



Q1

January – March 2017

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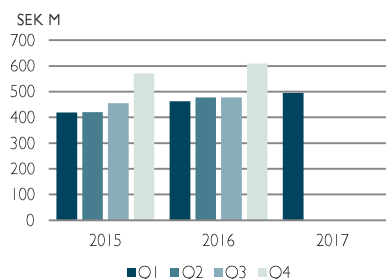
Total income increased to SEK 32 M, or 7%, and operating profit/loss increased by SEK 5 M, or 9% year-on-year. Assets under management increased by SEK 7.9 Bn in the quarter, and by SEK 27.9 Bn year-on-year, which improved fixed earnings. Year-on-year income and profit were both generated from a broader base spanning all parts of Catella.

12 May 2017

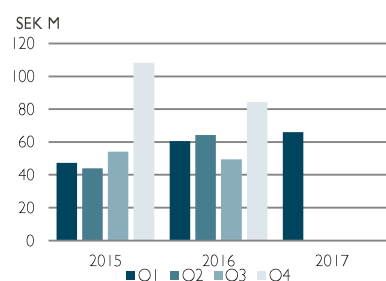
KNUT PEDERSEN, CEO and President

The period in brief

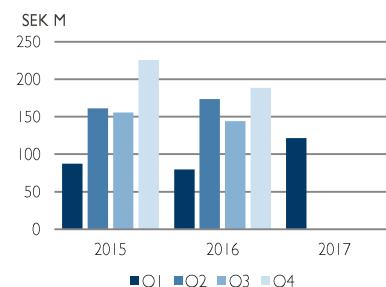
CONSOLIDATED TOTAL INCOME



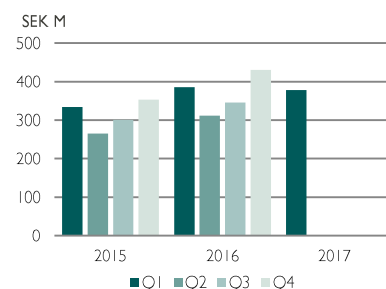
CONSOLIDATED OPERATING PROFIT/LOSS*



CORPORATE FINANCE TOTAL INCOME



ASSET MANAGEMENT AND BANKING TOTAL INCOME



* Attributable to parent company shareholders.

The Group

FIRST QUARTER

- Total income SEK 495 M (462)
- Net sales SEK 493 M (450)
- Operating profit/loss SEK 66 M (61)
- Profit/loss before tax SEK 72 M (75)
- Profit for the period SEK 53 M (55), of which attributable to parent company shareholders SEK 33 M (17)
- Earnings per share* SEK 0.41 (0.21)
- Equity* SEK 1,597 M (1,333)
- Earnings per share* SEK 19.51 (16.28)
- Catella seeks to issue a new unsecured bond with a maturity of five years and a framework of SEK 750 M

Corporate Finance

FIRST QUARTER

- Total income SEK 121 M (80)
- Net sales SEK 121 M (73)
- Operating profit/loss SEK 2 M (-12)
- Property transaction volumes SEK 7.1 Bn (6.2):
 - France SEK 2.1 Bn (1.5)
 - Sweden SEK 2.1 Bn (3.2)
 - Germany SEK 0.3 Bn (0.4)

Asset Management and Banking

FIRST QUARTER

- Total income SEK 378 M (386)
- Net sales SEK 377 M (379)
- Operating profit/loss SEK 76 M (82)
- Assets under management SEK 163.3 Bn (135.7):
 - increase SEK 7.9 Bn (-2.6)
 - of which net inflows SEK 4.9 Bn (-1.2)

ADDITIONAL INFORMATION

Equity, Hedge and Fixed Income Funds

- Total income SEK 185 M (244)
- Operating profit/loss SEK 73 M (104)

Banking

- Total income SEK 116 M (91)
- Operating profit/loss SEK 3 M (-15)

Property Investment Management

- Total income SEK 78 M (52)
- Operating profit/loss SEK 0 M (-7)

Improved profit from a broader base

Total income increased to SEK 32 M, or 7%, and operating profit/loss increased by SEK 5 M, or 9% year-on-year. This was despite a significant reduction in performance-based revenue from Systematic Funds and continued investments in our operations.

Assets under management increased by SEK 7.9 Bn in the quarter, and by SEK 27.9 Bn year-on-year, which improved fixed earnings. Year-on-year income and profit were both generated from a broader base spanning all parts of Catella.

Performance-based revenue in **Equity, Hedge and Fixed Income Funds** reduced income compared to the previous year, mainly due to lower variable earnings in Systematic Funds. In Mutual Funds, results from managing the funds gradually improved in the fourth quarter, which continued into the first quarter 2017 and generated performance-based revenue. In addition, fixed earnings increased on the previous year, driven by increased assets under management. However, Mutual Funds experienced a modest outflow of asset under management in the quarter. In order to assure our position as an active fund manager, we'll be increasing our focus on product development in Mutual and Systematic Funds. In parallel with this, we're continuing our structured efforts to increase the effectiveness of our distribution of existing products. The business area's annualised profit from fixed earnings/fixed costs was SEK 192 M in the quarter.

Banking's income and profit increased on the previous year, mainly driven by Wealth Management's continued successful capital raisings for property projects alongside Corporate Finance in the quarter. Both the Swedish and Luxembourg Wealth Management operations saw a significant increase in assets under management compared to the previous year. Catella's offering in property-related products increases customer value. In addition, we're pursuing structured initiatives aimed at broadening our customer offering. The increase in the loan book year-on-year is the result of our focus on property-related

transactions in the Nordics. We're actively seeking to put the right growth conditions in place by proactively rebalancing the product mix in Cards and Payment Solutions.

Our investments in **Property Investment Management**, aimed at creating a European platform, are continuing, while profit also increased on last year. This enables Catella to manage geographically diverse property portfolios, thereby attracting international capital through a broader offering. The income growth on the previous year is mainly driven by an increase in assets under management of SEK 13 Bn. Most of the income growth comprises fixed earnings which are mainly generated by the commercial and residential funds, but also by Property Asset Management in France. The initiatives in the business area will mainly focus on creating attractive fund products that capitalise on our local presence in Asset Management.

Corporate Finance experienced high activity in the quarter, with a major contribution from value-adding services resulting in positive income and profit growth compared to last year, despite the first quarter's historical seasonal weakness. The Nordics provided the main part of the increase, both in income and profit, and complex transactions were completed in Sweden and Denmark in the quarter, which confirmed our position as the leading operator in qualified advisory services. Income from continental Europe increased, although profit was down marginally on last year, largely due to lower income in the German operations. In property, the German market is important to us and we're actively working on organisational and product mix improvements.

In our operations, we come into contact with interesting projects where we perceive good potential to generate attractive returns for Catella's shareholders, while also investing in specific projects and products ourselves. In order to structure our principal investments and support new property products under Catella's management, we're planning to establish a structure that collates all investments made



using Catella's proprietary capital. Over the coming years, we intend to set aside capital for these investments, which are primarily in the property area. The invested capital will mainly be derived from our loan portfolios, both from ongoing cash flow but potentially also from divestments of parts of or entire portfolios. We see considerable potential in this area, and believe that Catella's active participation will contribute to growth and increase credibility, while also generating healthy returns. The objective for these investments is to generate a minimum IRR of 20%.

We'll continue to position Catella locally and internationally on the foundation we've built in our integrated European platform. On the basis of this platform, we'll be focusing on developing promising products for our customers, while improving distribution. In addition, we're stepping up our internal collaborations in order to capitalize on our expertise and generate earnings between business areas.

KNUT PEDERSEN
CEO and President

Comments on the Group's progress

Catella is a leading specialist in property advisory and investments, mutual funds and banking, with operations in twelve countries in Europe. Catella is listed on Nasdaq Stockholm in the Mid Cap segment.

Amounts are in SEK M unless otherwise indicated. Figures in tables and comments may be rounded.

Net sales and results of operations

First quarter 2017

The Group's total income was SEK 495 M (462) and net sales were SEK 493 M (450), of which SEK 121 M (73) relates to Corporate Finance and SEK 377 M (379) to Asset Management and Banking. Comments on the progress of each operating segment are on pages 7-10.

The Group's net financial income and expense was SEK 6 M (14). Net financial income/expense also includes interest income of SEK 6 M (7), which mainly relate to loan portfolios, and interest expenses of SEK 3 M (2) relating to Catella's bond issue. Fair value measurement of non-current securities and current investments resulted in a value adjustment of SEK -1 M (7). Fair value of the loan portfolio and derivatives holdings increased by SEK 3 M in

the period, while the value of short-term business-related equity holdings and derivatives decreased by SEK -1 M and SEK -3 M respectively. Closed currency forwards intended to limit currency exposure generated gains of SEK 4 M in the first quarter 2017.

The Group's profit before tax was SEK 72 M (75) and profit after tax was SEK 53 M (55), of which SEK 33 M (17) was attributable to parent company shareholders. This corresponds to Earnings per Share of SEK 0.41 (0.21).

Significant events in the quarter

There were no significant events in the quarter.

Significant events after the end of the quarter

Convening the AGM in Catella AB (publ)

The AGM in Catella AB (publ) ("the Company") will be held on Monday 29 May 2017 at 2 p.m. at Summit/GT30, Grev Turegatan 30, Stockholm, Sweden.

Annual Report 2016

Catella published the Annual Report for the financial year 2016 on 28 April 2017, which is available for download on Catella's website www.catella.com/ars-redovisning

New unsecured bond

In September 2012, Catella issued a five-year unsecured bond of SEK 200 M that matures in September 2017.

Catella intends to issue a new unsecured bond with a maturity of five years and a framework of SEK 750 M, in order to refinance the existing bond (including buy-backs), provide Catella with additional liquidity for ongoing operations and to continue expansion, and to permit potential future acquisitions.

INCOME STATEMENT BY OPERATING SEGMENT IN SUMMARY

	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
SEK M				
CORPORATE FINANCE				
Total income	121	80	628	586
Operating profit/loss	2	-12	72	58
Operating margin, %	2	-15	11	10
ASSET MANAGEMENT AND BANKING				
Total income	378	386	1,465	1,473
Operating profit/loss	76	82	249	255
Operating margin, %	20	21	17	17
Equity-, Hedge and Fixed Income Funds				
Total income *	185	244	689	748
Operating profit/loss	73	104	227	258
Operating margin, %	40	43	33	35
Banking				
Total income *	116	91	458	433
Operating profit/loss	3	-15	12	-6
Operating margin, %	2	-16	3	-1
Property Investment Management				
Total income *	78	52	321	295
Operating profit/loss	0	-7	10	3
Operating margin, %	0	-13	3	1
OTHER **				
Total income	-5	-3	-34	-31
Operating profit/loss	-12	-10	-57	-55
GROUP				
Total income	495	462	2,059	2,027
Operating profit/loss	66	61	264	258
Operating margin, %	13	13	13	13

* Includes internal income.

** Includes eliminations.

KEY FIGURES BY OPERATING SEGMENT***

	3 Months		12 Months **	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
GROUP				
Profit margin, %	11	12	17	18
Return on equity, % *	19	18	-	19
Equity/Asset ratio, %	32	29	-	31
Equity, SEK M *	1,597	1,333	-	1,563
No. of employees, at end of period	587	551	-	579
Earnings per share, SEK *	0.41	0.21	3.52	3.32
Equity per share, SEK *	19.51	16.28	-	19.10
CORPORATE FINANCE				
Profit margin, %	-1	-10	9	9
Return on equity, % *	26	28	-	22
Equity/Asset ratio, %	45	59	-	59
Equity, SEK M *	177	206	-	254
No. of employees, at end of period	208	218	-	203
Property transaction volume for the period, SEK Bn	7.1	6.2	56.4	55.5
ASSET MANAGEMENT AND BANKING				
Profit margin, %	15	16	23	23
Return on equity, % *	33	19	-	34
Equity/Asset ratio, %	23	18	-	22
Equity, SEK M *	898	649	-	859
No. of employees, at end of period	363	319	-	359
Asset under management at end of period, SEK Bn	163.6	135.7	-	155.7
net in-(+) and outflow(-) during the period, mdkr	4.9	-1.2	10.8	4.8
Card and payment volumes, SEK Bn	4.0	1.7	14.0	11.8

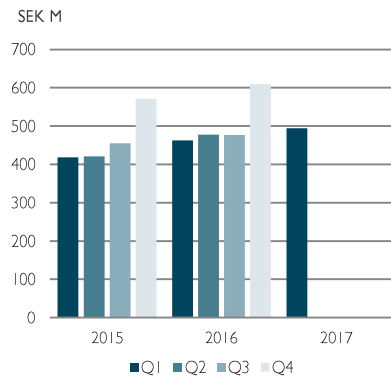
* Attributable to shareholders of the Parent Company.

** During the second quarter 2016, Asset Management and Banking received a non-recurring income of SEK 219 M resulting from Visa Inc.'s acquisition of Visa Europe.

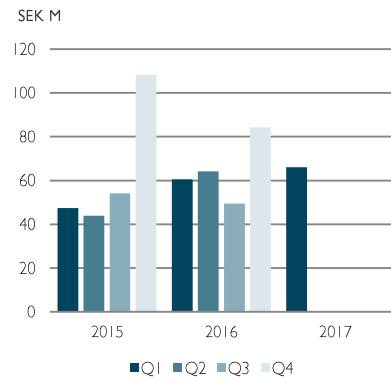
*** Definitions for the selected key figures are at the end of this document.

Group

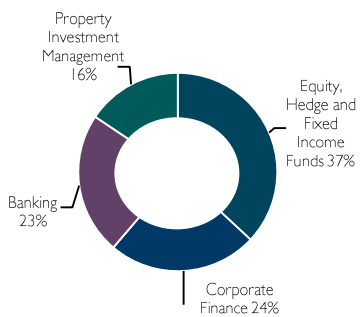
TOTAL INCOME



OPERATING PROFIT/LOSS

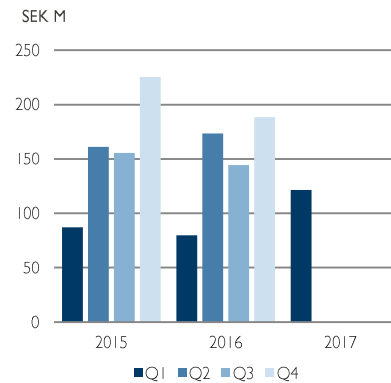


TOTAL INCOME BY BUSINESS AREA

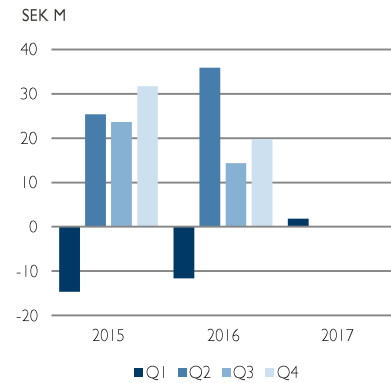


Corporate Finance

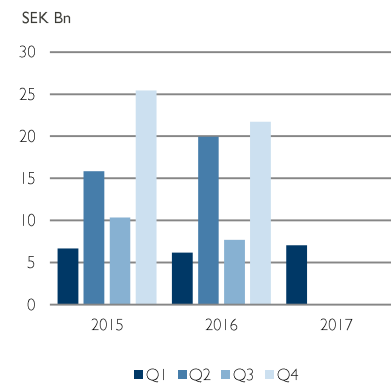
TOTAL INCOME



OPERATING PROFIT/LOSS

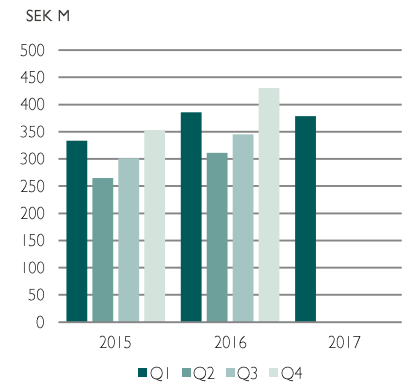


CATELLA'S PROPERTY TRANSACTION VOLUMES

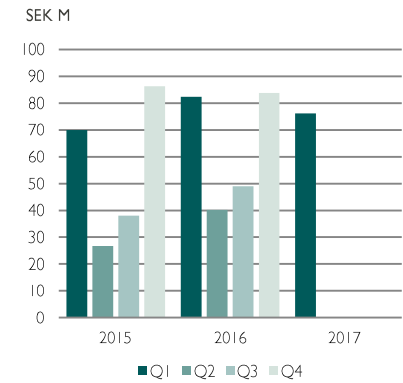


Asset Management and Banking

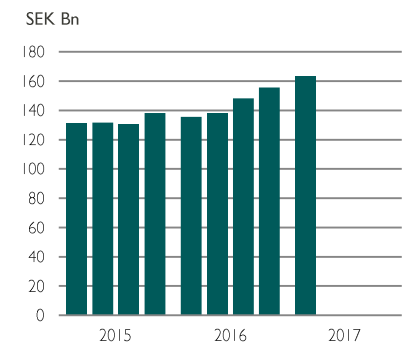
TOTAL INCOME



OPERATING PROFIT/LOSS



CATELLA'S ASSETS UNDER MANAGEMENT



Corporate Finance

Progress in the first quarter

The total property transaction market in Europe, excluding the UK, totalled EUR 42.2 Bn (43.7) in the quarter, a reduction of 4% year-on-year.

Property transactions where Catella served as an advisor totalled SEK 7.1 Bn (6.2) in the quarter. Of total transaction volumes in the quarter, France provided SEK 2.1 Bn (1.5), Sweden SEK 2.1 Bn (3.2) and Germany SEK 0.3 Bn (0.4).

Total income was SEK 121 M (80) and operating profit was SEK 2 M (-12) in the quarter. Adjusted for the terminated consumer operations, this corresponds to an increase of SEK 12 M.

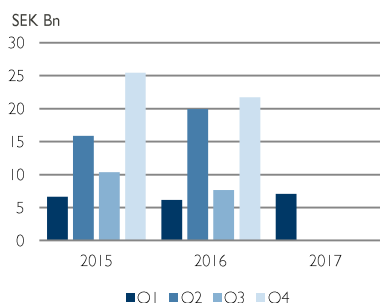
Activity was high in the quarter with a large element of value-adding services which resulted in positive income and profit growth compared to the previous year despite the first quarter being historically the weakest in seasonal terms. The

Nordics provided the biggest increase, both in terms of income and profit, with complex transactions completed in the quarter in Sweden and Denmark. Income from continental Europe increased, although profit was down marginally on the previous year, mainly due to lower income and increased assignment costs in the German operations.

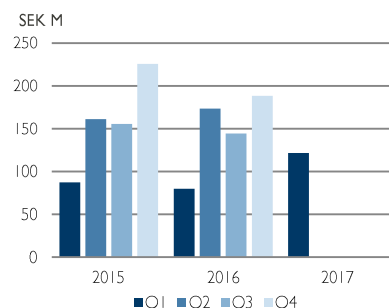
SEK M	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Nordic *	62	32	329	299
Continental Europe *	59	48	297	286
Total income	121	80	628	586
Assignment expenses and commission	-13	-4	-72	-64
Operating expenses	-107	-87	-483	-463
Operating profit/loss	2	-12	72	58
Key Figures				
Operating margin, %	2	-15	11	10
Property transaction volume for the period, SEK Bn	7.1	6.2	56.4	55.5
of which Nordic	3.9	4.0	29.9	30.0
of which Continental Europe	3.2	2.1	26.6	25.5
No. of employees, at end of period	208	218	-	203

* Includes internal income

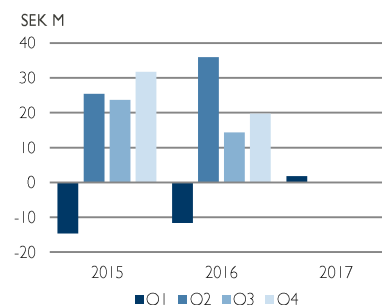
CATELLA'S PROPERTY TRANSACTION VOLUMES



TOTAL INCOME



OPERATING PROFIT/LOSS



Equity, Hedge and Fixed Income Funds

Progress in the first quarter

New savings in mutual funds in Sweden was SEK 24.7 Bn. Equity funds and mixed funds represented a large proportion of new savings, while money market funds saw outflows. At the end of the quarter, Catella's share of Swedish fund volumes was 0.8% (1.2).

Catella's assets under management increased by SEK 2.4 Bn (-3.3) in the quarter, of which net outflows totalled SEK 0.6 Bn (-4.9) in Mutual Funds and net inflows SEK 0.6 Bn (3.4) in Systematic Funds.

Total income was SEK 185 M (244) in the quarter. Operating profit was SEK 73 M (104).

The decrease in both income and profit on the previous year is mainly due to lower variable earnings in Systematic Funds, which returned very strong profit from managing the funds in the first quarter 2016. However, fixed earnings increased in comparison to the corresponding period in the previous year, driven by increased assets under management. Mutual Funds saw a minor outflow

of capital in the quarter, while positive fund management generated variable earnings. The decrease in assignment costs is driven by the reduction in fixed earnings in Mutual Funds.

Systematic Funds manages two products, Systematic Macro and Systematic Equity, with total assets under management of SEK 39.7 Bn (17.9) and SEK 30.8 Bn (33.3) respectively as of 31 March 2017. Income is mainly derived from Systematic Macro, and a majority of sales resources are allocated to this product.

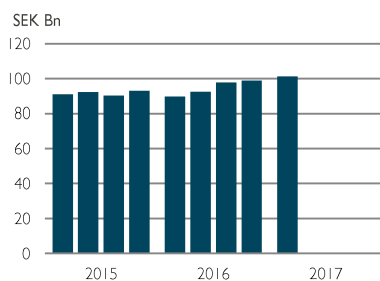
SEK M	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Mutual Funds *	89	81	324	315
Systematic Funds *	96	163	366	433
Total income	185	244	689	748
Assignment expenses and commission	-38	-50	-170	-182
Operating expenses	-74	-89	-292	-308
Operating profit/loss	73	104	227	258

Key Figures

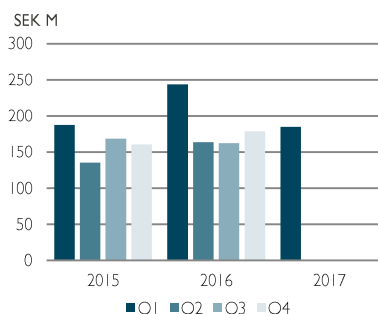
Operating margin, %	40	43	33	35
Asset under management at end of period, SEK Bn	101.3	89.7	-	98.9
net in-(+) and outflow(-) during the period, mdkr	-0.1	-1.5	-1.1	-2.5
of which Mutual Funds	30.8	38.5	-	30.8
net in-(+) and outflow(-) during the period, mdkr	-0.6	-4.9	-10.1	-14.4
of which Systematic Funds	70.5	51.2	-	68.1
net in-(+) and outflow(-) during the period, mdkr	0.6	3.4	9.1	11.9
No. of employees, at end of period	81	75	-	78

* Includes internal income

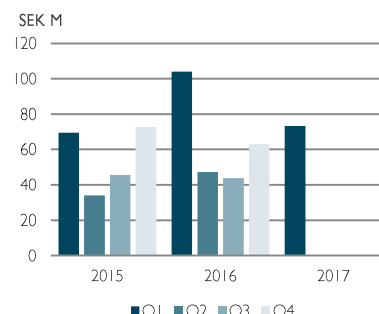
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING PROFIT/LOSS



Banking

Progress in the first quarter

Volumes in the Cards and Payment Solutions operations were SEK 4.0 Bn (1.7) in the quarter.

Assets under management in Wealth Management increased by SEK 1.0 Bn (0.8) and net inflows were SEK 0.6 Bn (0.9) in the quarter.

The loan book contracted by SEK 32 M in the first quarter totalling SEK 1.3 Bn (1.1) at period end.

Total income was SEK 116 M (91) in the quarter.

Operating profit was SEK 3 M (-15) in the quarter.

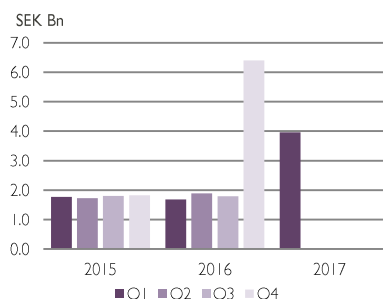
Income and profit increased year-on-year, mainly driven by Wealth Management which continued to complete successful capital raisings for property projects in collaboration with Corporate Finance in the quarter. In addition to variable earnings, fixed earnings also increased, driven by increased assets under management

and an expanded loan book. Higher volumes in the high margin segment of some 20% year-on-year, increased income in Cards and Payment Solutions. The sharp volume growth in the fourth quarter 2016 in Cards and Payment Solutions had a marginal effect on earnings in the first quarter but enables future volume growth in the high margin segment.

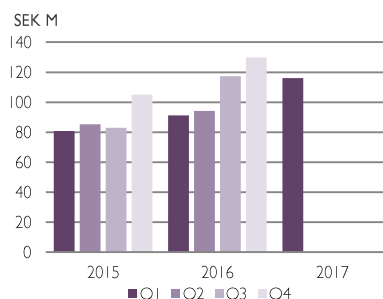
SEK M	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Cards and Payment Solutions *	75	66	291	283
Wealth Management *	48	25	180	157
Total income	116	91	458	433
Assignment expenses and commission	-32	-27	-114	-110
Operating expenses	-82	-79	-332	-329
Operating profit/loss	3	-15	12	-6
Key Figures				
Operating margin, %	2	-16	3	-1
Card and payment volumes, SEK Bn	4.0	1.7	14.0	11.8
Asset under management at end of period, SEK Bn	17.5	14.4	-	16.5
net in-(+) and outflow(-) during the period, mdkr	0.6	0.9	2.0	2.4
No. of employees, at end of period	175	163	-	176

* Includes internal income

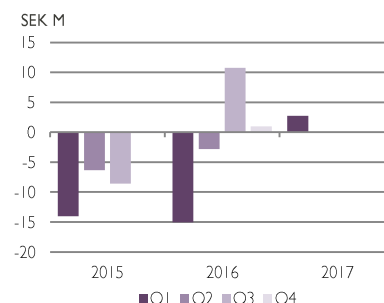
CARD AND PAYMENT VOLUMES



TOTAL INCOME



OPERATING PROFIT/LOSS



Property Investment Management

Progress in the first quarter

Assets under management increased by SEK 4.5 Bn (0.0) and net inflows were SEK 4.3 Bn (-0.6) in the quarter, mainly attributable to residential property funds in Germany.

Total income was SEK 78 M (52) in the quarter.

Operating profit was SEK 0 M (-7).

The focus on building a European platform continues, at the same time as both income and profit increased in year-on-year terms. The improvement is mainly driven by increased assets under management of SEK 13.3 Bn on the previous year. A majority of the income growth is derived from fixed earnings that are mainly

generated by the commercial and residential property funds, but also Property Asset Management in France. The cost increase is mainly due to aggressive initiatives in residential property funds and Property Asset Management in Germany and Spain.

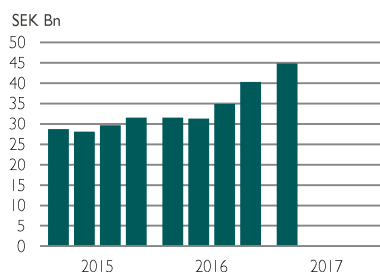
SEK M	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Property Funds *	63	41	234	212
Property Asset Management *	18	12	101	95
Total income	78	52	321	295
Assignment expenses and commission	-20	-18	-87	-85
Operating expenses	-58	-40	-225	-207
Operating profit/loss	0	-7	10	3

Key Figures

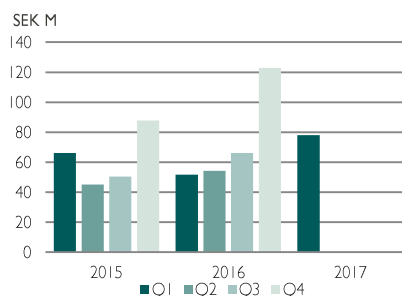
Operating margin, %	0	-13	3	1
Asset under management at end of period, SEK Bn	44.8	31.5	-	40.3
net in-(+) and outflow(-) during the period, mdkr	4.3	-0.6	9.9	4.9
of which Property Funds	29.9	20.7	-	25.6
net in-(+) and outflow(-) during the period, mdkr	4.1	0.0	7.3	3.2
of which Property Asset Management	14.9	10.8	-	14.7
net in-(+) and outflow(-) during the period, mdkr	0.2	-0.6	2.5	1.7
No. of employees, at end of period	107	81	-	105

* Includes internal income

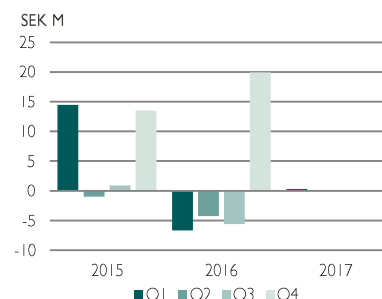
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING PROFIT/LOSS



Other financial information

The Group's financial position

In the first quarter, the Group's total assets decreased by SEK 131 M, totalling SEK 5,519 M as of 31 March 2017. Total assets were affected by factors including deposits from credit institutions that matured in the period, which reduced the bank's cash and cash equivalents as well as deposits.

In accordance with IAS 12 Income Tax, a deferred tax asset attributable to loss carry-forwards is recognised to the extent that it is probable that future taxable profit will be available. In accordance with this standard, Catella is recognising a deferred tax asset of SEK 96 M (SEK 97 M as of 31 December 2016), of which the majority consists of tax loss carry-forwards, which is based on an assessment of the Group's future earnings. The Group's total loss carry-forwards amount to some SEK 658 M. Essentially, the loss carry-forwards relate to operations in Sweden and have indefinite useful lives.

In September 2012, Catella AB (publ) issued a five-year unsecured bond of SEK 200 M. In the Consolidated Statement of Financial Position as of 31 March 2017, this item was reported in current liabilities. The bond has a framework amount of SEK 300 M and accrues variable interest at three-month Stibor plus 500 basis points. The Group also has granted overdraft facilities totalling SEK 30 M, of which the un-utilised portion was SEK 30 M as of 31 March 2017.

The Group's equity increased by SEK 61 M in the first quarter, reaching SEK 1,791 M as of 31 March 2017. Apart from profit for the period of SEK 53 M and negative translation differences of SEK 3 M, equity was positively affected by a fair value adjustment in financial assets held for sale (Visa preference shares) of SEK 4 M. There was also a SEK 7 M effect on equity from transactions with non-controlling interests. The Group's equity/assets ratio as of 31 March 2017 was 32% (31% as of 31 December 2016).

Consolidated cash flow

First quarter 2017

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 52 M (20).

Consolidated cash flow from operating activities was SEK -302 M (-309), of which changes in working capital for the period was SEK -354 M (-329). Of the changes in working capital, SEK -258 M is attributable to banking operations and SEK -96 M to other operations. The bank's working capital was affected by factors including reduced deposits from credit institutions that matured in the period and settlement of ongoing customer subscriptions of property funds.

Cash flow from investing activities was SEK -9 M (25), of which SEK -16 M relates to additional investments in associated company Nordic Seeding GmbH and SEK -9 M to other business-related investments. Furthermore, divestments of holdings in Catella's own funds totalled SEK 13 M, and SEK 4 M was received from closed currency forwards. Cash flow from loan portfolios totalled SEK 4 M in the quarter.

Cash flow from financing operations was SEK 2 M (-10), of which the majority relates to capital contributions from non-controlling interests.

Cash flow for the period was SEK -309 M (-295), of which cash flow from the banking operations was SEK -253 M (-235) and cash flow from other activities SEK -56 M (-60).

Cash and cash equivalents at the end of the period were SEK 2,435 M (2,585), of which cash and cash equivalents relating to the banking operations were SEK 1,794 M (1,811) and cash and cash equivalents relating to other activities were SEK 641 M (774).

Parent company

First quarter 2017

Catella AB (publ) is the Parent Company of the Group. Group management and other central Group functions are integrated in the Parent Company.

The Parent Company reported income of SEK 3.1 M (2.1) and operating profit/loss was SEK -10.9 M (-8.8). The profit decrease on the previous year is mainly due to increased personnel costs.

In the first quarter, the parent company made an unconditional shareholder contribution of SEK 135 M to wholly-owned subsidiary Catella Holding AB. The contribution was paid by means of the parent company waived subsidiary loan receivables at a corresponding amount. The contribution reduced parent company interest income and thereby net financial income/expense, which was SEK -2.4 M (-0.6) in the period.

Profit/loss before tax was SEK -13.3 M (-9.3), and profit/loss for the period was SEK -12.4 M (-9.3).

The Parent Company reported total loss carry-forwards of SEK 113.3 M. Catella's Balance Sheet includes a deferred tax asset of SEK 19.8 M (SEK 18.9 M as of 31 December 2016) relating to these loss carry-forwards. The amount is based on an estimate of the company's future utilization of loss carry-forwards.

Cash and cash equivalents on the reporting date were SEK 31.2 M, compared to SEK 31.3 M as of 31 December 2016.

The number of employees of the Parent Company expressed as full-time equivalents was 9 (7).

Catella's principal investments

Catella has principal investments of SEK 350 M, which are reported under the 'Other' category, see Note 3.

The 'Other' category also includes information on the Parent Company, other holding companies, acquisition and financing costs, Catella's brand and eliminations of intra-group transactions between the various operations.

Employees

The number of employees expressed as full-time equivalents was 587 (551), of which 208 (218) in the Corporate Finance operating segment, 363 (319) in the Asset

Management and Banking operating segment and 16 (14) in other functions.

Share capital

As of 31 March 2017, share capital amounted to SEK 164 M (164) divided between 81,848,572 shares (81,848,572). The quotient value per share is 2. Share capital is divided between two share classes with different voting rights. 2,530,555 class A shares with 5 votes per share, and 79,318,017 class B shares with 1 vote per share.

As of 31 March 2017, the parent company had a total of 7,000,000 outstanding warrants, of which 200,000 were held in treasury. On full utilisation of the 7,000,000 warrants, dilution of Catella's capital and votes would be 7.9% and 7.1% respectively. In the first quarter 2017 there were no transactions involving warrants.

Shares

Catella is listed on Mid Cap on Nasdaq Stockholm, trading under the ticker symbols CAT A and CAT B. The price of Catella's Class B share was SEK 18.90 (19.30) as of 31 March 2017. Total market capitalisation at the end of the period was SEK 1,562 M (1,578).

Shareholders

Catella had 7,140 (6,533) shareholders registered at the end of the period. As of 31 March 2017, the single largest shareholders were the Claesson & Anderzén group, with a holding of 49.8% (49.9) of the capital and 49.1% (49.1) of the votes, followed by Bure Equity AB (publ) with a holding of 10.7% (10.8) of the capital and 11.1% (11.1) of the votes.

Annual General Meeting and Annual Report

Catella AB's Annual General Meeting (AGM) will be held on Monday 29 May 2017 at 2 p.m. at Summit/GT30, Grev Turegatan 30, Stockholm, Sweden. Information on Catella's AGM is available at www.catella.com/koncern.

Catella's Annual Report for 2016 is available at the company's head office, Birger Jarlsgatan 6, Stockholm, Sweden, from 28 April 2017.

Dividend

Catella's target is to transfer the Group's profit after tax to shareholders to the extent it is not considered necessary for developing the Group's operating activities, and considering the company's strategy and financial position. Adjusted for profit-related unrealized value increases, at least 50% of the Group's profit after tax will be transferred to shareholders over time.

Considering the number of growth opportunities in existing and new businesses, which are expected to generate long-term shareholder value, the Board of Directors is proposing a dividend of SEK 0.80 per class A and B share to shareholders for the financial year 2016. A dividend of SEK 0.60 per class A and B share was paid to shareholders for the financial year 2015.

Risks and uncertainties

Catella is affected by progress on the financial markets. The Corporate Finance operation is affected by the market's willingness to execute transactions, which in turn, is determined by the macroeconomic environment and the availability of debt finance.

Asset Management is affected by market progress on Nordic stock exchanges and progress on the property market. The banking operations are exposed to particularly significant operating risks. The bank's real time system contains substantial volumes/transactions that require 24-hour availability.

Several companies in the Catella Group conduct licensable operations, regulated by the financial supervisory authorities of the relevant countries of fiscal domicile. Existing regulatory structures and the rapid evolution of these structures are generally complex, and particularly for Catella's banking operations. These regulations set stringent, and in the future, still more stringent standards on licensable operations, as well as on liquidity and capital reserves. Compliance with these regulatory structures is a pre-requisite for licensable operations. Catella works continuously to ensure compliance with current regulatory structures, and prepares for compliance with forthcoming regulatory changes.

The preparation of financial statements requires the Board of Directors and Group management to make estimates and judgments of the value of loan port-

folios, goodwill, trademarks and brands, as well as assumptions concerning revenue recognition. The estimates and judgments affect the Consolidated Income Statement and financial position, and disclosures on contingent liabilities, for example. See Note 4 in the Annual Report 2016 for significant estimates and judgments. Actual outcomes may differ from these estimates and judgments due to other circumstances or other conditions.

IPM Informed Portfolio Management AB is currently consolidated as a subsidiary of Catella on the basis of Catella's ownership in combination with the terms of a shareholder agreement relating to the subsidiary that can be cancelled in November 2017. In the event that the shareholder agreement is not extended, IPM Informed Portfolio Management AB would not be consolidated as a subsidiary subsequently.

Catella has investments in property development projects in Germany (see Note 3) through associated company Nordic Seeding GmbH. These projects are run by Catella's German subsidiary Catella Project Management GmbH. Through Nordic Seeding GmbH, Catella intends to invest in the early phases of projects, when concept and frameworks are determined, subsequently divesting projects and realising capital gains before construction begins and projects are completed. These investments include the risk that Nordic Seeding GmbH may encounter situations where it is obliged to continue to invest in later stages of projects, pursue projects to completion or abandon projects and lose the associated invested capital.

Seasonal variations

Within the Corporate Finance operating segment, seasonal variations are significant. This means that sales and results of operations vary during the year. In Corporate Finance, transaction volumes are usually highest in the fourth quarter, followed by the second quarter, the third quarter and finally the first quarter.

Accounting principles

This Interim Report has been prepared in compliance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The Consolidated Financial Statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as endorsed by the EU, the Annual Accounts Act and RFR 1. Complementary Accounting Rules for Groups issued by RFR, the Swedish Financial Reporting Board.

The Parent Company's financial statements are prepared in compliance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities issued by RFR. The information provided in Note 8 regarding the consolidated situation, relating to parts of Catella's operations, has been prepared in accordance with the Group's accounting policies and the Annual Accounts for Credit Institutions and Securities Companies Act.

In the first quarter 2017, the SEK 67 M (42) holding in associated company Nordic Seeding GmbH, which invests in and operates property development projects in Germany, was reclassified from the Asset Management and Banking operating segment to Proprietary Investments under the "Other" category. Comparative figures from earlier periods were adjusted correspondingly. Collating completed and future proprietary investments in a dedicated category creates a structure for continued expansion and progress in this area.

From the first quarter 2017, acquisition-related items are no longer reported separately, as management does not judge the information to be essential.

The accounting policies that are most critical to the Group and Parent Company are stated in Catella's Annual Report for 2016. Figures in tables and comments may be rounded.

Related party transactions

In the first quarter 2016, Catella made additional investments of SEK 16 M in associated company Nordic Seeding GmbH, where the other shareholders are the Claesson & Anderzén Group and the management of Catella Project Management GmbH. As of 31 March 2017, Catella had invested SEK 67 M, of a total commitment of SEK 86 M, in Nordic Seeding GmbH. For more information, see Note 3 in this report and Notes 20 and 39 of the Annual Report 2016.

Forecast

Catella does not publish forecasts.

Audit

This Interim Report has not been subject to review by the company's auditors.

Financial calendar

Annual General Meeting 2017

The Annual General Meeting in Catella ("the Company") AB (publ) will be held on 29 May 2017 at 14:00 p.m. Summit/GT30, Grev Turegatan 30, 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

For further information

Knut Pedersen, CEO and President
Tel. +46 (0)8 463 33 10

More information on Catella and all financial reports are available at www.catella.com/koncern.

The information in this Report is mandatory for Catella AB to publish in accordance with the EU's Market Abuse Regulation and the Swedish Securities Markets Act. This information was submitted to the market, through the agency of the above contact, for publication on 12 May 2017 at 07:00 a.m. CET.

The undersigned certify that this Interim report gives a true and fair view of the Parent Company's and the Group's operations, financial position and results of operations, and describes the material risks and uncertainties facing the Parent Company and companies included in the Group.

Stockholm, Sweden,
12 May 2017
Catella AB (publ)

Johan Claesson, Chairman of the Board
Johan Damne, Board member
Joachim Gahm, Board member
Anna Ramel, Board member
Jan Roxendal, Board member
Knut Pedersen, CEO and President

Consolidated Income Statement

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net sales	493	450	2,007
Other operating income	2	12	20
Total income	495	462	2,027
Assignment expenses and commission	-100	-100	-417
Other external expenses	-117	-95	-441
Personnel costs	-204	-188	-878
Depreciation	-6	-4	-18
Other operating expenses	-1	-14	-14
Operating profit/loss	66	61	258
Interest income	6	7	24
Interest expenses	-3	-2	-11
Other financial items	3	10	227
Financial items—net	6	14	239
Profit/loss before tax	72	75	497
Tax	-18	-20	-141
Net profit/loss for the period	53	55	357
Profit/loss attributable to:			
Shareholders of the Parent Company	33	17	272
Non-controlling interests	20	38	85
	53	55	357
Earnings per share attributable to shareholders of the Parent Company, SEK			
- before dilution	0.41	0.21	3.32
- after dilution	0.38	0.19	3.06
No. of shares at end of the period	81,848,572	81,848,572	81,848,572
Average weighted number of shares after dilution	88,648,572	89,822,998	88,775,608

Consolidated Statement of Comprehensive Income

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net profit/loss for the period	53	55	357
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Value change in defined benefit pension plans	0	0	0
Items that will be reclassified subsequently to profit or loss:			
Fair value changes in financial assets available for sale	4	0	3
Translation differences	-3	8	36
Other comprehensive income for the period, net after tax	1	8	39
Total comprehensive income/loss for the period	54	63	395
Profit/loss attributable to:			
Shareholders of the Parent Company	34	24	310
Non-controlling interests	20	39	86
	54	63	395

Information on Income Statement by operating segment is in Note 1.

Consolidated Statement of Financial Position—condensed

SEK M	Note	2017 31 Mar	2016 31 Mar	2016 31 Dec
ASSETS				
Non-current assets				
Intangible assets		412	364	412
Property, plant and equipment		25	22	26
Holdings in associated companies	3	67	43	51
Other non-current securities	3, 4, 5	383	295	382
Deferred tax receivables		96	108	97
Other non-current receivables		823	444	775
		1,806	1,276	1,743
Current assets				
Current loan receivables		550	622	577
Accounts receivable and other receivables		645	545	493
Current investments	3, 4, 5	83	76	88
Cash and cash equivalents *		2,435	2,585	2,750
		3,713	3,828	3,907
Total assets		5,519	5,104	5,651
EQUITY AND LIABILITIES				
Equity				
Share capital		164	164	164
Other contributed capital		253	250	253
Reserves		-110	-135	-107
Profit brought forward including net profit for the period		1,290	1,054	1,253
Equity attributable to shareholders of the Parent Company		1,597	1,333	1,563
Non-controlling interests		194	153	167
Total equity		1,791	1,486	1,730
Liabilities				
Non-current liabilities				
Borrowings		1	0	0
Long-term loan liabilities		0	200	0
Deferred tax liabilities		35	21	34
Other provisions		3	28	3
		39	249	37
Current liabilities				
Borrowings		164	168	260
Current loan liabilities		2,733	2,485	2,806
Accounts payable and other liabilities		717	657	739
Tax liabilities		75	60	79
		3,689	3,370	3,884
Total liabilities		3,728	3,618	3,921
Total equity and liabilities		5,519	5,104	5,651
* Of which pledged and blocked liquid funds		180	166	188

Information on financial position by operating segment is in Note 2.

Consolidated Statement of Cash Flows

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Cash flow from operating activities			
Profit/loss before tax	72	75	497
Adjustments for non-cash items:			
Other financial items	-3	-10	-227
Depreciation	6	4	18
Impairment current receivables	1	1	12
Reported interest income from loan portfolios	-5	-6	-22
Acquisition expenses	-	-	1
Profit/loss from participations in associated companies	0	0	1
Capital gain/loss, financial assets	-	-6	-6
Personnel costs not affecting cash flow	8	-4	35
Paid income tax	-26	-35	-126
Cash flow from operating activities before changes in working capital	52	20	184
Cash flow from changes in working capital			
Increase (-)/decrease (+) of operating receivables	-175	-341	-533
Increase (+) / decrease (-) in operating liabilities	-179	12	212
Cash flow from operating activities	-302	-309	-137
Cash flow from investing activities			
Purchase of property, plant and equipment	-2	-1	-10
Purchase of intangible assets	-5	-2	-42
Purchase of subsidiaries, after deductions for acquired cash and cash equivalents	-0	-	-57
Purchase of associated companies	-16	-18	-25
Purchase of financial assets	-9	-19	-110
Sale of financial assets	18	11	227
Cash flow from loan portfolios	4	52	71
Cash flow from investing activities	-9	25	55
Cash flow from financing activities			
Re-purchase of share warrants	-	-10	-22
New share issue	-	-	1
Dividend	-	-	-49
Transactions with, and payments to, non-controlling interests	1	-	-56
Cash flow from financing activities	2	-10	-126
Cash flow for the period	-309	-295	-208
Cash and cash equivalents at beginning of period	2,750	2,854	2,854
Exchange rate differences in cash and cash equivalents	-5	27	104
Cash and cash equivalents at end of the period	2,435	2,585	2,750

SEK 1,794 M of the Group's cash and cash equivalents relate to Catella Bank, and in compliance with the instructions and regulations that Catella Bank is subject to, the rest of the Group does not have access to Catella Bank's liquidity.

Consolidated Statement of Changes in Equity

Equity attributable to shareholders of the Parent Company

SEK M	Share capital	Other contributed capital *	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests **	Total equity
Opening balance as of 1 January 2017	164	253	-107	1,253	1,563	167	1,730
Comprehensive income for January - March 2017:							
Net profit/loss for the period				33	33	20	53
Other comprehensive income, net of tax			-3	4	1	0	1
Comprehensive income/loss for the period			-3	37	34	20	54
Transactions with shareholders:							
Transactions with non-controlling interests				0	0	7	7
Closing balance at 31 March 2017	164	253	-110	1,290	1,597	194	1,791

* Other capital contributed pertains to reserve funds in the Parent Company.

** Non-controlling interests are attributable to minority holdings in subsidiaries in Systematic Funds and Property Funds, and a number of subsidiaries in Property Asset Management and Corporate Finance.

As of 31 March 2017, the Parent company had 7,000,000 warrants outstanding, of which 200,000 held in treasury. There were no transactions involving warrants in the first quarter 2017. Repurchases of warrants are reported in the consolidated accounts as Other additional capital where classified as non-restricted equity, and as Retained earnings where classified as residual amounts.

Equity attributable to shareholders of the Parent Company

SEK M	Share capital	Other contributed capital *	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests	Total equity
Opening balance as of 1 January 2016	163	250	-142	1,048	1,319	117	1,436
Comprehensive income for January - March 2016:							
Net profit/loss for the period				17	17	38	55
Other comprehensive income, net of tax			7		7	0	8
Comprehensive income/loss for the period			7	17	24	39	63
Transactions with shareholders:							
Transactions with non-controlling interests				0	0	-3	-3
Re-purchase of warrants issued				-12	-12		-12
New share issue during registration	0			1	1		1
Closing balance at 31 March 2016	164	250	-135	1,054	1,333	153	1,486

* Other capital contributed pertains to reserve funds in the Parent Company.

The Parent Company has a total of 16,954,000 outstanding warrants. In the first quarter 2016, 1,440,000 warrants were repurchased on market terms from employees for a total purchase consideration of SEK 11.9 M. Repurchases of warrants are reported in the consolidated accounts as Other additional capital where classified as non-restricted equity, and as Retained earnings where classified as residual amounts. Furthermore, in the first quarter 2016, 120,000 warrants were utilized to subscribe for and equal number of newly issued shares at a price of SEK 11 per share. As of 31 March 2016, Catella had 10,454,000 warrants held in treasury.

Note I. Income Statement by operating segment

SEK M	Corporate Finance			Asset Management and Banking			Other			Group		
	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net sales	121	73	575	377	379	1,461	-5	-2	-29	493	450	2,007
Other operating income	1	6	11	2	6	11	-1	-1	-3	2	12	20
Total income	121	80	586	378	386	1,473	-5	-3	-31	495	462	2,027
Assignment expenses and commission	-13	-4	-64	-90	-96	-374	3	0	21	-100	-100	-417
Other external expenses	-38	-36	-129	-76	-55	-289	-4	-4	-22	-117	-95	-441
Personnel costs	-68	-49	-322	-130	-135	-532	-6	-4	-24	-204	-188	-878
Depreciation	-1	-1	-4	-5	-3	-13	-0	-0	-0	-6	-4	-18
Other operating expenses	-0	-0	-7	-1	-15	-9	0	1	2	-1	-14	-14
Operating profit/loss	2	-12	58	76	82	255	-12	-10	-55	66	61	258
Interest income	0	0	1	0	0	0	5	6	22	6	7	24
Interest expenses	-1	0	0	-0	-0	-1	-2	-2	-10	-3	-2	-11
Other financial items	0	0	1	4	4	216	-1	6	10	3	10	227
Financial items—net	-0	1	2	3	4	215	2	10	22	6	14	239
Profit/loss before tax	2	-11	60	80	86	470	-10	-0	-33	72	75	497
Tax	-3	3	-10	-21	-24	-132	6	1	1	-18	-20	-141
Net profit/loss for the period	-1	-8	50	58	63	338	-3	0	-31	53	55	357
Profit/loss attributable to shareholders of the Parent Company	-1	-8	50	38	24	253	-3	0	-31	33	17	272

The operating segments reported above, Corporate Finance and Asset Management and Banking, are consistent with internal reporting submitted to management and the Board of Directors and thus represent the Group's operating segments in accordance with IFRS 8, Operating Segments. The Parent Company, other holding companies and Principal Investments are recognized in the "Other" category. Acquisition and financing expenses and Catella's brand are also recognized in this category. "Other" also includes the elimination of intra-group transactions between the various operating segments. Transactions between the operating segments are limited and are mainly financial transactions and certain re-invoicing of expenses. Limited transactions for rendering services to external customers occur. Any transactions are conducted on arm's length basis.

Historical earnings trend by quarter and operating segment

SEK M	Corporate Finance							
	2017 Jan-Mar	2016 Oct-Dec	2016 Jul-Sep	2016 Apr-Jun	2016 Jan-Mar	2015 Oct-Dec	2015 Jul-Sep	2015 Apr-Jun
Net sales	121	187	142	172	73	222	155	160
Other operating income	1	2	2	1	6	4	0	1
Total income	121	188	144	174	80	226	156	161
Assignment expenses and commission	-13	-19	-26	-14	-4	-10	-9	-11
Other external expenses	-38	-32	-29	-33	-36	-39	-30	-33
Personnel costs	-68	-112	-72	-89	-49	-144	-91	-91
Depreciation	-1	-1	-1	-1	-1	-1	-2	-1
Other operating expenses	-0	-4	-2	-1	-0	-1	-0	-0
Operating profit/loss	2	20	14	36	-12	32	24	25
Interest income	0	0	0	0	0	0	0	0
Interest expenses	-1	-0	0	0	0	-0	-0	-1
Other financial items	0	-0	1	0	0	5	0	-0
Financial items—net	-0	-0	1	1	1	5	0	-1
Profit/loss before tax	2	20	15	36	-11	37	24	25
Tax	-3	-8	-4	-1	3	-4	-11	-9
Net profit/loss for the period	-1	11	11	36	-8	32	13	16
Profit/loss attributable to shareholders of the Parent Company	-1	11	11	36	-8	32	13	16

SEK M	Asset Management and Banking							
	2017 Jan-Mar	2016 Oct-Dec	2016 Jul-Sep	2016 Apr-Jun	2016 Jan-Mar	2015 Oct-Dec	2015 Jul-Sep	2015 Apr-Jun
Net sales	377	428	345	309	379	352	300	264
Other operating income	2	2	1	2	6	1	1	1
Total income	378	430	345	311	386	353	301	265
Assignment expenses and commission	-90	-100	-98	-81	-96	-79	-84	-74
Other external expenses	-76	-90	-66	-78	-55	-67	-55	-62
Personnel costs	-130	-154	-126	-116	-135	-114	-119	-96
Depreciation	-4	-2	-2	-2	-2	-2	-2	-2
Other operating expenses	-1	2	-4	8	-15	-1	-2	-2
Operating profit/loss	76	84	49	40	82	86	38	27
Interest income	0	0	0	0	0	0	0	0
Interest expenses	-0	-0	-0	-1	-0	-0	-0	-0
Other financial items	4	-3	-2	217	4	-0	1	1
Financial items—net	3	-4	-2	217	4	-0	1	1
Profit/loss before tax	80	80	47	257	86	86	39	28
Tax	-21	-16	-10	-83	-24	-14	-11	-8
Net profit/loss for the period	58	64	37	174	63	72	28	20
Profit/loss attributable to shareholders of the Parent Company	38	43	27	158	24	66	14	18

Note 2. Financial position by operating segment—condensed

SEK M	Corporate Finance		Asset Management and Banking		Other		Group	
	2017 31 Mar	2016 31 Mar	2017 31 Mar	2016 31 Mar	2017 31 Mar	2016 31 Mar	2017 31 Mar	2016 31 Mar
ASSETS								
Non-current assets								
Intangible assets	62	61	301	252	50	50	412	364
Property, plant and equipment	11	12	13	10	1	0	25	22
Holdings in associated companies	0	0	0	1	67	42	67	43
Other non-current securities	0	0	130	43	252	252	383	295
Deferred tax receivables	0	0	27	40	68	68	96	108
Other non-current receivables	6	5	818	439	-1	-0	823	444
	80	79	1,289	786	437	412	1,806	1,276
Current assets								
Current loan receivables	0	0	550	622	0	0	550	622
Accounts receivable and other receivables	167	126	497	425	-19	-5	645	545
Current investments	0	0	53	56	30	19	83	76
Cash and cash equivalents	227	215	2,162	2,274	47	96	2,435	2,585
	394	340	3,262	3,377	57	111	3,713	3,828
Total assets	473	419	4,551	4,162	494	523	5,519	5,104
EQUITY AND LIABILITIES								
Equity								
Equity attributable to shareholders of the Parent Company	177	206	898	649	522	478	1,597	1,333
Non-controlling interests	35	42	160	111	-0	-0	194	153
Total equity	212	248	1,057	760	522	478	1,791	1,486
Liabilities								
Non-current liabilities								
Borrowings	1	0	0	0	0	0	1	0
Long-term loan liabilities	0	0	0	0	0	200	0	200
Deferred tax liabilities	0	7	24	10	11	4	35	21
Other provisions	1	1	3	2	0	25	3	28
	1	8	28	12	9	229	39	249
Current liabilities								
Borrowings	0	0	164	168	0	0	164	168
Current loan liabilities	0	0	2,533	2,485	200	0	2,733	2,485
Accounts payable and other liabilities	245	151	703	696	-231	-189	717	657
Tax liabilities	15	12	66	42	-6	6	75	60
	260	163	3,466	3,390	-37	-184	3,689	3,370
Total liabilities	262	171	3,494	3,402	-28	45	3,728	3,618
Total equity and liabilities	473	419	4,551	4,162	494	523	5,519	5,104

Note 3. Catella's principal investments

From an international perspective, it is important that, in specific circumstances, Catella is able to carry out investments alongside its customers in order to attract capital for the projects and products Catella is working with. Over the coming years, Catella intends to set aside capital for these investments, which are primarily in the property area.

The capital to be invested mainly relates to anticipated cash flows from or divestments of loan portfolios. Catella perceives significant potential in various projects and dedicated property products where Catella's active participation will contribute

to growth and credibility in addition to generating positive returns. The goal is for investments to generate minimum returns (IRR) of 20% over time.

Through associated company Nordic Seeding GmbH, Catella has investments in property development projects in Germany (For more information about the projects, see below). The projects are run by Catella's German subsidiary Catella Project Management GmbH. Through Nordic Seeding GmbH, Catella intends to invest in the early phases of projects, where the concept and framework is determined,

subsequently divesting projects and realizing capital gains before construction begins and projects are completed.

In order to structure its principal investment and support new property products, Catella will be establishing an investment committee whose task is to evaluate the respective investments or divestments of assets.

For more information about Catella's principal investments under the 'Other' category divided by Holdings in associated companies, Other non-current securities and Current investments, see below.

OTHER, SEK M	Holdings in associated companies	Other non-current securities	Current investments	Total
Nordic Seeding GmbH *	67	-	-	67
Loan portfolios	-	230	22	252
Nordic Light Fund	-	11	-	11
Other holdings	1	11	8	20
Total	67	252	30	350

Investment commitments

23

* The investments corresponds to Catella's ownership of 45 percent and include the risk that Nordic Seeding GmbH encounters a situation where it is forced to choose between continuing to invest in later phases of projects, run the projects to completion or abandon projects and the associated invested capital.

Nordic Seeding GmbH

Grand Central

Residential property development project located in Düsseldorf consisting of 1,000 apartments over a total of 38,075 m².

Living Lyon

Residential property development project located in Frankfurt consisting of 125 apartments and premises over a total of 4,258 m².

Loan portfolios

The loan portfolios consist of securitised European loans mainly exposed to residential property. The progress of the loan

portfolios is closely monitored, and revaluations are made on a continuous basis.

Forecasting is performed by French investment advisor Cartesia S.A.S. Book value in Catella's consolidated accounts is determined on the basis of forecast discounted cash flows mainly comprising interest payments, but also amortization.

A summary of Catella's loan portfolio as well as actual and forecast cash flows are presented in the relevant Note below,

Nordic Light Fund

Catella holds shares in the Luxembourg-based Nordic Light Fund, which has invested in loan portfolios and is managed by Catella Bank. The loan portfolios consist of

loans to small and medium-sized companies, mainly located in Germany and Spain. In addition, the portfolios include a diversified pool of loans to small and medium-sized companies in the Netherlands and Portugal, with residential mortgages as underlying security. Since the end of 2011, the fund is fully invested and is now repaying cash flows received and realised income on investments to fund holders in the form of quarterly repurchases of units.

Other holdings

Other holdings mainly consist of listed and unlisted shares in Swedish limited companies.

Summary of Catella's loan portfolios

SEK M		Forecast undiscounted cash flow *	Share of undiscounted cash flow	Forecast discounted cash flow	Share of discounted cash flow	Discount rate	Duration, years
Loan portfolio	Country						
Pastor 2	Spain	48.1	13.0%	41.5	16.6%	6.2%	2.5
Pastor 3 **	Spain	-	-	-	-	-	-
Pastor 4	Spain	32.2	8.7%	15.4	6.2%	11.2%	7.0
Pastor 5 **	Spain	-	-	-	-	-	-
Lusitano 3	Portugal	85.4	23.1%	69.4	27.8%	6.2%	3.6
Lusitano 4 **	Portugal	-	-	-	-	-	-
Lusitano 5	Portugal	102.9	27.9%	60.6	24.3%	11.2%	5.4
Minotaure	France	46.2	12.5%	20.3	8.2%	11.2%	7.8
Ludgate ****	UK	54.1	14.7%	42.0	16.9%	11.2%	2.5
Sestante 2 **	Italy	-	-	-	-	-	-
Sestante 3 **	Italy	-	-	-	-	-	-
Sestante 4 **	Italy	-	-	-	-	-	-
Total cash flow ***		368.9	100.0%	249.2	100%	8.9%	4.6
Accrued interest				3.3			
Carrying amount in consolidated balance sheet				252.5			

* The forecast was produced by investment advisor Cartesia S.A.S.

** These investments were assigned a value of SEK 0.

*** The discount rate recognised in the line "Total cash flow" is the weighted average interest of the total discounted cash flow.

**** Ludgate was revalued during the second quarter of 2014 having historically been assigned a value of SEK 0.

Method and assumptions for cash flow projections and discount rates

The cash flow for each loan portfolio is presented in the table on the next page and the discount rates by portfolio are stated above. There is more information on Catella's loan portfolio on the website.

Cash flow projections

The portfolio is valued according to the fair value method, as defined in IFRS. In the absence of a functional and sufficiently liquid market for essentially all investments and comparable subordinated investments, valuation is performed using the mark-to-model method. This method is based on projecting cash flow until maturity for each investment using market-based credit assumptions. Projected cash flows have been produced by the external investment advisor Cartesia. The credit assumption used by Cartesia is based on the historical performance of each investment and a broad selection of comparable transactions. Projected cash flows include assumptions of

potential deterioration of credit variables. They do not include the full effect of a scenario of low probability and high potential negative impact, such as a dissolution of the Eurozone, where one of the countries in which EETI has underlying investments leaves the European Monetary Union, or similar scenarios. Adjustments of cash flows affect this value and are stated in a sensitivity analysis on Catella's website.

Discount rates

The discount rates applied are set internally, and based on a rolling 24-month index of non-investment grade European corporate bonds as underlying assets (iTraxx). The discount rates per portfolio are also set relative to other assets in the absence of market prices for the assets held by EETI. Each quarter, the Board of EETI evaluates the projected cash flows and related assumptions, combined with the market pricing of other assets for possible adjustment of the discount rates in

addition to variations in the index. Adjustments to discount rates affect this value and are stated in a sensitivity analysis on Catella's website.

Risks and uncertainties relating to loan portfolios

Most of the investments consist of holdings in and/or financial exposure to securities that are subordinate in terms of payment and are ranked lower than securities that are secured or represent ownership of the same asset class. Some investments also include structural features by which more highly ranked securities that are secured or represented by ownership of the same asset class are prioritised in instances of default or if the loss exceeds predetermined levels. This could result in interruptions in the income flow that Catella has assumed from its investment portfolio. For more information, see Note 23 in the Annual Report for 2016.

Actual and forecast cash flow from the loan portfolio*

SEK M	Spain				Portugal		Italy	Netherlands		Germany		France	UK	Outcome	Forecast	Diff
Loan portfolio	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Memphis **	Shield **	Gems **	Semper **	Minotaure	Ludgate			
Outcome																
Q4 2009	4.6	-	-	-	0.4	0.8	-	0.9	1.7	0.2	1.6	2.2	0.0	12.4	7.7	4.7
Q1 2010	3.4	-	-	-	-	-	-	0.8	1.6	0.2	1.5	1.9	0.3	9.5	6.3	3.3
Q2 2010	2.3	-	-	-	0.7	-	-	0.8	1.5	0.2	1.4	2.3	0.1	9.3	15.5	-6.2
Q3 2010	0.6	-	-	-	2.0	-	-	0.8	1.5	0.2	1.4	2.5	0.1	9.1	8.0	1.1
Q4 2010	1.5	-	-	-	-	-	-	0.8	1.5	0.2	1.4	2.1	0.1	7.7	5.9	1.7
Q1 2011	2.8	-	-	-	0.8	-	-	0.8	1.5	0.2	1.3	1.2	0.1	8.6	6.5	2.1
Q2 2011	3.4	-	-	-	4.7	-	0.2	0.8	1.4	0.2	1.4	1.9	0.1	14.3	7.1	7.1
Q3 2011	2.0	-	-	-	3.2	-	0.2	0.8	1.5	0.2	1.5	2.2	0.1	11.8	6.9	4.9
Q4 2011	1.5	-	-	-	2.5	-	0.2	0.9	-	0.3	1.5	1.6	0.1	8.5	7.8	0.6
Q1 2012	2.1	-	-	-	4.3	-	0.2	0.8	-	0.2	1.4	1.7	0.0	10.8	6.9	3.9
Q2 2012	1.5	-	-	-	3.4	-	0.1	-	-	0.2	1.3	1.2	0.0	7.8	8.7	-0.9
Q3 2012	0.8	-	-	-	2.5	-	0.1	-	-	0.1	1.3	0.9	0.0	5.7	7.7	-2.0
Q4 2012	0.1	-	-	-	-	-	0.1	-	-	0.1	1.2	-	0.0	1.5	6.8	-5.3
Q1 2013	0.1	-	-	-	-	-	0.1	-	-	0.1	1.2	-	0.1	1.5	1.5	-0.0
Q2 2013	-	-	-	-	-	-	0.1	-	-	0.1	-	-	-	0.2	2.3	-2.1
Q3 2013	0.1	-	-	-	1.7	-	0.1	-	-	0.1	-	-	0.1	2.2	2.6	-0.4
Q4 2013	-	-	-	-	1.0	-	0.1	-	-	0.1	-	-	-	1.1	1.1	0.0
Q1 2014	-	-	-	-	1.6	-	0.1	-	-	0.1	-	-	0.0	1.9	1.0	0.8
Q2 2014	-	-	-	-	0.7	-	0.1	-	-	0.1	-	-	2.6	3.5	0.3	3.3
Q3 2014	-	-	-	-	2.2	-	0.1	-	-	0.1	-	-	5.2	7.7	5.9	1.8
Q4 2014	0.3	-	-	-	2.2	-	0.1	-	-	0.1	-	-	5.2	7.9	5.7	2.2
Q1 2015	0.0	-	-	-	1.1	-	0.1	-	-	0.1	-	-	4.3	5.6	5.8	-0.2
Q2 2015	0.0	-	-	-	1.0	-	0.1	-	-	0.1	-	-	4.5	5.7	5.9	-0.2
Q3 2015	0.0	-	-	-	0.7	-	0.1	-	-	0.1	-	-	5.1	6.0	6.1	-0.1
Q4 2015	-	-	-	-	1.0	-	0.1	-	-	0.1	-	-	3.1	4.3	5.4	-1.2
Q1 2016	-	-	-	-	1.7	-	0.1	-	-	46.7	-	-	3.9	52.4	51.3	1.1
Q2 2016	0.1	-	-	-	2.0	-	0.1	-	-	-	-	-	4.0	6.2	5.4	0.9
Q3 2016	-	-	-	-	0.9	-	0.1	-	-	-	-	-	3.4	4.5	5.0	-0.5
Q4 2016	-	-	-	-	3.7	-	0.1	-	-	-	-	-	3.4	7.2	5.2	2.1
Q1 2017	-	-	-	-	1.5	-	-	-	-	-	-	-	2.6	4.1	5.0	-0.9
Total	27.2	0.0	0.0	0.0	47.4	0.8	2.9	8.4	12.2	50.4	19.4	21.7	48.5	238.8	217.1	21.6

														Forecast		
														Quarter/	Year	Acc.
Q2 2017	-	-	-	-	2.2	-							3.4	5.6	5.6	
Q3 2017	0.1	-	-	-	1.7	-							3.3	5.0	10.6	
Q4 2017	0.0	-	-	-	3.0	-							3.2	6.2	16.8	
Full year 2018	0.1	-	-	-	15.0	-							11.4	26.5	43.3	
Full year 2019	47.9	-	-	-	18.6	-							9.6	76.0	119.3	
Full year 2020	-	-	-	-	20.7	44.7							7.5	72.9	192.2	
Full year 2021	-	-	-	-	3.1	29.3							15.8	48.3	240.5	
Full year 2022	-	-	-	-	2.8	3.0							-	5.8	246.3	
Full year 2023	-	-	-	-	2.5	2.4						7.3	-	12.2	258.5	
Full year 2024	-	-	32.2	-	2.2	2.1						18.9	-	55.4	314.0	
Full year 2025	-	-	-	-	13.7	1.8						19.9	-	35.5	349.4	
Full year 2026	-	-	-	-	-	1.5						-	-	1.5	351.0	
Full year 2027	-	-	-	-	-	1.3						-	-	1.3	352.3	
Full year 2028	-	-	-	-	-	16.6						-	-	16.6	368.9	
Total	48.1	0.0	32.2	0.0	85.4	102.9	0.0	0.0	0.0	0.0	0.0	46.2	54.1	368.9		

* The forecast was produced by investment advisor Cartesia S.A.S.

** Shield was divested in Q4 2011, Memphis in Q2 2012 and Semper in Q2 2013. Gems was re-purchased in Q1 2016 by the issuer.

Note 4. Short and long-term investments

SEK M	31 March 2017
Loan portfolio and Nordic Light Fund *	266
Operation-related investments	152
Other securities	48
Total **	466

* of which Loan portfolios SEK 252 M.

** of which short-term investments SEK 83 M and long-term investments SEK 383 M.

Note 5. The Group's assets and liabilities measured at fair value

In accordance with IFRS 7, financial instruments are recognised on the basis of fair value hierarchically with three different levels. Classification is based on the input data used for measuring instruments. Quoted prices on an active market on the reporting date are applied for level 1. Ob-

servable market data for the asset or liability other than quoted prices are used in level 2. Fair value is determined with the aid of valuation techniques. For level 3, fair value is determined on the basis of valuation techniques based on non-observable market data. Specific valuation techniques used for level 3 are the measurement of

discounted cash flows to determine the fair value of financial instruments. For more information, see Note 3 in the Annual Report 2016.

The Group's assets and liabilities measured at fair value as of 31 March 2017 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
ASSETS				
Derivative instruments		5		5
Financial assets available for sale		50		50
Financial assets measured at fair value through profit or loss	56	77	279	411
Total assets	56	132	279	466
LIABILITIES				
Derivative instruments		4		4
Total liabilities	0	4	0	4

No changes between levels occurred the previous year.

CHANGE ANALYSIS, FINANCIAL ASSETS, LEVEL 3 IN THE FIRST QUARTER 2017

	2017
as of 1 January	270
Purchases	8
Disposals	-0
Amortisation	-2
Gains and losses recognised through profit or loss	-0
Capitalised interest income	3
Exchange rate differences	-1
As of 31 December	279

Note 6. Pledged assets and contingent liabilities

Pledged assets

SEK M	2017 31 Mar	2016 31 Mar	2016 31 Dec
Securities	0	0	0
Cash and cash equivalents	180	166	188
Other pledged assets	52	45	53
	232	210	241

Cash and cash equivalents include pledged cash funds. These funds are used as collateral in the Asset Management and Banking operating segment for ongoing transactions. Cash and cash equivalents also include cash funds in accordance with

minimum retention requirements of Catella Bank's card operations, funds that are to be accessible from time to time for regulatory reasons, as well as frozen funds for other purposes.

Contingent liabilities

SEK M	2,017 31 Mar	2016 31 Mar	2016 31 Dec
Client funds managed on behalf of clients	28	238	42
Other contingent liabilities	20	70	20
	48	307	62

Client funds relate to assets belonging to customers managed by Catella Bank branch office. These assets are deposited in separate bank accounts by the branch

office under a third-party name. Other contingent liabilities mainly relate to guarantee commitments primarily provided for rental contracts with landlords.

Commitments

SEK M	2,017 31 Mar	2016 31 Mar	2016 31 Dec
Unutilised credit facilities, granted by Catella Bank	2,482	2,011	2,366
Investment commitments	23	0	48
Other commitments	7	3	7
	2,512	2,013	2,420

Unutilized credit facilities relate to the credit commitments issued by Catella Bank to its clients. Customers can utilize these facilities under certain circumstances, de-

pending on what collateral they can provide, Investment commitments mainly relate to associated company Nordic Seeding GmbH.

Note 7. Capital adequacy—consolidated financial situation

Catella AB and those subsidiaries that conduct operations regulated by Swedish or foreign financial supervisory authorities constitute a financial corporate group, known as a consolidated financial situation. The consolidated financial situation is governed by CSSF in Luxemburg from 31 March 2016 onwards. Catella Bank S.A is the reporting entity and responsible institute. Discussions are underway with CSSF regarding reporting and other matters that apply to the consolidated financial situation.

The consolidated financial situation complies with the EU's and the Council's statute (EU) no. 575/32013 (CRR). Group companies currently included in / excluded from the consolidated financial situation are shown in Note 20 of Catella's Annual Report 2016.

The Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559), ÅRKL, stipulates that consolidated accounts shall be prepared for a consolidated financial situation. Catella complies with this requirement by supplying the information contained in this note

on the consolidated financial situation's accounts in accordance with ÅRKL, as final reporting under CSSF has not yet been clarified by the authority. The accounting principles indicated in Other financial information have been applied when preparing these financial statements, and are consistent with ÅRKL. Otherwise, please refer to Catella AB's consolidated accounts.

The following tables state extracts from the accounts for the consolidated financial situation.

Income Statement—condensed, consolidated financial situation

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net sales	365	369	1,392
Other operating income	1	7	11
Total income	366	376	1,403
Assignment expenses & commission	-92	-95	-379
Income excl. direct assignment costs and commission	274	281	1,024
Operating expenses	-205	-202	-823
Operating profit/loss	69	78	201
Financial items—net	10	-5	253
Profit/loss before tax	79	74	454
Appropriations	0	0	2
Tax	-16	-22	-122
Net profit/loss for the period	63	52	334
Profit/loss attributable to:			
Shareholders of the Parent Company	43	13	249
Non-controlling interests	20	38	85
	63	52	334
Employees at end of period	337	297	335

Financial position—condensed, consolidated financial situation

SEK M	2017 31 Mar	2016 31 Mar	2016 31 Dec
Non-current assets	1,722	1,176	1,672
Current assets	3,434	3,565	3,532
Total assets	5,157	4,741	5,204
Equity	1,563	1,271	1,497
Liabilities	3,594	3,470	3,707
Total equity and liabilities	5,157	4,741	5,204

Capital adequacy—consolidated financial situation

The company Catella AB is a parent financial holding company in the Catella Group, and publishes disclosures on capital adequacy for the consolidated financial situation below.

SEK M	2017 31 Mar	2016 31 Mar	2016 31 Dec
Core tier 1 capital	723	656	725
Other tier 1 capital	0	0	0
Tier 2 capital	0	0	0
Capital base	723	656	725
Total risk-weighted exposure	5,126	3,770	4,440
CAPITAL ADEQUACY AND BUFFERS			
Capital adequacy pillar 1	410	302	355
<i>of which capital adequacy requirement for credit risk</i>	217	159	196
<i>of which capital adequacy requirement for market risk</i>	66	49	64
<i>of which capital adequacy requirement for operational risk</i>	127	94	96
Capital adequacy pillar 2	100	94	100
Institution-specific buffer requirements	155	104	129
Internal buffer requirements	51	38	44
Total capital adequacy and buffer requirement	716	537	629
Capital surplus after capital adequacy and buffers requirement	7	119	96
CAPITAL RELATIONS, % OF TOTAL RISK-WEIGHTED EXPOSURE AMOUNT			
Core tier 1 capital ratio	14.1	17.4	16.3
Tier 1 capital ratio	14.1	17.4	16.3
Total capital ratio	14.1	17.4	16.3
CAPITAL ADEQUACY AND BUFFERS, % OF TOTAL RISK-WEIGHTED EXPOSURE AMOUNT			
Capital adequacy pillar 1	8.0	8.0	8.0
Capital adequacy pillar 2	2.0	2.5	2.3
Institution-specific buffer requirements	3.0	2.8	2.9
<i>of which requirement for capital conservation buffer</i>	2.5	2.5	2.5
<i>of which requirement for counter-cyclical capital buffer</i>	0.5	0.3	0.4
Internal buffer requirements	1.0	1.0	1.0
Total capital adequacy and buffer requirement	14.0	14.2	14.2
Capital surplus after capital adequacy and buffers requirement	0.1	3.1	2.2

Catella AB's consolidated financial situation satisfies the minimum capital base requirement.

The reported capital base as of 31 March 2017, SEK 723 M, is not included in profit for 2016 or the positive profit for the period in 2017, as these have not been adopted by the AGM. This had a negative impact on the above reported capital ratios and capital surplus after capital adequacy and buffer requirements. If profit for 2016 less proposed dividends for 2016 were to be included in the capital base as of 31 March 2017, capital surplus after capital adequacy and buffer requirements would have amounted to SEK 189 M.

	2017 31 Mar	2016 31 Mar	2016 31 Dec
Capital base, SEK M			
<i>Core tier 1 capital</i>			
Share capital and share premium reserve	399	399	399
Retained earnings and other reserves	1,163	872	1,097
<i>Less:</i>			
Intangible assets	-317	-280	-317
Price adjustments	-28	-28	-27
Deferred tax receivables	-68	-77	-67
Positive results not yet verified by the Annual General Meeting *	-397	-231	-334
Other deductions	-29	0	-27
Total core tier 1 capital	723	656	725
Other tier 1 capital	-	-	-
Tier 2 capital	-	-	-
Capital base	723	656	725

*relates to profit for first quarter 2017 and for the full year 2016

Specification of risk-weighted exposure amounts and capital adequacy requirement pillar 1, SEK M	2017 31 Mar		2016 31 Mar		2016 31 Dec	
	Risk-weighted exp.amount	Capital adequacy pillar 1	Risk-weighted exp.amount	Capital adequacy pillar 1	Risk-weighted exp.amount	Capital adequacy pillar 1
Credit risk according to standardised method						
Exposures to institutions	356	28	417	33	451	36
Exposures to corporates	1,306	104	757	61	852	68
Exposures to retail	3	0	105	8	123	10
Exposures secured by mortgages on real property	379	30	162	13	286	23
Exposures in default	277	22	220	18	277	22
Items associated with particular high risk	118	9	0	0	134	11
Exposures in the form of covered bonds	3	0	2	0	3	0
Exposures to collective investment undertakings (funds)	12	1	74	6	16	1
Equity exposures	144	12	32	3	129	10
Other items	113	9	217	17	175	14
	2,711	217	1,985	159	2,446	196
Market risk						
Interest risks	0	0	0	0	0	0
Exchange rate risks	826	66	608	49	795	64
	826	66	608	49	795	64
Operational risk according to basic method	1,589	127	1,178	94	1,199	96
Total	5,126	410	3,770	302	4,440	355

Parent Company Income Statement

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net sales	3.1	2.1	9.1
Other operating income	0.0	0.0	0.0
Total income	3.1	2.1	9.2
Other external expenses	-6.2	-5.7	-29.7
Personnel costs *	-7.8	-5.1	-30.4
Depreciation	-0.0	-0.0	-0.0
Other operating expenses	0.0	-0.0	-0.0
Operating profit/loss	-10.9	-8.8	-51.0
Profit/loss from participations in group companies	0.0	0.0	0.3
Interest income and similar profit/loss items	0.0	1.9	6.6
Interest expenses and similar profit/loss items	-2.4	-2.5	-9.8
Financial items	-2.4	-0.6	-3.0
Profit/loss before tax	-13.3	-9.3	-54.0
Appropriations	0.0	0.0	39.0
Tax on net profit for the year	0.9	0.0	0.0
Net profit/loss for the period	-12.4	-9.3	-15.0

* Personnel costs include directors' fees

Parent Company Statement of Comprehensive Income

SEK M	2017 Jan-Mar	2016 Jan-Mar	2016 Jan-Dec
Net profit/loss for the period	-12.4	-9.3	-15.0
Other comprehensive income			
Other comprehensive income for the period, net after tax	0.0	0.0	0.0
Total comprehensive income/loss for the period	-12.4	-9.3	-15.0

Parent Company Balance Sheet—condensed

SEK M	2017 31 Mar	2016 31 Mar	2016 31 Dec
Property, plant and equipment	0.1	0.1	0.1
Participations in Group companies	654.3	523.2	519.1
Deferred tax receivables	19.8	18.9	18.9
Current receivables from Group companies	40.3	201.8	164.9
Other current receivables	8.2	8.8	5.9
Cash and cash equivalents	31.2	31.2	31.3
Total assets	753.8	784.0	740.1
Equity	506.6	573.8	519.0
Non-current liabilities	0.0	199.1	0.0
Current liabilities to Group companies	30.9	0.0	0.0
Other current liabilities	216.4	11.1	221.0
Total equity and liabilities	753.8	784.0	740.1

Contingent liabilities totalled SEK 6.5 M as of 31 March 2017. There were no assets pledged.

Application of key performance indicators not defined by IFRS

The Consolidated Accounts of Catella are prepared in accordance with IFRS. See above for more information regarding accounting principles. IFRS defines only a limited number of performance measures. From the second quarter 2016, Catella applies the European Securities and Markets Authority's (ESMA) new guidelines for alternative performance measures. In summary, an alternative performance measure

is a financial measure of historical or future profit progress, financial position or cash flow not defined by or specified under IFRS. In order to assist corporate management and other stakeholders in their analysis of Group progress, Catella presents certain performance measures not defined under IFRS. Corporate management considers that this information facilitates the analysis of the Group's performance. This

additional information is complementary to the information provided by IFRS and does not replace performance measures defined in IFRS. Catella's definitions of measures not defined under IFRS may differ from other companies' definitions. All of Catella's definitions are presented below. The calculation of all performance measures corresponds to items in the Income Statement and Balance Sheet.

Definitions

Non-IFRS performance measures	Description	Reason for using the measure
Equity per share attributable to parent company shareholders *	Equity attributable to parent company shareholders divided by the number of shares at the end of the period.	Provides investors with a view of equity as represented by a single share.
Return on equity *	Total profit in the period for the most recent four quarters divided by average equity in the most recent five quarters.	The company considers that the performance measure provides investors with a better understanding of return on equity.
Equity/assets ratio *	Equity divided by total assets.	Catella considers the measure to be relevant to investors and other stakeholders wishing to assess Catella's financial stability and long-term viability.
Dividend per share	Dividend divided by the number of shares.	Provides investors with a view of the company's dividend over time.
Profit margin *	Profit for the period divided by total income for the period.	The measure illustrates profitability regardless of the rate of corporation tax.
Property transaction volumes in the period	Property transaction volumes in the period constitutes the value of underlying properties at the transaction dates.	An element of Catella's income in Corporate Finance is agreed with customers on the basis of the underlying property value of the relevant assignments. Provides investors with a view of what drives parts of the income.
Assets under management at year end	Assets under management constitutes the value of Catella's customers' deposited/invested capital.	An element of Catella's income in Asset Management and Banking is agreed with customers on the basis of the value of the underlying invested capital. Provides investors with a view of what drives parts of the income.
Card and payment volumes	Card and payment volumes are the value of the underlying card transactions processed by Catella.	Card and payment volumes are a value driver for Catella's income in Card & Payment Solutions. Provides investors with a view of what drives an element of Catella's income.

* See next page for basis of calculation

Calculation of performance measures for the Group

GROUP	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	53	55	355	357
Total income, SEK M	495	462	2059	2027
Profit margin, %	11	12	17	18
Equity, SEK M	1,791	1,486	-	1730
Total assets, SEK M	5,519	5,104	-	5651
Equity/Asset ratio, %	32	29	-	31
Net profit/loss for the period, SEK M *	33	17	288	272
No. of shares at end of the period	81,848,572	81,728,572	81,848,572	81,848,572
Earnings per share, SEK *	0.41	0.21	3.52	3.32
Equity, SEK M *	1,597	1,333	-	1563
No. of shares at end of the period	81,848,572	81,728,572	-	81,848,572
Equity per share, SEK *	19.51	16.31	-	19.10

GROUP	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013	2013	2013
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	33	37	35	182	17	122	38	48	35	96	21	85	15	-4	10	11
Equity, SEK M *	1,597	1,563	1,534	1,484	1,333	1,319	1,233	1,177	1,151	1,164	1,041	1,027	920	904	888	887
Return on equity, %	19	19	26	27	18	20	19	18	22	21	12	11				

Calculation of performance measures for the Corporate Finance operating segment

CORPORATE FINANCE	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	-1	-8	57	50
Total income, SEK M	121	80	628	586
Profit margin, %	-1	-10	9	9
Equity, SEK M	212	248	-	281
Total assets, SEK M	473	419	-	478
Equity/Asset ratio, %	45	59	-	59

CORPORATE FINANCE	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013	2013	2013
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	-1	11	11	36	-8	32	13	16	-15	42	5	16	-9	4	17	3
Equity, SEK M *	177	254	237	222	206	213	183	171	187	206	144	143	138	287	284	272
Return on equity, %	26	22	34	37	28	24	31	28	30	30	8	13				

Calculation of performance measures for the Asset Management and Banking operating segment

ASSET MANAGEMENT AND BANKING	3 Months		12 Months	
	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	58	63	333	338
Total income, SEK M	378	386	1465	1473
Profit margin, %	15	16	23	23
Equity, SEK M	1,057	760	-	998
Total assets, SEK M	4,551	4,162	-	4619
Equity/Asset ratio, %	23	18	-	22

ASSET MANAGEMENT AND BANKING	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013	2013	2013
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	38	43	27	158	24	66	14	18	44	26	5	20	19	-8	-5	11
Equity, SEK M *	898	859	855	789	649	620	686	660	676	639	651	575	545	436	473	481
Return on equity, %	33	34	38	39	19	22	15	15	15	12	7	5				

* Attributable to shareholders of the Parent Company.



Catella AB (publ)

P.O. Box 5894, 102 40 Stockholm | Visitors: Birger Jarlsgatan 6
Corp. ID no. 556079-1419 | Reg. office: Stockholm, Sweden
Tel: +46 (0)8 463 33 10 | info@catella.se

catella.com