



# Q2

January – June 2018

# Sales and results of operations Group

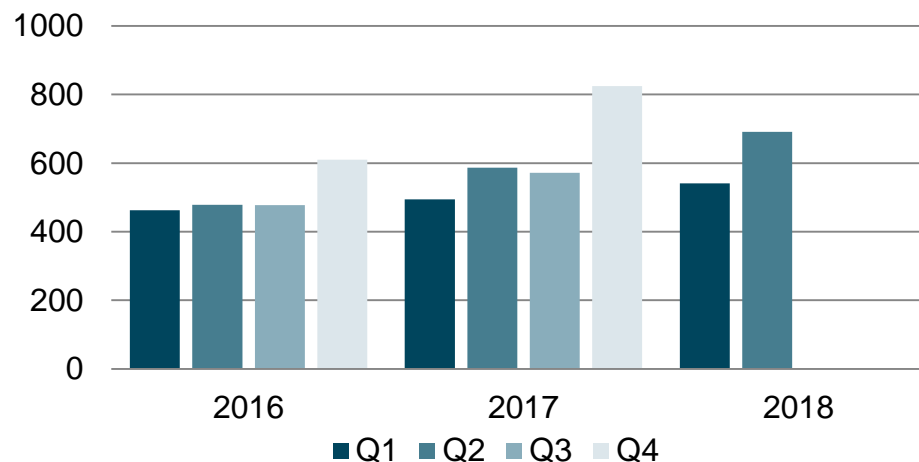
## Progress in the quarter

- The increase in total income was mainly driven by Property Investment Management.
- Variable earnings in Systematic Funds is settled and recognised for profit/loss at the end of the year, against quarterly and annual settlement previously.
- Operating profit was in line with the previous year.

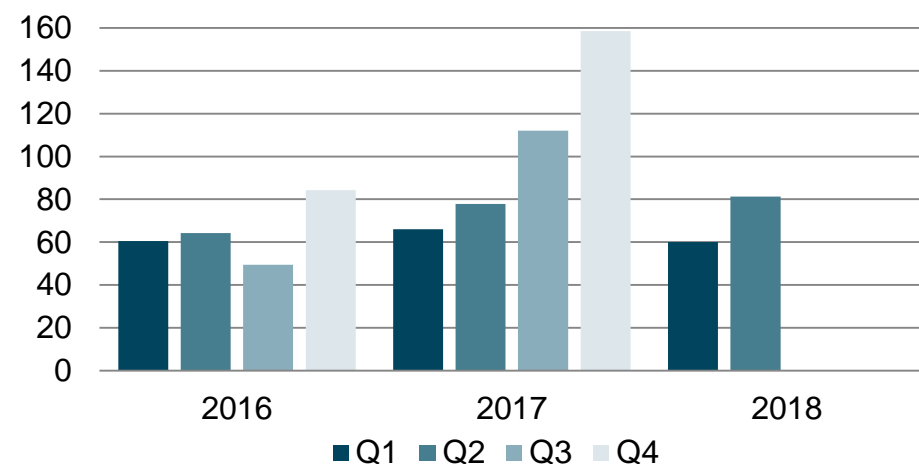
SEK M	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Corporate Finance *	159	131	676	659
Equity, Hedge and Fixed Income Funds *	235	228	881	851
Banking *	88	106	440	475
Property Investment Management *	212	130	651	521
<b>Total income</b>	<b>691</b>	<b>587</b>	<b>2,627</b>	<b>2,477</b>
Assignment expenses and commission	-143	-147	-482	-479
Operating expenses	-466	-362	-1,787	-1,637
<b>Operating profit/loss before items affecting comparability</b>	<b>81</b>	<b>78</b>	<b>412</b>	<b>414</b>
<b>Operating profit/loss</b>	<b>81</b>	<b>78</b>	<b>359</b>	<b>361</b>
<b>Net profit/loss for the period</b>	<b>39</b>	<b>61</b>	<b>250</b>	<b>284</b>
Profit/loss attributable to the Parent Company shareholders	13	33	160	192
<i>Operating margin, %</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>

\* Includes internal income between business areas.

## TOTAL INCOME, SEK M



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



\*\* Justerad för jämförelsestörande poster

# Key figures Group

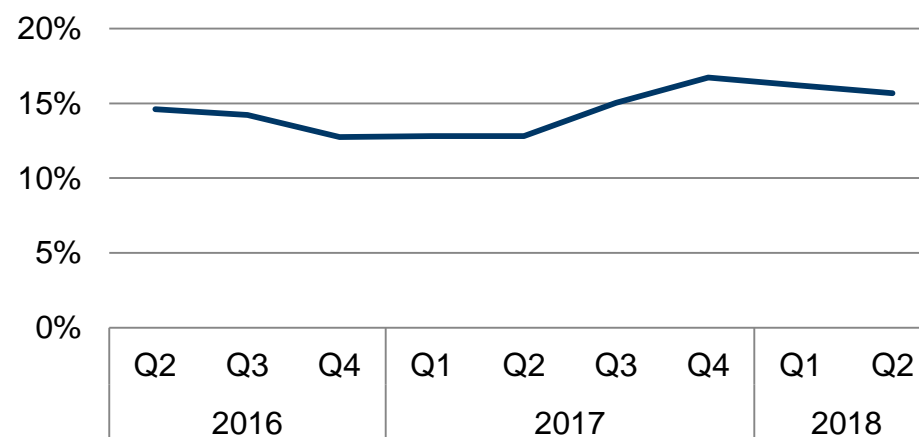
Key Figures	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Profit margin, %	6	10	10	11
Adjusted profit margin, % **	6	10	12	14
Return on equity, % *	10	9	-	12
Adjusted return on equity, % ***	13	9	-	15
Equity/Asset ratio, %	25	32	-	30
Equity, SEK M *	1,588	1,577	-	1,729
Equity and liabilities, SEK M	7,086	5,451	-	6,396
Earnings per share, SEK *	0.16	0.40	1.91	2.35
Adjusted earnings per share, SEK	0.16	0.40	2.54	2.99
Equity per share, SEK *	18.88	19.27	-	21.12
Property transaction volume, SEK Bn	16.0	15.3	62.3	56.2
Asset under management, SEK Bn	197.5	163.1	-	184.3
net in-(+) and outflow(-), mdkr	3.5	-1.0	20.0	24.5
Card and payment volumes, SEK Bn	3.8	4.1	18.0	17.9
No. of employees, at end of period	668	615	-	626

\* Attributable to shareholders of the Parent Company.

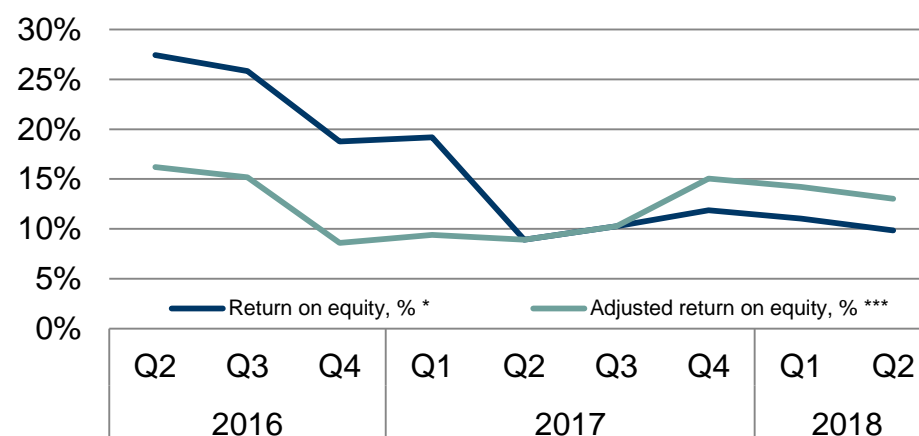
\*\* Adjusted for items affecting comparability.

\*\*\* Attributable to shareholders of the parent company and adjusted for items affecting comparability.

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



## RETURN ON EQUITY, %





# Corporate Finance

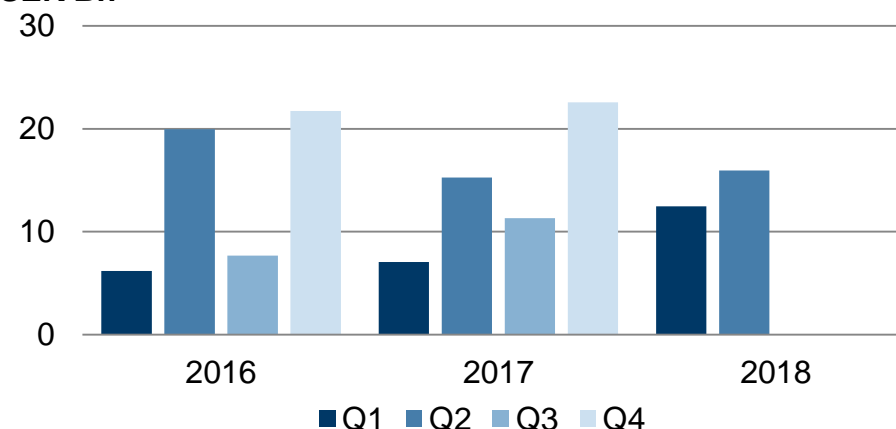
# Property transaction volumes Corporate Finance

## Progress in the quarter

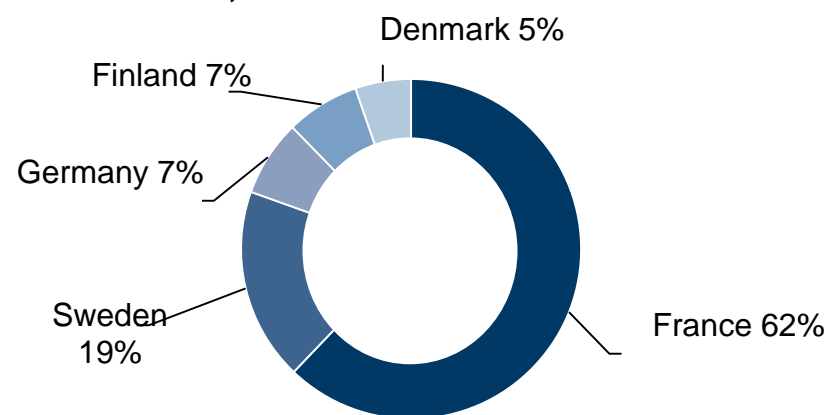
- Property transaction volumes in Europe excl. the UK: EUR 40.3 Bn (41.6), down 3%
  - Germany -26%
  - France +151%
  - Sweden -19%
- Catella's property transaction volumes increased by 5%, amounting to SEK 16.0 Bn (15.3), of which:
  - France SEK 7.8 Bn (1.8)
  - Sweden SEK 3.6 Bn (5.9)
  - Germany SEK 2.0 Bn (0.5)
  - Denmark SEK 0.7 Bn (6.1)

SEK Bn	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Property transaction volume	16.0	15.3	62.3	56.2
<i>of which Nordic</i>	6.0	12.9	29.4	37.3
<i>of which Continental Europe</i>	9.9	2.4	32.9	18.9

**CATELLA PROPERTY TRANSACTION VOLUME, SEK Bn**



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



# Sales and results of operations Corporate Finance

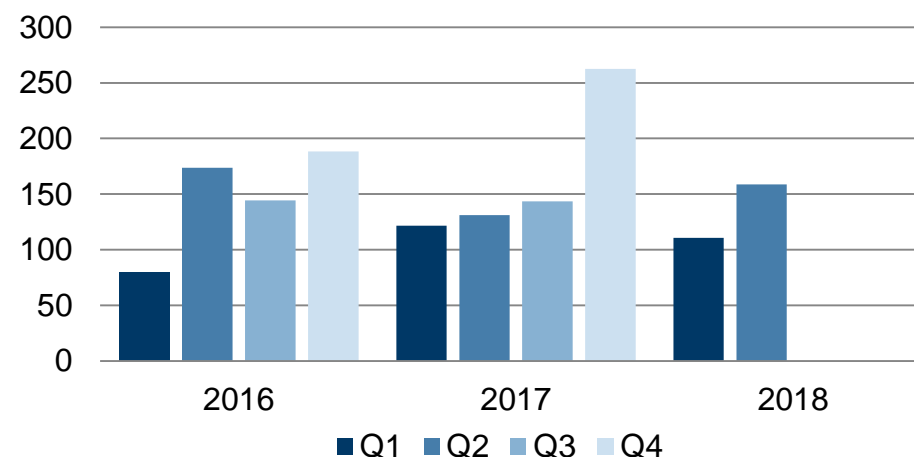
## Progress in the quarter

- The increase in total income and operating profit was mainly driven by continental Europe, mainly attributable to France, but also Germany.
- The German operations seek to further strengthen their position as an advisor on the German market.

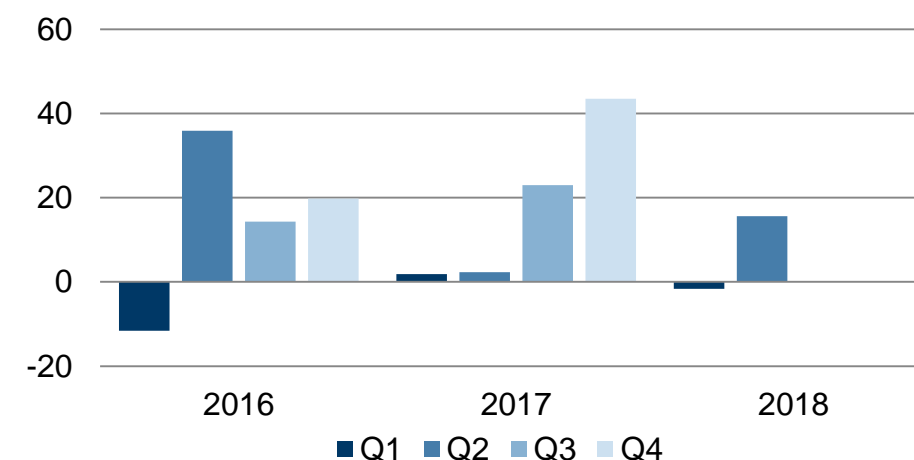
SEK M	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Nordic *	63	76	278	312
Continental Europe *	96	55	397	346
<b>Total income</b>	<b>159</b>	<b>131</b>	<b>676</b>	<b>659</b>
Assignment expenses and commission	-10	-19	-58	-74
Operating expenses	-133	-110	-537	-514
<b>Operating profit/loss</b>	<b>16</b>	<b>2</b>	<b>80</b>	<b>71</b>
<i>Operating margin, %</i>	<i>10</i>	<i>2</i>	<i>12</i>	<i>11</i>
<i>No. of employees, at end of period</i>	<i>209</i>	<i>225</i>	<i>-</i>	<i>210</i>

\* Includes internal income between business areas.

TOTAL INCOME, SEK M



OPERATING PROFIT/LOSS, SEK M







# Equity, Hedge and Fixed Income Funds

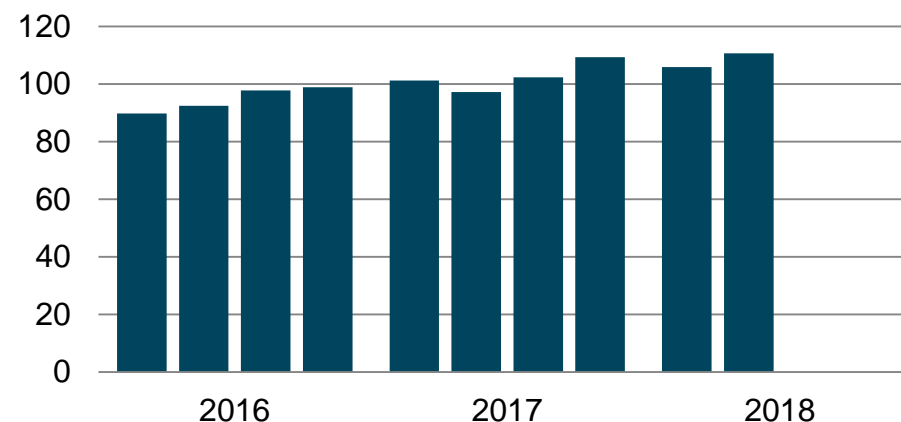
# Assets under management Equity, Hedge and Fixed Income Funds

## Progress in the quarter

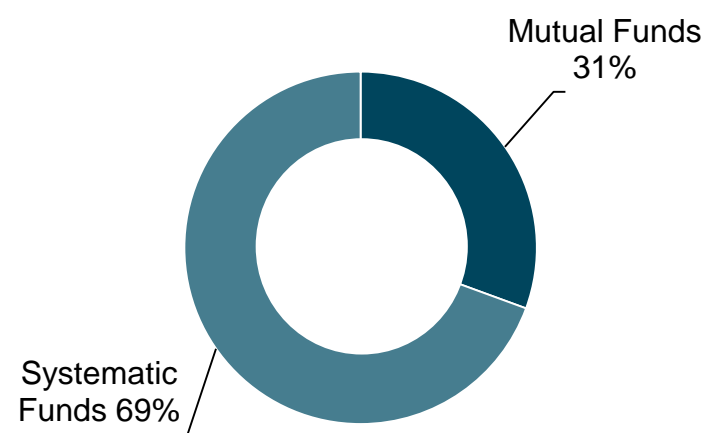
- New savings in mutual funds in Sweden: SEK 13.2 Bn
- Mutual Funds' share of total fund volumes in Sweden: 0.8% (0.8)
- Catella's assets under management increased by SEK 4.8 Bn (-4.1)
  - Of which net flows: SEK -0.8 Bn (-2.7)
  - Inflows in Systematic Macro and outflows in Systematic Equity
- Assets under management as of 30 June 2018: SEK 110.7 Bn (97.2)

SEK Bn	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
<b>Asset under management</b>	<b>110.7</b>	<b>97.2</b>	<b>-</b>	<b>109.3</b>
<i>net in-(+) and outflow(-)</i>	<i>-0.8</i>	<i>-2.7</i>	<i>5.1</i>	<i>8.9</i>
<b>of which Mutual Funds</b>	<b>33.8</b>	<b>30.7</b>	<b>-</b>	<b>32.0</b>
<i>net in-(+) and outflow(-)</i>	<i>1.1</i>	<i>-0.7</i>	<i>2.7</i>	<i>0.0</i>
<b>of which Systematic Funds</b>	<b>76.8</b>	<b>66.6</b>	<b>-</b>	<b>77.3</b>
<i>net in-(+) and outflow(-)</i>	<i>-1.9</i>	<i>-2.0</i>	<i>2.4</i>	<i>8.9</i>

AUM, SEK Bn



DISTRIBUTION OF AUM, %





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

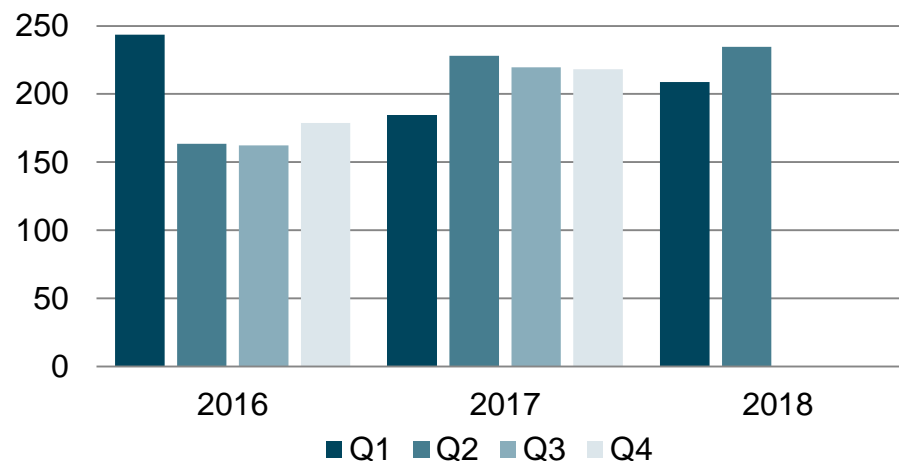
## Progress in the quarter

- The increased income was mainly driven by increased assets under management in combination with a more favourable product mix.
- Profit growth was also influenced by lower variable personnel expenses.
- From 1 January 2018, Systematic Funds moved to annual settlement for all products.

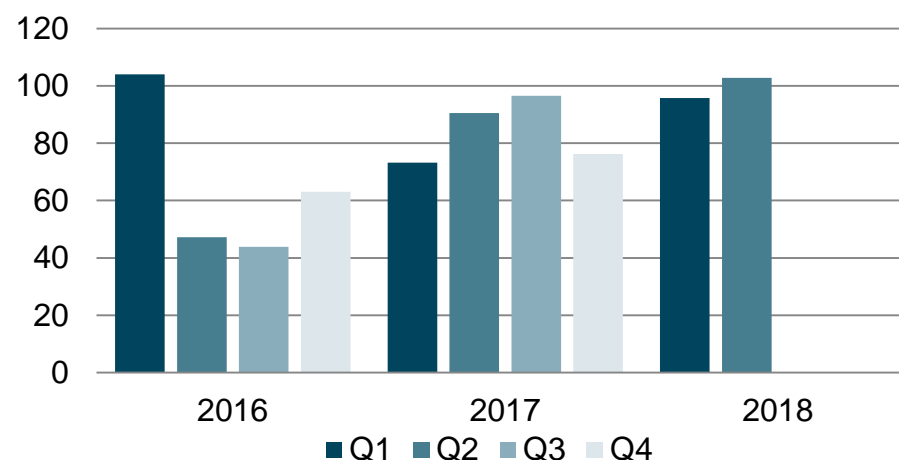
SEK M	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Mutual Funds *	85	98	388	396
Systematic Funds *	149	130	493	455
<b>Total income</b>	<b>235</b>	<b>228</b>	<b>881</b>	<b>851</b>
Assignment expenses and commission	-43	-38	-155	-151
Operating expenses	-89	-100	-354	-363
<b>Operating profit/loss</b>	<b>103</b>	<b>91</b>	<b>372</b>	<b>337</b>
Operating margin, %	44	40	42	40
No. of employees, at end of period	90	84	-	89

\* Includes internal income between business areas.

TOTAL INCOME, SEK M



OPERATING PROFIT/LOSS, SEK M





# Banking

# Card and payment volumes & assets under management

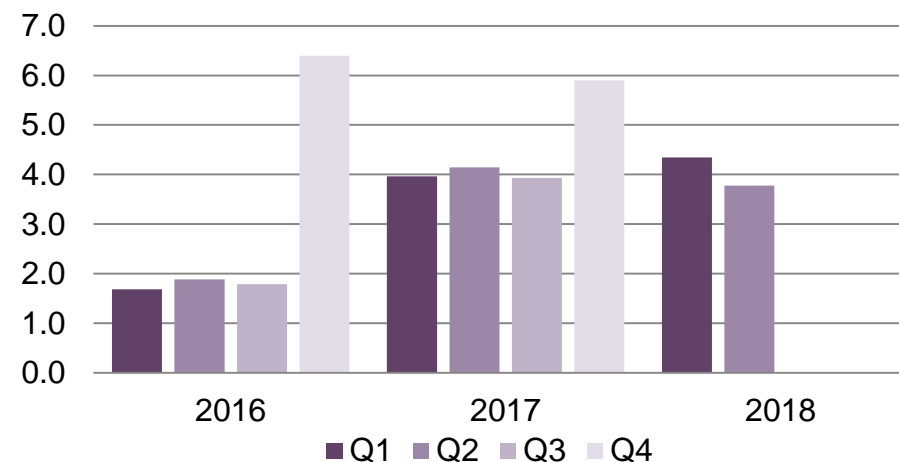
## Banking

### Progress in the quarter

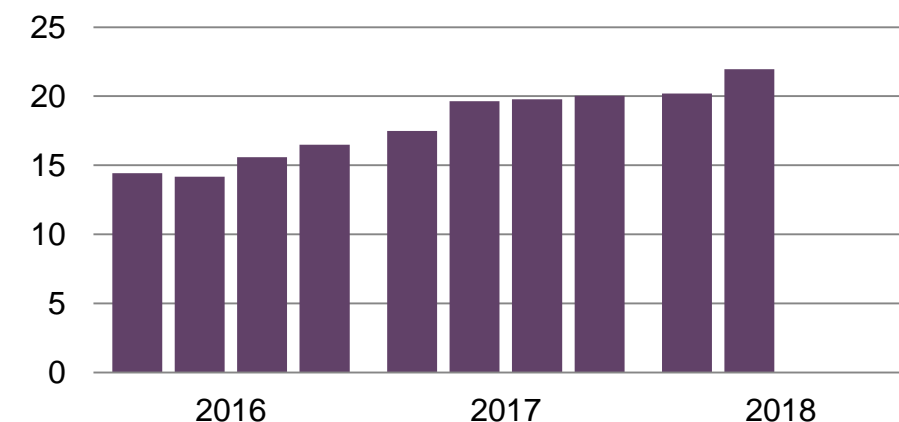
- Card and payment volumes totalled SEK 3.8 Bn (4.1)
- Assets under management increased by SEK 1.8 Bn (2.1),
  - Of which net flows: SEK 1.6 Bn (1.3)
- Assets under management as of 30 June 2018: SEK 22.0 Bn (19.6)
- The loan book decreased by SEK 94 M in the quarter, totalling SEK 1.2 Bn (1.3) at the end of the period

SEK Bn	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Card and payment volumes	3.8	4.1	18.0	17.9
Asset under management	22.0	19.6	-	20.0
<i>net in-(+) and outflow(-)</i>	1.6	1.3	1.2	1.8

CARD AND PAYMENT VOLUMES, SEK Bn



AUM, SEK Bn



# Sales and results of operations Banking

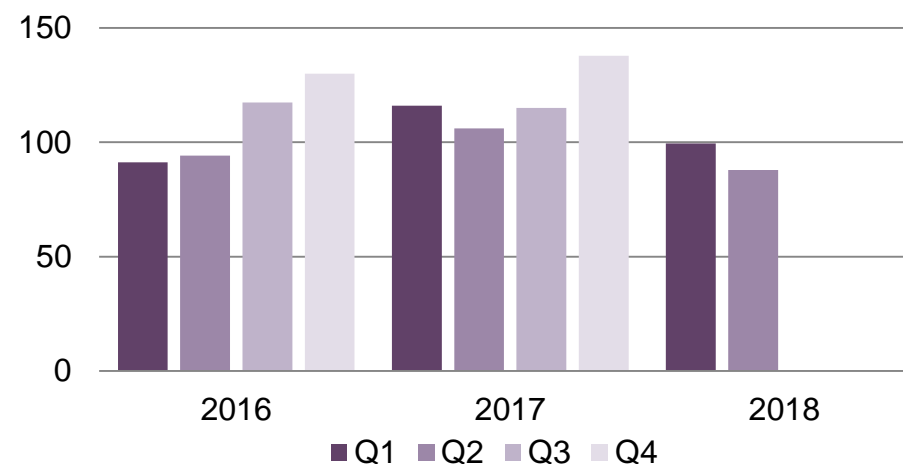
## Progress in the quarter

- The card acquiring operations' customer portfolio has been reduced, implying a decrease of SEK 70 M in income annually.
  - Down SEK 18 M year-on-year.
- In addition to the above, operating profit was also affected by increased personnel expenses, consultancy expenses, IT investments and expenses associated with the strategic review.

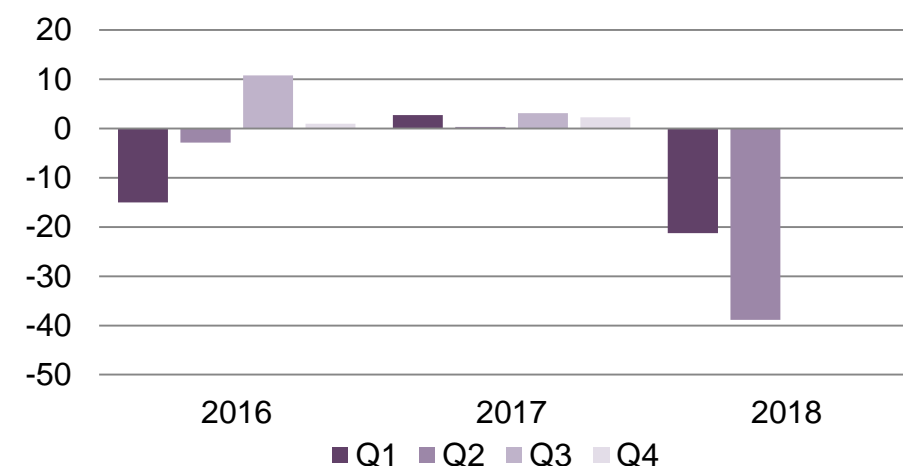
SEK M	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
·Cards and Payment Solutions *	50	69	275	304
·Wealth Management *	40	38	173	177
<b>·Total income</b>	<b>88</b>	<b>106</b>	<b>440</b>	<b>475</b>
·Assignment expenses and commission	-24	-31	-107	-122
·Operating expenses	-103	-74	-388	-344
<b>·Operating profit/loss before acquisition-related items</b>	<b>-39</b>	<b>0</b>	<b>-55</b>	<b>8</b>
Items affecting comparability	0	0	-53	-53
<b>·Operating profit/loss</b>	<b>-39</b>	<b>0</b>		
Operating margin, %	-44	0	-12	2
No. of employees, at end of period	183	175	-	180

\* Includes internal income between business areas.

TOTAL INCOME, SEK M



OPERATING PROFIT/LOSS, SEK M \*\*



\*\* Justerad för jämförelsestörande poster





# Property Investment Management

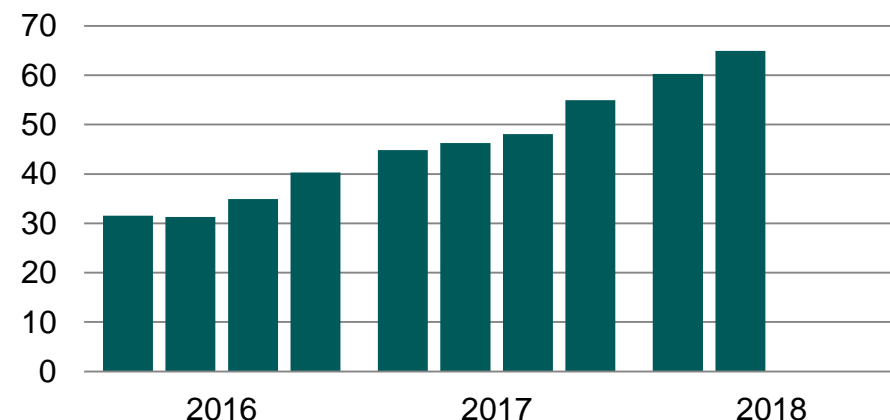


# Assets under management Property Investment Management

## Progress in the quarter

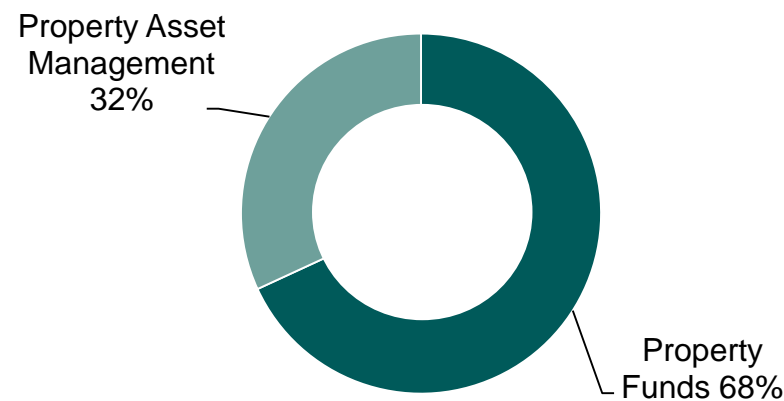
- Assets under management increased by SEK 4.7 Bn (1.5)
  - Net flows were SEK 2.7 Bn (0.5), mainly attributable to Property Funds and Property Asset Management in Finland
- Assets under management as of 30 June 2018: SEK 64.9 Bn (46.3)

AUM, SEK Bn



SEK Bn	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
<b>Asset under management</b>	<b>64.9</b>	<b>46.3</b>	-	<b>55.0</b>
<i>net in-(+) and outflow(-)</i>	2.7	0.5	13.7	13.7
<b>of which Property Funds</b>	<b>43.6</b>	<b>31.2</b>	-	<b>36.9</b>
<i>net in-(+) and outflow(-)</i>	1.3	0.5	7.4	8.7
<b>of which Property Asset Management</b>	<b>21.3</b>	<b>15.1</b>	-	<b>18.0</b>
<i>net in-(+) and outflow(-)</i>	1.4	0.0	6.3	5.1

DISTRIBUTION OF AUM, %



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

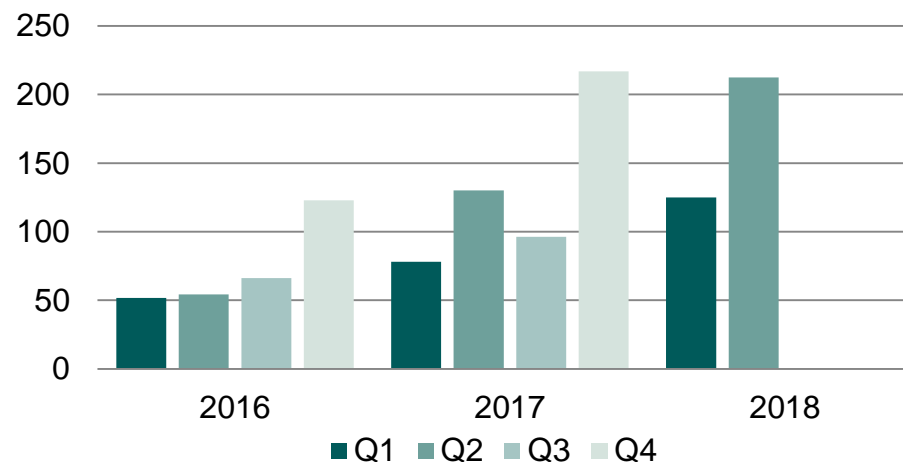
## Progress in the quarter

- Income and profit growth were mainly driven by *Project Management*, part of Property Asset Management.
- Income in *Project Management* was generated by the *Grand Central* property development project, where Catella owns 45% through principal investments.

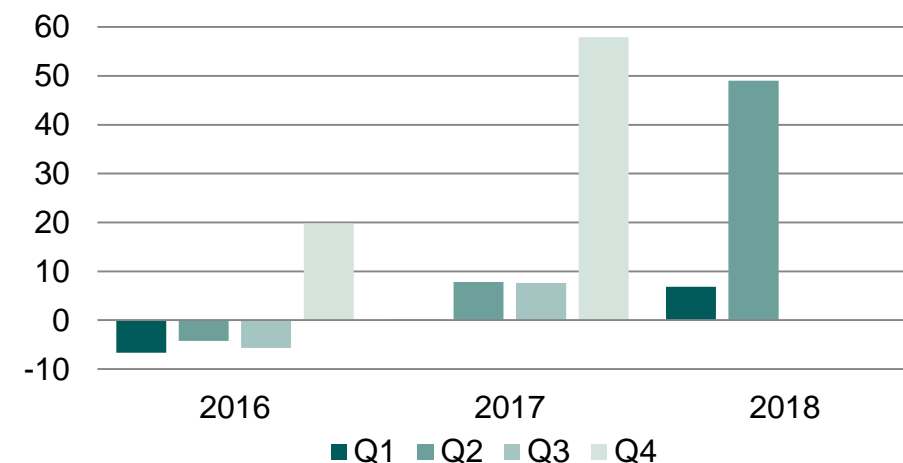
SEK M	3 Months		12 Months	
	2018 Apr-Jun	2017 Apr-Jun	Rolling 12 Mth.	2017 Jan-Dec
Property Funds *	130	113	404	369
Property Asset Management *	90	19	266	164
<b>Total income</b>	<b>212</b>	<b>130</b>	<b>651</b>	<b>521</b>
Assignment expenses and commission	-66	-63	-168	-146
Operating expenses	-97	-59	-362	-302
<b>Operating profit/loss</b>	<b>49</b>	<b>8</b>	<b>121</b>	<b>73</b>
<i>Operating margin, %</i>	23	6	19	14
<i>No. of employees, at end of period</i>	169	116	-	132

\* Includes internal income between business areas.

**TOTAL INCOME, SEK M**



**OPERATING PROFIT/LOSS, SEK M**





## Principal investments



# Catella's principal investments

## INVESTMENTS

SEK M	30 June 2018
Property development projects	187
Loan portfolios	212
Other holdings	38
<b>Total</b>	<b>437</b>

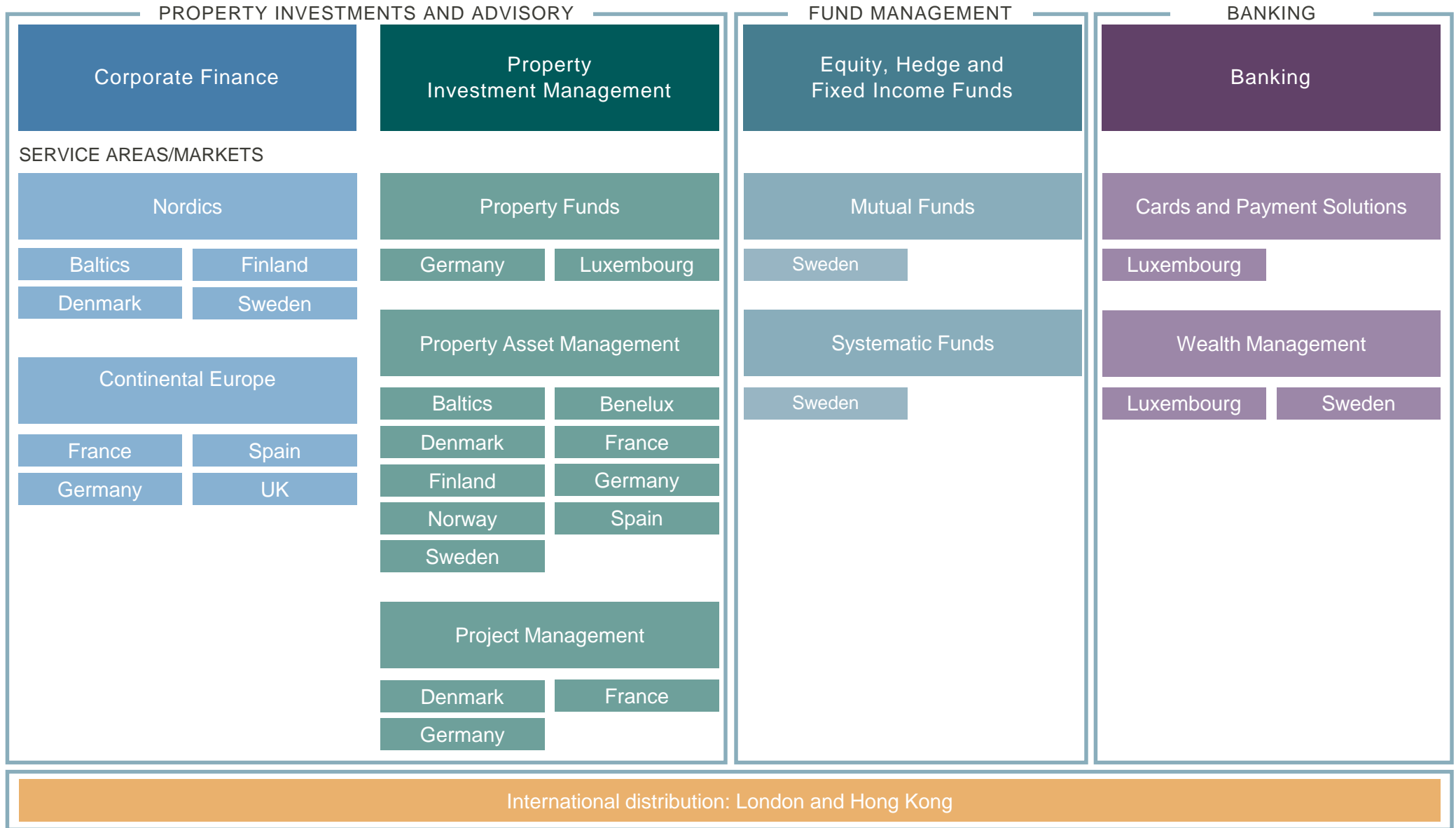
## HISTORICAL CASH FLOW OF LOAN PORTFOLIOS – ACTUAL AND FORECAST

SEK M	Total		
	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>
<b>Full year 2016</b>	<b>70.3</b>	<b>66.8</b>	<b>3.5</b>
<b>Full year 2017</b>	<b>22.5</b>	<b>20.4</b>	<b>2.1</b>
Q1 2018	3.1	2.6	0.5
Q2 2018	2.4	2.7	-0.3
<b>Total</b>	<b>262.6</b>	<b>237.8</b>	<b>24.8</b>

## Progress in the quarter

- The value of principal investments increased by SEK 123 M to SEK 437 M in the second quarter :
  - A majority of the increase, SEK 110 M, relates to capital injections in new start-up associated company Grand Central Beteiligungs GmbH to finance the acquisition of 85% of the shares in the Living Central Beteiligungs GmbH property development project from Nordic Seeding GmbH. SEK 102 M will be returned to Catella during the third quarter 2018 via dividend from Nordic Seeding GmbH.
  - An additional investment of SEK 32 M was also made in the *Kaktus* property development project, which acquired land with residential building rights in Copenhagen
  - In addition, SEK 9 M was invested in Catella's new start-up unlisted limited company Pamica 2 alongside Wealth Management customers
  - The value of principal investments was also affected by Profit/loss from shares in associated companies of SEK -27 M in the period, which mainly comprised non-capitalized interest expenses and project development expenses relating to property projects

# Organisational structure



# Financial calendar 2018

## **Interim Report January–September 2018**

- 15 November 2018

## **Year-end Report 2018**

- 22 February 2019

# Kontaktpersoner



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CATELLA

Thanks for listening