

Catella 2013

Specialised financial advice and asset management

Catella provides specialised financial advisory services and asset management. Catella has a strong local presence in Europe, with some 450 employees in 12 countries. Page 2



A trusted name in the financial sector

Since inception, Catella has operated according to clear, internally established core values. These values are embodied in its professionals' daily work, and shape Catella's services and its way of dealing with clients. Page 10



A leading player on selected European markets

Catella is being managed by the objective of being a leading financial services provider on selected European markets. Page 8



Services built on the accumulated expertise of our professionals

Catella is knowledge based and specialist oriented. This means its services build on the accumulated know-how and expertise of its professionals. Page 12



Contents

Combining responsible business practice with clear commitment

Catella has a long-term commitment to tennis, and is now investing in the Swedish women's game. Catella also maintains a number of social commitments conducted locally or nationwide. Page 15



Delivering specialised advisory services

Catella provides specialised advisory services in Corporate Finance, where transaction advisory services for the professional property sector make up the majority of operations. Catella also enjoys European market leadership as a property advisor. Approximately 200 professionals work for Corporate Finance in 11 countries. Page 16

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Cutting-edge expertise generates unique investment services

Catella provides institutions, corporations and private individuals with specialised financial services in fund and wealth management in the Asset Management segment. Catella also offers card and payment solutions. Just over 200 professionals work for Asset Management in four countries. Page 26

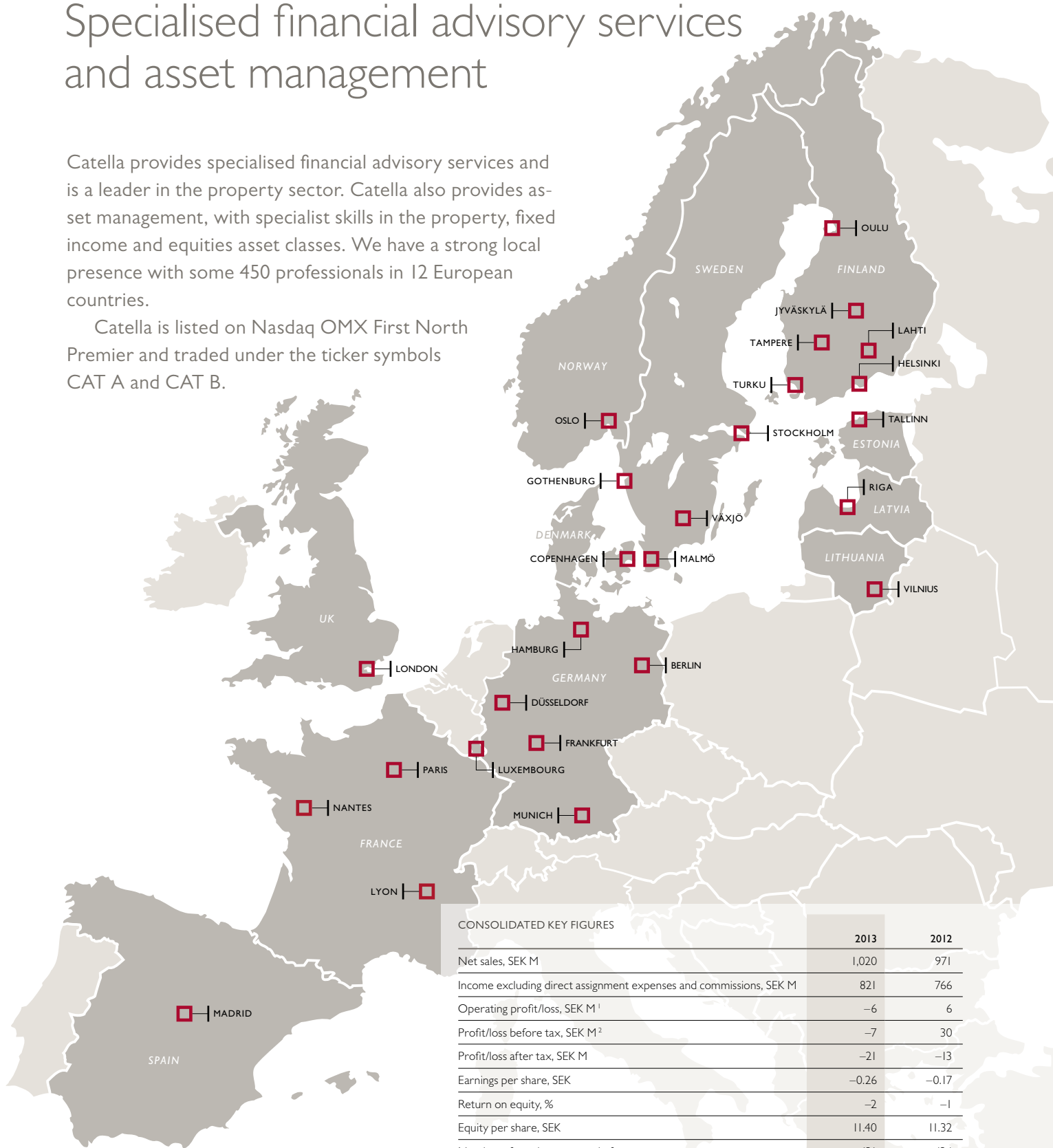


THIS IS CATELLA

Specialised financial advisory services and asset management

Catella provides specialised financial advisory services and is a leader in the property sector. Catella also provides asset management, with specialist skills in the property, fixed income and equities asset classes. We have a strong local presence with some 450 professionals in 12 European countries.

Catella is listed on Nasdaq OMX First North Premier and traded under the ticker symbols CAT A and CAT B.



CONSOLIDATED KEY FIGURES

	2013	2012
Net sales, SEK M	1,020	971
Income excluding direct assignment expenses and commissions, SEK M	821	766
Operating profit/loss, SEK M ¹	-6	6
Profit/loss before tax, SEK M ²	-7	30
Profit/loss after tax, SEK M	-21	-13
Earnings per share, SEK	-0.26	-0.17
Return on equity, %	-2	-1
Equity per share, SEK	11.40	11.32
Number of employees at end of year	431	434
Transaction volumes in Corporate Finance, SEK Bn	53	54
Volumes under management in Asset Management, SEK Bn	52	41

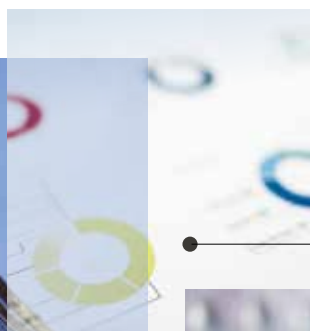
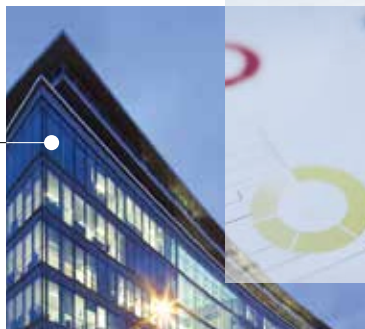
¹ Operating profit/loss before acquisition-related items and items affecting comparability.

² Profit/loss before tax for the full year 2012 is adjusted for items affecting comparability of SEK 34 M.

Corporate Finance

Sales and Acquisitions

Catella provides transaction advisory services for sales and acquisitions to national and multinational investors in Europe, focusing on complex transactions.



Research and Valuation

Catella provides market research and strategic advisory services to property owners. This offering also includes valuation services, mainly for properties.



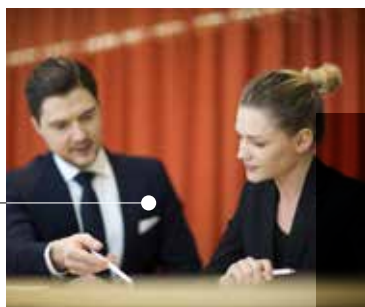
Debt and Equity

Catella Provides debt and equity advisory services to corporations in the property sector. Catella also provides funding solutions via the bond market.

Asset Management

Funds

Catella provides active management in properties, fixed income, equities and hedge funds through a broad portfolio of fund products.



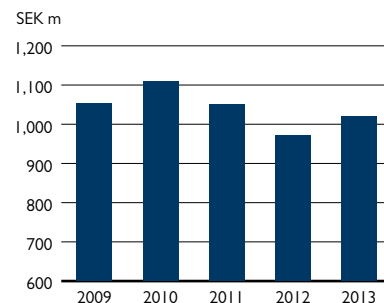
Wealth Management

Catella provides tailored wealth and asset management. It also offers specialised investments, mainly in property.

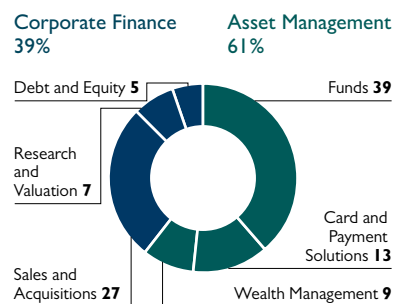
Cards and Payment Solutions

Catella offers cards and payment solutions to customers in Europe and operates as a card issuing and card acquiring bank.

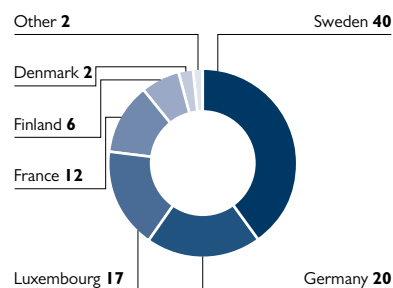
ANNUAL NET SALES 2009–2013



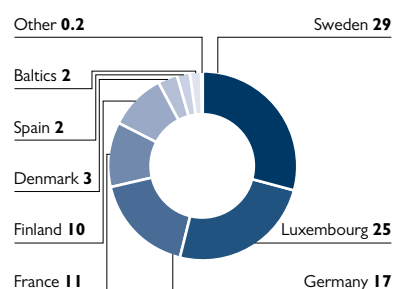
NET SALES BY OPERATING SEGMENT 2013, %



NET SALES BY COUNTRY 2013, %



NUMBER OF EMPLOYEES BY COUNTRY 2013, %



Volume growth will generate more shareholder value



Our ambition is to increase our assets under management and create more stable income, which in time, will have a positive impact on the company's value. We will also be expanding our offering in advisory services, advancing our positioning by capitalising on our property expertise and long-term experience in asset management, thus creating growth.

Our earnings for 2013 did not match our expectations, or what shareholders can expect from us. The underlying causes are setbacks, as well as successes, that should not be underestimated in terms of our future progress.

Our long-term ambition is to grow assets under management. If we're successful here, this will generate more stable income, which eventually, will

have a positive impact on the company's value. We will also expand our offering in advisory services and advance our positioning by capitalising on our property expertise and long-term experience of asset management, thus creating growth.

The investments we made in our Swedish fund operation have paid off. We're seeing good inflows of new capital, and the returns on these assets have also been positive. The positive progress of our fund operations continues. We have high hopes in terms of volumes and returns to our investors, which eventually, will be critical to our continued success.

We also still take a positive view of our property fund business. We'll be continuing to work here on developing our product offering and strengthening our organisation.

We increased our shareholding in asset manager IPM in the year, a business we really believe in. IPM manages approximately SEK 46 Bn and has generated healthy returns for its inves-

tors historically. Jointly with IPM, we manage a total of approximately SEK 100 Bn, and these are healthy levels to keep working on. If we are successful in asset management, then in time, we'll be generating stable income fully consistent with our long-term ambition.

The earnings of our banking operation in 2013 were a disappointment. This operation has been up for sale for an extended period, which meant that necessary organisational changes and investments in new products were significantly delayed. We've gained a grasp of this now, but it has involved extensive work.

In addition, the standards applying to our banking operation have become significantly more stringent, causing major investments in infrastructure and processes. The overall consequence of this is lower income and higher expenses. A raft of actions have been taken, and our view is that the banking operation has far better potential now than one year ago.



As for our Corporate Finance operation, we succeeded in going into the black in Germany, which I'm pleased about. Meanwhile, Sweden and France also produced healthy numbers. Unfortunately, Norway, Finland and Spain did reduce our earnings.

Catella's expertise in property advisory services is impressive, and my view is that the market has a very positive perception of Catella. However, we need to lift profitability across all segments, and thanks to our strong market positioning in Europe, this is clearly possible.

Building on the foundations of our expertise in the property segment, we also see potential to expand by offering various products using property as a savings product. Catella has the capacity to create various property-related products or property funds targeted at institutions, corporations and private individuals.

We are not satisfied with Catella's profitability in 2013, but we've now taken major initiatives. Several of our busi-

nesses are generating healthy earnings, while others need to list their profitability significantly. We'll be working hard on those businesses that are loss making, while working on improving those businesses that generate good earnings.

It's a privilege to serve as Chairman of a corporation with such highly qualified professionals, and I see examples of their excellence every day. But I also note potential in exploiting the fantastic market positioning Catella enjoys to increase its income in time.

For most of our businesses, fairly marginal volume expansion would create far greater earnings, because much of our cost base is fixed. Our target for 2014 is to improve profitability, primarily through higher volumes, but also through continued cost control. Catella has better potential to achieve this target than it did one year ago.

JOHAN CLAESSION
*Chairman of the Board
and principal owner*



Long-term success requires short-term profitability



To retain and attract key employees, we have to maintain the right balance between long-term value creation and short-term profitability. That's why it's important for every part of Catella to be profitable, and for us to have incentive programmes that match our structure and targets.

Award-winning fund operation

As Catella's new CEO, I've been impressed by the progress of our Swedish fund management business. Last year, volumes under management were up by nearly 50%, of which nearly SEK 5 Bn being inflows of new capital.

Our funds have also generated high returns, while our funds and fund managers received several high-profile awards. This confirms how our fund management business is competitive, and that our product offering is right.

Potential in asset management

Our shareholding in IPM provides us with a broader-based product portfolio and the potential of performance-related income that is non correlative to our other fund operations. We also see great potential for our new property asset management in France, which we started jointly with one of France's best teams in this segment. France is an important market, and we'll be putting time and resources into developing this business.

Better starting point in our bank

Our banking operation consists of our cards operation and wealth management business. Over the past year, we've done extensive work on building infrastructure and developing this business. Although we're not finished yet, our starting point is significantly better than it was one year ago. Going forward, the focus is on optimising our existing business and creating growth in our cards operation.

Strong positioning in property advisory services

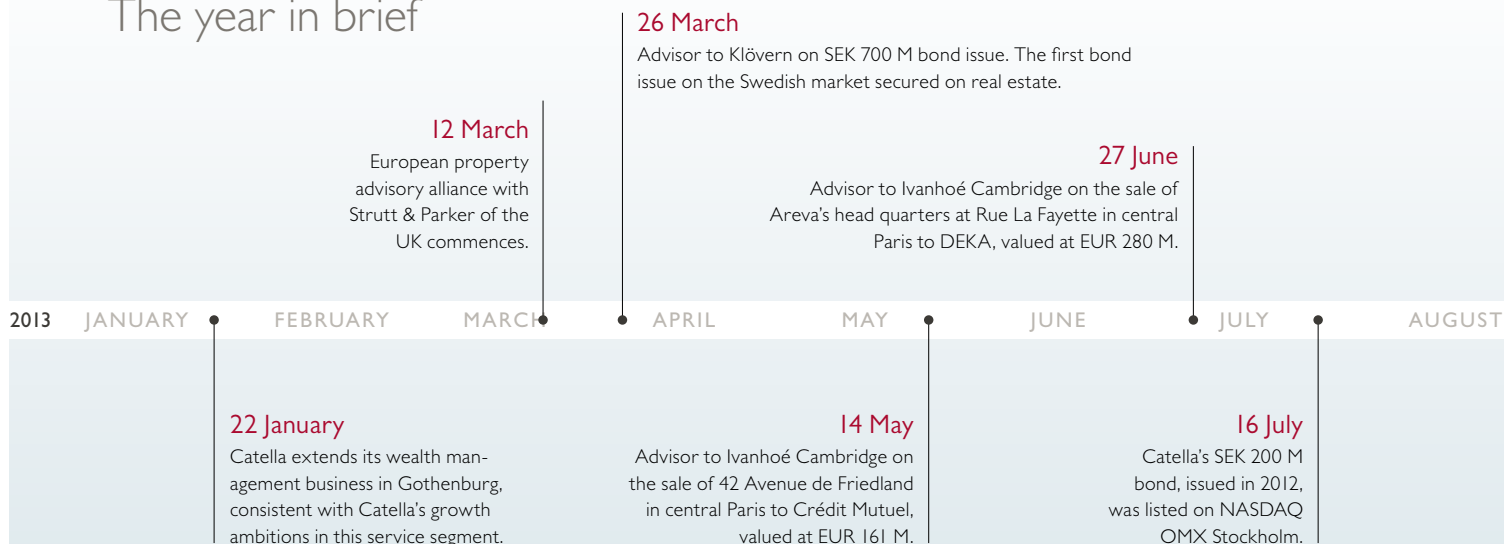
In 2013, we acted as an advisor on property transactions worth approximately SEK 50 Bn, which means we have retained our strong positioning in Europe.

We were the largest advisor in the property sector in Sweden, and we have a market share of over 15% in France. But on a few of our markets, our positioning was weak, and accordingly, we returned unsatisfactory profitability. This resulted in decisions including closing down our business in Norway in the year, and we are currently evaluating how Catella can serve this market best going forward. Work on increasing profitability in all parts of our property advisory services business is continuing in 2014.

Building structural capital

Even if market positioning in our various business does differ, we're putting time and focus on creating real and obvious synergies. In advisory services, we intend to increase our coordination and

The year in brief



the exchange of best practice between our countries. This builds structural capital, and we will be seeing more cross-border deals. Within Asset Management, we have access to capital that can be used in our advisory services business, and we will be seeing greater collaboration to exploit the opportunities here too.

Attracting key employees

Historically, Catella has been successful in attracting very many driven and skilled professionals. To be able to retain and attract key employees in the future, we need to maintain a good balance between long-term value creation and short-term profitability. That's why it's important that every part of Catella is profitable, and we have incentive programmes that match our structure and targets. If the collaboration between countries and units is to improve, we must be credible in terms of rewarding efforts to build structural capital. We should also work actively to attract new skilled and ambitious talented individuals. At Catella,

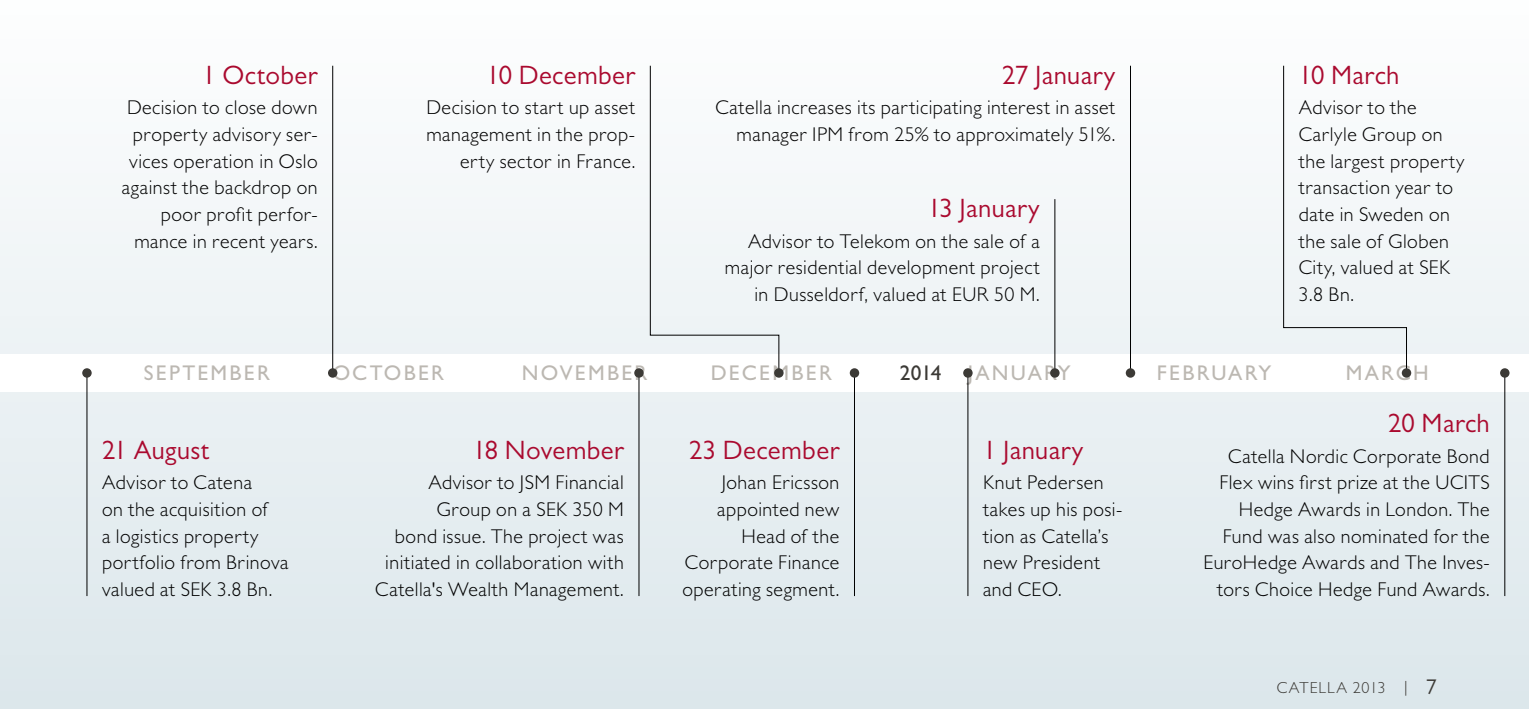
they should be able to take a structured, high-quality developmental journey.

The right responsibility and incentive

Our business is highly localised and we offer stakeholding enabling participation in local earnings. This is a great, and important, tool to motivate our people. I also believe in giving mandates to the people that live off the consequences of them. We should exploit this, while simultaneously creating more integration and collaboration between our various units and countries. To succeed in this, we must create a clearer structure and reward the work done to achieve this.

I feel secure that this is the way forward towards a stronger and more profitable Catella. We will always understand that business is local, but will create a better and more relevant product offering through a more clearly defined and closely knit structure.

KNUT PEDERSEN
President and CEO



We intend to be a leader on our markets in Europe

Our vision is to be a leading financial services provider on selected European markets. To get there, Catella must be at the leading edge in developing financial services for the property sector. Additionally, the collective asset management competence Catella possesses enables a strong product offering, and building on its expertise in the property segment, it has the potential to expand using new products.

Business concept

Catella offers specialised financial advisory services and asset management with relevant investment products.

Vision

Catella will be a leading player in financial services on selected European markets. Catella will embody high business ethics and innovative working methods, and be a trustworthy member of the financial sector as a result of its competence and continuity.

Operational goals for 2014

The overall operational goal for 2014 is to build structural capital through means including securing a long-term commitment from key employees through coordinated targets and relevant incentive programmes.

In Corporate Finance, the overall operational goal for 2014 is to strengthen existing operations and clarify Catella's presence as a European advisor. Catella also has a focus on extending and developing its German property advisory services business.



In Asset Management, the goal for 2014 is to keep growing the existing business and ensuring Catella makes relevant product offerings that maintain the highest quality.

Financial goals

Catella measures and controls its operating segments through means including the financial goals of operating margin, defined as profit before tax for the year in relation to total income. The target is to exceed 15% over time. The operating margin for 2013 was 3% for Corporate Finance and 4% for Asset Management. Going forward, the focus will be on

those parts of our business that are loss making, while continuing our work on improving those segments that generate good earnings.

Strategies

Qualified, specialized advisory services

Catella's objective is to be a leading advisor on the European market, achieved by being at the leading edge in developing financial services for the property sector. Catella will identify market segments in financial advisory services where specialisation is critical for creating value for the client. Strong local links and the capacity to deal with complex



assignments that require creativity and a combination of expertise represent a competitive edge.

Specialist expertise across several asset classes provides unique investment services
 Catella possesses specialist expertise in the property, fixed income and equity asset classes. Its collective management expertise enables a strong offering of fund products and direct equity and fixed income investments. Building on the foundation of its expertise in the property segment, Catella has the potential to expand by offering a range of products with properties as a savings

product targeting institutions, corporations and private individuals.

Good business practice from collective core values

Operations are conducted with good business practice, focusing on client needs. Catella also stands on collective core values that shape its services and way of dealing with clients.

More integration builds structural capital

By increasing coordination and the exchange of best practice between countries and units, Catella will build structural capital. A clearer structure

will be created and efforts to build structural capital should be rewarded with the appropriate incentive.

Attracting the best professionals

Catella's services build on the collective know-how and expertise of its professionals. Catella should attract and retain key professionals by maintaining the right balance between long-term value creation and short-term profitability. That's why it's important that every part of Catella is profitable, and that incentives are tailored to the company's structure and targets.

CORE VALUES

With high standards of business ethics and innovative working methods, we should be a trusted name in the financial sector

Since inception, Catella has operated according to clear, internally established core values. These values are embodied in its professionals' daily work, and shape Catella's services and way of dealing with clients. Catella believes in a culture that promotes high quality in delivery and research. A culture where people think for themselves and make their own decisions.



Proactivity

We adopt a long-term client perspective so we can address the client's needs through our services and products proactively. Our experience, market knowledge and familiarity with each client enable us to create value-added and profitability that beats expectations.

Expertise

Catella's services build on our collective know-how. We combine our competence and market-leading expertise with a local presence and strong execution capacity, creating value-added for our clients.

Active on the financial markets for over 25 years

Catella was founded in 1987, offering property advisory services from an early stage, which were the foundation of Catella's first operating segment, Corporate Finance. During Sweden's property and banking crisis in the early 1990s, Catella built a successful business focusing on the re-

structuring needs of the property sector. Accordingly, Catella rapidly secured status as an independent financial advisor in the property sector on the Swedish market. Subsequently, Corporate Finance has grown to cover more service segments and markets. Catella is now one of the

leading European advisors in the property sector, with operations in 11 countries and more than 200 professionals.

In the mid-1990s, Catella created an asset management business, and started up its Swedish funds business a few years later. This was the foundation

Entrepreneurship

Entrepreneurship is now, and has always been, important to Catella. Our culture features good business practice, a focus on results and freedom with responsibility for all our professionals. We utilise our people's potential and ability to perform through decentralised working methods.

Creativity

We encounter our clients with creativity and innovation. By creating a working environment that encourages this, we create drive and a positive sentiment. In turn, this helps Catella to offer leading-edge products and services.



Independence

We stand on our own two feet, consistently providing independent asset management and financial advisory services. Our independence has always been an key component of our core values.

Ethics

Our high ethical standards make us a reliable and loyal partner. We comply with established ethical guidelines, formulated to retain our independence and the trust of our clients. High moral standards and substantial individual responsibility are the foundation of our daily work, which creates good relations internally and externally.

of Catella's second operating segment, Asset Management. In 2006 and 2007, the funds business was expanded through property funds in Germany and Finland. Broad-based expertise in active asset management was supplemented in 2011 when Catella took a shareholding in asset

manager IPM, which added expertise in global systematic asset management. A banking operation in Luxembourg, Catella Bank, was added coincident with a change of control in 2010, when Scribona acquired Catella. The bank allows Catella to provide a wealth management business in

Luxembourg and Sweden, as well as card and payment solutions across Europe. At the end of 2013, Catella decided to start a property asset management business in France. Catella's Asset Management business now has operations in four countries and more than 200 professionals.

Our services build on our professionals' collective know-how

To achieve success for the long term, Catella has to attract and retain key employees. That's why it's important to promote a stimulating working environment where professionals can develop and contribute to Catella's success. The target is for Catella to be the most attractive employer in those segments where the company is active.

Catella is a knowledge-based and specialised company. This means that our services are based on our professionals' collective knowledge and expertise. Catella believes in giving each employee the scope to develop and achieve job satisfaction. Catella will always endeavour to maintain a good balance between senior professionals and young, talented individuals. Catella's corporate culture should promote the exchange of best practice, skills and ideas.

With the aim of cultivating the motivation and commitment of its professionals, Catella communicates objectives and strategies within its organisation, coupled to an understanding of how individual performance contributes to overall results.

Freedom with responsibility

Entrepreneurship is now, and has always been, important to Catella. That's why Catella creates a working environment featuring decentralised working methods with a focus on results and

freedom with responsibility for all its professionals.

Its working methods also feature professionalism and enthusiasm, which are flexible and tailored to assignments. For our people, this means a varied environment that utilises individual competence effectively.

A genuine interest in attractive business opportunities

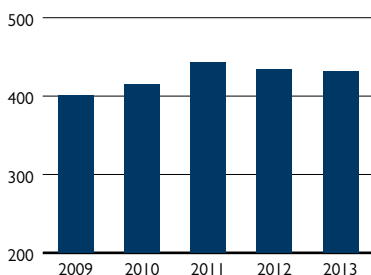
As an employee, Catella features stability. Catella has been active on the financial markets for over 25 years. Catella also features the continuous ability to change and a genuine interest in good business opportunities. Catella's professionals are flexible, results oriented and consistently quality conscious. They also enjoy the high pace that characterises our business.

Number of employees

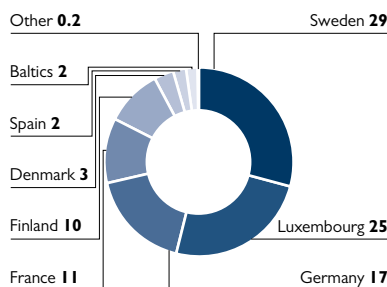
The number of employees, expressed as full-time equivalents, was 431 (434) at year-end, of which 207 (212) in the Cor-



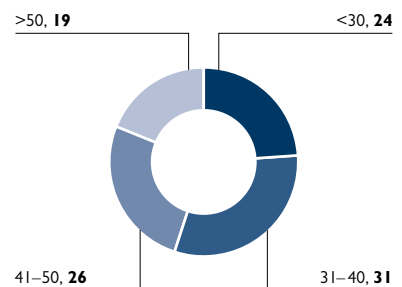
NUMBER OF EMPLOYEES 2009-2013



NUMBER OF EMPLOYEES BY COUNTRY 2013, %

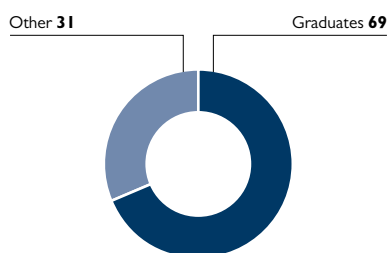


AGE PROFILE 2013, %

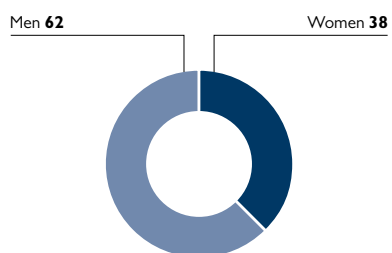




EDUCATIONAL STANDARD 2013, %



DIVISION BETWEEN SEXES 2013, %



EMPLOYEE KEY FIGURES

	2013	2012
Number of employees at end of year	431	434
Average number of employees	458	444
Staff turnover, %	20	16
Share of women, %	38	36
Share of graduates, %	69	70



porate Finance operating segment, 211 (210) in the Asset Management operating segment and 13 (12) in other functions.

Knowledge-based and specialised

Catella has been successfully hiring competent professionals for a long time, and has built a knowledge-intensive organisation. Its people possess a combination of specialist expertise and broad-based general skills.

As its operations have grown, Catella has hired experienced specialists and young graduates with appropriate profiles. At year-end, 69% (70) of its employees held university degrees or equivalent qualifications. Due to its growth and conscious recruitment policy, Catella's professionals have a balanced age profile. 55% (58) are aged between 20 and 40, and the largest age group is the 30-40s. 38% (36) of the group's employees are women and 62% (64) men.

We reward good performance

Catella believes in offering the right rewards to encourage high performance, good conduct and balanced risk-taking consistent with its clients' and shareholders' expectations. Variable compensation is based on profit-sharing within the operational segment where the professional works and has an influence. The structure and scale of variable compen-

sation is based on business logic, market and regulatory practice, competitive situation and the individual's contribution to operations.

The variable compensation system in Catella's operating segments, Corporate Finance and Asset Management, is based on a profit share model at local level in the form of variable compensation and/or risk-taking via stakeholding. Catella's compensation system creates

a strong incentive to do business that adds value for the client, simultaneous with this incentive creating natural cost control, because variable compensation is based on local earnings.

There is also a share option program linked to Catella's share price performance, which is reviewed in the section on the share and shareholders, and in Note 12 of the Annual Accounts for 2013.

COMMITMENTS

We combine responsible business with commitments where we believe we can make a difference

Catella's vision is to be a leader in financial services on selected markets in Europe. We stand for good business ethics and innovative working methods, and with our competence and continuity, want to be a trusted name in the financial sector. To achieve this, we need to work actively for responsible business.

Catella wants to combine responsible business with a commitment in segments where we think we can make a difference. Catella has a long-term commitment to Swedish tennis. Over the years, Team Catella has nurtured players like Robin Söderling and Joachim "Pim Pim" Johansson. Catella is now focusing on the Swedish women's game in collaboration with the Good to Great tennis academy. This initiative will enable three selected

players—Rebecca Peterson, Jacqueline Cabaj Awad and Malin Ulvefeldt—to train with Good to Great and travel to tournaments worldwide. The objective of this initiative is for players to be in the WTA Tour Top 50. Good to Great, which aims to develop world-class tennis players, was founded by Magnus Norman, Nicklas Kulti and Mikael Tillström.

Catella also has a number of social commitments conducted locally or

nationally. In Sweden, Catella is a partner of Mitt Liv ('My Life') a social enterprise that works for greater integration and diversity on the Swedish labour market. Mitt Liv is an advocate of an inclusive society and labour market that puts a premium on foreign experience and competence. Catella is committed to Mitt Liv to help benefit Mitt Liv's core issues—to strive for greater diversity.

In France, Catella supports Fondation Philippe Chatrier, which is active in Alzheimer's research in memory of former Chairman the French lawn tennis association, who died from Alzheimer's. The Foundation primarily works to support sufferers of the disease get early diagnosis.



The members of Team Catella are Rebecca Peterson, Jacqueline Cabaj Awad and Malin Ulvefeldt, who are all aiming for a WTA Tour Top 50 ranking.

We offer specialised advisory services

Catella provides specialised financial advisory services within Corporate Finance; most of this business consists of transaction advice for the professional property sector. Catella has a leading market position in Europe as a property advisor, with some 200 professionals in 11 countries in Corporate Finance.

Catella's business model for Corporate Finance is based on identifying market segments in financial advisory services where specialisation is critical to creating value-added for the client. Catella provides Corporate Finance services in three main sectors:

- SALES AND ACQUISITIONS
- DEBT AND EQUITY
- RESEARCH AND VALUATION

Catella is endeavouring to become a leading advisor on the European market and to be at the leading edge in developing financial services for the property sector. The ambition is not to be the largest player in absolute terms, even if Catella has achieved a high market share in several countries over the years.

Catella competes through its capacity to manage complex assignments, often with elements requiring creativity and

a combination of competences to create the optimal solution. Strong local links to those markets where the company is active have also been critical in establishing this market positioning.

Goals for 2014

The overall business goal for 2014 for Corporate Finance is to strengthen its existing businesses and define Catella's profile as a pan-European advisor. It is also focusing on extending and developing its German property advisory services business.

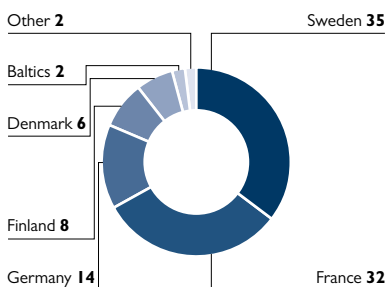
Financial goals

Catella measures and controls its operating segments through means including the financial goal of operating margin, defined as profit before tax for the year in relation to total income. The target is for operating margin to exceed 15% over time. For Corporate Finance, the operating margin for 2013 was 3%.

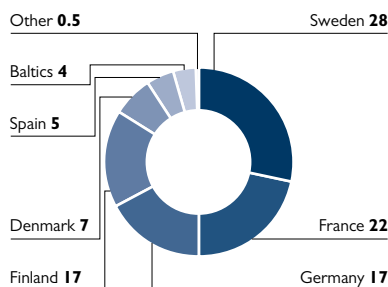


Arc de Seine in Paris, a transaction where Catella acted as advisor in 2013.

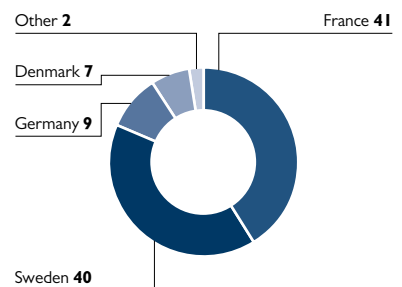
NET SALES BY COUNTRY 2013, %



EMPLOYEES BY COUNTRY 2013, %



CATELLA'S TRANSACTION VOLUMES BY COUNTRY 2013, %



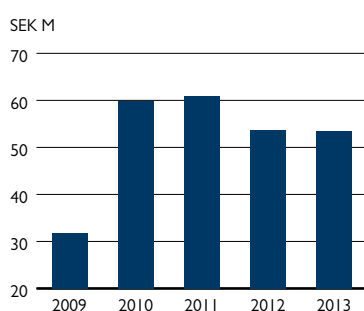
Cross-market expertise

Catella is a specialised financial advisor with the ability to operate as both an investment bank and a traditional transaction advisor, thanks to its competence on several markets.

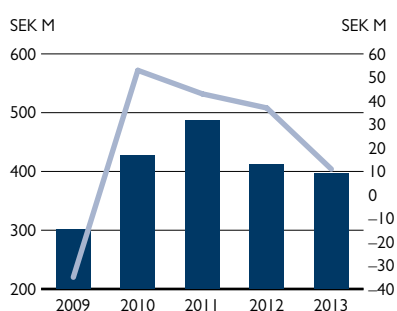


- Utilises in-depth knowledge of properties and broad-based knowledge of the financial markets to create and structure complex transactions.
- Proactively predicts clients' needs and identifies innovative solutions tailored accordingly.
- Drives tailored processes based on each client's unique conditions.

CATELLA'S TRANSACTION VOLUMES 2009–2013



NET SALES AND PROFIT/LOSS BEFORE TAX 2009–2013



KEY FIGURES

	2013	2012
Net sales, SEK M	397	412
Operating profit/loss, SEK M	11	39
Operating margin, %	3	9
Profit/loss before tax, SEK M	11	37
Equity, SEK M	169	161
Equity/assets ratio, %	55	52
Return on equity, %	1	14
Transaction volumes, SEK Bn	53	54
of which property transactions	50	51
No. of employees, year-end	207	212

Services



Catella provides Corporate Finance services in three segments: Sales and Acquisitions, Debt and Equity and Research and Valuation. These services are primarily provided for the European professional property sector. The portfolio of specific services offered locally varies between countries.

Catella has acted as a transactions advisor for over 25 years and has an established status on the European market. In the past five years, Catella has acted as an advisor on transactions with an aggregate value of approximately SEK 260 Bn.

Thanks to its long-term experience of the European property market and its ability to bring in strong teams of professionals, Catella has secured status as an advisor recognised for creating value for clients in the transaction process. Catella has been the natural choice for investors facing extraordinary challenges and that need a combination of

advisory service competence and market know-how.

Sales and Acquisitions

Catella provides transaction advisory services on sales and acquisitions in Europe, focusing on complex transactions that require more than traditional broker skills.

On sales assignments, Catella utilises its market know-how and tailored sales processes to identify the best possible purchaser. On acquisitions, its focus is to identify and execute an optimal investment process for the purchaser, in structural and strategic terms.

Apart from Catella's offering to the property sector, it also offers advisory services to companies in consumer-related sectors in the Nordics. Catella serves on the buy or sell side for private and public transactions.

Debt and Equity

Catella provides services for raising equity for private and public companies and for asset managers in the property sector. Catella also offers specialised advisory services for corporations that want to diversify their debt profiles, refinance outstanding borrowings or are seeking to raise capital for expansion or acquisitions. Catella can also offer advisory support on reconstructions and the realisation of pledged assets for financiers, banks and institutions.

The breadth of Catella's expertise and its strength on the Swedish property market have been contributors to Catella



participating in most of the public transactions in terms of IPOs, major share issues and public take-over bids on the Swedish property market in the past ten years.

Research and Valuation

Catella offers market research and strategic advisory services, as well as valuation services, mainly to property owners. Research and Valuations is closely linked to the other service segments in Corporate Finance, because such services are often the foundation of sales, acquisition or financing projects.

Catella provides independent valuation services for all types of property, and is a highly regarded research and valuation firm, especially in France and Finland. Its valuation work is conducted in compliance with international standards like RICS and IVS.

Johan Ericsson

Head of Corporate Finance

What do you view as your primary mission as Head of the Corporate Finance operating segment?

Our key mission in 2014 is to clarify Catella's status as a pan-European advisor. We need to tie our units in different countries closer together and improve our collaboration. Additionally, I'll specifically support our business to ensure we continue to advance our positioning in Germany. We should also increase profitability by executing more large and skills-intensive transactions.

What strengths do you want to build on?

What's been our strength and differentiator since inception, namely our combination of specialist expertise

and strong local links. This is where Catella enjoys an impact that few other advisors can match. We can execute complex transactions that other players aren't capable of, and address challenges that other players just can't.

What synergies do you see with other parts of Catella?

The combination of advisory services in Corporate Finance and Asset Management creates great potential to produce attractive investment opportunities on behalf of Asset Management, simultaneous with our advisory business gaining access to financing capital. There were several examples of these projects in 2013 including Platzer's IPO, the restructuring of Catena and the expansion of Victoria Park.

Sales and Acquisitions

SWEDEN | DECEMBER 2013

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



EUR 118 M

FINLAND | DECEMBER 2013

Advisor to Citycon on the sale of Torikeskus Shoppingcenter in Seinäjoki to a local investor

CITYCON

AMOUNT UNDISCLOSED

GERMANY | NOVEMBER 2013

Advisor to Ivanhoe Cambridge on the sale of an office development project in Düsseldorf to BauwertCA



BAUWERTCA GRAFENBERGER ALLEE GMBH

AMOUNT UNDISCLOSED

FRANCE | SEPTEMBER 2013

Advisor to Commerz Real on the sale of an office property in Meudon to Groupe SMA BTP

COMMERZ REAL 
Commerzbank Gruppe



EUR 219 M

SWEDEN | JULY 2013

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



EUR 187 M

FRANCE | JUNE 2013

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



EUR 280 M

GERMANY | JUNE 2013

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

COMMERZ REAL 
Commerzbank Gruppe

GOLD TREE

EUR 60 M

DENMARK | JUNE 2013

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



EUR 215 M

Development project in Hagastaden at Torsplan, Stockholm, a transaction where Catella acted as an advisor in 2013.



Valuation

FRANCE | DECEMBER 2013

Valuation of 59 healthcare properties in France

gecina

423,000 SQ.M.

FINLAND | JULY 2013

Valuation of 68 retail properties in Finland

HESBURGER

31,000 SQ.M.

SPAIN | JUNE 2013

Valuation of mixed-use property portfolio in Madrid, Paris, Barcelona, Valencia



46,700 SQ.M.

FRANCE | JUNE 2013

Valuation of 140 shopping centre properties in France

merci 

600,000 SQ.M.

Debt and Equity

SWEDEN | NOVEMBER 2013

Advisor to Platzer on its listing and new issue of shares



EUR 75 M

SWEDEN | OCTOBER 2013

Advisor to Catena on acquisition and private placement for acquisition of 44 logistics properties

CATENA

EUR 437 M

BALTICS | JULY 2013

Advisor to Logistika Haldus on arrangement of junior and senior financing for a 23,000 sq.m. logistics project

LOGISTIKA HALDUS OÜ

AMOUNT UNDISCLOSED

GERMANY | JUNE 2013

Advisor to GoldTree on the arrangement of equity and debt for acquisition of Munich office property

GOLD TREE

AMOUNT UNDISCLOSED

SWEDEN | JUNE 2013

Advisor to ICA Gruppen and Alecta on the creation of jointly owned company Långeberga Logistik AB

ICA GRUPPEN
alecta

AMOUNT UNDISCLOSED

SWEDEN | APRIL 2013

Advisor to Klövern on the issue of a senior secured 5-year bond

KLÖVERN

EUR 84 M

SWEDEN | APRIL 2013

Advisor to HBI s.à.r.l. and Barclays on the distressed debt sale of two properties in Sweden

BARCLAYS

AMOUNT UNDISCLOSED

DENMARK | APRIL 2013

Advisor to By & Havn and Pensam on structuring of equity and debt for a 14,000 sq.m. residential project

BY&HAVN
PenSam

EUR 54 M

LATVIA | APRIL 2013

Valuation of shopping centre properties in Riga

vicus

11,600 SQ.M.

SPAIN | MARCH 2013

Valuation of shopping centre property in Ponferrada, León

Hypothekebank Frankfurt

50,900 SQ.M.

FINLAND | JANUARY 2013

Valuation of office properties in Jyväskylä, Kuopio and Pieksämäki

KESKISUOMALAINEN

29,300 SQ.M.

ESTONIA | JANUARY 2013

Valuation of residential properties in Tallinn

OÜ RAADIKU ARENDUS

107,900 SQ.M.

Le Technopole in Meudon, France, a transaction where Catella acted as advisor in 2013.



Progress in 2013

In 2013, Catella acted as an advisor on property transactions worth SEK 50.3 Bn. This means that Catella was involved as an advisor on 6% of total transaction volumes in Europe excluding the UK.

In France, Catella was the advisor on property transactions worth approximately SEK 20.7 Bn in the year, corresponding to a market share of over 15%. Transactions where Catella acted as advisor include Ivanhoé Cambridge's sale of two contemporary properties at flagship addresses in Paris worth EUR 441 M.

In Sweden, Catella acted as an advisor on property transactions worth approximately SEK 20 Bn in 2013, equating to a market share of over 20%. This means that Catella was Sweden's largest sales advisor in the property sector in 2013. Catella served on transactions including NCC's sale of the Torsplan Hagastaden office development project, for a value of SEK 1.6 Bn. Catella also participated in three major stock market transactions, Platzer's IPO, the restructuring of Catena with a value of SEK 3.8 Bn, and Victoria Park's acquisition of a major property portfolio worth approximately SEK 1 Bn.

Work on developing the German property advisory services operation continued in the year. The services portfolio was regenerated and its organisation restructured and consolidated accordingly. Catella acted as an advisor on several high-profile transactions in Germany in 2013, including two major transactions in Frankfurt, with a value of over EUR 330 M.

At the beginning of the year, Catella commenced a collaboration with UK at advisor property advisor Strutt & Parker. Catella and Strutt & Parker are partnering on advisory services to utilise their combined strength and size on the European real estate market. This partnership increases Catella's access to international investors, which often use London as a gateway to the European property market.

Catella decided to close down its operation in Norway at the beginning of



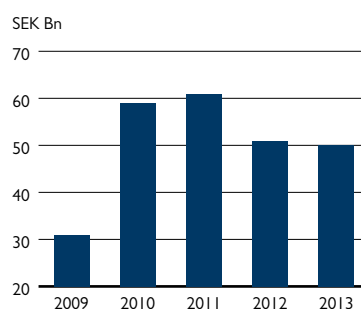
the third quarter, against a backdrop of poor profit performance in recent years. Catella has strong positioning in property advisory services in the Nordics, and despite this closure, Norway remains a priority market, where Catella intends to continue offering property advisory services going forward.

Catella executed a number of primary market transactions via the bond market in the year. Catella acted as an advisor for Klövern on the first bond issue secured on investment properties on the Swedish market. This issue has a value of SEK 700 M and is an example of Catella's capacity to offer combined expertise in

the property and bond markets.

Catella also acted as advisor on a number of transactions and projects in the consumer sector in 2013. These

CATELLA'S PROPERTY TRANSACTION VOLUMES 2009–2013





Klaus Franken

Head of German Property Advisory Services

How would you sum up 2013?

We executed major changes in 2013. We reorganised and created an array of service segments to present and market our services portfolio better. Our market positioning improved in the year, and we managed significantly larger deals than in recent years. Activities included serving as an advisor on two major transactions in Frankfurt, worth over EUR 330 M. We also participated in several successful development projects.

What's your view of market progress?

2013 was the strongest year on the professional property market in Germany post-financial crisis, with total transaction volumes up by 20%. We expect continued stable progress in 2014. We see signs that investment profiles are expanding from core properties only, to also include value-add properties and properties in secondary locations.

What's your focus for 2014?

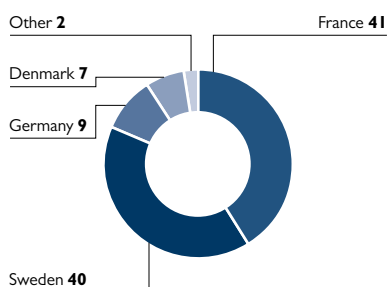
We'll be working on exciting development projects in properties, where we note continued high demand for newly produced investment properties. We're also expanding our business by hiring new professionals for our teams, and the work on implementing our new service segments is continuing.

What challenges and opportunities do you see?

The competition between advisors on the German market is intense. But Catella has good potential to address this challenge because of our image as a pan-European advisor. Our portfolio of tailored services and individualised solutions makes us an attractive choice for clients, as well as an interesting company for potential employees.

included serving as exclusive financial advisor to Dixons Retail plc on the disposal of e-commerce enterprise Webhallen to Komplett AS of Norway.

CATELLA'S PROPERTY TRANSACTION VOLUMES BY COUNTRY 2013, %



Market progress

2013 was characterised by a European property market rally. The financing situation improved significantly on a broad front, with a general increase in risk appetite.

The total European property transaction market excluding the UK was SEK 827 Bn (733) in the full year 2013, up 13% (3) year on year.

In early-2013, the transaction market was adversely affected by economic uncertainty across much of Europe. Despite a pressing need to change across the property sector, with high assignment volumes resulting, purchasers were hesitant due to uncertainty surrounding future economic progress.

Potential for securing acquisition financing gradually improved on most European markets in the second quarter. Interest rate levels remained low, and the access to capital for property investments was healthy.



Emmanuel Schreder

*Head of French Property
Advisory Services*

How would you sum up 2013?

2013 was a really good year for Catella in France, in all our service segments. Our market share passed 15% for the first time, which is fantastic. Catella acted as an advisor on transactions worth over EUR 2.3 Bn, including a number of deals in the EUR 150 M and above class. We also opened two new offices, in Lyon and Nantes.

What's your view of market progress?

We expect that in 2014, the market will have similar conditions to 2013. The primary trend is generally increased liquidity on the market, and the number of core-type properties is more limited than in the previous year. This supply shortage also applies to value-add and more opportunistic properties. A lot of capital has been raised in property funds, which have the capacity to purchase, but there are few properties up for sale as of yet.

What's your focus for 2014?

Clients perceive Catella as a flexible advisor and an attractive alternative to our larger competitors. Our professionals are skilled and specialised, our services tailored to current market conditions, and we can guarantee a high level of confidentiality. Clients appreciate these three qualities, and our ambition is to increase our market share further, to become one of the three largest property advisors in France.

What challenges and opportunities do you see?

Our challenge in France is to keep growing and attract new, young talented professionals to the company. We see healthy potential on the transaction side, and after our successful expansion in 2013, we want to keep progressing. We will achieve this by expanding our services portfolio toward the retail segment, which is a growing market in France.

The third and fourth quarters saw greater liquidity on all the property markets where Catella is active, a result of improved funding terms and greater access to investor risk capital.

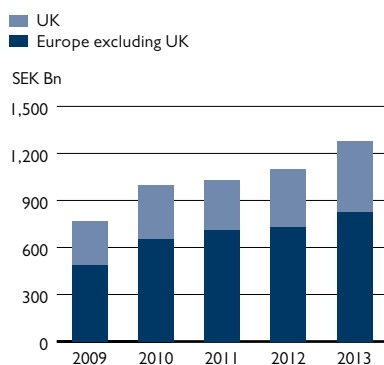
2014 has the potential to be a stronger year for the European property market than 2013. An economic recovery, combined with a continued improvement in financing potential for property acquisitions, suggests continued positive progress.

Focus in 2014

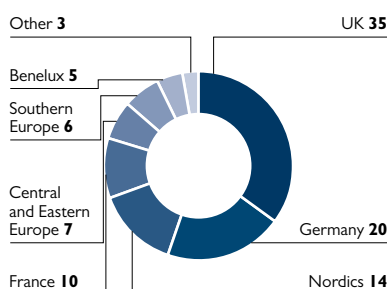
The overall business goal for Corporate Finance in 2014 is to consolidate current operations and increase profitability. Catella will clarify its image as a pan-European property advisor, through closer collaboration between its different countries.

It will also focus on expanding and developing its property advisory services operation in Germany, because this is a large, important market with good growth potential.

PROPERTY TRANSACTION VOLUMES IN EUROPE
2009–2013



PROPERTY TRANSACTION VOLUMES IN EUROPE
BY REGION 2013, %



Anders Nordvall

Head of Swedish Property
Advisory Services

How would you sum up 2013?

2013 was a good year for us that finished briskly despite a slow start. It was a year when we were able to demonstrate the breadth of our offering. We acted as advisor on major transactions in all segments, including a residential project for Akelius valued at SEK 1 Bn, and the Torsplan office transaction for NCC, with a value of SEK 1.7 Bn. We also managed a raft of capital markets transactions, including Klöver's corporate bond issue, Platzer's IPO and the restructuring of Catena. We were recognised as Sweden's largest sales advisor in the property sector by property market services provider Datscha.



What's your view of market progress?

After a weak start to 2013, the Swedish market performed strongly from June onwards. This positive trend continued in the first quarter of 2014, with high transaction activity, thanks to generally positive economic progress, a sharp improvement in funding conditions and a strong inflow of capital to the property sector.

What's your focus for 2014?

Our objective is to remain the leading advisor in specialised advisory services for the property sector in Sweden. We aim to achieve this by maintaining the breadth of our offering and continuing to work on complex assignments, such as structural deals linked to the capital market.

What challenges and opportunities do you see?

Simultaneous with the strength of the financial markets, we experienced the strongest demand since the financial crisis. The challenge lies in finding the supply to match this high demand. We're seeing good potential to be able to utilise our know-how and experience to secure mandates to execute complex transactions, which is the type of assignment we are noting increased demand for on the market.

Our specialist expertise generates unique investment services

Catella provides institutions, corporations and private individuals with specialised financial services in asset and wealth management. It also offers cards and payment solutions. More than 200 professionals work for Asset Management in four countries.

Asset Management's business model is based on identifying needs and developing tailored products through close contacts and long-term relationships with clients. Catella provides services in the following three segments:

- FUNDS
- WEALTH MANAGEMENT
- CARDS AND PAYMENT SOLUTIONS

Catella has long-term experience of fund management, and offers active management in the property, equity and fixed income asset classes. Its shareholding in asset manager IPM Informed Portfolio Management extends Catella's asset management expertise and product offering by providing systematic, model-based asset management focusing on absolute returns. IPM also brings a broad international client base.

Specialist expertise in asset management, combined with Catella's strong positioning on the property market, confers Catella with a unique wealth

management offering. By building a successful wealth management operation, Catella not only secures a direct relationship with investors, but also a larger client base, improving earnings stability over time.

Progress in 2013

Catella took the decision to start up property asset management in France in December. This start-up is being conducted by hiring one of the best teams in France in this segment. Apart from its property fund operation, Catella had already established smaller-scale asset management businesses in the German and Danish property sectors. In 2014, Catella intends to coordinate and assign resources to developing this business.

Catella offers its Wealth Management, as well as cards and payment solutions through its banking operation. A number of significant actions were taken in 2013 to strengthen long-term earnings. The banking operation was also adapted to new regulations.



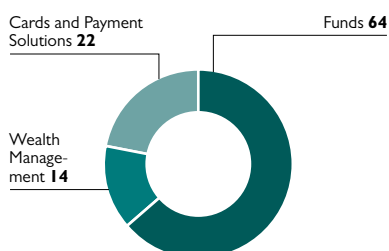
Goals for 2014

The overall business goal for 2014 for Asset Management is to continue growing in existing markets and deliver a relevant product portfolio that maintains the highest quality.

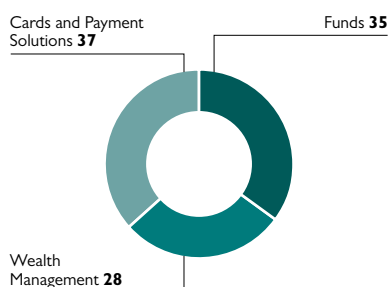
Financial goal

Catella measures and controls its operating segments through means including the financial goal of operating margin,

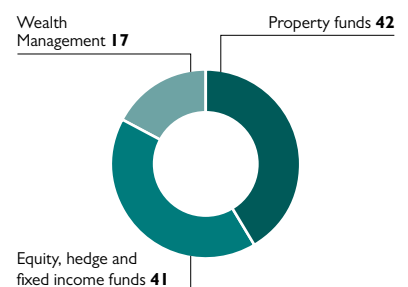
NET SALES BY SERVICE SEGMENT 2013, %



NUMBER OF EMPLOYEES BY SERVICE SEGMENT 2013, %



VOLUMES UNDER MANAGEMENT BY SEGMENT 2013, %





Specialist competence in multiple asset classes

Catella possesses specialist competence in the property, fixed income and equity asset classes. Integrating these competencies in its client offering confers Catella with special status on the market.

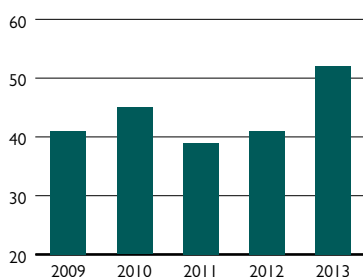


defined as profit before tax for the year in relation to total income. The target is for operating margin to exceed 15% over time. For Asset Management, the operating margin for 2013 was 4%.

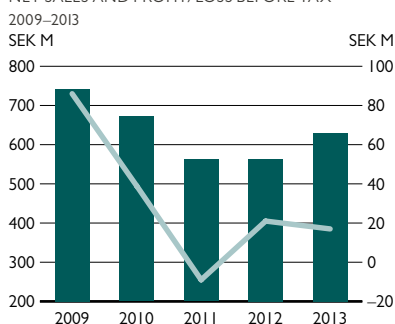
The focus going forward will be on those parts of operations that are loss making, simultaneous with continued work on those parts of operations generating good earnings.

- Catella's collective management competence enables a strong offering of fund products, as well as direct investments in equities and fixed-income investments.
- Building on its foundation of competence in the property segment, Catella has the potential to expand by offering a range of products with properties as an investment product for institutions, corporations and private individuals.

CATELLA'S VOLUMES UNDER MANAGEMENT
2009–2013
SEK Bn



NET SALES AND PROFIT/LOSS BEFORE TAX¹



¹ Profit/loss before tax for the full year 2012 is adjusted for items affecting comparability of SEK 31 M.

KEY FIGURES

	2013	2012
Net sales, SEK M	630	565
Operating profit/loss, SEK M ²	15	2
Operating margin, %	4	4
Profit/loss before tax, SEK M ¹	17	20
Equity, SEK M	528	614
Equity/assets ratio, %	19	22
Return on equity, %	-1	-1
Volumes under management, SEK Bn	52	41
No. of employees, year-end	211	210

² Operating profit/loss before acquisition-related items and items affecting comparability.

Property funds

Catella offers property funds with a European focus, mainly to institutional investors. These funds are managed in Germany and Finland.

Catella's German property fund operation provides funds with a European focus, primarily for institutional investors. Catella currently manages ten funds, each with a specific investor profile in terms of sector and geographical region.

The revenue model is based on regular management fees, and fees on the acquisition or sale of the fund's property assets. The share of performance-based fees is low.

In Finland, Catella offers asset management services in the property sector aimed at property investors and banks. The revenue model is based on fixed management fees and performance-based income.

Progress in 2013

Volumes under management in Catella's property funds increased by 12% in 2013, from SEK 19.8 Bn to SEK 22.1 Bn

In the German funds, volumes under management were up by some 24% on 2012. Catella executed 39 acquisitions and 5 sales in 2013, equating to a total volume of approximately SEK 4 Bn.

In the year, a major German insurance group assigned Catella to manage an individual mandate on 12 properties with net worth of SEK 682 M. Catella also enhanced its institutional fund offering by launching a new fund product that has invested in five German care properties worth SEK 266 M to date.

Catella manages properties worth approximately SEK 2.5 Bn in Finland. 23 transactions were executed in Finland in 2013, with a value of about SEK 500 M. Catella's other transactions included

refinancing a property portfolio consisting of around 230 retail properties in Finland, with a value of around SEK 1.3 Bn. In July, Catella sold five properties worth approximately SEK 270 M jointly with BPT Asset Management. A collaboration with European financier Hatfield Phillips on the management of 20 retail

properties in southern Finland also commenced in the year.

Market progress

The market for European property funds was stable in 2013. Institutional investor focus remains on consistent returns, with fairly high allocation to property portfolios.



Gorch Fock Wall in Hamburg, Germany, owned by Catella's Sarasin Sustainable Properties—European Cities fund.



Dr. Andreas Kneip

Head of the German Fund operation

How would you sum up 2013?

We're a looking back at a positive year with healthy earnings and good growth of assets under management. We also succeeded in advancing our positioning on the German institutional investor market further, by securing a prestigious management assignment for one of Germany's major insurers.

What's your view of market progress?

We expect new laws and regulations applying to alternative investment managers in Germany to stabilise the sector. We hope that this will provide the potential for optimal liquidity management of property funds.

What's your focus for 2014?

We expect further inflows to our

existing product portfolio because investors still want secure cash flows from centrally located properties of a high standard on stable markets. We are also adding new fund products to our portfolio with higher return profiles to match client demand on a market with low yield levels.

What challenges and opportunities do you see?

The organisational adaptation to new laws and regulations resulting from the implementation of the AIFMD is an extensive project for us that commenced last year and is continuing in the first half-year 2014. But progress towards a more regulated and standard market also offers the potential to expand our business with new investment products.

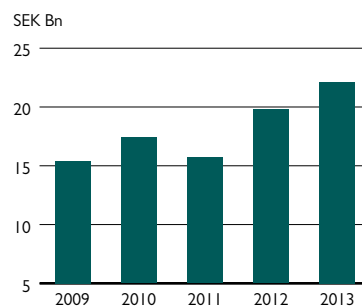
The implementation of the Alternative Investment Fund Manager's Directive (AIFMD) in July affected the regulatory environment of the German asset management sector. A more sophisticated and costly regulatory environment presents operational challenges to many unregulated asset managers.

Focus in 2014

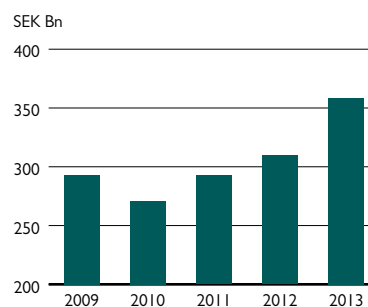
The strategy is to focus on niche European investment products with stable cash flows, targeting institutional investors. Against the background of continued low interest levels and low inflation, Catella is planning to produce and launch new fund products with a higher risk and return profile.

There is more information on the property market on page 24.

CATELLA'S VOLUMES UNDER MANAGEMENT IN PROPERTY FUNDS 2009–2013



TOTAL ASSETS UNDER MANAGEMENT IN PROPERTY FUNDS IN GERMANY 2009–2013



Source: BVI (Bundesverband Investment und Asset Management)

Equity, hedge and fixed income funds

Catella offers actively managed equity, hedge and fixed-income funds. With its broad offering, Catella can address client investment needs from several risk perspectives and market conditions.

Catella utilises team-based asset management, which means that no fund is dependent on an individual manager. Teams are mutually complementary through their differing areas of expertise. Catella also possesses a high level of expertise and focus on risk and risk management, and works continuously to ensure that the processes and competence maintain the highest standards.

Progress in 2013

Volumes under management in Catella's equity, hedge and fixed income funds increased by 49% in 2013, from SEK 14.5 Bn to SEK 21.5 Bn, of which SEK 4.9 Bn is net inflows, and the remainder is value growth. The largest net inflows in 2013 were in Catella's fixed income and hedge funds. The inflows to Catella's Swedish funds correspond to a market share of about 4.4% of total net inflows in Sweden (excluding PPM pension management). The returns from Catella's funds were generally good compared to their relevant comparative indexes. Catella Sweden Select (equity fund), Catella Hedge Fund and Catella Corporate Bond Flex (corporate bond fund) performed especially well. These funds illustrate the breadth of Catella's offering and management competence.

Catella Corporate Bond Flex was recognised as the Best Performing Long/Short Credit Fund at the UCITS Hedge Awards in London in March 2014, which corroborates the positive management earnings achieved. This fund was also nominated at the EuroHedge Awards and Investors Choice Hedge Fund Awards. The Manager of Catella Reavinstfond ('capital gain fund') also received a Silver award in the 'Sweden, Large Companies' category for 2013 in Swedish business daily *Dagens Industri's*

and financial news agency Morningstar's ranking of star managers.

Market progress

The full year 2013 was a good one for fund savings. New savings in funds, deposits less withdrawals, were positive in every month of the year, amounting to SEK 105 Bn. Total fund assets in Sweden increased by SEK 432 Bn, and were a record SEK 2,481 Bn at year-end. Most stock markets achieved high value gains in 2013. Equity funds were up by an average of 17% in value terms, and the average increase for Sweden funds was 27%. Other funds that invest on traditional stock markets like Europe, North America and globally posted major value gains in the year (22 - 33%). But progress on growth markets was far weaker.

A net total of SEK 43 Bn was saved in equity funds in 2013. New savings accu-

rately reflect the value growth of the various stock markets. Funds that invest in traditional markets, which achieved the highest returns, were also those products with the highest net inflows in the year.

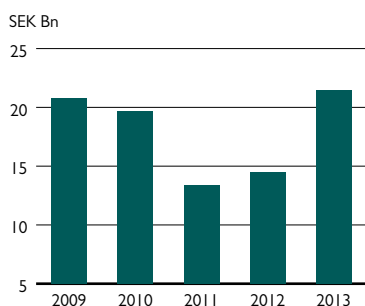
Mixed funds had high net inflows right through the year, amounting to some SEK 56 Bn. Money market funds (short fixed-income funds) also attracted inflows totalling SEK 16 Bn. However, bond funds (long fixed income funds) saw a net outflow of SEK 8 Bn.

Focus in 2014

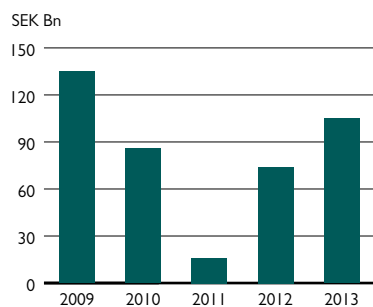
In recent years, Catella's funds offering has focused on equities, fixed income and hedge funds, addressing securities on the Swedish and Nordic markets. The plan is to launch three new funds within this focus in 2014. The new funds will cover the stock and bond markets, and be specialist offerings.



VOLUMES UNDER MANAGEMENT IN CATELLA'S EQUITY, HEDGE AND FIXED INCOME FUNDS 2009–2013



NET SAVINGS IN FUNDS IN SWEDEN 2009–2013



Source: the Swedish Investment Fund Association



Mats Andersson

Head of the Swedish Fund operation

How would you sum up 2013?

I have to say that our Swedish fund operation made fantastic progress in several respects—volume growth via net inflows was really robust and above expectation. Several of our funds were top performers in their relevant sectors. This combined with lower fixed costs in our operations, meant that profitability increased in 2013.

What's your view of market progress?

There's a lot of positives discounted in current share prices. This means that the

real economy must produce progressive growth, and there is much to suggest this. I expect benchmark rates remain low for a good time yet, so there is the potential for a positive stock market. But I don't think the potential for 2014 will match what was achieved in 2013.

What's your focus for 2014?

Obviously our launch of three new funds is a big focus in the year. Coincident with this process it was also important to extend our client base and our existing

client relations optimally. After such a strong year with high inflows, you can't make any assumptions. Being close to our clients, offering them the best service and meeting their needs is always one of our primary focuses.

What challenges and opportunities do you see?

Successful fund launches are a big challenge, but primarily, a big opportunity to create value-added for clients and expand our business.

Wealth Management



Catella provides tailored wealth management and asset management services. It also offers specialist investments in properties and unlisted companies. Catella has offices in Stockholm, Gothenburg, Malmö, Växjö and Luxembourg.

Mainly, wealth management clients are entrepreneurs, property owners and institutions that require active and independent advisory services and management. Catella has an extensive network of entrepreneurs that makes it easier for clients to find each other and create new business opportunities.

The ambition is to develop the market's most client-specific wealth management operation. Catella will achieve this by building on its strong positioning with corporations and property owners, and by exploiting the asset management competence and advisory services expertise harboured within the group.

Wealth management is a very personalised business for Catella, based on a long-term approach, competence,

transparency and mutual trust. Catella's mission is to focus on creating more value for clients in every context. Clients are offered products from Catella, but there is an independent approach, and Catella has an extensive network of management offerings.

Catella provides services in:

- Tailored asset management—active and passive
- Specialist investments in properties and unlisted companies
- Tax and legal services
- Pension and insurance services
- Foreign relocation

Catella also offers financing solutions, which in addition to traditional securi-

ties lending, includes short-term financing of commercially owned property assets and securities management companies.

Progress in 2013

Management earnings were positive in 2013. The tactical allocation and selection of managers and individual securities contributed to healthy returns for clients.

A modern and transparent asset management concept was launched in Sweden in the year, offering clients discretionary and advisory management. This new management concept enables the complete tailoring of client portfolios on the basis of specific required returns and risk levels. After completion of this enhanced offering, Catella conducted the active segmentation of its client base and external collaborations, with a clearer focus on large, high net worth clients. Gross inflows of capital to Sweden amounted to some SEK 2 Bn in 2013.

A financial planning offering was also launched in the year, with the focus



Mikael Pauli

Head of Swedish Wealth Management

How would you sum up 2013?

We've created one of the market's best solutions for tailoring state-of-the-art asset management with a complete palette of modules in the equity, fixed income and alternative investment asset classes. The first half-year featured restructuring and segmentation of our client base and collaboration partners, which triggered a short-term net outflow. We're really satisfied with the quality of our new business volume, and increased volumes under management in Sweden by over 20% in the fourth quarter.

What's your view of market progress?

The Swedish stock market was up 28% including dividends, which made 2013 one of the best years of the 2000s. Positive stock market sentiment is creating fundamentally better conditions for clients to take various types of business decision. Stock markets continued upwards in early-2014 despite new geopolitical trouble

spots. Even if we take a fundamentally positive view of global growth, we expect 2014 to be a more volatile year.

What's your focus for 2014?

We're continuing to build our business with a growth focus by attracting and reaching out to more clients. We'll also continue to rationalise our business process. Our goal for 2014 is to complete a new client specific and cost-effective platform.

What challenges and opportunities do you see?

The big challenge for us is to reach out in the country to all those entrepreneurs that our offering fits, at the rate we intend. We're seeing great potential in attracting new clients with our new asset management offering with client-specific and transparent management. Jointly with Catella Property Advisory Services, we have the opportunity to create a structure for property investment for our clients. Demand for property products is increasing briskly, from private clients and institutions.

on assisting entrepreneurs and property owners to plan transactions and ongoing asset management.

Several joint business transactions with other operations within Catella were also created. These included two primary market transactions on the bond market, conducted by Wealth Management.

Market progress

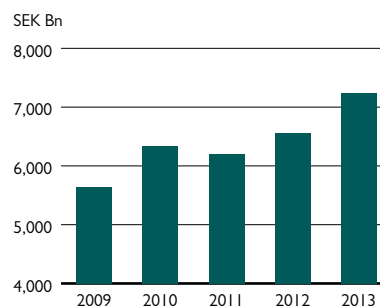
Swedish household financial savings, transactions in financial assets less transactions in liabilities, were down 21% on 2012, SEK 116 Bn compared to the 2012 saving figure of SEK 147 Bn. Bank accounts remain a popular savings product in Sweden, with over 10% of household financial assets invested there.

Households have been net sellers of equities and equity funds in the past four years. However, Swedish household interest in the 'other funds' category was higher, including fund of funds and mixed funds.

Focus in 2014

Catella's wealth management operation is in a development phase focusing on inflows of new assets under management. Apart from its recently launched management concept, various types of property investment for existing and potential clients are also being considered. The demand for alternative investments, and especially property investments, is high from entrepreneurs and institutions.

HOUSEHOLD AND NON-PROFIT ORGANISATIONS' FINANCIAL POSITIONS 2009-2013



Source: Statistics Sweden

Cards and Payment Solutions

Catella provides cards and payment solutions for clients in Europe. Catella operates as a card issuing and card acquiring bank within the framework of proprietary Visa and MasterCard licenses. Operations are conducted from Luxembourg.

Catella's Cards and Payment Solutions operation is divided into two customer segments, Bank Solutions and Business Solutions.

Bank Solutions offers other banks solutions to issue debit, prepaid and credit cards, primarily in customer segments within the high net worth segment.

In Business Solutions, Catella offers clearing via Visa and MasterCard transactions for international e-commerce companies based in Europe. Catella can process transactions in any currency and offers settlement in 12 currencies.

Progress in 2013

Business volumes in card and payment solutions increased gradually through the year. Continued investments were

made in 2013, as well as enhancements to routines and processes, focusing on building stability to enable growth in the future. This extensive process was also designed to reduce costs and improve margins in our existing business.

A review of the market strategy in Business Solutions was executed in early-2013, to exploit opportunities identified in selected segments. Volumes in card acquisition then increased gradually through the year. Activities included the commencement of a collaboration with one of the world's largest payment services providers, Global Collect Services B.V., which provided good volume growth.

Operations in Bank Solutions progressed positively in the year. The sales cycle in this sector is long, and agreements were signed with three new

customers in the year. IT and business development competence was also added to the management group in the year.

Market progress

Global volumes (number of transactions) of non-cash payments are maintaining high growth. Volumes were up by 8.8% (7.1) to SEK 307 (283) Bn in 2011 (the most recent year official data is available for all regions).

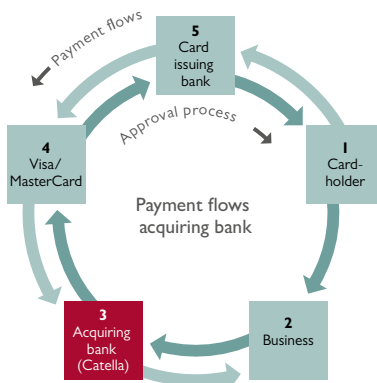
An estimated 333 billion non-cash payment transactions were executed globally in 2012, an increase of 8.5%. The growth of non-cash payments in Europe was 4.2% (4.9) in 2011. Europe remains the world's second-largest market in non-cash payments, representing 26.8% (29.0) of global volumes in 2011.

Internet payments are continuing to expand briskly worldwide. Estimated yearly market growth is 18% from 2010 to 2014, both inclusive.

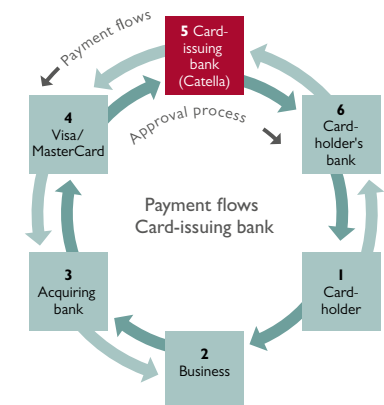
Apart from Internet and mobile payments, the prepaid card market is one of the most rapidly growing non-cash sectors. Transaction volumes of prepaid



SCHEMATIC ILLUSTRATION OF PAYMENT FLOWS FOR A CARD ACQUIRING BANK



SCHEMATIC ILLUSTRATION OF PAYMENT FLOWS FOR A CARD ISSUING BANK



The cardholder makes a purchase in store or on the Internet using his/her card. The business/e-commerce enterprise is connected to an acquiring bank, which authorises the card purchase via Visa or MasterCard. The card issuing bank confirms that the card is valid for the purchase and pays the business/e-commerce enterprise via Visa or MasterCard and the acquiring bank.

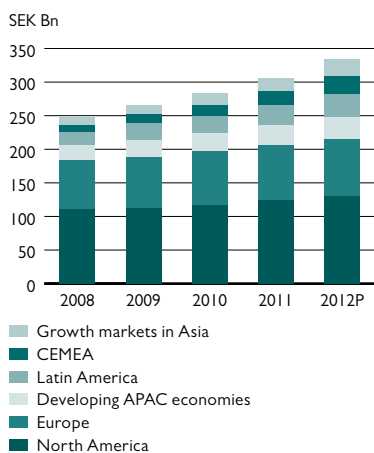
cards increased by some 20% yearly in the period 2010-2013. Primarily, growth is in retailing, where these cards are used as gift cards. The cards are paid in advance, providing resellers with advance cash flow and extra interest income.

Focus in 2014

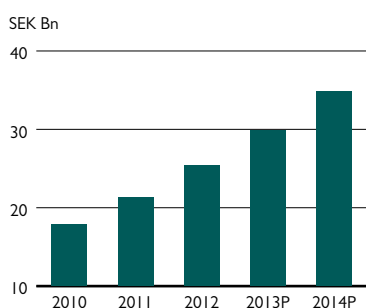
In 2014, the focus will be on creating sustainable growth across all segments. In the short term, work is continuing on optimising existing payment flows to enable higher margins.



NUMBER OF NON-CASH PAYMENTS GLOBALLY BY REGION 2008-2012



NUMBER OF ELECTRONIC PAYMENTS GLOBALLY 2010-2014



Source: World payments Report (WpR) from Capgemini and the Royal Bank of Scotland (RBS).

Jonathan Reddin

Head of Cards and Payment Solutions

How would you sum up 2013?

This was a year when we overhauled our operation and infrastructure. This resulted in significant investments to adapt our operation and enable it to benefit from future opportunities in the sector.

What's your view of market progress?

The cards and payment solutions market is dynamic, and at present, very sizeable sums are being invested in new payment solution technology. Eventually, this will generate substantial and attractive new opportunities. At present users are not ready yet, and our strategy is to watch and wait until the market is mature. Additionally, regulatory structures have to come into phase with changes on the market.

What's your focus for 2014?

The primary goal in 2014 is to create growth in both our client segments, Bank Solutions and Business Solutions. Growth will be with cost control and a focus on stability. We are continuing our work on building a stable platform in tandem with this process.

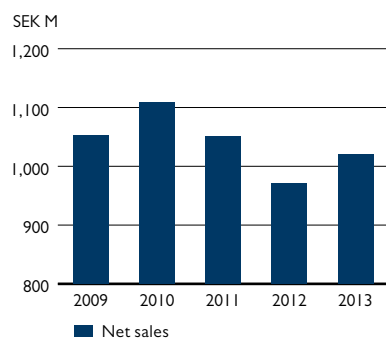
What challenges and opportunities do you see?

There is fairly intense competition in the market, which obviously, is affecting margins. But we see potential in niche segments, where we regard margins as more sustainable. We have won market shares in several of these segments, and anticipate continued positive progress. We are also starting to collaborate with other players that work on payment solutions, which is also creating new opportunities for us.

Financial overview

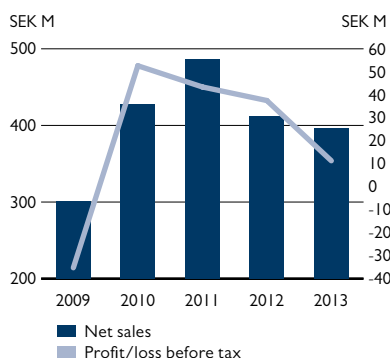
Group

NET SALES PER YEAR 2009–2013



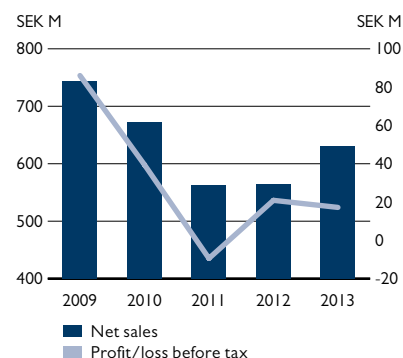
Corporate Finance

NET SALES AND PROFIT/LOSS BEFORE TAX PER YEAR 2009–2013

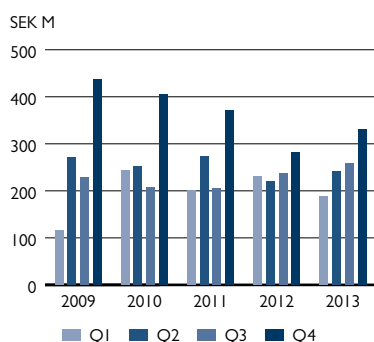


Asset Management

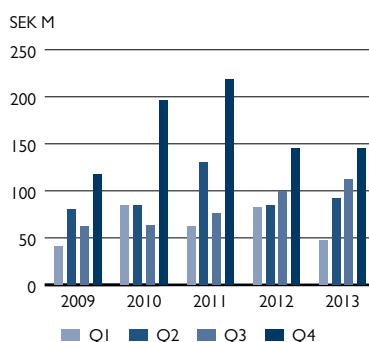
NET SALES AND PROFIT/LOSS BEFORE TAX PER YEAR 2009–2013



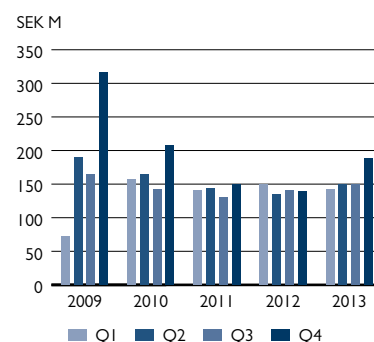
NET SALES PER QUARTER 2009–2013



NET SALES PER QUARTER 2009–2013



NET SALES PER QUARTER 2009–2013



2009–2010 pro forma, as if the former Catella group was acquired and consolidated as of 1 January 2009.

CONSOLIDATED KEY FIGURES

	Corporate Finance		Asset Management		Other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012
Operating margin, % ¹	3	9	4	4	–	–	0	4
Profit margin, %	0	5	0	–1	–	–	–2	–1
Return on equity, %	1	14	–1	–1	–	–	–2	–1
Equity/assets ratio, %	55	52	19	22	–	–	27	27
Number of employees, average	220	212	225	220	13	12	458	444
Number of employees, at end of period	207	212	211	210	13	12	431	434
Staff turnover, % ²	23	14	16	19	23	17	20	16
Transaction volume for the period, SEK Bn	53	54	–	–	–	–	53	54
Assets under management at end of period, SEK Bn	–	–	52	41	–	–	52	41

¹ Profit/loss before tax excluding items affecting comparability.

² Number of people that terminated employment divided by the average number of employees.

INCOME STATEMENT BY OPERATING SEGMENT

SEK M	Corporate Finance		Asset Management		Other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012
Net sales	397	412	630	565	-7	-6	1,020	971
Other operating income	6	7	5	3	7	6	17	17
	403	419	635	568	0	0	1,038	987
Personnel costs	-249	-243	-241	-219	-16	-16	-507	-478
Other expenses	-142	-138	-373	-347	-22	-19	-537	-503
Total expenses	-392	-380	-614	-566	-38	-35	-1,044	-981
Operating profit/loss before acquisition-related items and items affecting comparability	11	39	20	2	-38	-35	-6	6
Amortisation of acquisition-related intangible assets	0	0	-6	-5	0	0	-6	-5
Items affecting comparability	0	0	0	-31	0	-3	0	-34
Operating profit/loss	11	39	15	-34	-38	-38	-12	-33
Financial items—net	0	-2	2	23	3	8	5	29
Profit/loss before tax	11	37	17	-11	-35	-30	-7	-4
Tax	-10	-15	-20	4	16	2	-14	-9
Net profit/loss for the year	1	22	-3	-7	-19	-28	-21	-13

FINANCIAL POSITION BY OPERATING SEGMENT

ASSETS	Corporate Finance		Asset Management		Other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012
Non-current assets								
Intangible assets	61	60	195	201	50	50	306	311
Financial assets measured at fair value in profit or loss	0	0	6	18	229	258	235	276
Long-term loan receivables			249	304	0	0	249	304
Other non-current assets	10	17	76	22	42	40	128	79
	71	78	527	545	321	348	919	971
Current assets								
Accounts receivable	90	85	81	93	0	3	171	181
Current loan receivables	0		367	489	0	0	368	489
Cash and cash equivalents	101	102	1,752	1,568	41	11	1,893	1,680
Other current assets	44	44	84	91	4	5	132	141
	235	231	2,284	2,242	45	18	2,564	2,491
Total assets	306	309	2,811	2,787	366	366	3,483	3,462
EQUITY AND LIABILITIES								
Equity attributable to shareholders of the parent company	146	142	525	611	232	151	904	904
Non-controlling interests	22	19	3	2	2	0	28	21
Total equity	169	161	528	614	235	151	932	925
Liabilities								
Non-current liabilities								
Non-current loan liabilities			0		199	197	199	197
Other non-current liabilities	1	6	8	12	17	19	25	37
	1	6	8	12	216	216	224	234
Current liabilities								
Borrowings	0	0	227	155	0	0	227	155
Current loan liabilities		0	1,718	1,824	0	0	1,718	1,824
Other current liabilities	136	142	330	182	-84	-1	382	323
	136	142	2,275	2,161	-84	-1	2,327	2,302
Total liabilities	137	148	2,283	2,173	131	215	2,551	2,537
Total equity and liabilities	306	309	2,811	2,787	366	366	3,483	3,462

CASH FLOW BY OPERATING SEGMENT	Corporate Finance		Asset Management		Other		Group	
	2013	2012	2013	2012	2013	2012	2013	2012
Profit/loss before tax	11	37	17	-11	-35	-30	-7	-4
Adjustment for non-cash items	22	11	15	2	-14	-19	23	-6
Adjustment for cash items	-24	-19	94	-138	51	66	121	-91
Cash flow from operating activities	10	29	126	-147	2	17	138	-101
Cash flow from investing activities	0	-5	0	57	27	15	28	67
Cash flow from financing activities	-12	0	-1	-2	0	14	-12	12
Cash flow for the year	-2	24	125	-92	30	45	153	-22

Board of Directors and Auditors



Johan Claesson
Chairman
Born in 1951

Chairman of the Board of Catella AB since 2011 and Board member since 2008.
Other Board assignments: Chairman of the Boards of Claesson & Anderzén AB, CA Fastigheter AB, Alufab Ltd, K3Business Technology Group PLC and Leeds Group PLC.
Background: Owner and Executive Chairman of Claesson & Anderzén AB.
Education: B.Sc. (Econ.).
Shareholdings (December 2013): 1,087,437 class A shares and 38,480,821 class B shares.
Warrant holdings (December 2013): None.
Ownership: Through companies and private.
Independent of the company and management: No.
Independent of major shareholders of the company: No.



Johan Damne
Member
Born in 1963

Board member of Catella AB since 2014.
Other Board assignments: Chairman of several companies in the Claesson & Anderzén group.
Background: CEO of Claesson & Anderzén
Education: B.Sc. (Econ.).
Shareholdings (December 2013): 150,000 class B shares.
Warrant holdings (December 2013): None.
Ownership: Private
Independent of the company and management: Yes.
Independent of major shareholders of the Company: No.



Viveka Ekberg
Member
Born in 1962

Board member of Catella AB since 2013.
Other Board assignments: Positions include Chairman of Apoteket AB's pension trust and Board member of SPP Liv.
Background: Senior positions in PP Pension, Morgan Stanley, Brummer & Partners and SEB.
Education: B.Sc. (Econ.).
Shareholdings (December 2013): 60,000 class B shares.
Warrant holdings (December 2013): None.
Ownership: Private
Independent of the company and management: Yes.
Independent of major shareholders of the Company: Yes.



Jan Roxendal
Member
Born in 1953

Board member of Catella AB since 2011.
Other Board assignments: Chairman of the Board of the Swedish Export Credits Guarantee Board, mySafety Group and Flexenclosure and Board member of the Swedish Export Credit Corporation.
Background: Former CEO of Gambro AB. CEO & President of Intrum Justitia Group. COO of ABB Group and CEO of ABB Financial Services.
Education: Higher public education in banking.
Shareholdings (December 2013): 25,000 class B shares.
Warrant holdings (December 2013): None.
Ownership: Private.
Independent of the company and management: Yes.
Independent of major shareholders of the Company: Yes.



Petter Stillström
Member
Born in 1972

Board member of Catella AB since 2013.
Other Board assignments: Board member of BE Group, OEM International, Nilörngruppen, PartnerTech, Softronic and other companies in the Traction sphere of interest.
Background: CEO of Traction.
Education: M.Sc. (Econ)
Shareholdings (December 2013): 356,695 class A shares and 9,602,163 class B shares.
Warrant holdings (December 2013): None.
Ownership: Through companies.
Independent of the company and management: Yes.
Independent of major shareholders of the Company: No.

Auditor

Patrik Adolfson
Auditor
Born in 1973

Since 2011, Catella's auditing firm has been PricewaterhouseCoopers AB (PwC). The Auditor in Charge is Authorised Public Accountant Patrik Adolfson, a member of FAR.
Other audit assignments: Attendo AB, Loomis AB, NCC Property Development AB and Nordstjernan Investment.
Shareholdings (December 2013): None.
Warrant holdings (December 2013): None.
Ownership: -

Group Management



Knut Pedersen

President and Chief Executive Officer, born in 1968

President and Chief Executive Officer of Catella AB and member of Group Management since January 2014.

Current Board assignments: Board member of several of the Catella Group's subsidiaries.

Background: Extensive experience of a number of different positions in the financial sector in Sweden and internationally, most recently CEO of ABG Sundal Collier AB and Group Head of Markets of ABG Sundal Collier. Previous positions include UBS and Nordea.

Education: B.Sc. (Econ.), Ross School of Economics, The University of Michigan.

Shareholdings (December 2013): None.

Warrant holdings (December 2013): None.

Ownership: -



Ando Wikström

Chief Financial Officer, born in 1964

CFO of Catella AB and member of Group Management since September 2010.

Current Board assignments: Board member of several of the Catella Group's subsidiaries, and minor Board assignments outside Catella.

Background: Employed by Catella since 2001. Formerly COO and CFO of Property Advisory Services for Catella. Previously COO and CFO of Capona AB.

Education: B.Sc. (Econ.), Stockholm University.

Shareholdings (December 2013): 30,000 class B shares.

Warrant holdings (December 2013): 5,250,000 with class B shares as underlying security. Most of these options have exercise dates between March and May of 2015 and 2016.

Ownership: Through companies and related parties.



Johan Nordenfalk

Chief Legal Officer and Head of Business Development, born in 1973

Chief Legal Officer and Head of Business Development of Catella AB since January 2011 and member of Group Management since March 2011.

Current Board assignments: Board member of several of the Catella Group's subsidiaries, and minor Board assignments outside Catella.

Background: Employed by Catella since 2011. Former partner and Attorney-at-Law and Partner with Hamilton law firm.

Education: LL.B. from Lund University, Maîtrise en droit from Université Panthéon-Assas, Paris.

Shareholdings (December 2013): None.

Warrant holdings (December 2013): 300,000 with class B shares as underlying security. Most of these options have exercise dates between March and May of 2015 and 2016.

Ownership: Private.



Johan Ericsson

Head of Corporate Finance, born in 1951

Head of the Corporate Finance operating segment since 1 January 2014. Member of Group Management since September 2010.

Current Board assignments: Board member of several of the Catella Group's subsidiaries, and minor Board assignments outside Catella.

Background: Employed by Catella since 1992, formerly as President and CEO of Catella and CEO of Property Advisory Services.

Education: B.Sc. (Econ.), The Stockholm School of Economics.

Shareholdings (December 2013): 25,000 class B shares.

Warrant holdings (December 2013): 5,250,000 with class B shares as underlying security. Most of these options have exercise dates between March and May of 2015 and 2016.

Ownership: Through companies and closely related parties.





Catella AB (publ)

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

catella.com