



Q3

January – September 2017



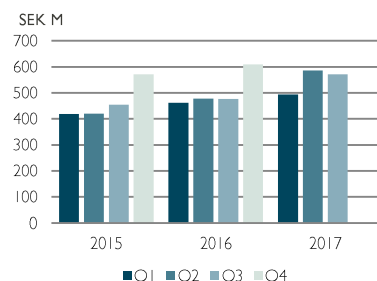
The positive trend continued in the third quarter, with total income up by 20%. Operating profit increased by 126% to SEK 112 million in year-on-year terms. The increase was driven by increased assets under management and a more favourable product mix, and good performance from managing our funds in Equity, Hedge and Fixed Income Funds. Total income for the nine-month period increased by 17% and operating profit increased by 47% to SEK 256 million in year-on-year terms.

14 November 2017

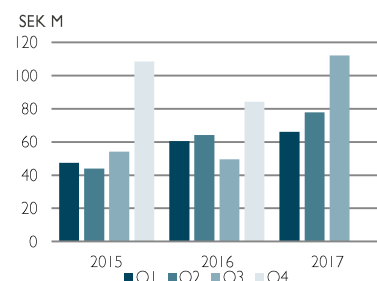
KNUT PEDERSEN, CEO and President

The period in brief

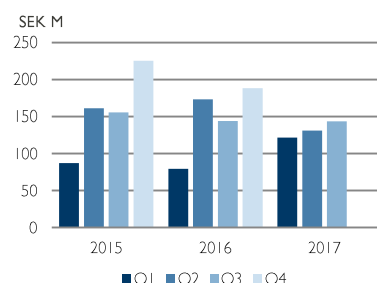
CONSOLIDATED TOTAL INCOME



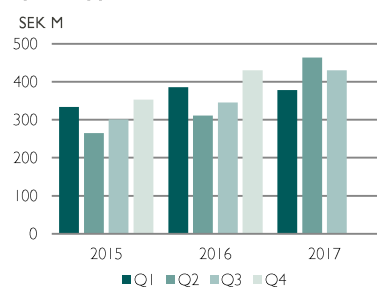
CONSOLIDATED OPERATING PROFIT/LOSS*



CORPORATE FINANCE TOTAL INCOME



ASSET MANAGEMENT AND BANKING TOTAL INCOME



The Group

THIRD QUARTER

- Total income SEK 571 M (477)
- Net sales SEK 568 M (475)
- Operating profit/loss SEK 112 M (50)
- Profit/loss before tax SEK 114 M (56)
- Profit for the period SEK 84 M (45), of which attributable to parent company shareholders SEK 59 M (35)
- Earnings per share** SEK 0.72 (0.43)

NINE-MONTH PERIOD

- Total income SEK 1,653 M (1,417)
- Net sales SEK 1,647 M (1,401)
- Operating profit/loss SEK 256 M (174)
- Profit/loss before tax SEK 270 M (417, excl. Visa; 196*)
- Profit for the period SEK 198 M (299, excl. Visa; 150*), of which attributable to parent company shareholders SEK 125 M (235, excl. Visa; 86*)
- Earnings per share** SEK 1.53 (2.87, excl. Visa; 1.05*)
- Equity** SEK 1,628 M (1,534)
- Equity per share** SEK 19.89 (18.75)

Corporate Finance

THIRD QUARTER

- Total income SEK 144 M (144)
- Net sales SEK 143 M (142)
- Operating profit/loss SEK 23 M (14)
- Property transaction volumes SEK 11.3 Bn (7.7):
 - France SEK 3.5 Bn (3.2)
 - Sweden SEK 1.7 Bn (3.4)
 - Germany SEK 0.5 Bn (0.2)

NINE-MONTH PERIOD

- Total income SEK 396 M (397)
- Net sales SEK 394 M (388)
- Operating profit/loss SEK 27 M (39)
- Property transaction volumes SEK 33.6 Bn (33.8):
 - France SEK 7.5 Bn (10.5)
 - Sweden SEK 9.7 Bn (12.2)
 - Germany 1.2 Bn (2.0)

Asset Management and Banking

THIRD QUARTER

- Total income SEK 430 M (345)
- Net sales SEK 428 M (345)
- Operating profit/loss SEK 107 M (49)
- Assets under management SEK 170.2 Bn (148.3):
 - increase SEK 7.1 Bn (10.3)
 - of which net outflows SEK 6.2 Bn (4.1)

NINE-MONTH PERIOD

- Total income SEK 1,272 M (1,043)
- Net sales SEK 1,268 M (1,033)
- Operating profit/loss SEK 282 M (171)
- Assets under management SEK 170.2 Bn (148.3):
 - increase SEK 14.5 Bn (8.8)
 - of which net inflows SEK 10.1 Bn (2.1)

ADDITIONAL INFORMATION

Equity, Hedge and Fixed Income Funds

- Total income SEK 220 M (162)
- Operating profit/loss SEK 97 M (44)

Banking

- Total income SEK 115 M (117)
- Operating profit/loss SEK 3 M (11)

Property Investment Management

- Total income SEK 96 M (66)
- Operating profit/loss SEK 8 M (-6)

- Total income SEK 633 M (569)
- Operating profit/loss SEK 260 M (195)

- Total income SEK 337 M (303)
- Operating profit/loss SEK 6 M (-7)

- Total income SEK 304 M (172)
- Operating profit/loss SEK 16 M (-17)

* The sale of shares in Visa Europe was completed in the second quarter 2016, generating non-recurring income for the nine-month period 2016 of SEK 221 M before tax reported in net financial income and expenses and SEK 149 M after tax.

** Attributable to parent company shareholders.

Favourable product mix and positive fund performance

Over the last three years, assets under management have increased by 52% and total income increased by 74%. In addition, we made significant investments in growth, and operating profit increased by 315% in the same period. This positive trend continued in the third quarter, with total income up by 20%. Operating profit increased by 126% to SEK 112 million in year-on-year terms. The increase was driven by increased assets under management and a more favourable product mix, and good performance from managing our funds in Equity, Hedge and Fixed Income Funds. Total income for the nine-month period increased by 17% and operating profit increased by 47% to SEK 256 million in year-on-year terms.

The product mix in **Equity, Hedge and Fixed Income Funds** continued to improve as a result of increased inflows to our more profitable hedge products, both in *Mutual Funds* and *Systematic Funds*.

The fund management team in *Mutual Funds* generated positive returns on hedge and fixed income products in the quarter, which contributed to increased variable earnings in year-on-year terms. *Systematic Funds* increased assets under management by SEK 7.6 billion, compared to the corresponding quarter in the previous year, which contributed to higher fixed and variable earnings.

A high rate of acquisitions, the banks' need to reduce risk and increased regulation are driving market demand for alternative financing solutions. In response to this and in collaboration with Nordic banks, *Mutual Funds* is planning to launch a loan fund that will provide syndicated loans and bonds to medium-sized companies in the Nordics to finance acquisitions, for re-financing purposes and/or ownership changes.

Our priority has been and remains to increase assets under management for our hedge products. The products are attracting considerable interest from customers wanting to adjust the weighting of their portfolios by reducing the correlation with

the stock market. We're improving our profitability in the business area and positioning ourselves for the future by improving the product mix and increasing assets under management, alongside sound management of our funds.

Assets under management in the business area increased by SEK 4.5 billion in year-on-year terms, and annualized profit from fixed revenue/fixed expenses was SEK 234 million at the end of the quarter.

In **Banking**, income was in line with the corresponding quarter in the previous year, while profit decreased as a result of higher operating costs.

Wealth Management increased assets under management by SEK 4.2 billion year-on-year, mainly driven by property-related products originally generated by *Corporate Finance*. Property-related products are a key part of our offering, and our aim is to capitalize on Catella's property expertise in order to generate value for customers and further increase volumes and earnings.

We're seeing a gradual increase in income in **Cards and Payment Solutions**, driven by a slightly improved product mix in the card acquiring operations and an increased number of cards issued through partner banks.

The delays relating to the Swedish deposit product contributed to a marginal increase in the loan book in the quarter. Our ambition remains to launch the deposit product following approval from the Luxembourg supervisory authority. The flow of property transactions and property expertise in Catella will enable future expansion of the loan book with limited risk and relatively high margins.

The year-on-year increase in **Property Investment Management's** income and profit was largely attributable to the *Property Funds* service area, where assets under management increased by SEK 9.8 billion, with most of the growth attributable to residential property funds. The *Property Asset Management* service area established operations in the Netherlands and Sweden

after the end of the quarter, in line with the strategy of creating a European platform that makes us more relevant as a partner to international investors.

In order to meet the needs of international investors, we're establishing a flexible mutual funds platform in Luxembourg for the distribution of existing and new property products. The existing products are mainly in *Property Funds*, but our mezzanine fund will also access a broader customer base where Catella banks customers will be able to invest.

The work of capitalizing on the synergies between service areas continues, with *Property Funds* utilizing local expertise in property asset management for investments in its funds. The collaboration between these two service areas creates a more complete product offering that is relevant to a broader customer base.

Our presence in London and the future establishment in Hong Kong enables Catella to distribute property products aimed at global capital. The broader offering increases Catella's attractiveness to global investors seeking property exposure in Europe.

In **Corporate Finance**, income was in line with the corresponding quarter of the previous year, while profit increased. In *Continental Europe*, income and profit increased, mainly driven by France and Germany, while in the *Nordics*, Sweden reported a weaker quarter while the quarter was stronger in Denmark year-on-year. In historical terms, the first and third quarter are the weakest, while the second and particularly the fourth quarter are the strongest.

Activity in the *Nordics* remained high, with a focus on value added services that make us significantly less dependent on traditional property transactions. A number of transactions were completed in Denmark in the quarter, consisting of property development projects and office premises in Copenhagen.

After the end of the quarter, Corporate Finance in Sweden acted as financial advisor and arranger of recently established property company Tre Kronor Property Investment AB, which acquired a portfolio of 72 grocery properties in southern Sweden through subsidiaries, and which intends to list its shares on Nasdaq First North in Stockholm. 200 of Wealth Management's customers invested in the new issue, which totalled SEK 355 million, with Catella Bank providing junior financing. In

conjunction with this transaction, Catella established Property Asset Management operations in Sweden for the management of the property holding. The project provides another example of synergies in the Catella group, and our ambition is to offer customers in Wealth Management high quality investment opportunities in the property sector based on our property expertise.

Catella will continue to work to increase collaboration across national borders to

capitalize on the opportunities arising from European and global capital seeking to diversify the geographical risk of investments. Given the increased geographical breadth and our strong product portfolio, we are convinced that we'll continue to attract assets under management that will contribute to increased growth and profitability.

KNUT PEDERSEN
CEO and President

Comments on the Group's progress

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

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

Net sales and results of operations

Third quarter 2017

The Group's total income was SEK 571 M (477) and net sales were SEK 568 M (475), of which SEK 143 M (142) relates to Corporate Finance and SEK 428 M (345) relates 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 2 M (6). Net financial income/expense also includes interest income of SEK 6 M (6), which mainly relates to loan portfolios, and interest expenses of SEK 5 M (3), relating to Catella's bond issue. Fair value measurement of non-recurring securities and current investments resulted in value adjustment of SEK -7 M (-7), of which SEK -8 M relates to derivatives. Closed currency forwards generated positive profit of SEK 10 M.

The Group's profit before tax was SEK 114 M (56), and profit after tax was SEK 84 M (45), of which SEK 59 M (35) was attributable to parent company shareholders. This corresponds to Earnings per Share of SEK 0.72 (0.43).

Nine-month period 2017

The Group's total income was SEK 1,653 M (1,417) in the nine-month period, and consolidated net sales were SEK 1,647 M (1,401).

The Group's net financial income and expense was SEK 14 M (243). The com-

parative period in 2016 includes non-recurring income from the Visa transaction of SEK 221 M. Net financial income and expense includes interest income of SEK 17 M (18) and interest expenses of SEK 12 M (8). Increased interest expenses are mainly due to the parent company's increased borrowing in June. Net financial income and expense also includes a cost of SEK 2 M relating to the early redemption of the bond loan 2012/2017. Fair value measurement of non-current securities and current investments resulted in a value adjustment of SEK -2 M (-5). Closed currency forwards intended to limit currency exposure generated gains of SEK 14 M.

The Group's profit before tax was SEK 270 M (417, excluding Visa; 196) and profit after tax was SEK 199 M (299, excluding Visa; 150), of which SEK 125 M was attributable to parent company shareholders (235, excluding Visa 86). This corresponds to Earnings per Share of SEK 1.53 (2.87, excluding Visa; 1.05).

Significant events in the quarter

Early redemption of older bond loans

In July 2017, Catella utilized the right to early redemption of the bond loan maturing in September 2017. The bond was redeemed at an amount corresponding to 101% of the nominal amount plus accrued interest.

Listing of bond loan on Nasdaq Stockholm

In July 2017, Catella published a prospectus and applied for listing of the new bond loan on Nasdaq Stockholm. The first day of trading of the bond was 9 August 2017.

Significant events after the end of the quarter

Catella established operations in the Netherlands

In October 2017, following approval by the Luxembourg supervisory authority (CSSF), Catella acquired the shares in Dutch property advisor Panta Rhei Advisory B.V. Panta Rhei Advisory will change its name to Catella IM Benelux.

The acquisition means that Catella will strengthen its position in Property Investment Management on the European property market and increase the number of European countries with local representation from 12 to 13.

Catella established Property Asset Management operations in Sweden

In October 2017, following approval by the Luxembourg supervisory authority (CSSF), Catella established Property Asset Management operations in Sweden in connection with the Tre Kronor assignment.

Catella will assume responsibility for the management of Tre Kronor's property holding, comprising 72 retail properties located in 68 municipalities in southern Sweden.

Catella plans to establish subsidiary in Hong Kong

In the fourth quarter 2017, Catella plans to establish a subsidiary, Catella Asia Ltd, for the distribution of products and services for the Chinese and other Asian markets.

The Luxembourg supervisory authority (CSSF) gave its approval in September 2017.

INCOME STATEMENT BY OPERATING SEGMENT IN SUMMARY

	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
SEK M						
CORPORATE FINANCE						
Total income	144	144	396	397	585	586
Operating profit/loss	23	14	27	39	47	58
Operating margin, %	16	10	7	10	8	10
ASSET MANAGEMENT AND BANKING						
Total income	430	345	1,272	1,043	1,702	1,473
Operating profit/loss	107	49	282	171	366	255
Operating margin, %	25	14	22	16	21	17
Equity-, Hedge and Fixed Income Funds						
Total income *	220	162	633	569	811	748
Operating profit/loss	97	44	260	195	323	258
Operating margin, %	44	27	41	34	40	35
Banking						
Total income *	115	117	337	303	467	433
Operating profit/loss	3	11	6	-7	7	-6
Operating margin, %	3	9	2	-2	2	-1
Property Investment Management						
Total income *	96	66	304	172	427	295
Operating profit/loss	8	-6	16	-17	35	3
Operating margin, %	8	-9	5	-10	8	1
OTHER **						
Total income	-3	-13	-16	-23	-25	-31
Operating profit/loss	-18	-14	-53	-36	-73	-55
GROUP						
Total income	571	477	1,653	1,417	2,262	2,027
Operating profit/loss	112	50	256	174	340	258
Operating margin, %	20	10	15	12	15	13

* Includes internal income.

** Includes eliminations.

KEY FIGURES BY OPERATING SEGMENT***

	3 Months		9 Months **		12 Months **	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
GROUP						
Profit margin, %	15	10	12	21	11	18
Return on equity, % *	-	-	10	26	-	19
Equity/Asset ratio, %	-	-	28	32	-	31
Equity, SEK M *	-	-	1,628	1,534	-	1,563
No. of employees, at end of period	-	-	607	576	-	579
Earnings per share, SEK *	0.72	0.43	1.53	2.87	1.98	3.32
Equity per share, SEK *	-	-	19.89	18.75	-	19.10
CORPORATE FINANCE						
Profit margin, %	10	8	3	10	4	9
Return on equity, % *	-	-	15	34	-	22
Equity/Asset ratio, %	-	-	31	62	-	59
Equity, SEK M *	-	-	90	237	-	254
No. of employees, at end of period	-	-	212	206	-	203
Property transaction volume for the period, SEK Bn	11.3	7.7	33.6	33.8	55.4	55.5
ASSET MANAGEMENT AND BANKING						
Profit margin, %	18	11	17	26	16	23
Return on equity, % *	-	-	20	38	-	34
Equity/Asset ratio, %	-	-	21	22	-	22
Equity, SEK M *	-	-	967	855	-	859
No. of employees, at end of period	-	-	379	353	-	359
Asset under management at end of period, SEK Bn	-	-	170.2	148.3	-	155.7
net in-(+) and outflow(-) during the period, mdkr	6.2	4.1	10.1	2.1	12.7	4.8
Card and payment volumes, SEK Bn	3.9	1.8	12.0	5.4	18.4	11.8

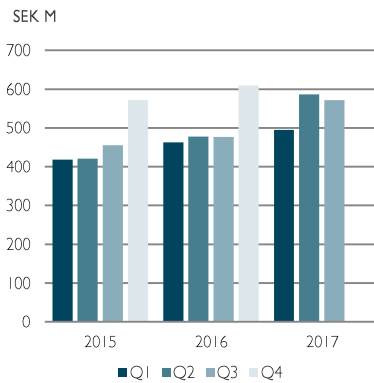
* Attributable to shareholders of the Parent Company.

** During the second quarter 2016, Asset Management and Banking received a non-recurring income of SEK 221 M resulting from Visa Inc.'s acquisition of Visa Europe.

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

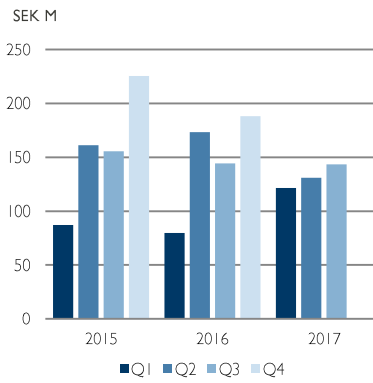
Group

TOTAL INCOME



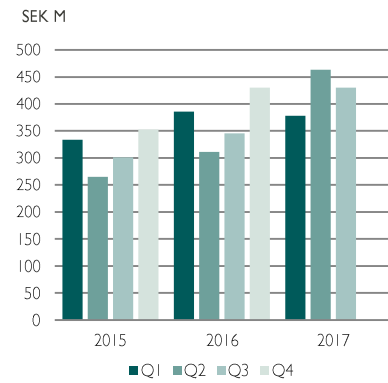
Corporate Finance

TOTAL INCOME

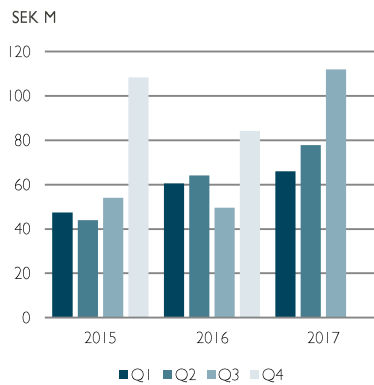


Asset Management and Banking

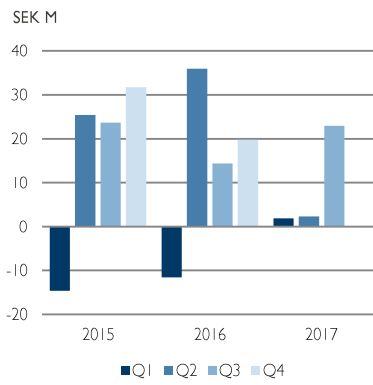
TOTAL INCOME



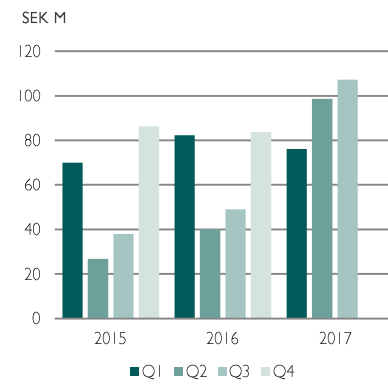
OPERATING PROFIT/LOSS



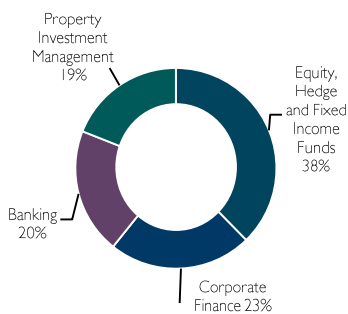
OPERATING PROFIT/LOSS



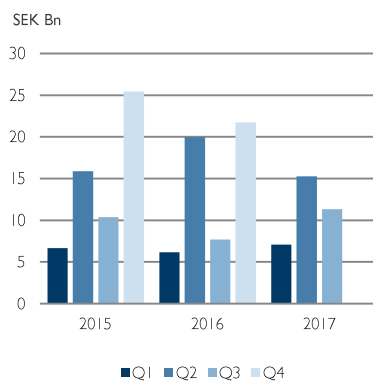
OPERATING PROFIT/LOSS



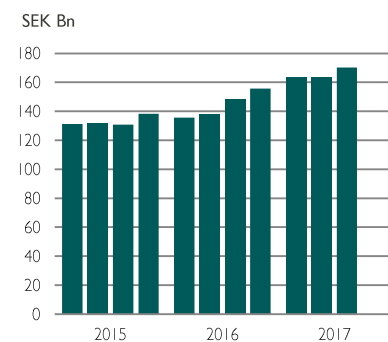
TOTAL INCOME BY BUSINESS AREA



CATELLA'S PROPERTY TRANSACTION VOLUMES



CATELLA'S ASSETS UNDER MANAGEMENT



Corporate Finance

Progress in the third quarter

The total commercial property transaction market in Europe, excluding the UK, totalled EUR 40.5 Bn (43.7) in the quarter, a decrease of 7% year-on-year.

Property transactions where Catella served as advisor totalled SEK 11.3 Bn (7.7) in the quarter. Of total transaction volumes in the quarter, Sweden provided SEK 1.7 Bn (3.4), France SEK 3.5 Bn (3.2) and Germany SEK 0.5 Bn (0.2).

Total income was SEK 144 M (144) and operating profit was SEK 23 M (14) in the quarter.

In the quarter, the proportion of capital markets services was low in year-on-year terms, which affected income and profit, mainly in the Nordics. Income and profit mainly decreased in Sweden, while the rest of the Nordics increased, with Denmark providing most of the increase. Income and profit increased throughout continental Europe, mainly driven by France.

Progress in the nine-month period

Transaction volumes in Europe, excluding the UK, were EUR 137.4 Bn (140.3) in the period, a decrease of 2% in year-on-year terms. Catella's transaction volumes were SEK 33.6 Bn (33.8) in the period.

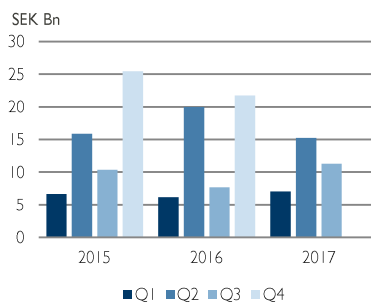
Total income was SEK 396 M (397) and operating profit was SEK 27 M (39) in the period.

SEK M	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Nordic *	62	80	200	217	282	299
Continental Europe *	81	64	196	180	302	286
Total income	144	144	396	397	585	586
Assignment expenses and commission	-13	-26	-44	-45	-63	-64
Operating expenses	-108	-104	-325	-314	-474	-463
Operating profit/loss	23	14	27	39	47	58

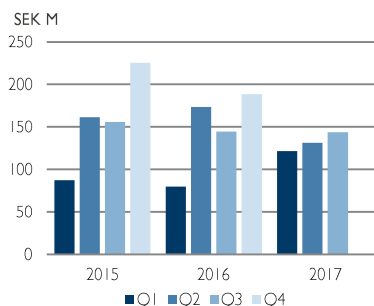
Key Figures						
Operating margin, %	16	10	7	10	8	10
Property transaction volume for the period, SEK Bn	11.3	7.7	33.6	33.8	55.4	55.5
of which Nordic	6.7	4.0	23.4	20.6	32.9	30.0
of which Continental Europe	4.6	3.6	10.2	13.2	22.5	25.5
No. of employees, at end of period	-	-	212	206	-	203

* Includes internal income

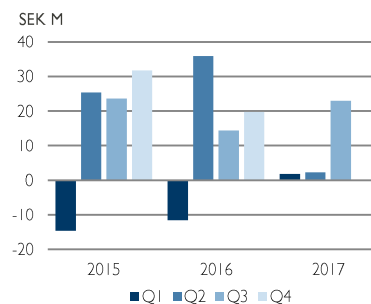
CATELLA'S PROPERTY TRANSACTION VOLUMES



TOTAL INCOME



OPERATING PROFIT/LOSS



Equity, Hedge and Fixed Income Funds

Progress in the third quarter

New savings in mutual funds in Sweden was SEK 8.6 Bn in the quarter. All categories reported inflows, with the exception of equity funds, and fixed income funds provided a majority of new savings. At the end of the quarter, Mutual Funds' share of Swedish fund volumes was 0.8% (1.0).

Catella's assets under management increased by SEK 5.1 Bn (5.3) in the quarter, of which net inflows were SEK 0.6 Bn (-3.8) in Mutual Funds and SEK 4.1 Bn (6.1) in Systematic Funds. Systematic Macro's and Systematic Equity's assets under management at the end of the period totalled

SEK 44.3 Bn (28.9) and SEK 26.4 Bn (34.2) respectively. Revenue is mainly generated by Systematic Macro and a majority of sales resources were allocated to this product. The distribution of assets under management throughout the business area continued to progress in a positive direction for Catella's future earnings in the quarter.

Total income was SEK 220 M (162) in the quarter. Operating profit/loss was SEK 97 M (44).

The increase in both income and profit on the previous year is mainly due to variable earnings in Mutual Funds, while fixed

earnings decreased. Fixed and variable earnings both increased in Systematic Funds.

Progress in the nine-month period

In the period, total fund volumes in Sweden increased by SEK 307 Bn, of which new savings were SEK 68 Bn, amounting to SEK 3,874 Bn at the end of the period. Catella's assets under management increased by SEK 3.4 Bn (4.7) in the period, totalling SEK 102.3 Bn (97.8) at the end of the period.

Total income was SEK 633 M (569) and operating profit was SEK 260 M (195).

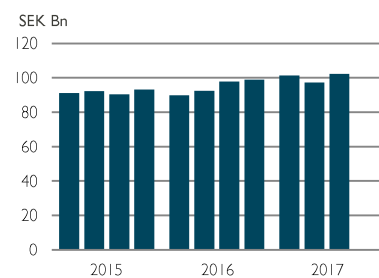
SEK M	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Mutual Funds *	111	84	298	243	371	315
Systematic Funds *	108	78	334	326	441	433
Total income	220	162	633	569	811	748
Assignment expenses and commission	-37	-46	-113	-144	-151	-182
Operating expenses	-86	-73	-260	-231	-337	-308
Operating profit/loss	97	44	260	195	323	258

Key Figures

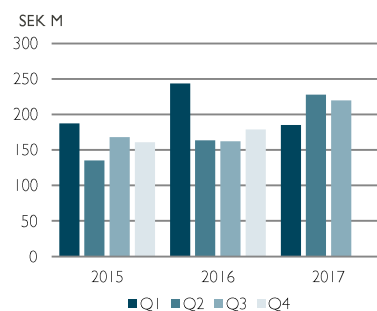
Operating margin, %	44	27	41	34	40	35
Asset under management at end of period, SEK Bn	-	-	102.3	97.8	-	98.9
net in-(+) and outflow(-) during the period, mdkr	4.6	2.4	1.8	1.2	-1.9	-2.5
of which Mutual Funds	-	-	31.6	34.7	-	30.8
net in-(+) and outflow(-) during the period, mdkr	0.6	-3.8	-0.8	-10.0	-5.1	-14.4
of which Systematic Funds	-	-	70.7	63.0	-	68.1
net in-(+) and outflow(-) during the period, mdkr	4.1	6.1	2.6	11.3	3.2	11.9
No. of employees, at end of period	-	-	85	82	-	78

* Includes internal income

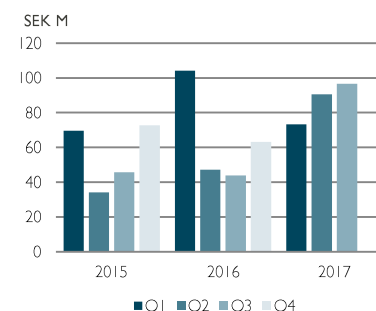
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING PROFIT/LOSS



Banking

Progress in the third quarter

Volumes in the Cards and Payment Solutions operations were SEK 3.9 Bn (1.8) in the quarter.

Assets under management in Wealth Management increased by SEK 0.2 Bn (1.4) and net outflows were SEK 0.1 Bn (0.7) in the quarter.

The loan book increased by SEK 88 M in the second quarter, totalling SEK 1.4 Bn (1.1) at the end of the period.

Total income was SEK 115 M (117) in the quarter. Operating profit was SEK 3 M (11) in the quarter.

Fixed earnings increased year-on-year, driven by increased assets under management and an expanded loan book, while variable earnings decreased mainly driven by Wealth Management, which completed fewer capital raisings in the quarter. Higher volumes in the high margin segment increased year-on-year in Cards and Payment Solutions, which contributed to income growth.

The increased operating expenses in year-on-year terms mainly comprise consulting expenses associated with complying with new requirements within the framework of MiFID II.

Progress in the nine-month period

Volumes in Cards and Payment Solutions totalled SEK 12.0 Bn (5.4) in the period.

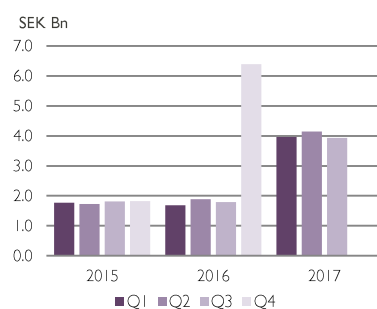
Assets under management in Wealth Management increased by SEK 3.3 Bn (2.0), and net inflows were SEK 1.7 Bn (1.3) in the period, amounting to SEK 19.8 Bn (15.6) at the end of the period.

Total income was SEK 337 M (303) and operating profit was SEK 6 M (-7).

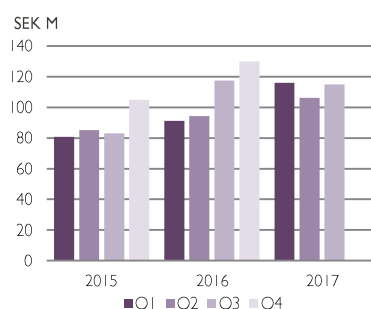
SEK M	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Cards and Payment Solutions *	80	75	222	203	302	283
Wealth Management *	35	43	122	101	178	157
Total income	115	117	337	303	467	433
Assignment expenses and commission	-26	-29	-89	-76	-123	-110
Operating expenses	-86	-77	-242	-234	-337	-329
Operating profit/loss	3	11	6	-7	7	-6
Key Figures						
Operating margin, %	3	9	2	-2	2	-1
Card and payment volumes, SEK Bn	3.9	1.8	12.0	5.4	18.4	11.8
Asset under management at end of period, SEK Bn	-	-	19.8	15.6	-	16.5
net in-(+) and outflow(-) during the period, mdkr	-0.1	0.7	1.7	1.3	2.8	2.4
No. of employees, at end of period	-	-	169	171	-	176

* Includes internal income

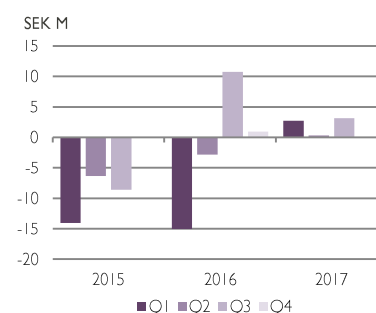
CARD AND PAYMENT VOLUMES



TOTAL INCOME



OPERATING PROFIT/LOSS



Property Investment Management

Progress in the third quarter

Assets under management increased by SEK 1.8 Bn (3.6) and net inflows were SEK 1.7 Bn (1.1) in the quarter, mainly due to Property Funds.

Total income was SEK 96 M (66). Operating profit was SEK 8 M (-6). A majority of the increased income comprises fixed revenue mainly derived from Property

Funds, where assets under management increased by SEK 9.8 Bn year-on-year.

After the end of the quarter, Property Asset Management established operations in the Netherlands and Sweden, in line with the strategy of establishing a European platform.

Progress in the nine-month period

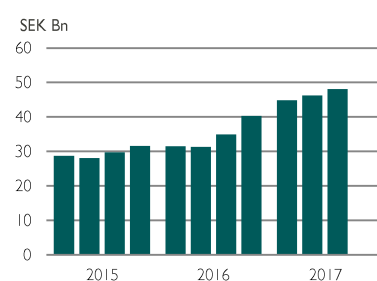
Assets under management increased by SEK 7.8 Bn (3.3) and net inflows were SEK 6.5 Bn (-0.4) in the period, totalling SEK 48.1 Bn (34.9) at the end of the period.

Total income was SEK 304 M (172) and operating profit was SEK 16 M (-17).

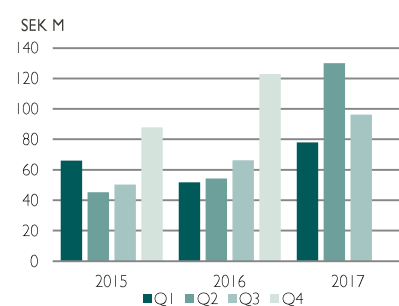
SEK M	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Property Funds *	79	49	256	130	338	212
Property Asset Management *	22	20	59	47	107	95
Total income	96	66	304	172	427	295
Assignment expenses and commission	-26	-23	-110	-56	-138	-85
Operating expenses	-63	-49	-179	-132	-254	-207
Operating profit/loss	8	-6	16	-17	35	3
Key Figures						
Operating margin, %	8	-9	5	-10	8	1
Asset under management at end of period, SEK Bn	-	-	48.1	34.9	-	40.3
net in-(+) and outflow(-) during the period, mdkr	1.7	1.1	6.5	-0.4	11.8	4.9
of which Property Funds	-	-	32.7	22.9	-	25.6
net in-(+) and outflow(-) during the period, mdkr	1.2	0.3	5.8	0.6	8.4	3.2
of which Property Asset Management	-	-	15.4	12.0	-	14.7
net in-(+) and outflow(-) during the period, mdkr	0.5	0.9	0.7	-1.0	3.4	1.7
No. of employees, at end of period	-	-	125	100	-	105

* Includes internal income

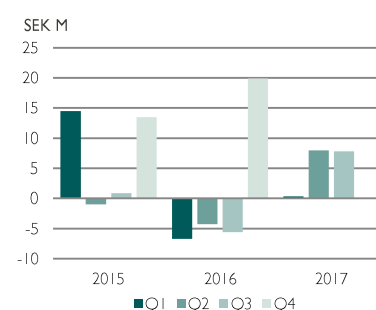
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING PROFIT/LOSS



Other financial information

The Group's financial position

In the third quarter, the Group's total assets increased by SEK 1,065 M, totaling 6,516 as of 30 September 2017. As a result of Catella Bank's customers bonds maturing at the end of September while reinvestment was not effected until after the end of the month, the bank's cash and cash equivalents increased by SEK 551 M. Group cash and cash equivalents also increased in connection with Catella AB's new bond issue and the repayment of older bond loans at a net amount of SEK 291 M.

In accordance with IAS 12 Income Tax, deferred tax assets attributable to loss carry-forwards are recognized to the extent that it is probable that future taxable profit will be available. In accordance with this standard, Catella is recognizing 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 650 M. Essentially, the loss carry-forwards relate to operations in Sweden and have indefinite useful lives.

In June 2017, Catella issued a new 5-year unsecured bond loan of SEK 500 M, with a framework amount of SEK 750 M, with the purpose of refinancing the existing bond loan (including buy-back), raise additional liquidity for Catella's operating activities and to continue expansion and enable potential future acquisitions. In the Consolidated Statement of Financial Position as of 30 September 2017, the new bond loan was recognized in Long-term loan liabilities. The new bond accrues variable interest at 3-month STIBOR plus 400 b.p.

The Group also has approved overdraft facilities totaling SEK 30 M, of which the unutilized part was SEK 30 M as of 30 September 2017.

The Group's equity increased by SEK 81 M in the third quarter, reaching SEK 1,798 M as of 30 September 2017. Apart from profit for the period of SEK 84 M and negative translation differences of SEK 9 M, equity was affected by transactions

with non-controlling interests totaling SEK 6 M. The Group's equity/assets ratio as of 30 September 2017 was 28% (31% as of 31 December 2016).

Consolidated cash flow

Third quarter 2017

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 113 M (38). Consolidated cash flow from operating activities was SEK 805 M (148) of which changes in working capital for the period was SEK 692 M (110). Of the changes in working capital, SEK 647 M is attributable to banking operations and SEK 45 M to other operations. The sharp change in the bank's working capital was temporary and was affected by the maturity of customer bonds at the end of September, with reinvestment not taking place until after the end of the month.

Cash flow from investing activities was SEK -5 M (-6), of which SEK -16 related to investments in new fund management and other IT systems. Cash flow from terminated currency forwards and from loan portfolios was SEK 10 M and SEK 5 M respectively in the quarter.

Cash flow from financing operations was SEK 291 M (0), of which SEK 493 M relates to the issue a new bond loan net of expenses and SEK -202 M to buy-back of older bond loans at 101% of the nominal amount.

Cash flow for the period was SEK 1,091 M (141), of which cash flow from banking operations was SEK 651 M (105) and cash flow from other operations was SEK 440 M (36).

Cash and cash equivalents at the end of the period were SEK 3,438 M (2,711), of which cash and cash equivalents relating to the banking operations were SEK 2,581 M (2,068) and cash and cash equivalents relating to other activities were SEK 857 M (643).

Nine-month period 2017

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 250 M (122).

Consolidated cash flow from operating activities was SEK 603 M (-234) of which changes in working capital for the period was SEK 353 M (-356). Of the changes in working capital, SEK 498 was attributable to banking operations and SEK -145 M to other operations.

Cash flow from investing activities was SEK -51 M (99), of which SEK -37 M relates to IPM's investments in proprietary funds, SEK -16 M relates to additional investments in associated company Nordic Seeding GmbH and SEK -11 M to other business-related investments. In addition, SEK 24 M was invested in intangible assets of which the majority relates to new fund management systems. Furthermore, holdings in proprietary funds under management were divested for SEK 13 M and SEK 14 M was received for terminated currency forwards. Cash flow from loan portfolios totaled SEK 16 M in the nine-month period.

Cash flow from financing operations was SEK 138 M (-121), of which SEK 291 M relates to net borrowings raised and amortized, SEK -155 M relates to dividends and SEK 2 M to contributions from non-controlling interests.

Cash flow for the nine-month period was SEK 690 M (-257), of which cash flow from the banking operations was SEK 509 M (-55) and cash flow from other activities SEK 181 M (-202).

Parent company

Third 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 3.0 M (2.1) and operating profit/loss was SEK -11.7 M (-12.6). The profit increase on the previous year is mainly due to last year's figure being burdened by costs associated with the change of listing in 2016.

In June 2017, Catella AB issued a new 5-year unsecured bond loan of SEK 500 M. The older bond loan totalling SEK 200 M was repurchased in July 2017 at 101% of

the nominal amount. In the Parent Company Balance Sheet as of 30 September 2017, the new bond loan is recognized as a long-term liability.

The Parent Company also reported financial items totalling SEK -5.2 M (-0.7), of which SEK -4.9 M relates to interest and costs associated with arranging bond loans.

Profit/loss before tax was SEK -16.8 M (-13.3) and profit/loss for the period was SEK -16.8 M (-13.3).

The Parent Company reported total loss carry-forwards of SEK 146.8 M. Catella's Balance Sheet includes a deferred tax asset of SEK 19.8 M (18.9 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 267.8 M, compared to SEK 313.3 M as of 31 December 2016.

The number of employees of the Parent Company expressed as full-time equivalents was 10 (9).

Nine-month period 2017

The Parent Company reported income of SEK 9.2 M (6.4) in the first nine months of the year. Operating profit/loss was SEK -35.1 M (-32.2) and profit before tax was SEK 41.5 M (-34.3).

Catella's principal investments

Catella has principal investments of SEK 339 M, which are reported under the 'Other' category in 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 606 (576) at the end of the period, of which 212 (206) in the Corporate Finance operating segment, 378 (353) in the Asset Management and Banking operating segment and 16 (17) in other functions.

Share capital

As of 30 September 2017, share capital was 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 30 September 2017, the parent company had a total of 7,000,000 warrants outstanding 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 nine-month period 2017 there were no transactions involving warrants.

Shares

Catella is listed on Nasdaq Stockholm Mid Cap, trading under the ticker symbols CAT A and CAT B. The price of Catella's Class B share was SEK 19.30 (22.00) as of 30 September 2017. Total market capitalisation at the end of the period was SEK 1,594 M (1,800).

Shareholders

Catella had 7,223 (6,286) shareholders registered at the end of the period. As of 30 September 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 Swedbank Robur fonder with a holding of 6.1% (0.0) of the capital and 6.3% (0.0) of the votes.

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.

For the financial year 2016 and 2015, the Parent Company paid dividend of SEK 0.80 and SEK 0.60 respectively per class A and B share to shareholders.

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 macro economic 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 portfolios, 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 terminates in November 2017. In the event that consolidation as a subsidiary is no longer applicable, the company would be consolidated as an associated company. Catella's ownership and proportion of capital is not affected by the reporting.

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 realizing capital gains before construction begins and projects are completed. These investments include the risk that Nordic Seeding GmbH may encounter situations where the company 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 nine months of 2017, Catella made additional investments totalling SEK 16 M in associated company Nordic Seeding GmbH, where the other shareholders are the Claesson & Anderzen Group and the management of Catella Project Management GmbH. As of 30 September 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.

Catella's German subsidiary Catella Project Management GmbH operates the property development projects within associated company Nordic Seeding GmbH. In the nine-month period 2017, Catella Project Management GmbH invoiced Nordic Seeding GmbH a total of SEK 8 M relating to services provided under applicable agreements. No proportion of this income was eliminated in Catella's Consolidated Financial Statement as the associated company falls outside Catella's affinity group.

Forecast

Catella does not publish forecasts.

Financial calendar

Year-end Report 2017

23 February 2018

Annual Report 2017

30 April 2018

Interim Report January–March 2018

8 May 2018

Annual General Meeting 2018

The Annual General Meeting in Catella AB (publ) will be held on 28 May 2018 in Stockholm, Sweden. Shareholders wishing to nominate candidates to the Nomination Committee must do so in writing by no later than 23 February 2018.

Interim Report January–June 2018

23 August 2018

Interim Report January–September 2018

14 November 2018

Year-end Report 2018

21 February 2019

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 catella.com.

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 14 November 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, 14 November
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

Report of review of interim financial information

Auditor's review report for interim financial information in summary (Interim Report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act.

Introduction

We have reviewed the condensed interim financial information (Interim Report) of Catella AB (corporate ID no. 556079-1419) as of 30 September 2017 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the Interim Report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, Sweden, 14 November 2017

PricewaterhouseCoopers AB

Patrik Adolfson

Authorized Public Accountant

Consolidated Income Statement

SEK M	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	568	475	1,647	1,401	2,007
Other operating income	3	2	5	17	20
Total income	571	477	1,653	1,417	2,027
Assignment expenses and commission	-100	-114	-347	-304	-417
Other external expenses	-115	-100	-348	-311	-441
Personnel costs	-227	-204	-658	-602	-878
Depreciation	-8	-5	-20	-13	-18
Other operating expenses	-9	-5	-23	-13	-14
Operating profit/loss	112	50	256	174	258
Interest income	6	6	17	18	24
Interest expenses	-5	-3	-12	-8	-11
Other financial items	1	3	9	233	227
Financial items—net	2	6	14	243	239
Profit/loss before tax	114	56	270	417	497
Tax	-30	-11	-72	-119	-141
Net profit/loss for the period	84	45	198	299	357
Profit/loss attributable to:					
Shareholders of the Parent Company	59	35	125	235	272
Non-controlling interests	25	10	72	64	85
	84	45	198	299	357
Earnings per share attributable to shareholders of the Parent Company, SEK					
- before dilution	0.72	0.43	1.53	2.87	3.32
- after dilution	0.67	0.40	1.41	2.64	3.06
No. of shares at end of the period	81,848,572	81,848,572	81,848,572	81,848,572	81,848,572
Average weighted number of shares after dilution	88,648,572	88,348,572	88,648,572	88,821,397	88,775,608

Consolidated Statement of Comprehensive Income

SEK M	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net profit/loss for the period	84	45	198	299	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	0	0
Items that will be reclassified subsequently to profit or loss:					
Fair value changes in financial assets available for sale	3	3	6	3	3
Translation differences	-12	18	-1	45	36
Other comprehensive income for the period, net after tax	-9	21	5	47	39
Total comprehensive income/loss for the period	75	66	203	346	395
Profit/loss attributable to:					
Shareholders of the Parent Company	50	56	130	281	310
Non-controlling interests	25	11	72	65	86
	75	66	203	346	395

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

Consolidated Statement of Financial Position—condensed

SEK M	Note	2017 30 Sep	2016 30 Sep	2016 31 Dec
ASSETS				
Non-current assets				
Intangible assets		423	384	412
Property, plant and equipment		25	24	26
Holdings in associated companies	3	53	45	51
Other non-current securities	3, 4, 5	432	390	382
Deferred tax receivables		96	89	97
Other non-current receivables		777	624	775
		1,807	1,556	1,743
Current assets				
Current loan receivables		631	508	577
Accounts receivable and other receivables		556	440	493
Current investments	3, 4, 5	84	84	88
Cash and cash equivalents *		3,438	2,711	2,750
		4,709	3,742	3,907
Total assets		6,516	5,298	5,651
EQUITY AND LIABILITIES				
Equity				
Share capital		164	164	164
Other contributed capital		253	253	253
Reserves		-108	-98	-107
Profit brought forward including net profit for the period		1,319	1,216	1,253
Equity attributable to shareholders of the Parent Company		1,628	1,534	1,563
Non-controlling interests		170	141	167
Total equity		1,798	1,675	1,730
Liabilities				
Non-current liabilities				
Borrowings		0	0	0
Long-term loan liabilities		494	0	0
Deferred tax liabilities		35	35	34
Other provisions		5	3	3
		534	38	37
Current liabilities				
Borrowings		192	84	260
Current loan liabilities		3,216	2,802	2,806
Accounts payable and other liabilities		684	627	739
Tax liabilities		92	73	79
		4,183	3,585	3,884
Total liabilities		4,718	3,623	3,921
Total equity and liabilities		6,516	5,298	5,651
* Of which pledged and blocked liquid funds		203	166	188

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

Consolidated Statement of Cash Flows

SEK M	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Cash flow from operating activities					
Profit/loss before tax	114	56	270	417	497
Adjustments for non-cash items:					
Other financial items	-1	-3	-9	-233	-227
Depreciation	8	5	20	13	18
Impairment current receivables	2	3	5	7	12
Change in provisions	2	0	2	0	0
Reported interest income from loan portfolios	-5	-6	-16	-17	-22
Acquisition expenses	1	0	1	0	1
Profit/loss from participations in associated companies	5	0	14	0	1
Capital gain/loss, financial assets	0	-0	-	-6	-6
Personnel costs not affecting cash flow	7	3	24	17	35
Paid income tax	-19	-20	-61	-77	-126
Cash flow from operating activities before changes in working capital	113	38	250	122	184
Cash flow from changes in working capital					
Increase (-)/decrease (+) of operating receivables	-10	75	-132	-265	-533
Increase (+) / decrease (-) in operating liabilities	702	34	485	-91	212
Cash flow from operating activities	805	148	603	-234	-137
Cash flow from investing activities					
Purchase of property, plant and equipment	-3	-2	-7	-7	-10
Purchase of intangible assets	-16	-3	-24	-11	-42
Purchase of subsidiaries, after deductions for acquired cash and cash equivalents	-1	-13	-1	-52	-57
Purchase of associated companies	0	0	-16	-18	-25
Purchase of financial assets	-2	-10	-48	-96	-110
Sale of financial assets	10	17	29	218	227
Cash flow from loan portfolios	6	5	16	63	71
Dividends from investments	0	0	1	0	0
Cash flow from investing activities	-5	-6	-51	99	55
Cash flow from financing activities					
Re-purchase of share warrants	0	0	-	-22	-22
New share issue	0	0	-	1	1
Borrowings	493	0	494	0	0
Repayment of loans	-202	-0	-202	-0	-0
Dividend	0	0	-65	-49	-49
Transactions with, and payments to, non-controlling interests	0	0	-88	-51	-56
Cash flow from financing activities	291	-0	138	-121	-126
Cash flow for the period	1,091	141	690	-257	-208
Cash and cash equivalents at beginning of period	2,371	2,522	2,750	2,854	2,854
Exchange rate differences in cash and cash equivalents	-24	47	-1	114	104
Cash and cash equivalents at end of the period	3,438	2,711	3,438	2,711	2,750

SEK 2,581 M of the Group's cash and cash equivalents relates 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 - September 2017:							
Net profit/loss for the period				125	125	72	198
Other comprehensive income, net of tax			-1	6	5	0	5
Comprehensive income/loss for the period			-1	131	130	72	203
Transactions with shareholders:							
Transactions with non-controlling interests				0	0	-69	-69
Dividend				-65	-65		-65
Closing balance at 30 September 2017	164	253	-108	1,319	1,628	170	1,798

* 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 30 September 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 nine months of 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 - September 2016:							
Net profit/loss for the period				235	235	64	299
Other comprehensive income, net of tax			44	3	46	1	47
Comprehensive income/loss for the period			44	237	281	65	346
Transactions with shareholders:							
Transactions with non-controlling interests				-9	-9	-42	-51
Warrants issued		3			3		3
Re-purchase of warrants issued				-12	-12		-12
New share issue	0			1	1		1
Dividend				-49	-49		-49
Closing balance at 30 September 2016	164	253	-98	1,216	1,534	141	1,675

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

As of 30 September 2016, the Parent Company had a total of 9,034,000 outstanding warrants, of which 2,234,000 held in treasury. In the third quarter 2016, 300,000 warrants were sold to a key member of staff for a total purchase consideration of SEK 3 M. Earlier in 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 2016, 120,000 warrants were utilized to subscribe for and equal number of newly issued shares at a price of SEK 11 per share and 7,920,000 warrants expired without being utilized, of which all were held in treasury.

Note I. Income Statement by Operating Segment

SEK M	Corporate Finance		Asset Management and Banking		Other		Group	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jul-Sep	2016 Jul-Sep	2017 Jul-Sep	2016 Jul-Sep	2017 Jul-Sep	2016 Jul-Sep
Net sales	143	142	428	345	-2	-12	568	475
Other operating income	1	2	3	1	-0	-1	3	2
Total income	144	144	430	345	-3	-13	571	477
Assignment expenses and commission	-13	-26	-88	-98	0	10	-100	-114
Other external expenses	-33	-29	-78	-66	-4	-5	-115	-100
Personnel costs	-75	-72	-145	-126	-7	-7	-227	-204
Depreciation	-1	-1	-7	-3	-0	-0	-8	-5
Other operating expenses	1	-2	-5	-4	-5	0	-9	-5
Operating profit/loss	23	14	107	49	-18	-14	112	50
Interest income	0	0	0	0	5	6	6	6
Interest expenses	-1	0	-0	-0	-4	-3	-5	-3
Other financial items	0	1	1	-2	-0	5	1	3
Financial items—net	-0	1	1	-2	1	8	2	6
Profit/loss before tax	23	15	108	47	-17	-6	114	56
Tax	-8	-4	-31	-10	9	3	-30	-11
Net profit/loss for the period	15	11	77	37	-8	-3	84	45
Profit/loss attributable to shareholders of the Parent Company	15	11	53	27	-8	-3	59	35

SEK M	Corporate Finance			Asset Management and Banking			Other			Group		
	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	394	388	575	1,268	1,033	1,461	-14	-21	-29	1,647	1,401	2,007
Other operating income	2	9	11	4	9	11	-1	-2	-3	5	17	20
Total income	396	397	586	1,272	1,043	1,473	-16	-23	-31	1,653	1,417	2,027
Assignment expenses and commission	-44	-45	-64	-309	-274	-374	7	15	21	-347	-304	-417
Other external expenses	-104	-97	-129	-232	-199	-289	-13	-15	-22	-348	-311	-441
Personnel costs	-217	-210	-322	-422	-377	-532	-19	-15	-24	-658	-602	-878
Depreciation	-3	-3	-4	-17	-10	-13	-0	-0	-0	-20	-13	-18
Other operating expenses	-1	-4	-7	-9	-11	-9	-13	2	2	-23	-13	-14
Operating profit/loss	27	39	58	282	171	255	-53	-36	-55	256	174	258
Interest income	0	1	1	0	0	0	16	17	22	17	18	24
Interest expenses	-2	0	0	-1	-1	-1	-9	-8	-10	-12	-8	-11
Other financial items	1	1	1	9	219	216	-2	13	10	9	233	227
Financial items—net	-1	2	2	9	218	215	6	23	22	14	243	239
Profit/loss before tax	27	41	60	291	390	470	-48	-13	-33	270	417	497
Tax	-13	-2	-10	-80	-116	-132	21	-1	1	-72	-119	-141
Net profit/loss for the period	14	39	50	211	274	338	-27	-14	-31	198	299	357
Profit/loss attributable to shareholders of the Parent Company	14	39	50	139	210	253	-27	-14	-31	125	235	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. Any transactions are conducted on arm's length basis.

Historical earnings trend by quarter and operating segment

SEK M	Corporate Finance							
	2017 Jul-Sep	2017 Apr-Jun	2017 Jan-Mar	2016 Oct-Dec	2016 Jul-Sep	2016 Apr-Jun	2016 Jan-Mar	2015 Oct-Dec
Net sales	143	130	121	187	142	172	73	222
Other operating income	1	1	1	2	2	1	6	4
Total income	144	131	121	188	144	174	80	226
Assignment expenses and commission	-13	-19	-13	-19	-26	-14	-4	-10
Other external expenses	-33	-33	-38	-32	-29	-33	-36	-39
Personnel costs	-75	-74	-68	-112	-72	-89	-49	-144
Depreciation	-1	-1	-1	-1	-1	-1	-1	-1
Other operating expenses	1	-2	-0	-4	-2	-1	-0	-1
Operating profit/loss	23	2	2	20	14	36	-12	32
Interest income	0	0	0	0	0	0	0	0
Interest expenses	-1	-1	-1	-0	0	0	0	-0
Other financial items	0	0	0	-0	1	0	0	5
Financial items—net	-0	-0	-0	-0	1	1	1	5
Profit/loss before tax	23	2	2	20	15	36	-11	37
Tax	-8	-2	-3	-8	-4	-1	3	-4
Net profit/loss for the period	15	0	-1	11	11	36	-8	32
Profit/loss attributable to shareholders of the Parent Company	15	0	-1	11	11	36	-8	32

SEK M	Asset Management and Banking							
	2017 Jul-Sep	2017 Apr-Jun	2017 Jan-Mar	2016 Oct-Dec	2016 Jul-Sep	2016 Apr-Jun	2016 Jan-Mar	2015 Oct-Dec
Net sales	428	463	377	428	345	309	379	352
Other operating income	3	0	2	2	1	2	6	1
Total income	430	463	378	430	345	311	386	353
Assignment expenses and commission	-88	-132	-90	-100	-98	-81	-96	-79
Other external expenses	-78	-78	-76	-90	-66	-78	-55	-67
Personnel costs	-145	-147	-130	-154	-126	-116	-135	-114
Depreciation	-6	-4	-4	-2	-2	-2	-2	-2
Other operating expenses	-5	-3	-1	2	-4	8	-15	-1
Operating profit/loss	107	99	76	84	49	40	82	86
Interest income	0	0	0	0	0	0	0	0
Interest expenses	-0	-0	-0	-0	-0	-1	-0	-0
Other financial items	1	4	4	-3	-2	217	4	-0
Financial items—net	1	4	3	-4	-2	217	4	-0
Profit/loss before tax	108	103	80	80	47	257	86	86
Tax	-31	-27	-21	-16	-10	-83	-24	-14
Net profit/loss for the period	77	76	58	64	37	174	63	72
Profit/loss attributable to shareholders of the Parent Company	53	48	38	43	27	158	24	66

Note 2. Financial position by operating segment—condensed

SEK M	Corporate Finance			Asset Management and Banking			Other			Group		
	2017 30 Sep	2016 30 Sep	2016 31 Dec	2017 30 Sep	2016 30 Sep	2016 31 Dec	2017 30 Sep	2016 30 Sep	2016 31 Dec	2017 30 Sep	2016 30 Sep	2016 31 Dec
ASSETS												
Non-current assets												
Intangible assets	62	62	62	311	272	300	50	50	50	423	384	412
Property, plant and equipment	11	11	11	14	12	14	1	0	1	25	24	26
Holdings in associated companies	0	0	0	0	1	0	53	44	51	53	45	51
Other non-current securities	0	0	0	173	138	136	259	251	246	432	390	382
Deferred tax receivables	0	0	1	28	21	28	68	68	68	96	89	97
Other non-current receivables	8	5	5	772	619	771	-3	-0	-0	777	624	775
	81	79	79	1,297	1,064	1,249	429	413	416	1,807	1,556	1,744
Current assets												
Current loan receivables	0	0	0	631	508	577	0	0	0	631	508	577
Accounts receivable and other receivables	126	125	162	417	310	327	13	4	5	556	440	493
Current investments	0	0	0	57	54	59	26	30	29	84	84	88
Cash and cash equivalents	181	218	237	2,940	2,384	2,408	317	109	105	3,438	2,711	2,750
	308	343	399	4,045	3,256	3,370	356	143	138	4,709	3,742	3,907
Total assets	389	423	478	5,343	4,319	4,619	785	556	554	6,516	5,298	5,651
EQUITY AND LIABILITIES												
Equity												
Equity attributable to shareholders of the Parent Company	90	237	254	967	855	859	570	443	451	1,628	1,534	1,563
Non-controlling interests	28	25	27	142	116	139	-0	-0	-0	170	141	167
Total equity	118	262	281	1,109	970	998	570	443	451	1,798	1,675	1,730
Liabilities												
Non-current liabilities												
Borrowings	0	0	0	0	0	0	0	0	0	0	0	0
Long-term loan liabilities	0	0	0	0	0	0	494	0	0	494	0	0
Deferred tax liabilities	0	0	0	24	24	23	11	11	11	35	35	34
Other provisions	2	1	1	3	2	3	0	0	0	5	3	3
	3	1	1	29	26	25	502	11	11	534	38	37
Current liabilities												
Borrowings	0	0	0	192	84	260	0	0	0	192	84	260
Current loan liabilities	0	0	0	3,216	2,602	2,606	0	200	200	3,216	2,802	2,806
Accounts payable and other liabilities	242	143	176	709	581	678	-267	-98	-115	684	627	739
Tax liabilities	25	16	20	87	56	51	-20	1	8	92	73	79
	267	159	196	4,204	3,323	3,596	-288	103	93	4,183	3,585	3,884
Total liabilities	270	160	197	4,233	3,349	3,621	214	114	103	4,718	3,623	3,921
Total equity and liabilities	389	423	478	5,343	4,319	4,619	785	556	554	6,516	5,298	5,651

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 sphere.

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 *	53	-	-	53
Loan portfolios	-	234	19	252
Nordic Light Fund	-	13	-	13
Other holdings	-	13	7	20
Total	53	259	26	339

Investment commitments

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* The investments correspond to Catella's 45% holding 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 Dusseldorf 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 securitized European loans mainly exposed to residential property. The progress of the loan

portfolio is closely monitored, and revaluations are made on a continuous basis. Forecasting is performed by French investment advisor Cartesia SA 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 port-

folios 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 realized 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	13.4%	42.8	17.2%	6.0%	2.0
Pastor 3 **	Spain	-	-	-	-	-	-
Pastor 4	Spain	31.1	8.6%	15.7	6.3%	11.0%	6.5
Pastor 5 **	Spain	-	-	-	-	-	-
Lusitano 3	Portugal	82.1	22.8%	67.4	27.1%	6.0%	3.5
Lusitano 4 **	Portugal	-	-	-	-	-	-
Lusitano 5	Portugal	103.0	28.6%	63.5	25.5%	11.0%	5.0
Minotaure	France	46.6	13.0%	21.8	8.7%	11.0%	7.3
Ludgate ****	UK	48.9	13.6%	37.8	15.2%	11.0%	2.6
Sestante 2 **	Italy	-	-	-	-	-	-
Sestante 3 **	Italy	-	-	-	-	-	-
Sestante 4 **	Italy	-	-	-	-	-	-
Total cash flow ***		359.8	100.0%	249.1	100%	8.8%	4.4
Accrued interest				3.3			
Carrying amount in consolidated balance sheet				252.4			

* 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 assumption 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 assumption. 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 Euro zone, 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 prioritized 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
Q2 2017	-	-	-	-	1.9	-	-	-	-	-	-	-	3.5	5.5	5.6	-0.1
Q3 2017	-	-	-	-	1.8	-	-	-	-	-	-	-	4.6	6.4	5.0	1.4
Total	27.2	0.0	0.0	0.0	51.1	0.8	2.9	8.4	12.2	50.4	19.4	21.7	56.6	250.6	227.7	22.9

Forecast														Forecast		
Loan portfolio	Quarter/	Year	Acc.													
Q4 2017	0.1	-	-	1.9	-	-	-	-	-	-	-	-	-	2.8	4.8	4.8
Full year 2018	0.1	-	-	11.0	-	-	-	-	-	-	-	-	-	10.4	21.5	26.3
Full year 2019	47.9	-	-	16.7	-	-	-	-	-	-	-	-	-	9.6	74.2	100.5
Full year 2020	-	-	-	22.4	38.8	-	-	-	-	-	-	-	-	7.8	69.0	169.5
Full year 2021	-	-	-	9.1	35.2	-	-	-	-	-	-	-	-	18.3	62.6	232.1
Full year 2022	-	-	-	2.7	3.0	-	-	-	-	-	-	-	-	-	5.7	237.8
Full year 2023	-	-	-	2.4	2.5	-	-	-	-	-	-	-	6.7	-	11.6	249.4
Full year 2024	-	-	31.1	2.2	2.2	-	-	-	-	-	-	-	19.3	-	54.7	304.1
Full year 2025	-	-	-	13.7	1.8	-	-	-	-	-	-	-	20.6	-	36.2	340.3
Full year 2026	-	-	-	-	1.6	-	-	-	-	-	-	-	-	-	1.6	341.8
Full year 2027	-	-	-	-	1.3	-	-	-	-	-	-	-	-	-	1.3	343.1
Full year 2028	-	-	-	-	16.7	-	-	-	-	-	-	-	-	-	16.7	359.8
Total	48.1	0.0	31.1	0.0	82.1	103.0	0.0	0.0	0.0	0.0	0.0	46.6	48.9	359.8		

* 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	30 September 2017
Loan portfolio and Nordic Light Fund *	268
Operation-related investments	199
Other securities	48
Total **	516

* of which Loan portfolios SEK 252 M.

** of which short-term investments SEK 84 M and long-term investments SEK 432 M.

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

In accordance with IFRS7, financial instruments are recognized 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. Observable 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 30 September 2017 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
ASSETS				
Derivative instruments		9		9
Financial assets available for sale		54		54
Financial assets measured at fair value through profit or loss	55	115	283	453
Total assets	55	178	283	516
LIABILITIES				
Derivative instruments		14		14
Total liabilities	0	14	0	14

No changes between levels occurred the previous year.

CHANGE ANALYSIS, FINANCIAL ASSETS, LEVEL 3 IN THE NINE-MONTH PERIOD 2017

	2017
as of 1 January	270
Purchases	11
Disposals	-1
Amortisation	-10
Gains and losses recognised through profit or loss	3
Capitalised interest income	10
Exchange rate differences	-0
At 30 September	283

Note 6. Pledged assets and contingent liabilities

Pledged assets

SEK M	2017 30 Sep	2016 30 Sep	2016 31 Dec
Cash and cash equivalents	203	183	188
Other pledged assets	47	50	53
	250	233	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	2017 30 Sep	2016 30 Sep	2016 31 Dec
Client funds managed on behalf of clients	50	45	42
Other contingent liabilities	9	12	20
	59	57	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	2017 30 Sep	2016 30 Sep	2016 31 Dec
Unutilised credit facilities, granted by Catella Bank	2,636	2,076	2,366
Investment commitments	22	58	48
Other commitments	7	6	7
	2,664	2,140	2,420

Unutilized credit facilities mainly relate to the credit commitments issued by Catella Bank to its credit card clients. Customers can utilize these facilities under certain circumstances, depending 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 Luxembourg. 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.575/2013 (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), ARKL, stipulates that consolidated accounts shall be prepared for a consolidated financial situation. Catella complies with this requirements by supplying the information contained in this complies with

this requirement by supplying the information contained in this note on the consolidated financial situation's accounts in accordance with ARKL. The accounting principles indicated in Other financial information have been applied when preparing these financial statements, and are consistent with ARKL. 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-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	1,223	999	1,392
Other operating income	3	9	11
Total income	1,227	1,008	1,403
Assignment expenses & commission	-314	-275	-379
Income excl. direct assignment costs and commission	913	733	1,024
Operating expenses	-655	-591	-823
Operating profit/loss	257	143	201
Financial items—net	87	243	253
Profit/loss before tax	344	386	454
Appropriations	0	0	2
Tax	-61	-109	-122
Net profit/loss for the period	283	276	334
Profit/loss attributable to:			
Shareholders of the Parent Company	211	212	249
Non-controlling interests	72	64	85
	283	276	334
Employees at end of period	330	334	335

Financial position—condensed, consolidated financial situation

SEK M	2017 30 Sep	2016 30 Sep	2016 31 Dec
Non-current assets	1,726	1,475	1,672
Current assets	4,474	3,443	3,532
Total assets	6,200	4,918	5,204
Equity	1,653	1,446	1,497
Liabilities	4,547	3,472	3,707
Total equity and liabilities	6,200	4,918	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 30 Sep	2016 30 Sep	2016 31 Dec
Core tier 1 capital	902	758	725
Other tier 1 capital	0	0	0
Tier 2 capital	0	0	0
Capital base	902	758	725
Total risk-weighted exposure	5,236	4,230	4,440
CAPITAL ADEQUACY AND BUFFERS			
Capital adequacy pillar 1	419	338	355
<i>of which capital adequacy requirement for credit risk</i>	220	175	196
<i>of which capital adequacy requirement for market risk</i>	71	68	64
<i>of which capital adequacy requirement for operational risk</i>	127	96	96
Capital adequacy pillar 2	159	94	100
Institution-specific buffer requirements	165	121	129
Internal buffer	52	42	44
Total capital adequacy and buffer requirement	795	596	629
Capital surplus after capital adequacy and buffers requirements	107	162	96
Capital surplus after regulatory required capital adequacy and buffers	159	205	141
CAPITAL RELATIONS, % OF TOTAL RISK-WEIGHTED EXPOSURE AMOUNT			
Core tier 1 capital ratio	17.2	17.9	16.3
Tier 1 capital ratio	17.2	17.9	16.3
Total capital ratio	17.2	17.9	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	3.0	2.2	2.3
Institution-specific buffer requirements	3.2	2.9	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>	0.7	0.4	0.4
Internal buffer	1.0	1.0	1.0
Total capital adequacy and buffer requirement	15.2	14.1	14.2
Capital surplus after capital adequacy and buffers requirements	2.0	3.8	2.2
Capital surplus after regulatory required capital adequacy and buffers	3.0	4.8	3.2

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

Capital base, SEK M	2017 30 Sep	2016 30 Sep	2016 31 Dec
<i>Core tier 1 capital</i>			
Share capital and share premium reserve	399	399	399
Retained earnings and other reserves	1,253	1,047	1,097
Reviewed results, net of any foreseeable charge or dividend	-	-	-
<i>Less:</i>			
Intangible assets	-329	-288	-317
Price adjustments	-28	-28	-27
Deferred tax receivables	-68	-67	-67
Positive results not yet verified by the Annual General Meeting	-283	-276	-334
Other deductions	-42	-29	-27
Total core tier 1 capital	902	758	725
Other tier 1 capital	-	-	-
Tier 2 capital	-	-	-
Capital base	902	758	725

Specification of risk-weighted exposure amounts and capital adequacy requirement pillar 1, SEK M	2017 30 Sep		2016 30 Sep		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	580	46	453	36	451	36
Exposures to corporates	718	57	436	35	480	38
Exposures to retail	1	0	189	15	123	10
Exposures secured by mortgages on real property	280	22	106	8	286	23
Exposures in default	271	22	290	23	277	22
Items associated with particular high risk	176	14	83	7	134	11
Exposures in the form of covered bonds	3	0	2	0	3	0
Exposures to collective investment undertakings (funds)	14	1	49	4	16	1
Equity exposures	139	11	121	10	129	10
Other items	572	46	457	37	548	44
	2,754	220	2,187	175	2,446	196
Market risk						
Interest risks	0	0	0	0	0	0
Exchange rate risks	893	71	845	68	795	64
	893	71	845	68	795	64
Operational risk according to basic method	1,589	127	1,199	96	1,199	96
Total	5,236	419	4,230	338	4,440	355

Parent Company Income Statement

SEK M	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	3.0	2.1	9.2	6.4	9.1
Other operating income	0.0	0.0	0.0	0.0	0.0
Total income	3.0	2.1	9.2	6.4	9.2
Other external expenses	-6.3	-6.9	-20.7	-19.8	-29.7
Personnel costs *	-8.4	-7.8	-23.6	-18.8	-30.4
Depreciation	-0.0	-0.0	-0.0	-0.0	-0.0
Other operating expenses	-0.0	-0.0	0.0	-0.0	-0.0
Operating profit/loss	-11.7	-12.6	-35.1	-32.2	-51.0
Profit/loss from participations in group companies	0.0	0.3	90.0	0.3	0.3
Interest income and similar profit/loss items	-0.0	1.5	-0.0	5.1	6.6
Interest expenses and similar profit/loss items	-5.1	-2.5	-13.3	-7.5	-9.8
Financial items	-5.2	-0.7	76.6	-2.0	-3.0
Profit/loss before tax	-16.8	-13.3	41.5	-34.3	-54.0
Appropriations	0.0	0.0	0.0	0.0	39.0
Tax on net profit for the year	0.0	0.0	0.9	0.0	0.0
Net profit/loss for the period	-16.8	-13.3	42.4	-34.3	-15.0

* Personnel costs include directors' fees

Parent Company Statement of Comprehensive Income

SEK M	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net profit/loss for the period	-16.8	-13.3	42.4	-34.3	-15.0
Other comprehensive income					
Other comprehensive income for the period, net after tax	0.0	0.0	0.0	0.0	0.0
Total comprehensive income/loss for the period	-16.8	-13.3	42.4	-34.3	-15.0

Parent Company Balance Sheet—condensed

SEK M	2017 30 Sep	2016 30 Sep	2016 31 Dec
Property, plant and equipment	0.0	0.1	0.1
Participations in Group companies	656.9	519.1	519.1
Deferred tax receivables	19.8	18.9	18.9
Current receivables from Group companies	54.4	137.7	164.9
Other current receivables	5.1	6.7	5.9
Cash and cash equivalents	267.8	31.2	31.3
Total assets	1,004.1	713.7	740.1
Equity	495.9	499.8	519.0
Non-current liabilities	493.7	0.0	0.0
Other current liabilities	14.4	213.9	221.0
Total equity and liabilities	1,004.1	713.7	740.1

There were no assets pledged or contingent liabilities as of 30 September 2017.

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 measure	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		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	84	45	198	299	256	357
Total income, SEK M	571	477	1,653	1,417	2,262	2,027
Profit margin, %	15	10	12	21	11	18
Equity, SEK M	-	-	1,798	1,675	-	1,730
Total assets, SEK M	-	-	6,516	5,298	-	5,651
Equity/Asset ratio, %	-	-	28	32	-	31
Net profit/loss for the period, SEK M *	59	35	125	235	162	272
No. of shares at end of the period	81,848,572	81,848,572	81,848,572	81,848,572	81,848,572	81,848,572
Earnings per share, SEK *	0.72	0.43	1.53	2.87	1.98	3.32
Equity, SEK M *	-	-	1,628	1,534	-	1,563
No. of shares at end of the period	-	-	81,848,572	81,848,572	-	81,848,572
Equity per share, SEK *	-	-	19.89	18.75	-	19.10

GROUP	2017	2017	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013
	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	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	59	33	33	37	35	182	17	122	38	48	35	96	21	85	15	-4
Equity, SEK M *	1,628	1,577	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
Return on equity, %	10	9	19	19	26	27	18	20	19	18	22	21				

Calculation of performance measures for the Corporate Finance operating segment

CORPORATE FINANCE	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	15	11	14	39	25	50
Total income, SEK M	144	144	396	397	585	586
Profit margin, %	10	8	3	10	4	9
Equity, SEK M	-	-	118	262	-	281
Total assets, SEK M	-	-	388	423	-	478
Equity/Asset ratio, %	-	-	31	62	-	59

CORPORATE FINANCE	2017	2017	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013
	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	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	15	0	-1	11	11	36	-8	32	13	16	-15	42	5	16	-9	4
Equity, SEK M *	90	78	177	254	237	222	206	213	183	171	187	206	144	143	138	287
Return on equity, %	15	11	26	22	34	37	28	24	31	28	30	30				

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

ASSET MANAGEMENT AND BANKING	3 Months		9 Months		12 Months	
	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	Rolling 12 Months	2016 Jan-Dec
Net profit/loss for the period, SEK M	77	37	211	274	275	338
Total income, SEK M	430	345	1,272	1,043	1,702	1,473
Profit margin, %	18	11	17	26	16	23
Equity, SEK M	-	-	1,109	970	-	998
Total assets, SEK M	-	-	5,342	4,319	-	4,619
Equity/Asset ratio, %	-	-	21	22	-	22

ASSET MANAGEMENT AND BANKING	2017	2017	2017	2016	2016	2016	2016	2015	2015	2015	2015	2014	2014	2014	2014	2013
	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	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	53	48	38	43	27	158	24	66	14	18	44	26	5	20	19	-8
Equity, SEK M *	967	941	898	859	855	789	649	620	686	660	676	639	651	575	545	436
Return on equity, %	20	18	33	34	38	39	19	22	15	15	15	12				

* Attributable to shareholders of the Parent Company.



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