



# Year-end report 2013

Catella AB



# Specialised financial advisory services and asset management

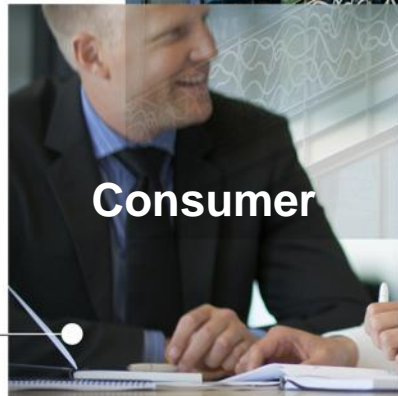
## CORPORATE FINANCE

## ASSET MANAGEMENT

Advisory services to the property sector



Property



Consumer

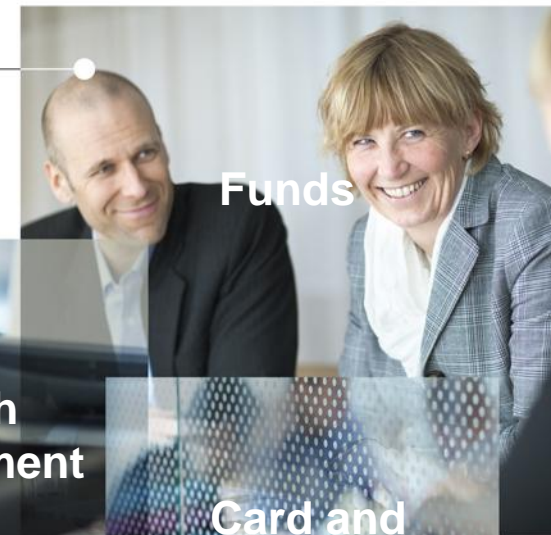


Fixed Income

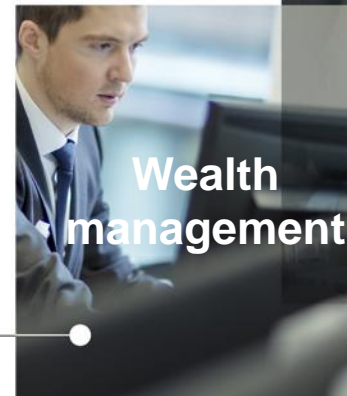
Advisory services to the consumer sector

Alternative funding solutions

Property funds, as well as equity, hedge and fixed income funds

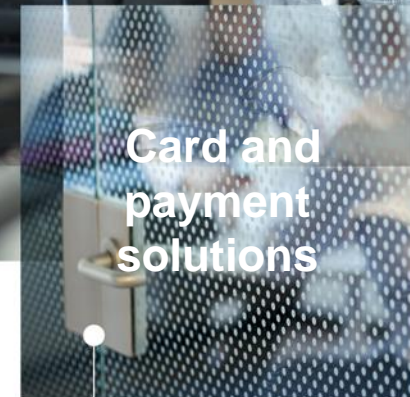


Funds



Wealth management

Active, independent advisory and management services



Card and payment solutions

Card issuance and card acquiring

# Market position strong, but profits unsatisfactory

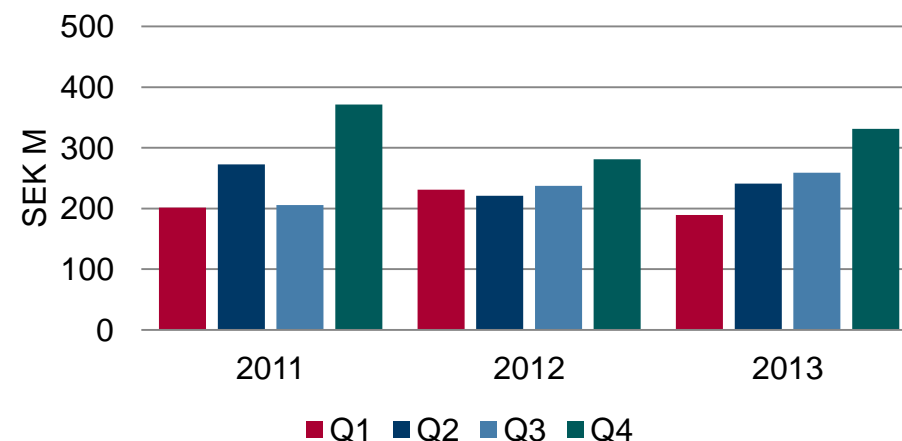
- Transaction volumes down in property advisory services
- Expenses for closing down operation in Oslo
- Banking operation still burdening profits
- Healthy earnings in funds operation

SEK M	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
<b>Net sales</b>	<b>331</b>	<b>281</b>	<b>1020</b>	<b>971</b>
<i>Corporate Finance</i>	145	146	397	412
<i>Asset Management</i>	188	139	630	565
<i>Other</i>	-2	-4	-7	-6
<b>Operating profit/loss *</b>	<b>5</b>	<b>18</b>	<b>-6</b>	<b>6</b>
<b>Profit/loss before tax **</b>	<b>1</b>	<b>19</b>	<b>-7</b>	<b>30</b>
<i>Employees at end of period</i>	-	-	431	434

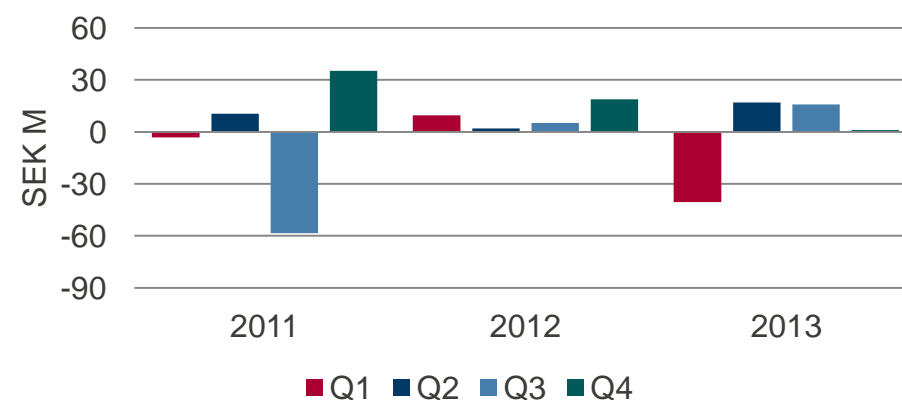
\* Operating profit before acquisition-related items and items affecting comparability.

\*\* Profit before tax for the full year 2012, is adjusted for items affecting comparability of SEK -34 M

NET SALES PER QUARTER, 2011-2013



PROFIT/LOSS BEFORE TAX PER QUARTER, 2011-2013



# Consolidated Income Statement, per quarter

SEK M	Q1		Q2		Q3		Q4		12 Months	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net sales	189	231	240	227	259	231	331	281	1020	970
Other operating income	4	3	6	4	1	4	6	5	18	16
<b>Total income</b>	<b>194</b>	<b>234</b>	<b>246</b>	<b>232</b>	<b>260</b>	<b>235</b>	<b>338</b>	<b>286</b>	<b>1038</b>	<b>987</b>
Direct assignment costs and commission	-49	-50	-50	-60	-55	-57	-63	-54	-216	-221
Operating expenses	-179	-186	-185	-182	-194	-180	-270	-213	-827	-760
<b>Operating profit/loss *</b>	<b>-34</b>	<b>-2</b>	<b>12</b>	<b>-10</b>	<b>11</b>	<b>-1</b>	<b>5</b>	<b>18</b>	<b>-6</b>	<b>6</b>
Depreciation of acquisition-related intangible assets	-1	-1	-2	-1	-2	-1	-2	-1	-6	-4
Items affecting comparability	0	0	0	0	0	-34	0	0	0	-34
<b>Operating profit/loss</b>	<b>-36</b>	<b>-3</b>	<b>11</b>	<b>-11</b>	<b>9</b>	<b>-37</b>	<b>4</b>	<b>17</b>	<b>-12</b>	<b>-33</b>
Financial income and expense - net	-5	12	7	8	6	7	-3	1	5	29
<b>Profit/loss before tax</b>	<b>-41</b>	<b>9</b>	<b>17</b>	<b>-2</b>	<b>15</b>	<b>-30</b>	<b>1</b>	<b>19</b>	<b>-7</b>	<b>-4</b>
Tax	1	-3	-6	0	-6	-2	-5	-4	-15	-9
<b>Net profit/loss for the period</b>	<b>-39</b>	<b>7</b>	<b>11</b>	<b>-3</b>	<b>9</b>	<b>-32</b>	<b>-3</b>	<b>14</b>	<b>-22</b>	<b>-13</b>

\* Operating profit before acquisition-related items and items affecting comparability.

# Financial position as of 31 December 2013

- Total assets: SEK 3,483 M (3,462), of which:
  - Corporate Finance, SEK 306 M (309)
  - Asset Management, SEK 2,811 M (2,787)
  - Other, SEK 366 M (366)
- Total equity: SEK 932 M (925), of which:
  - Corporate Finance, SEK 169 M (160)
  - Asset Management, SEK 528 M (614)
  - Other, SEK 235 M (151)
- Equity/assets ratio: 27% (27)
- Cash and cash equivalents: SEK 1,893 M (1,680), of which:
  - Banking operation: SEK 1,563 M (1,419)
  - Other entities: SEK 330 M (261)
- Cash flow from operating activities: SEK 138 M (-101)
  - The banking operation's deposits and lending affected working capital by SEK 136 M (-120)
- Capital adequacy quotient of the banking operation: 2.3 (2.7)





# Corporate Finance

operating segment



# Transaction volumes, Corporate Finance

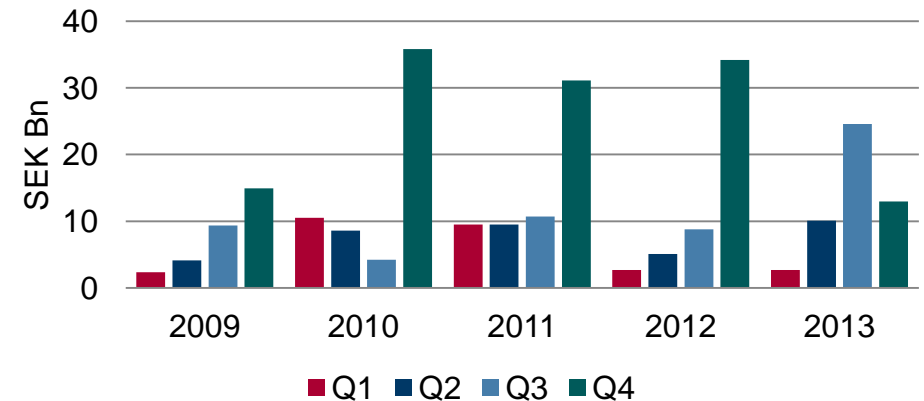
## Fourth quarter

- Catella served as advisor on transactions with value of SEK 13.0 Bn (34.1), of which:
  - Sweden SEK 8 Bn
  - France SEK 3 Bn

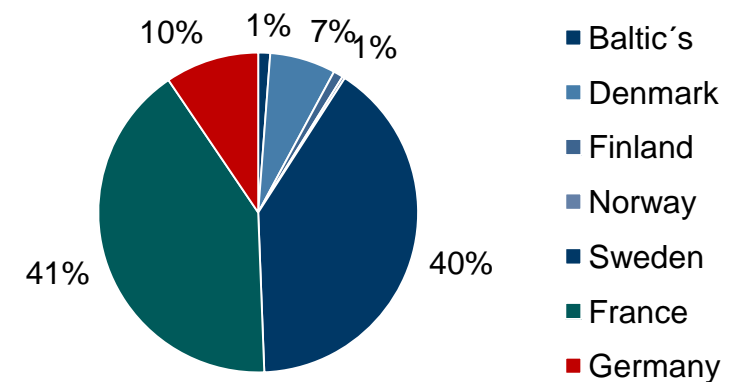
## Full year 2013

- Catella served as advisor on transactions with value of SEK 50 Bn (51), or 6% (7) of which total volume in Europe excl. the UK, of which:
  - France SEK 21 Bn
  - Sweden SEK 20 Bn
- Catella is retaining its strong market positioning in property advisory services in Europe
- Market share of approx. 15% in France and 20% in Sweden

CATELLA'S PROPERTY TRANSACTION VOLUME PER QUARTER, 2009-2013



CATELLA'S PROPERTY TRANSACTION VOLUME PER COUNTRY 2013, %



# Sales and results of operations, Corporate Finance

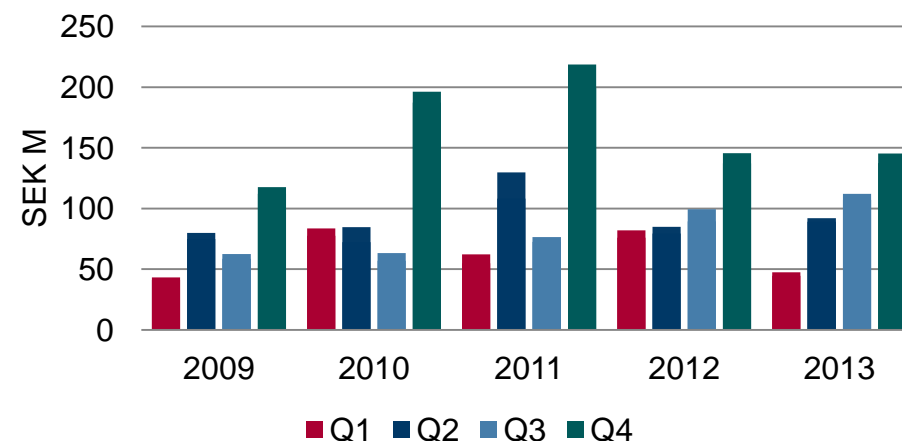
## Fourth quarter

- Net sales SEK 145 M (146) and profit before tax SEK 9 M (36)
- Significantly lower transaction volumes in property advisory services affected sales
- Higher sales in other advisory operations
- Closure of Oslo property advisory services operation reduced profits

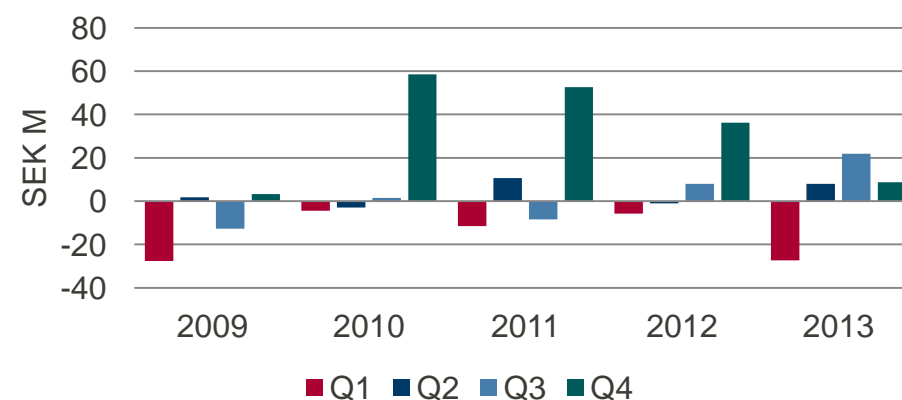
## Full year 2013

- Net sales SEK 397 M (412) and profit before tax SEK 11 M (37)
- Property advisory services operation's sales comparable to 2012
- Sales of other operations down on 2012

NET SALES PER QUARTER, 2009-2013



PROFIT/LOSS BEFORE TAX PER QUARTER, 2009-2013





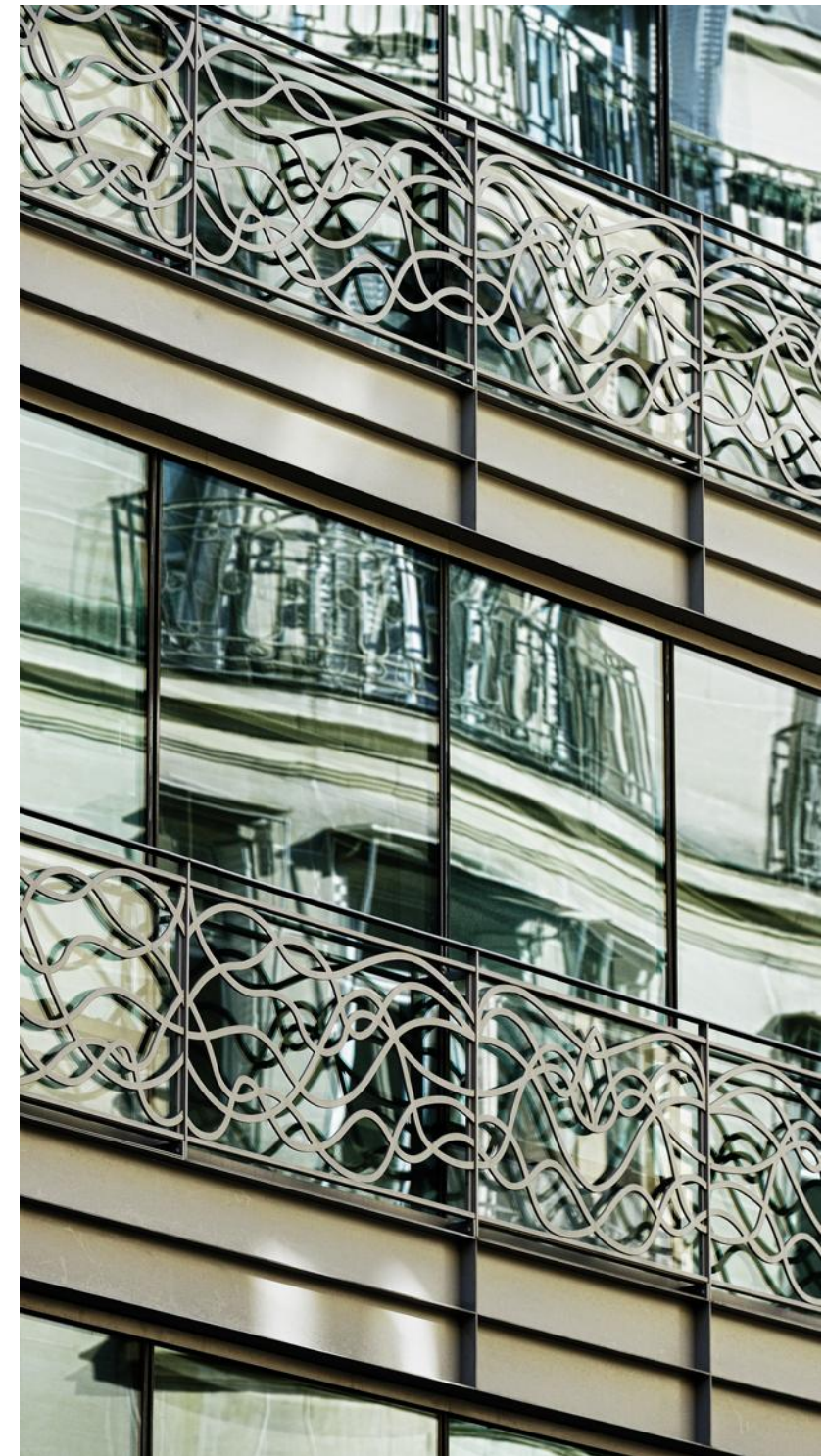
# Income Statement, Corporate Finance

SEK M	3 Months		12 Months	
	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
Net sales	145	146	397	412
Other operating income	1	3	6	7
<b>Total income</b>	<b>146</b>	<b>149</b>	<b>403</b>	<b>419</b>
Direct assignment costs and commission	-8	-8	-19	-30
<b>Income excl. direct assignment costs and commission</b>	<b>138</b>	<b>140</b>	<b>384</b>	<b>389</b>
Operating expenses	-129	-104	-372	-350
<b>Operating profit/loss *</b>	<b>9</b>	<b>36</b>	<b>11</b>	<b>39</b>
Depreciation of acquisition-related intangible assets	0	0	0	0
Items affecting comparability	0	0	0	0
<b>Operating profit/loss</b>	<b>9</b>	<b>36</b>	<b>11</b>	<b>39</b>
Financial income and expense - net	0	0	0	-2
<b>Profit/loss before tax</b>	<b>9</b>	<b>36</b>	<b>11</b>	<b>37</b>
Tax	-6	-13	-10	-15
<b>Net profit/loss for the period</b>	<b>3</b>	<b>23</b>	<b>1</b>	<b>22</b>
<i>Employees at end of period</i>	-	-	207	212

\* Operating profit before acquisition-related items and items affecting comparability.

# Operations, **Corporate Finance**

- Expansion in property advisory services in Germany
- Expansion in property advisory services in France, two new offices opened
- Closure of Oslo property services operation against the background of a weak earnings trend. Norway remains a priority market
- Sweden's largest sales advisor in the property sector in 2013



# Selected assignments in 2013

BALTICS | FEBRUARY 2014

Advisor to Niam on sale of backbone logistics property in Latvia to Rimi

**NIAM**



AMOUNT NOT DISCLOSED

SWEDEN | DECEMBER 2013

Advisor to Victoria Park on acquisition of residential portfolio in Stockholm/Kristianstad from Tornet



EUR 187 MILLION

FINLAND | DECEMBER 2013

Advisor to Citycon on sale of Torikeskus Shopping Centre in Seinäjoki to a local investor

**CITYCON**

AMOUNT NOT DISCLOSED

SWEDEN | DECEMBER 2013

Advisor to Akelius on sale of residential portfolio in southern Sweden to Aberdeen

**Akelius**  
**Aberdeen**

AMOUNT NOT DISCLOSED

SWEDEN | NOVEMBER 2013

Advisor to Platzer on listing and new issue of shares



EUR 75 MILLION

FRANCE | SEPTEMBER 2013

Advisor to Commerz Real on sale of Le Technopole office property in Meudon to Groupe SMA BTP

**COMMERZ REAL**   
Commerzbank Gruppe



EUR 219 MILLION

DENMARK | AUGUST 2013

Advisor to Nykredit on sale of 13 commercial properties in Copenhagen to PFA Ejendomme

**Nykredit**

**PFA**  
PENSION

AMOUNT NOT DISCLOSED

SWEDEN | JULY 2013

Advisor to NCC on sale of office and retail project in Stockholm to KLP

**NCC** 

**KLP**

EUR 187 MILLION

FRANCE | JUNE 2013

Advisor to Ivanhoe Cambridge on sale of an office property in Paris 9 to Deka



**„Deka**

EUR 280 MILLION

GERMANY | DECEMBER 2013

Advisor to Codic on sale of office property in Düsseldorf to Aspel Real Estate Inv

**CODIC**

EUR 50 MILLION

BALTICS | JULY 2013

Advisor to EPI Baltic I fund on sale of five logistics and retail properties in Estonia to Eften Capital

**Amplion**



AMOUNT NOT DISCLOSED

GERMANY | JUNE 2013

Advisor to Commerz Real on sale of an office property in Munich to Gold Tree

**COMMERZ REAL**   
Commerzbank Gruppe

**GOLD TREE**

EUR 50 MILLION

DENMARK | JUNE 2013

Advisor to HSH Nordbank on sale of five residential projects in Copenhagen to PensionDanmark

**HSH**   
**NORDBANK**

**PensionDanmark**

EUR 215 MILLION

SWEDEN | DECEMBER 2012

Advisor to DNB on sale of retail property in Stockholm to Citycon

**DNB**

**CITYCON**

EUR 527 MILLION





Asset Management  
operating segment





# Volumes under management, **Asset Management**

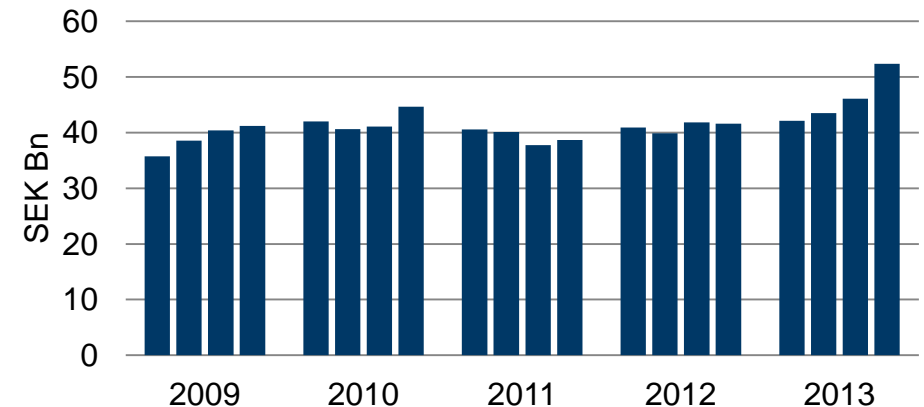
## Fourth quarter

- Volumes under management increased by SEK 6.3 Bn. Net inflow of SEK 4.6 Bn
- Robust inflows to German and Swedish funds
- AUM up by approx. 20% in wealth management

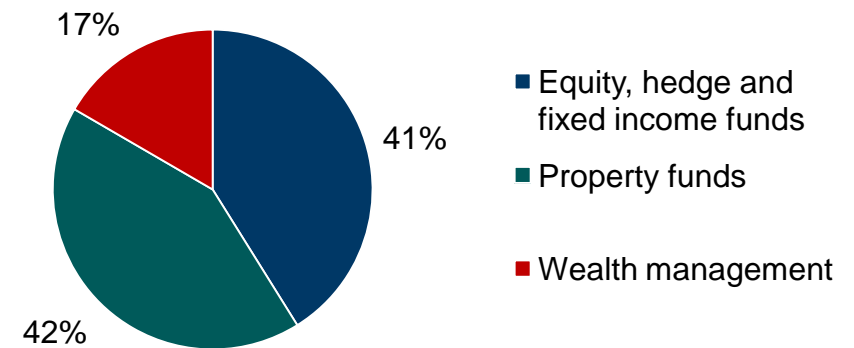
## Full year 2013

- Volumes under management up by SEK 11.1 Bn, from SEK 41.2 Bn to SEK 52.3 Bn, of which:
  - Equity, hedge and fixed income funds, SEK 7.0 Bn (net inflow SEK 4.9 Bn)
  - Property funds, SEK 2.4 Bn (net inflow SEK 1.8 Bn)
  - Wealth management, SEK 1.7 Bn (net inflow SEK 0.6 Bn)

**CATELLA'S VOLUME UNDER MANAGEMENT, 2009-2013**



**CATELLA'S VOLUME UNDER MANAGEMENT PER SERVICE SEGMENT 2013, %**



# Sales and results of operations, **Asset Management**

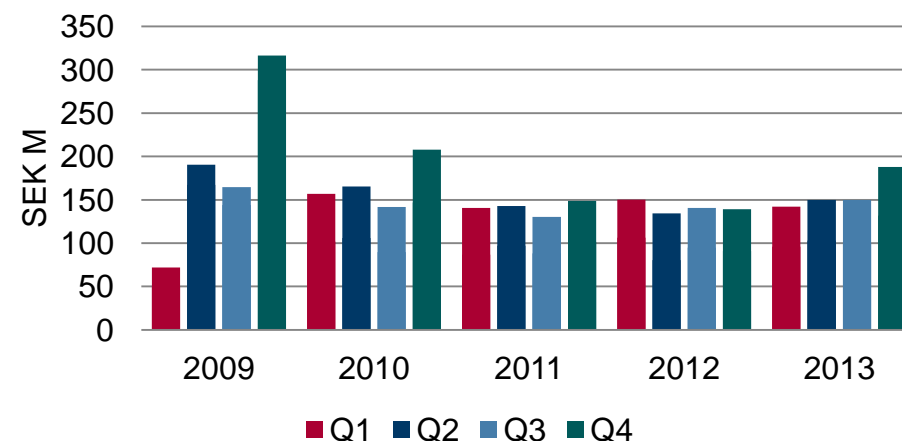
## Fourth quarter

- Net sales SEK 188 M (139) and profit before tax SEK 7 M (-2)
- Healthy management earnings and strong net inflow in funds operation
- Banking operation continues to reduce profit

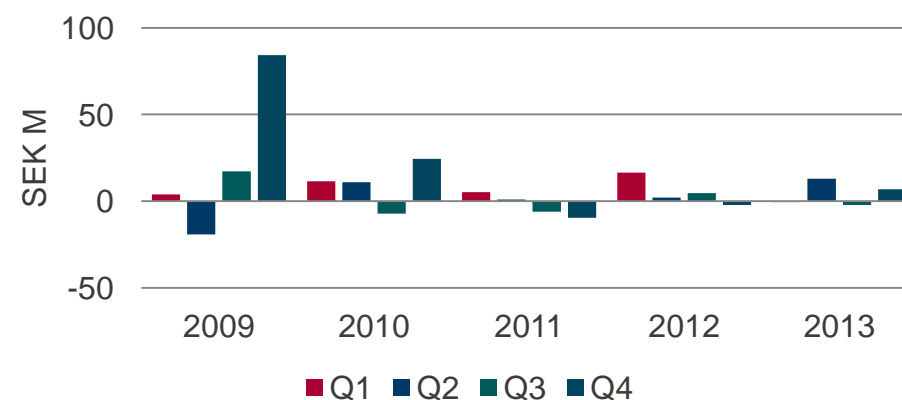
## Full year 2013

- Net sales SEK 630 M (565) and profit before tax SEK 17 M (-11)

**NET SALES PER QUARTER, 2009-2013**



**PROFIT/LOSS BEFORE TAX PER QUARTER, 2009-2013**



# Income Statement, Asset Management

SEK M	3 Months		12 Months	
	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
Net sales	188	139	630	565
Other operating income	5	0	5	3
<b>Total income</b>	<b>193</b>	<b>139</b>	<b>635</b>	<b>568</b>
Direct assignment costs and commission	-56	-48	-200	-193
<b>Income excl. direct assignment costs and commission</b>	<b>136</b>	<b>91</b>	<b>435</b>	<b>376</b>
Operating expenses	-128	-101	-414	-373
<b>Operating profit/loss *</b>	<b>8</b>	<b>-10</b>	<b>20</b>	<b>2</b>
Depreciation of acquisition-related intangible assets	-2	-1	-6	-5
Items affecting comparability	0	0	0	-31
<b>Operating profit/loss</b>	<b>7</b>	<b>-11</b>	<b>15</b>	<b>-34</b>
Financial income and expense - net	0	9	2	23
<b>Profit/loss before tax</b>	<b>7</b>	<b>-2</b>	<b>17</b>	<b>-11</b>
Tax	-14	6	-20	4
<b>Net profit/loss for the period</b>	<b>-7</b>	<b>4</b>	<b>-3</b>	<b>-7</b>
<i>Employees at end of period</i>	-	-	211	210

\* Operating profit before acquisition-related items and items affecting comparability.

# Asset Management, **funds operation**

The funds operation reported profit of SEK 23 M for the fourth quarter and SEK 83 M for the full year 2013

## **Properties**

- Healthy net inflows to German property funds
- Catella MAX property fund secures top rating
- French property sector asset management start-up, opening spring 2014

## **Equity, hedge and fixed income funds**

- Healthy net inflows, primarily to fixed income and hedge funds
- European investor interest in fixed income products increases





# Asset Management, **banking operation**

- Banking operation reduced profits by SEK 18 M for the fourth quarter and SEK 63 M for the full year 2013
- Significant actions taken to consolidate long-term earnings
- Adaptation to new regulatory frameworks
- This work is more extensive, and is taking longer, than scheduled

## **Card and payment services**

- Business volumes have gradually increased
- Continued investment in infrastructure and enhanced routines and processes
- Focus on optimising existing payment flows to enable higher margins

## **Wealth management**

- Positive progress of volumes under management
- Continued focus on building a cost-efficient operation
- Start-up in Gothenburg earlier in the year



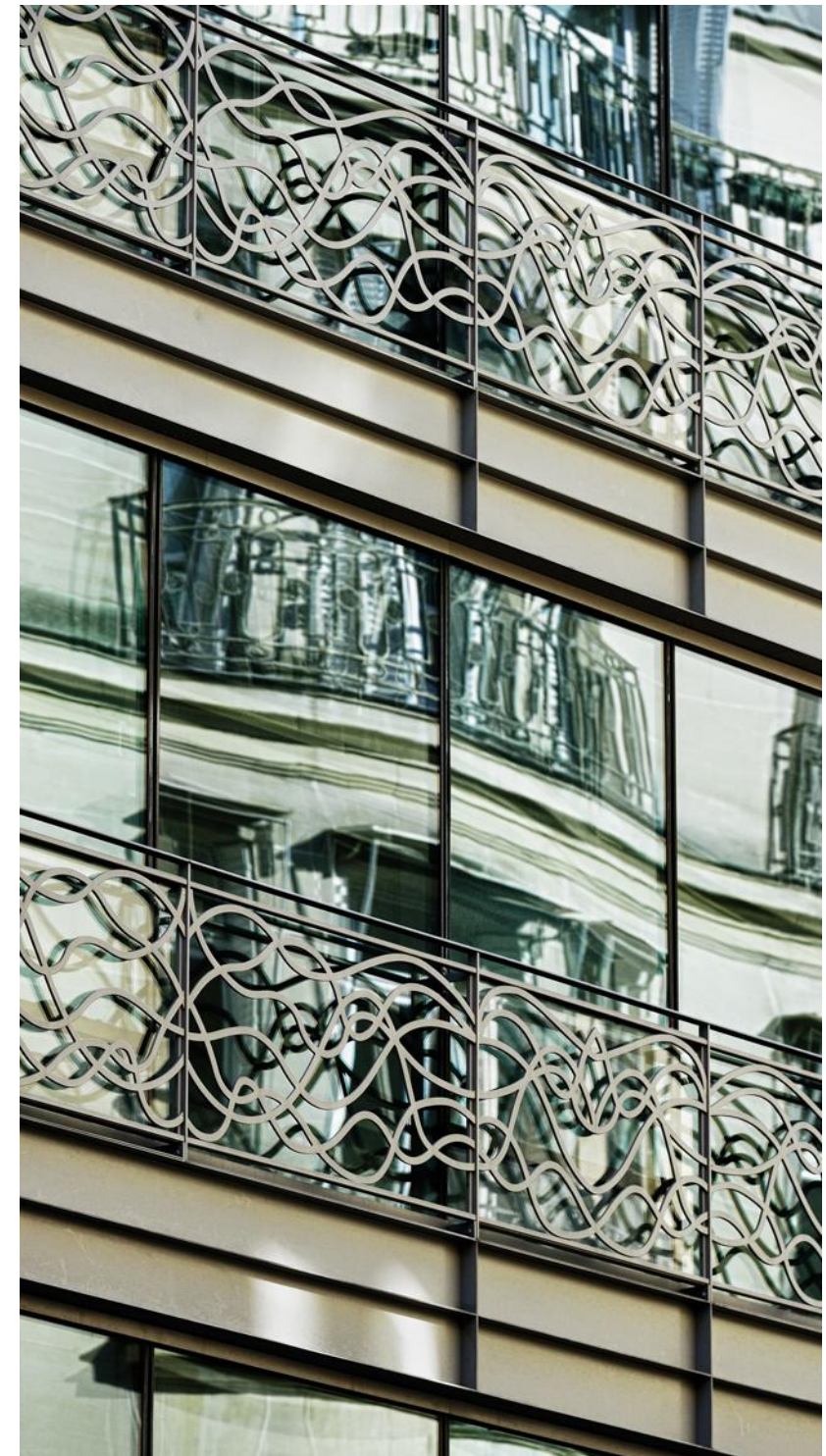
# Profitability focus

## Current position

- Market position strong, but profits unsatisfactory
- Advanced positioning in property advisory services
- Continued challenge in the Bank

## Focus

- Focus on loss-making parts of operations
- Long-term profitability requires short-term profitability, primarily to be able to attract and retain key employees
- Creating a clear structure with well-defined operational management teams
- Review controls to enhance coordination between functions and countries



# Financial calendar 2014

- Annual Report 2013 25 April 2014
- Interim Report, January-March 2014 9 May 2014
- AGM 2014 19 May 2014
- Interim Report, January-June 2014 25 August 2014
- Interim Report, January-September 2014 7 November 2014
- Year-end Report, January-December 2014 19 February 2015



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Thanks for listening