

Completed transactions 2013 YTD

Catella Consumer has acted as financial advisor in a number of transactions in 2013. We have seen a relative strong momentum in the transaction market within the online/distance retail segment.



WEBHALLEN

Catella Consumer acted as exclusive financial advisor to Dixons Retail plc in conjunction with its sale of the leading e-commerce company Webhallen to the Norwegian company Komplett AS, announced in April 2013. Dixons Retail is listed on the London Stock Exchange and is one of the largest retail groups in Europe focused on consumer electronics. Komplett, which is owned by the Norwegian company Canica, is the largest e-commerce company in Norway within consumer electronics. Webhallen is one of the leading e-commerce companies in Sweden, with sales of approximately SEK 1bn. The company is based in Sweden and sells media, games, IT, hardware and related products with a multi-channel strategy comprising online sales and some 10 stores.



ATELJÉ MARGARETHA (“AM GROUP”)

Catella Consumer acted as exclusive financial advisor to Litorina and minority owners on the divestment of AM Group to a consortium of investors, announced in September 2013. AM Group, based in Borås in Sweden, is a leading Nordic niche distance retailer focused on women in the upper middle-ages. Brands include Ateljé Margaretha (embroidery), Knittingroom (knitting/crocheting), Åshild (comfortable fashion and support products), Good Living (health products) and Linea (home interior and textile). Sales of some SEK 200m.

Catella's Wealth Management

Within the Catella Group, we have deep knowledge of real estate, fixed-income investments and equities. This mix of knowledge enables Catella to provide its clients with strategic plans for management of their assets. In this area, Catella provides customised wealth management to corporations, institutions and individuals requiring active independent advice and management. Based on each client's risk profile, customised investment portfolios and investment cases for listed and unlisted assets are designed.

Catella offers independent advice and management. The business model is based on open architecture (independent) and full transparency. Catella believes that an independent approach to advisory services and management will create conditions for improved outcome over time.

For Catella, wealth management is a highly personal business built on long-term relationships, expertise and trust. Our ambition is to create value by having a holistic approach. Our ambition is to be the clients true business partner and not simply their advisor. Catella offers advice in the areas of tax and law, pensions and financing.

In providing advice to its clients, Catella's wealth management also possesses the knowledge necessary to create straightforward structures that are customised to each individual. This knowledge consists primarily of corporate structures, taxation, family law and business transfer planning. As a client, you will become part of an Entrepreneur Network that creates scope for business and contributes to client satisfaction.

COOPERATION BETWEEN CONSUMER AND WEALTH MANAGEMENT

Catella Consumer works closely together with Catella's wealth management operations. In a deal where Catella Consumer advises on the sell side, large proceeds are usually generated for private individuals, such as entrepreneurs or management teams. Catella's wealth management has a strong offering for such clients. In turn, Catella has a large entrepreneurial client base within wealth management. These are clients to whom Catella Consumer is a suitable potential partner when it's time to exit current holdings.



Sector valuation Nordics (listed companies)

From 2009 to spring 2011 stock markets increased. However, due to the Euro crisis, stock markets plunged during autumn 2011 but have thereafter recovered again. Both the Consumer Services and Retail markets have developed strongly over the last few months and continue to outperform both the Large Cap and the Small Cap index.

Currently, EV/EBITDA multiples for the consumer brand sector are slightly above historical average levels from 2004 to 2013 YTD, while consumer retail sector trades at the historical average and consumer service companies trade just below the historical average. Over time, listed consumer brand sector trades at some EV/EBTIDA 8.5x, whereas consumer retail and service sectors trade at some 8x and 9x respectively.

EXHIBIT I – OMX INDEXES AND CONSUMER BRANDS DEVELOPMENT

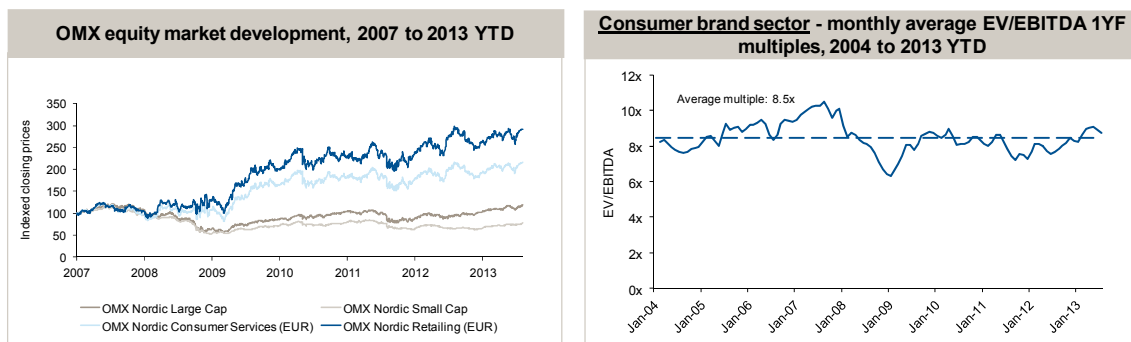
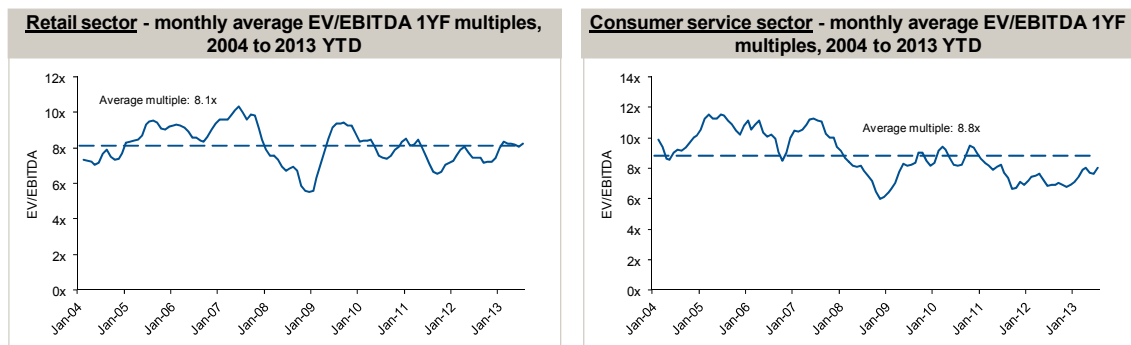


EXHIBIT II – CONSUMER RETAIL AND CONSUMER SERVICE DEVELOPMENT



Please note that the underlying data in the charts above represents multiples from various sub-segments and valuation levels of individual companies vary significantly.

Deals in the sector H1 2013

The deal activity within the Nordic M&A market for consumer related assets has been lower in H1 2013 compared to previous years. Activity in the market is good but the completion ratio is remarkably low. But a number of transactions have been finalised, some following controlled auctions and some following bilateral negotiations. The buy side has generally been represented by strategic buyers and a very limited number of financial buyers. The sell side has on the other hand generally been represented by financial sponsors and a selective number of strategic players streamlining non-core assets. In addition to selected deals, a relative high number of small cap deals.

EXHIBIT III – SELECTED DEALS IN THE SECTOR 2013 YTD

Date	Target	Acquiror	Seller
June 2013	Rossignol	Altor	Macquarie Group
June 2013	Medstop	Oriola-KD	Segulah
June 2013	Cardinal Foods	Lantmännen, CapVest	CapMan
June 2013	Kronfågel Group (52% stake)	CapVest	Lantmännen
May 2013	Jackpot, Cottonfield	Coop Danmark	IC Companys
May 2013	Tastymix A/S (40% stake)	Candyking	Private
May 2013	Esthetique Danmark	Matas	Jotunfjell Partners, Validus
April 2013	Kung Markatta (70% stake)	Priveq Investment	Private
April 2013	Vårdapoteket	Apotek Hjärtat	Priveq, Investor Growth Capital
April 2013	Webhallen	Komplett	Dixons Retail
April 2013	BTJ	Group of investors	Ratos
Mars 2013	Illum AS	La Rinascente	Solstra Capital Partners
Mars 2013	Ica Gruppen (10% stake)	Industrivärden	Ahold and others
February 2013	Direkt Optik	Hans Anders	Private
February 2013	Top-Sport Oy	The Orange Company	Vaaka Partners Oy
January 2013	Royal Copenhagen	Fiskars	Axcel
January 2013	Tiger A/S	EQT	Private
January 2013	Several brands	Arcus Gruppen	Pernod Ricard

A number of transactions in the sector during H1 2013 are worth mentioning:

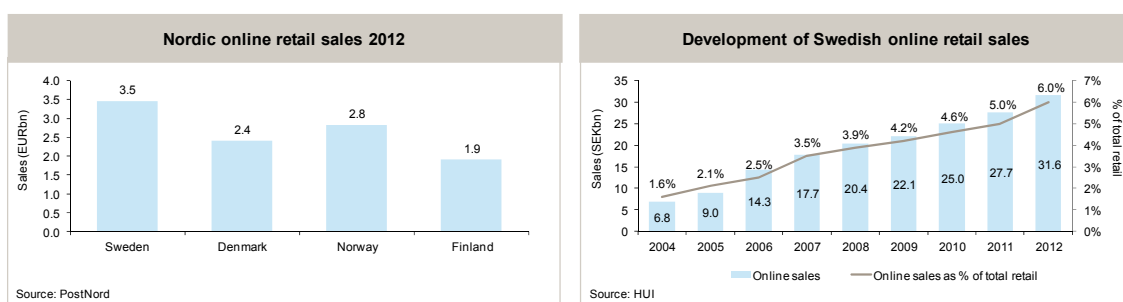
- Two transactions in the Swedish pharmacy market: Apotek Hjärtat acquired Vårdapoteket and Oriola-KD (owner of Kronans Droghandel) acquired Medstop
- CapVest and Lantmännen formed a Nordic white meat giant by combining Kronfågel and Cardinal Foods (CapMan seller)
- Catella Consumer acted as sell side advisor in two transactions in H1: On behalf of Ratos in the BTJ divestment and on behalf of Dixons Retail in the divestment of Webhallen
- The overall ICA mega transaction implying a series of transactions

Online retail snapshot

More than eight out of ten Nordic consumers purchase products online. The average amount spent online annually per Nordic consumer is EUR 683. The Norwegians spent the most per consumer with an average of EUR 929, followed by the Danes with EUR 700, and the Swedes and Finns spent approximately the same, EUR 598. The Swedish online retail market is the largest among the Nordics, with a sales CAGR of 21.2% over the past 9 years.

Sweden is a natural hub for Nordic e-commerce, with its early development of efficient logistics and warehousing for distance retail. According to “e-barometern” (the Swedish Post, Swedish Distance Retail and HUI), Swedish online retail sales is estimated to some SEK 37 billion for 2013, implying an overall growth rate of some 18% this year, the highest online retail growth rate in Sweden since 2007. The growth rate for Q2 2013 was 19%, implying some 6 p.p. higher compared to the growth rate for Q2 2012.

EXHIBIT IV – NORDIC ONLINE RETAIL MARKET AND SWEDISH ONLINE RETAIL DEVELOPMENT



The Nordic online retail market is still in its growth phase with strong dynamics, also verified by many transactions in the sector 2013 YTD.

EXHIBIT V – SELECTED NORDIC ONLINE RETAIL DEALS 2012 – 2013 YTD

Date	Target	Target Description	Buyer	Buyer Description	Deal Value (EURm)
May 2013	Addnature	Sweden based online outdoor retailer	Internetstores	Germany based owner and operator of chain of e-commerce stores	27
Apr 2013	Webhallen	Sweden based online electronic retailer	Komplett	Norwegian online retailer of computer products and other consumer electronics	16
Apr 2013	Heppo	Swedish online retailer of shoes and accessories	Footway Group	Sweden based online shoe retailer	5
Feb 2013	Jotex; Ellos	Swedish mail order companies of clothing, home textiles and decorations products	Nordic Capital Fund VII	Sweden based fund of Nordic Capital	275
Jan 2013	Mobilgiganten	Swedish online retailer of mobile phones and mobile services	Dialect	Swedish company providing mobile and computer retail services	
Dec 2012	Royal Design Group	Swedish online retailer of household furnishings	eEquity	Swedish private equity firm investing in e-retailing companies	
Dec 2012	LensOn	Sweden based online contact lens retailer	Prescription Eyewear	UK company operating as an online optical glasses store	
Aug 2012	Lavpriskoekken.dk	Danish provider of online retail services	WhiteAway.com	Danish online retailer of home appliances	
Jun 2012	Mathem	Swedish online retailer of food products	Verdane Capital VII	Danish fund managed by Verdane Capital	7
Mar 2012	Via Travel Group	Norway based travel agency chain	Egencia	US based travel management company providing corporate travel services	

Looking ahead, the Swedish online retail market still has untapped potential as the large corporations are entering the online segment, such as Ica Gruppen announcing its launch of online grocery sales in Sweden during H2 2014. From an international perspective, UK is showing the way with an estimated online share of c. 12% of total retail sales in 2013 compared to Sweden’s c. 6%.

However, the online retail market is not only homeruns; prosperous companies are struggling and not meeting expectations. Despite successful sites as gymgrossisten.com and nelly.com, listed CDON still suffer with several other brands and its overall logistics and warehousing system. Brandos is still struggling and is currently undergoing a restructuring. Several small and niche online players face increased competition combined with limited capital base (i.e. need for funding).

We believe that the M&A activity within online retailing will grow, driven by:

- Online retail consolidation (traditional industrial synergies such as overhead, fixed cost base, warehousing and logistics etc.)
- A number of fast growing online retailers are now reaching a size that attracts stronger interest
- Traditional retailers and mail order firms need to acquire the competence of skilled online retailers in order to be successful on the web (acquisitions or partnerships)
- The online megatrend itself – a true growth segment



Market outlook H2 2013

The Swedish economy is doing well compared to its European peers. Among the Nordics, Norway is expected to outperform the rest with a forecasted GDP growth of 2.7% for 2013, whereas Denmark is still struggling with its economy (-0.1% for 2013E).

Currently, the Swedish consumer confidence is low but has improved during H1 2013. Households are expecting higher unemployment, higher inflation and higher interest rates forward. Household debt ratios are at historical high levels. However, Swedish retail is growing at decent rates, especially online sales that have seen a strong growth recent years and with growth of some 14% in 2012. Disposable income is expected to remain on stable levels, while household consumption is expected to increase slightly 2013/14. As always, there are large differences between the sub-segments.

Since 2010 Q4, the IPO exit route has been fairly inactive except for few large listings in Q2 2013, including the listing of Danish Matas in June 2013. A relatively large number of companies are currently said to prepare for an IPO.

The acquisition finance market is back on track, banks are now open to new business on a qualitative basis. High quality assets with defensive characteristics are likely to be most attractive during H2 2013. A number of controlled auction processes ran in H1 2013, albeit with many of them being halted or delayed.

In total, when summarizing overall M&A market statistics for the Nordics (number of deals) H1 2013, we haven't seen such low figure in the last decade. In H2 2013, we will see a different type of deal flow with fewer controlled auctions and with more frequent opportunistic bilateral discussions. Deal activity is likely to be highest among small caps.

Several trade buyers have been active in strategic acquisitions (incl. add-ons) and strategic divestments of non-core assets are likely to continue if the overall macro climate stabilizes. Also, financial sponsors are expected to be keen sellers of mature assets in funds that are about to close.

All in all we expect continued low level of structured deal activity during the second half of 2013, but frequent bilateral discussions and several small cap deal announcements. Deal drivers such as strong balance sheets (trade buyers), equity surplus (financial sponsors), stabilized macro for most relevant international markets and debt financing market in place, are likely to fuel the controlled auction market when entering late 2013 and 2014.

About Catella Consumer

Catella Consumer has a unique combination of M&A focus and sector competence. The sector competence is further emphasized through our network of senior industrial advisors, with whom we team up from case to case in order to add further value to our customers. We typically work with mandates related to the following areas.

- Mergers and acquisitions
- Capital markets related advise
- Business plans
- Strategic work and valuations
- Market and M&A research

Please do not hesitate to contact us to learn more about Catella Consumer and what we can do or if we can be of assistance.

Best regards, on behalf of the Catella Consumer team.

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Selection of transactions 2006 – 2012

Please find below a selection of executed high profile Catella Consumer deals in 2006-2012, which demonstrates our strong position in the Nordic consumer M&A market over time.

<p>SEPTEMBER 2013</p> <p>Advisor to Litorina and minority owners on the divestment of Atelej Margaretha to a consortium of investors</p> <p>AMOUNT NOT DISCLOSED</p>	<p>APRIL 2013</p> <p>Advisor to Dixons Retail and its subsidiary Pixmania on the divestment of Webhallen to Komplett/Canica</p> <p>AMOUNT NOT DISCLOSED</p>	<p>AUGUST 2012</p> <p>Advisor to IK Investment Partners on the acquisition of Actic from FSN Capital</p> <p>AMOUNT NOT DISCLOSED</p>
<p>JULY 2012</p> <p>Advisor to Procuritas on the divestment of North Trade to a consortium of investors</p> <p>NORTH TRADE</p> <p>AMOUNT NOT DISCLOSED</p>	<p>MAY 2012</p> <p>Advisor to the owners on the divestment of Eton Fashion to Litorina</p> <p>AMOUNT NOT DISCLOSED</p>	<p>JANUARY 2012</p> <p>Advisor to EQT on the divestment of Lundhags to Swix</p> <p>AMOUNT NOT DISCLOSED</p>
<p>DECEMBER 2010</p> <p>Advisor to Litorina on the acquisition of Björnkåder and Grolls from Davis Services Group</p> <p>AMOUNT NOT DISCLOSED</p>	<p>OCTOBER 2010</p> <p>Advisor to 3i and private individuals on the divestment of Balco to Segulah</p> <p>AMOUNT NOT DISCLOSED</p>	<p>DECEMBER 2009</p> <p>Advisor to CapMan and private individuals on the divestment of Inflight Service to Triton</p> <p>AMOUNT NOT DISCLOSED</p>
<p>JULY 2009, LATVIA</p> <p>Nedela S.A.</p> <p>Acquisition of leading media group in Latvia, Diena, and leading business daily, Dienas Bizness</p> <p>BONNIER</p> <p>AMOUNT NOT DISCLOSED</p>	<p>JULY 2008</p> <p>Advisor to Lantmännen on the divestment of Grängården to EQT</p> <p>EQT</p> <p>AMOUNT NOT DISCLOSED</p>	<p>MAY 2008</p> <p>Advisor to CapMan on the acquisition of Cederroth International from Alberto Culver</p> <p>AMOUNT NOT DISCLOSED</p>
<p>MARCH 2008</p> <p>Advisor to Lantmännen on the divestment of Weibull Trädgård to Econova</p> <p>AMOUNT NOT DISCLOSED</p>	<p>DECEMBER 2007</p> <p>Advisor to Synsam and Alipes on the acquisition of Profil Optik</p> <p>AMOUNT NOT DISCLOSED</p>	<p>DECEMBER 2006</p> <p>Advisor to Hevea on the divestment of Viking Fottøy to Bertel O. Steen</p> <p>AMOUNT NOT DISCLOSED</p>
<p>NOVEMBER 2006</p> <p>Advisor to the board of directors of Swedish Meats on the merger with HK Ruokatalo</p> <p>EUR 288 MILLION</p>	<p>JUNE 2006</p> <p>Advisor to Mekonomen on the divestment of Mekonomen to Axel Johnson (29%)</p> <p>AMOUNT NOT DISCLOSED</p>	<p>JUNE 2006</p> <p>Advisor to the sellers on the divestment of Joy to Segulah</p> <p>AMOUNT NOT DISCLOSED</p>