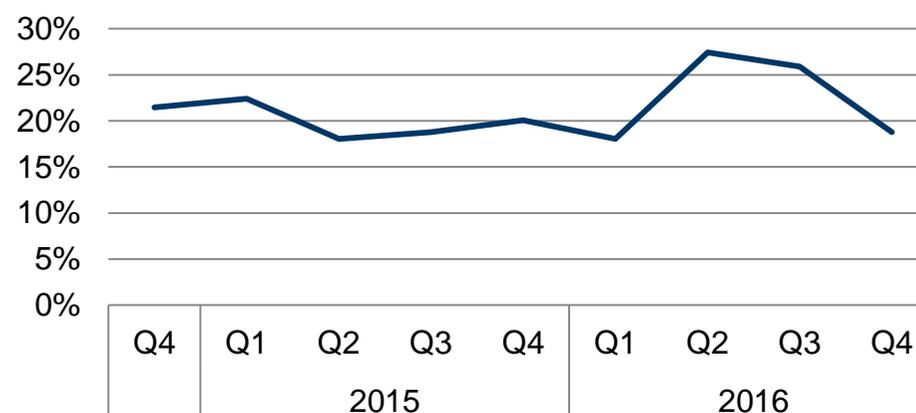
\* Attributable to shareholders of the Parent Company.

\*\* Before acquisition-related items.

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



## RETURN ON EQUITY, % \*





# Corporate Finance

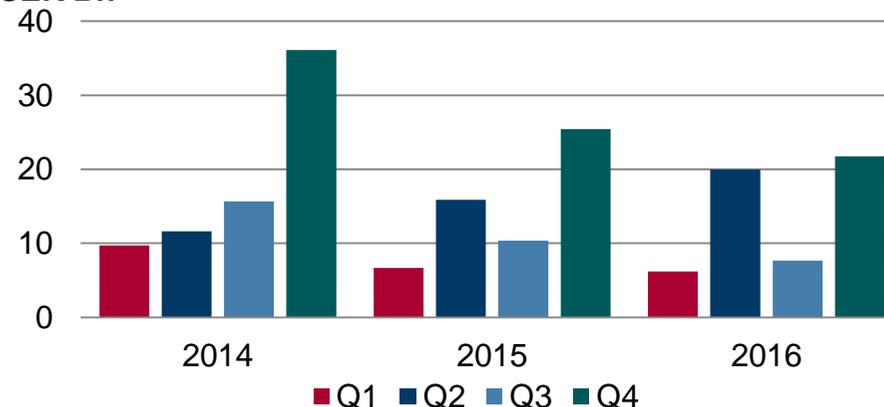
# Property transaction volumes **Corporate Finance**

## Progress in the quarter

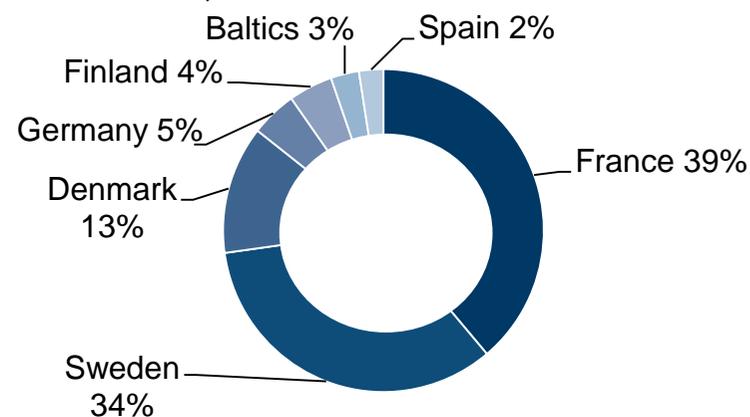
- Property transaction volumes in Europe excl. the UK: EUR 64.2 Bn (65.5), a 2% decrease
  - Germany 6%
  - France -21%
  - Sweden -17%
- Catella's property transaction volumes were down by 15%, amounting to SEK 21.7 Bn (25.4), of which:
  - France SEK 11.1 Bn (8.5)
  - Sweden SEK 6.7 Bn (10.5)
  - Germany SEK 0.6 Bn (1.8)

SEK Bn	3 Months		12 Months	
	2016	2015	2016	2015
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Property transaction volume	21.7	25.4	55.5	58.3
<i>of which Nordic</i>	9.4	14.4	30.0	33.9
<i>of which Continental Europe</i>	12.3	11.0	25.5	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

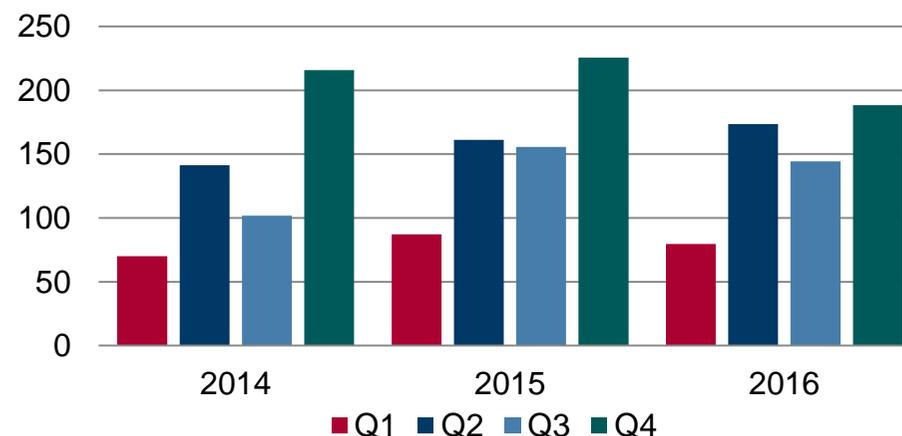
- Income and profit down slightly year-on-year adjusted for terminated operations
- Profit downturn mainly due to continental Europe. Nordics made positive profit contribution as a result of a more favourable product mix

SEK M	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Nordic *	82	100	299	305
Continental Europe *	106	126	286	325
<b>Total income</b>	<b>188</b>	<b>226</b>	<b>586</b>	<b>630</b>
Assignment expenses and commission	-19	-10	-64	-37
Operating expenses	-150	-185	-463	-527
<b>Operating profit/loss **</b>	<b>20</b>	<b>31</b>	<b>58</b>	<b>66</b>
<i>Operating margin, % **</i>	10	14	10	11
<i>No. of employees, at end of period</i>	-	-	203	211

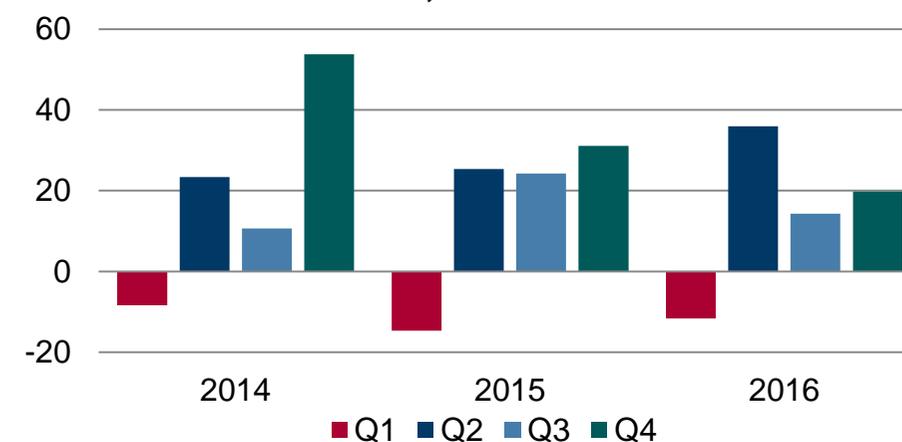
\* Includes internal income.

\*\* Before acquisition-related items.

**TOTAL INCOME, SEK M**



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





Equity, Hedge and  
Fixed Income Funds

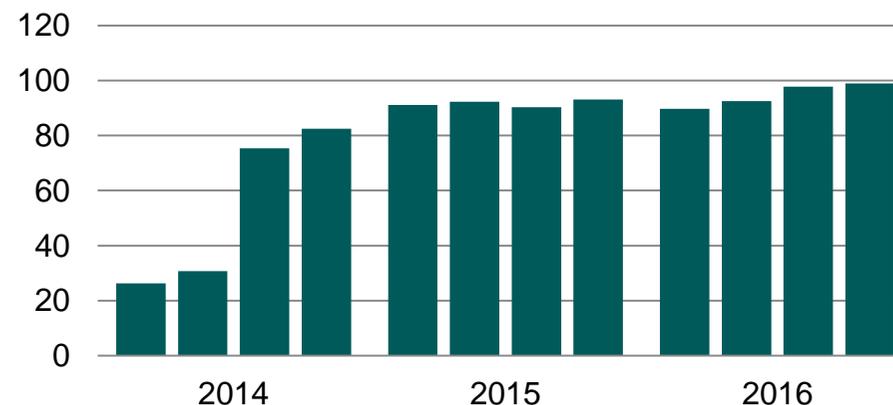
# Assets under management **Equity, Hedge and Fixed Income Funds**

## Progress in the quarter

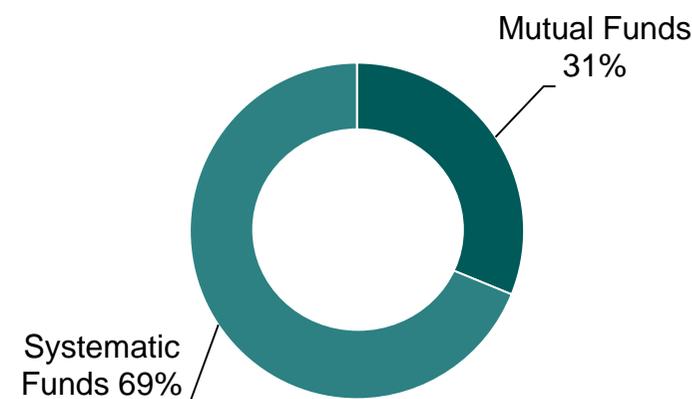
- New savings in mutual funds in Sweden totalled SEK 42.6 Bn
- Catella's share of mutual funds volumes in Sweden was 0.9% (1.2)
- Catella's assets under management increased by SEK 1.1 Bn (2.8)
  - Of which net flows SEK -3.7 Bn (-0.1)
- Net inflows to Systematic Funds
- Assets under management as of 31 December totalled SEK 98.9 Bn (93.1)

SEK Bn	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
<b>Asset under management</b>	-	-	<b>98.9</b>	<b>93.1</b>
<i>net in-(+) and outflow(-)</i>	-3.7	-0.1	-2.5	8.2
<b>of which Mutual Funds</b>	-	-	<b>30.8</b>	<b>44.6</b>
<i>net in-(+) and outflow(-)</i>	-4.3	-1.4	-14.4	5.3
<b>of which Systematic Funds</b>	-	-	<b>68.1</b>	<b>48.5</b>
<i>net in-(+) and outflow(-)</i>	0.6	1.3	11.9	2.9

AUM, SEK Bn



DISTRIBUTION OF AUM, %



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

## Progress in the quarter

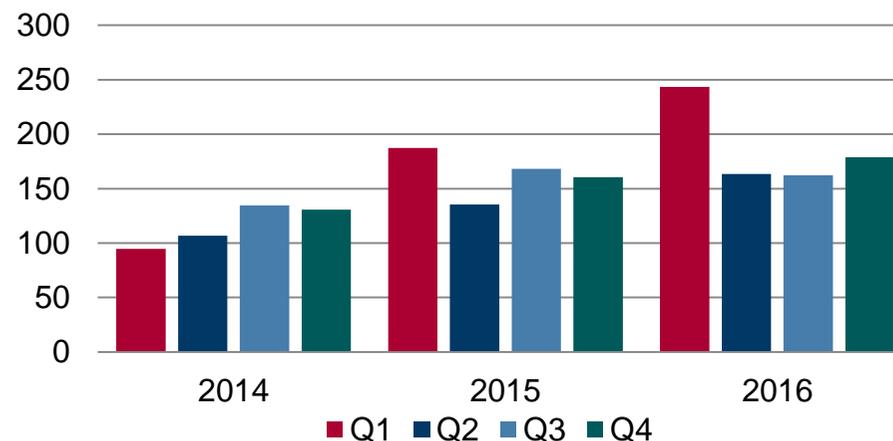
- Higher fixed income driven by increased assets under management in Systematic Funds
- Decrease in operating profit/loss mainly due to reduced profit in Mutual Funds, resulting mainly from lower variable earnings

SEK M	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Mutual Funds *	72	121	315	433
Systematic Funds *	106	40	433	218
<b>Total income</b>	<b>179</b>	<b>161</b>	<b>748</b>	<b>651</b>
Assignment expenses and commission	-39	-35	-182	-158
Operating expenses	-76	-50	-304	-265
<b>Operating profit/loss **</b>	<b>64</b>	<b>75</b>	<b>262</b>	<b>228</b>
Operating margin, % **	36	47	35	35
No. of employees, at end of period	-	-	78	73

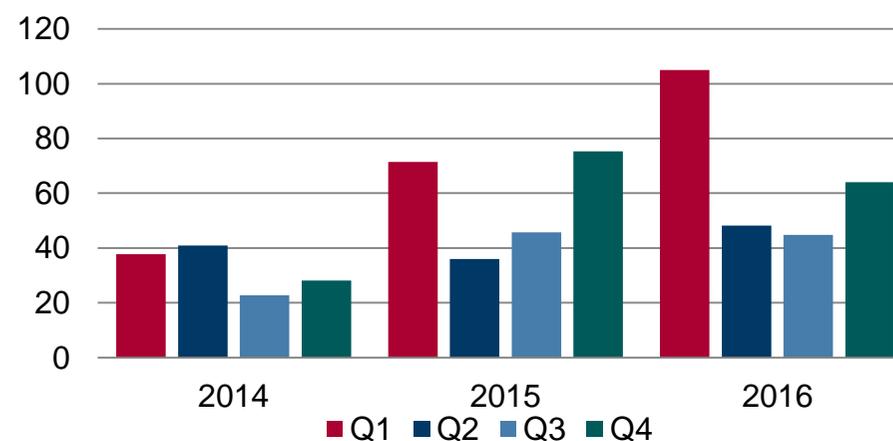
\* Includes internal income.

\*\* Before acquisition-related items.

**TOTAL INCOME, SEK M**



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



A man in a dark suit and white shirt is standing in an office, talking on a mobile phone. He is positioned in the middle ground, facing right. The office has large windows in the background, and there are desks with computers and office chairs in the foreground and middle ground. The lighting is bright, suggesting daytime.

CATELLA

Banking

# Card and payment volumes & assets under management

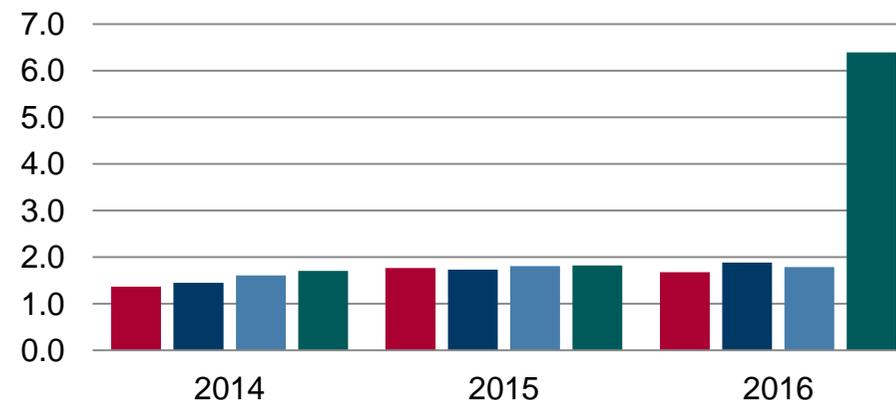
## Banking

### Progress in the quarter

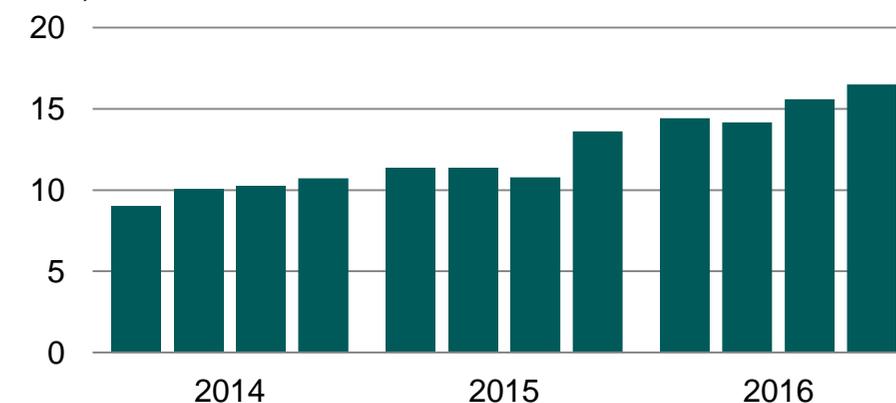
- Card and payment volumes increased by SEK 4.6 Bn (0.1), amounting to SEK 6.4 Bn (1.8)
  - The increase is a step towards achieving a well balanced product mix but has only marginal impact on earnings
- Assets under management increased by SEK 0.9 Bn (2.8),
  - Of which net flows SEK 1.1 Bn (2.7)
- Assets under management as of 31 December 2016: SEK 16.5 Bn (13.6)
- Loan book increased by SEK 0.2 Bn in the fourth quarter, totalling SEK 1.3 Bn (0.8) at year end

SEK Bn	3 Months		12 Months	
	2016	2015	2016	2015
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Card and payment volumes	6.4	1.8	11.8	7.1
Asset under management	-	-	16.5	13.6
<i>net in-(+) and outflow(-)</i>	1.1	2.7	2.4	3.1

CARD AND PAYMENT VOLUMES, SEK Bn



AUM, SEK Bn



# Sales and results of operations **Banking**

## Progress in the quarter

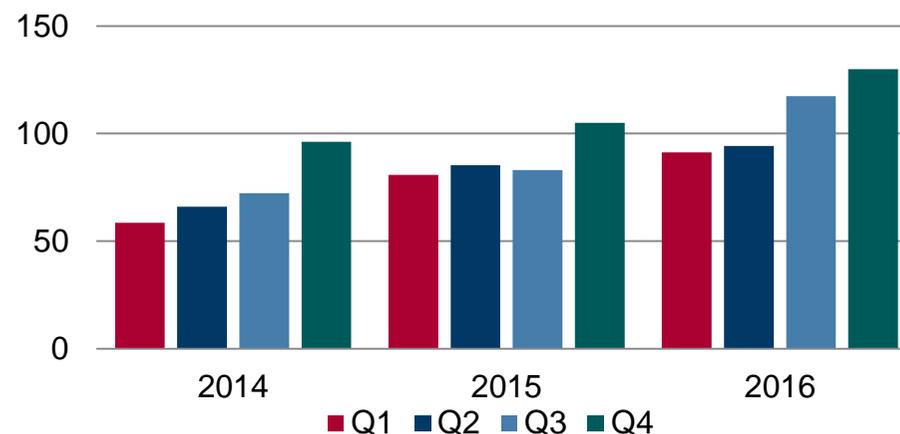
- Total income increased by 25% year-on-year
  - The increase in income and profit mainly due to variable earnings in Wealth Management
- Focus on increased assets under management, loan portfolio, marketing and distribution

SEK M	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Cards and Payment Solutions *	80	73	283	254
Wealth Management *	56	32	157	100
<b>Total income</b>	<b>130</b>	<b>105</b>	<b>433</b>	<b>354</b>
Assignment expenses and commission	-34	-24	-110	-89
Operating expenses	-94	-81	-329	-293
<b>Operating profit/loss **</b>	<b>1</b>	<b>0</b>	<b>-6</b>	<b>-28</b>
<i>Operating margin, % **</i>	<i>1</i>	<i>0</i>	<i>-1</i>	<i>-8</i>
<i>No. of employees, at end of period</i>	<i>-</i>	<i>-</i>	<i>176</i>	<i>163</i>

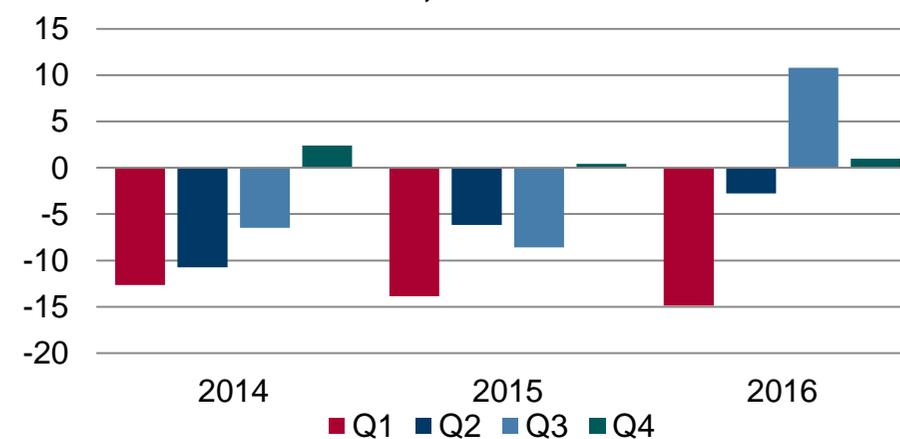
\* Includes internal income.

\*\* Before acquisition-related items.

**TOTAL INCOME, SEK M**



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





# Property Investment Management



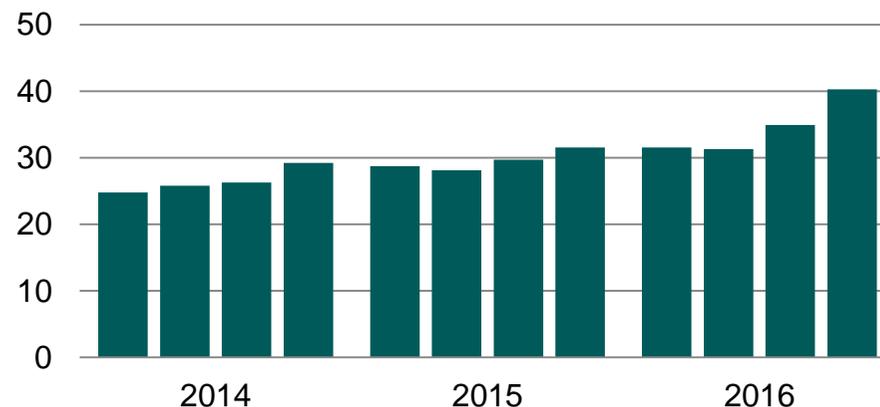
# Assets under management **Property Investment Management**

## Progress in the quarter

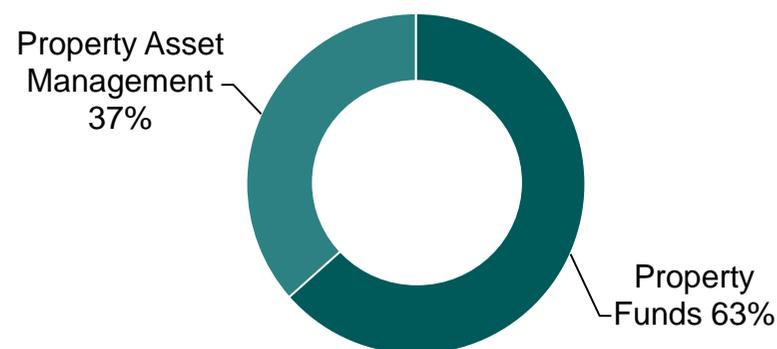
- Assets under management increased by SEK 5.4 Bn (1.9)
  - Net inflows of SEK 5.3 Bn (2.5), mainly due to residential property funds in Germany and Property Asset Management in France
- Assets under management as of 31 December 2016: SEK 40.3 Bn (31.6)

SEK Bn	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
<b>Asset under management</b>	-	-	<b>40.3</b>	<b>31.6</b>
<i>net in-(+) and outflow(-)</i>	5.3	2.5	4.9	3.0
<b>of which Property Funds</b>	-	-	<b>25.6</b>	<b>20.2</b>
<i>net in-(+) and outflow(-)</i>	2.5	0.7	3.2	1.0
<b>of which Property Asset Management</b>	-	-	<b>14.7</b>	<b>11.3</b>
<i>net in-(+) and outflow(-)</i>	2.8	1.9	1.7	2.1

AUM, SEK Bn



DISTRIBUTION OF AUM, %



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

## Progress in the quarter

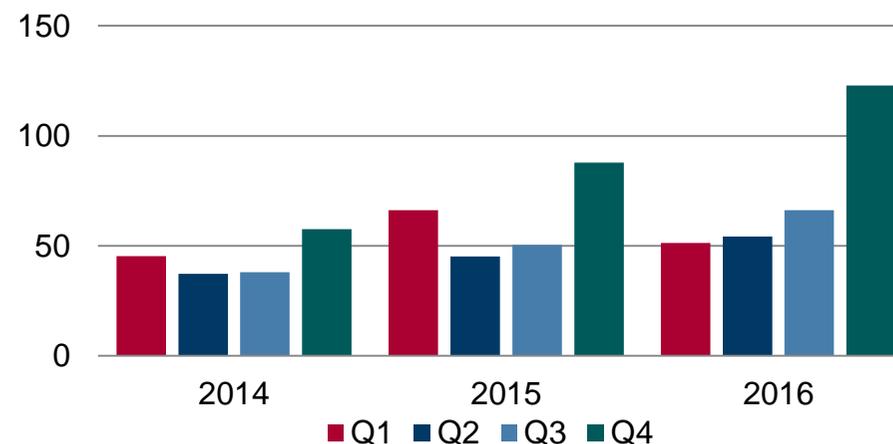
- Profit growth mainly driven by a number of transactions in Property Funds and Property Asset Management in Spain
- Synergies between the two service areas
- Establishment of operations in Norway, Germany and Spain have a negative impact on profit in the short term, the establishments generate substantial business opportunities

SEK M	3 Months		12 Months	
	2016 Oct-Dec	2015 Oct-Dec	2016 Jan-Dec	2015 Jan-Dec
Property Funds *	82	49	212	166
Property Asset Management *	48	39	95	85
<b>Total income</b>	<b>123</b>	<b>88</b>	<b>295</b>	<b>249</b>
Assignment expenses and commission	-28	-21	-85	-71
Operating expenses	-75	-54	-207	-150
<b>Operating profit/loss **</b>	<b>20</b>	<b>13</b>	<b>3</b>	<b>28</b>
<i>Operating margin, % **</i>	16	15	1	11
<i>No. of employees, at end of period</i>	-	-	105	78

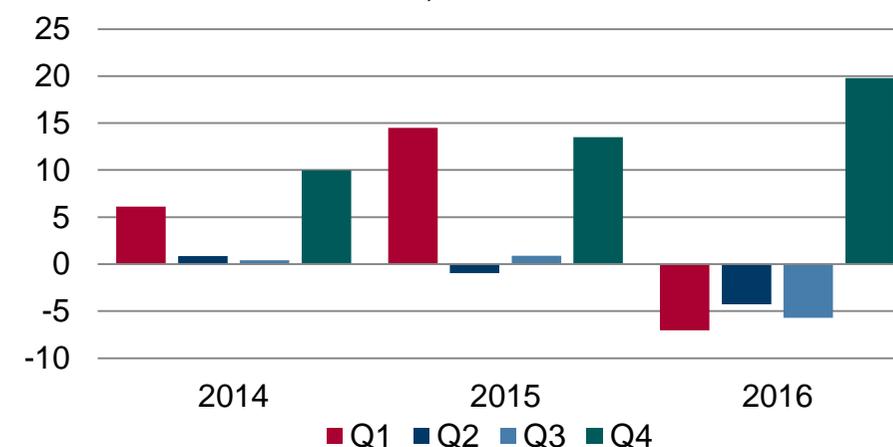
\* Includes internal income.

\*\* Before acquisition-related items.

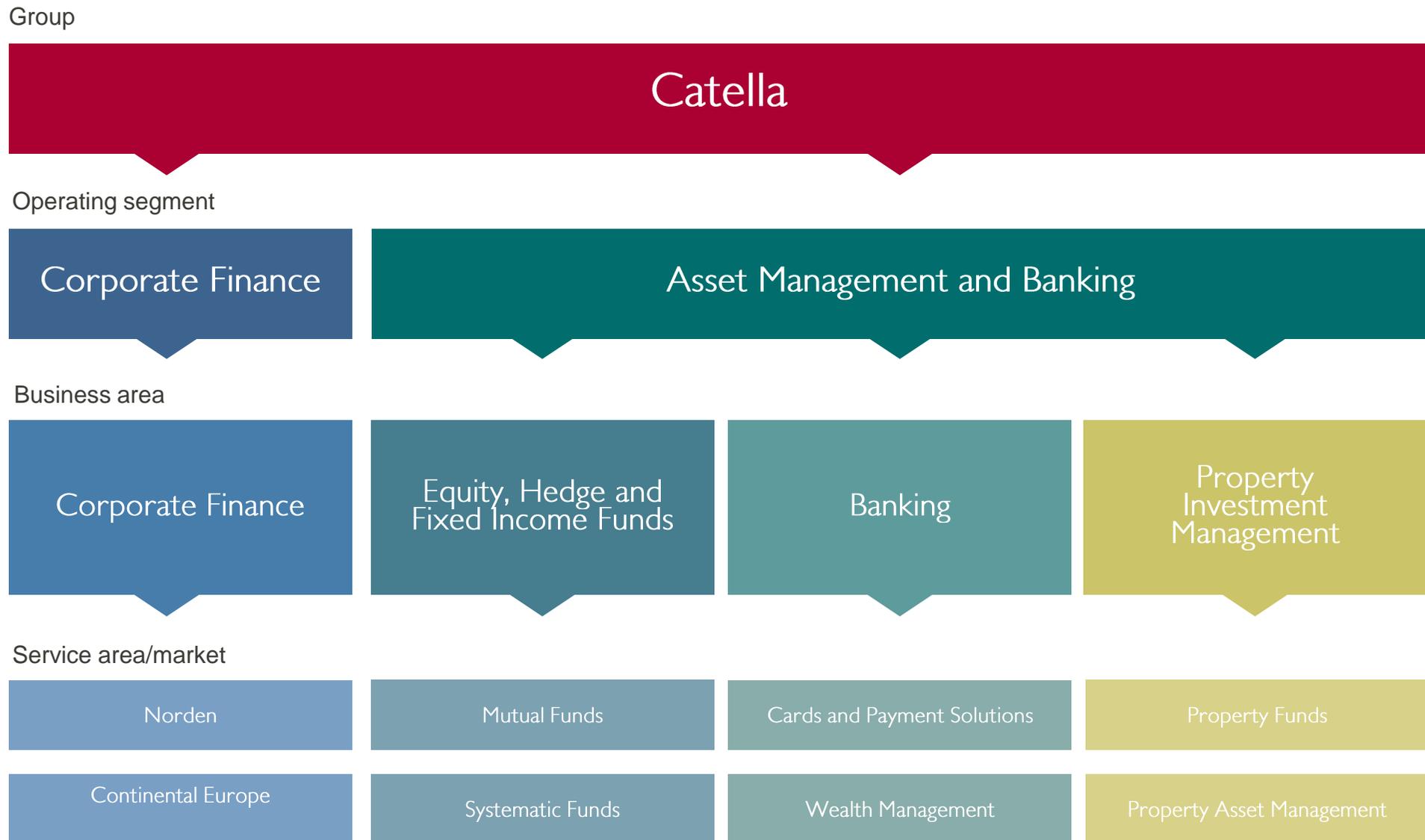
**TOTAL INCOME, SEK M**



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



# Organisational structure





## Loan portfolio

# Securities holdings

## SECURITIES HOLDINGS

SEK M	31 December 2016
Loan portfolios and Nordic Light Fund *	266
Business-related investments	156
Other securities	48
<b>Total **</b>	<b>470</b>

\* Of which loan portfolios SEK 252 M.

\*\* Of which current investments SEK 88 M and non-current investments SEK 382 M.

## Progress in the quarter

- Negative value adjustment of loan portfolios of SEK 2 M (10) in the fourth 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
Q3 2016	4.5	5.0	-0.5
Q4 2016	7.2	5.2	2.1
<b>Total</b>	<b>234.7</b>	<b>212.1</b>	<b>22.5</b>

# Financial calendar 2017

## **Annual Report 2016**

- 28 April 2017

## **Interim Report January – March 2017**

- 12 May 2017

## **Annual General Meeting 2017**

- The Annual General Meeting in Catella AB (publ) will be held on 29 May 2017 in Stockholm, Sweden

## **Interim Report January – June 2017**

- 25 August 2017

## **Interim Report January – September 2017**

- 14 November 2017

## **Year-end Report 2017**

- 23 February 2018

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Thanks for listening