

# Q3 2016

## Interim report



### **Q3 revenues of NOK 242m vs NOK 251m last year**

YTD revenues of NOK 823m vs NOK 923m last year

### **Operating costs in line with last year**

Operating margin of 15% in Q3 relative to 18% last year

Q3 EPS of NOK 0.06 vs NOK 0.08 last year

### **Annualised Q3 return on equity of 14%**

Robust capitalisation (capital ratio of 22%) and liquid balance sheet

## **ABOUT ABG SUNDAL COLLIER**

ABG Sundal Collier is an independent Nordic investment banking powerhouse, established for more than 30 years, founded on a hard-working partnership culture and the ability to attract and develop top talent.

Our strategy is to be an advisor and an intermediary, and our core product offering comprises corporate advisory, corporate financing and investor research and brokerage services.

We provide our in-depth industrial knowledge across a broad range of sectors in our Nordic home market to companies and investors in the Nordics and internationally.

Our corporate advisory team offers unparalleled transaction experience in combination with the value of our long-standing connections to regional and international investors and corporations. Our market-leading Nordic and international securities distribution platform provides access to financing for corporates and is well set up for naturally matching trading flows and delivering best execution for clients.

Our approx. 250 partners and employees are located in the Nordic offices in Norway, Sweden and Denmark and in offices in the key international markets of the US, the UK and Germany.

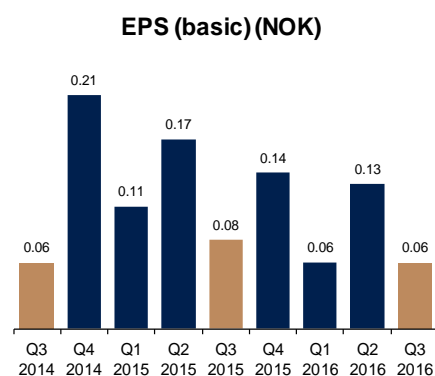
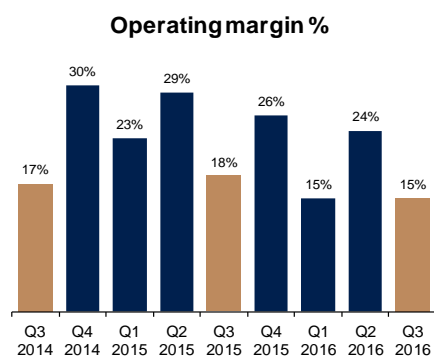
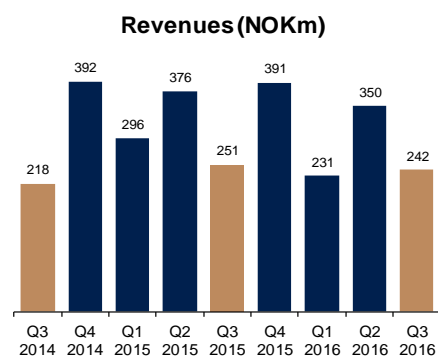
## **OUR VISION AND MISSION**

Our ambition is to be the preferred Nordic investment bank in our defined markets. We are committed to delivering long-term superior value for all stakeholders by:

- Providing the best advice in relation to strategic challenges
- Providing the optimal external corporate financing
- Improving clients' return on investment
- Being "the place to be" for talented staff
- Running a cost-focused and highly profitable operation

## KEY FIGURES

		Q3 2016	Q3 2015	Y-o-Y	YTD 2016	YTD 2015	Y-o-Y
<b>Revenues</b>	<b>NOKm</b>	<b>242</b>	<b>251</b>	<b>-4%</b>	<b>823</b>	<b>923</b>	<b>-11%</b>
Personnel costs	NOKm	-147	-141	4%	-482	-507	-5%
Non-personnel costs	NOKm	-57	-65	-12%	-187	-195	-4%
<b>Total operating costs</b>	<b>NOKm</b>	<b>-204</b>	<b>-206</b>	<b>-1%</b>	<b>-669</b>	<b>-702</b>	<b>-5%</b>
<b>Operating profit</b>	<b>NOKm</b>	<b>37</b>	<b>44</b>	<b>-16%</b>	<b>154</b>	<b>221</b>	<b>-30%</b>
Net financials	NOKm	1	5	-81%	4	10	-60%
<b>Profit before tax</b>	<b>NOKm</b>	<b>38</b>	<b>49</b>	<b>-22%</b>	<b>158</b>	<b>231</b>	<b>-32%</b>
Taxes	NOKm	-10	-13	-22%	-43	-65	-35%
<b>Net profit</b>	<b>NOKm</b>	<b>28</b>	<b>36</b>	<b>-23%</b>	<b>116</b>	<b>166</b>	<b>-30%</b>
<hr/>							
EPS (basic)	NOK	0.06	0.08	-25%	0.25	0.36	-31%
EPS (diluted)	NOK	0.06	0.07	-14%	0.24	0.34	-29%
Book value per share	NOK	1.71	1.98	-14%	1.71	1.98	-14%
<hr/>							
Headcount (average)	#	250	252	-1%	253	251	1%
Revenues per head (average)	NOKm	0.96	0.99	-3%	3.26	3.67	-11%
Operating costs per head (average)	NOKm	-0.82	-0.82	0%	-2.65	-2.79	-5%
<hr/>							
Operating cost / Revenues	%	84.6%	82.3%		81.3%	76.0%	
Total compensation / Revenues	%	60.9%	56.2%		58.6%	54.9%	
Operating margin %	%	15.4%	17.7%		18.7%	24.0%	
Return on Equity (annualised)	%	14.1%	16.1%		17.2%	20.4%	



## COMMENTS FROM THE CEO

The Nordic equity markets started the quarter on a strong note as substantial ground was recovered in July following the sharp declines in June caused by the Brexit referendum. With the exception of Denmark, the Nordic markets saw additional gains throughout the remainder of the quarter as well, bringing the general indices broadly back to the levels seen at the beginning of the year.

Earnings statements in the region were generally supportive, as the Q2 results mostly beat expectations, although revisions to estimates were limited. The overall earnings trend continues to be negative, but we have seen some stabilization as of late. The oil price, which recovered sharply in the first half of the year, stabilized in Q3.

In general, global macro data continued to be supportive in the quarter, as further improvements were seen in the Eurozone and the US, although the former lost some momentum in September (which might have helped postpone the next Fed hike). Moreover, the Caixin China manufacturing gauge started to indicate expansion for the first time in seventeen months. The Nordic economies are managing reasonably well compared to other developed countries, but are facing similar challenges related to excess capacity, lack of growth and low interest rates.

Q3 is generally a seasonally slow quarter in terms of client trading activity and corporate finance transactions, and with our Q3 revenues being slightly below last year, the quarter has followed the pattern seen in the first half of 2016.

The margin pressure on traditional banking products has forced a restructuring and downsizing of the financial industry that is still ongoing across a range of product segments. In this context, we believe in the value of delivering a high quality product within our core product offering and focused business model. We have the ambition of being a leading service provider within all our identified product areas and sectors.

Within our defined market space, ABGSC has chosen a strategy of seeking a diversified revenue stream in terms of geography, sectors and products. Such strategy lowers earnings volatility and positions us to capture upturns within the different markets and sub-segments. Although there is and has been some headwind in the Norwegian market, we are pleased to observe that both our Swedish and Danish operations continue to grow. Furthermore, in Norway, we have successfully replaced ECM and DCM revenues with advisory service fees related to financial restructurings.

As the financial industry changes, we will continue to gradually adapt and adjust our organisation into new market realities. Attracting, developing and retaining talent remains a key priority as our ambition is to transform over time through controlled processes while protecting our profitability.

*Knut Brundtland, CEO*

## MARKETS DIVISION

The Markets division consists of all secondary sales and trading activities. With offices in Oslo, Stockholm, Copenhagen, London, Frankfurt and New York, we offer a powerful, integrated platform for the global delivery of financial services such as brokerage, trading and execution of equities, convertible bonds, bonds, derivatives, structured products and FX.

Revenues in the Markets division primarily comprise secondary commissions on client trades and sales fees from primary ECM and DCM corporate transactions. During a year, secondary commissions tend to follow a seasonal pattern with slightly lower activity during holiday periods.

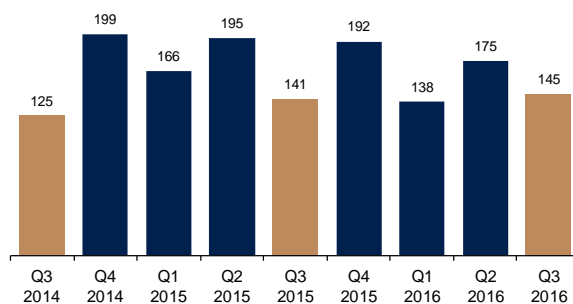
### Key figures and comments

NOKm	Q3 2016	Q3 2015	Y-o-Y	YTD 2016	YTD 2015	Y-o-Y
Equities	114	113	1%	358	400	-10%
Non-Equities (Fixed Income, CB & FX)	32	28	13%	101	103	-2%
<b>Revenues</b>	<b>145</b>	<b>141</b>	<b>3%</b>	<b>459</b>	<b>502</b>	<b>-9%</b>
Revenues - 4 quarter rolling avg.	163	175	-7%	491	508	-3%

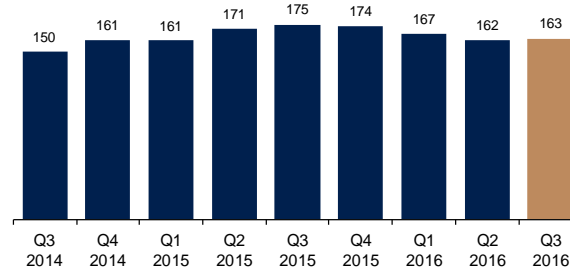
  

NOKm	Q3 2016	Q3 2015	Y-o-Y	YTD 2016	YTD 2015	Y-o-Y
Revenues	145	141	3%	459	503	-9%
Fixed operating costs	-97	-105	-7%	-312	-317	-1%
<b>Operating profit before variable comp.</b>	<b>48</b>	<b>36</b>	<b>32%</b>	<b>147</b>	<b>186</b>	<b>-21%</b>
Headcount (average)	73	73	0%	73	75	-3%
Revenues per head (average)	2.00	1.94	3%	6.28	6.71	-6%
Operating costs per head (average)	-1.34	-1.44	-7%	-4.27	-4.23	1%

Revenues (NOKm)



Revenues - 4 quarter rolling avg. (NOKm)



Markets' revenues of NOK 145m were up 3% from NOK 141m last year. Revenues from Equities were in line with last year, although revenues related to commission trading continued to be under pressure. Non-Equities revenues of NOK 32m were up 13% year-over-year.

The average headcount for the Markets division was 73, stable year-over-year, with average revenue per head increasing by 3%. Operating profit before variable compensation increased to NOK 48m from NOK 36m for the same period last year.

## INVESTMENT BANKING DIVISION

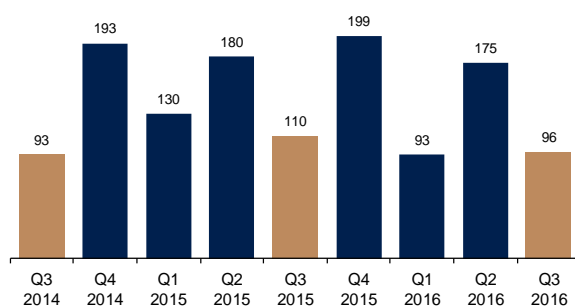
The Investment Banking division comprises all primary operations and corporate advisory services, combining superior industry knowledge within the most important sectors in the Nordic markets with extensive transaction experience within ECM, DCM, M&A and financial restructuring.

Revenues in the Investment Banking division are mainly transaction fees, which to a large extent are based on the successful completion of the respective transactions.

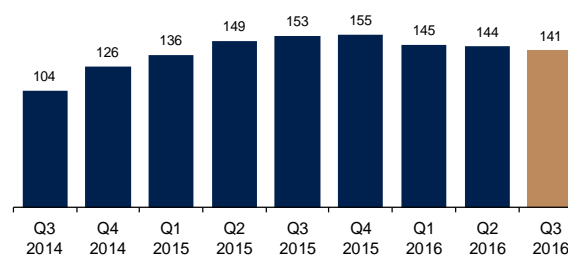
### Key figures and comments

NOKm	Q3 2016	Q3 2015	Y-o-Y	YTD 2016	YTD 2015	Y-o-Y
Revenues	96	110	-13%	364	420	-13%
Fixed operating costs	-62	-55	13%	-188	-164	15%
<b>Operating profit before variable comp.</b>	<b>34</b>	<b>55</b>	<b>-39%</b>	<b>176</b>	<b>257</b>	<b>-31%</b>
Headcount (average)	74	70	6%	74	69	7%
Revenues per head (average)	1.29	1.58	-18%	4.90	6.09	-20%
Operating costs per head (average)	-0.84	-0.79	6%	-2.53	-2.37	7%

Revenues (NOKm)



Revenues - 4 quarter rolling avg. (NOKm)



Net Investment Banking revenues totalled NOK 96m in Q3, down 13% compared to Q3 last year. The average headcount for Investment Banking in the quarter was 74, up 6% year-over-year, with average revenue per head decreasing by 18% year-over-year. Operating profit before variable compensation was down from NOK 55m to NOK 34m compared to the same period last year.

### Selected announced transactions

During Q3 2016, ABGSC advised Agasti Holding in the sale of its holdings in Obligo Holding and certain financial assets to Audrey Management Holdings, a company controlled by Blackstone, a global leader in real estate investment. The transaction involved the remaining assets in Agasti following Blackstone's 34% asset acquisition in 2015. ABGSC also advised Vardia Insurance Group, one of the main challengers in the Nordic insurance market, in the sale of its Swedish insurance portfolio to Gjensidige Forsikring, where Vardia simultaneously entered into an agreement to repurchase Vardia Norge and its distribution business. The portfolio transaction was announced in Q2 and completed in Q3. Furthermore, the sale of IPnett, a leading Nordic system integrator, to NetNordic was completed during the quarter. ABGSC advised IPnett in the transaction.

The relatively strong ECM momentum seen in Q2 continued into Q3, resulting in several completed transactions in the quarter. ABGSC acted as Joint Global Coordinator in the SEK 599m IPO of Internationella Engelska Skolan, one of the leading independent education providers in Sweden. Moreover, a number of private placements were completed during the quarter, including a NOK 240m private placement in Instabank, a Norwegian start-up consumer bank, and a NOK 200m private placement in Komplet Bank, a Norwegian provider of consumer finance. In addition, ABGSC advised Victoria Park, a growing Swedish residential property provider, and Q-Free, a leading provider within intelligent transportation systems, in private placements of SEK 344m and NOK 134m, respectively. Furthermore, ABGSC represented the Norwegian Ministry of Trade, Industry and Fisheries as Joint Bookrunner in the NOK 2.5bn secondary placement of shares in Entra, the largest listed real estate company in Norway. Also, the SEK 1.1bn

secondary placement of shares in Scandic Hotels, the leading Nordic hotel operator, and SEK 138m issue of preference shares in Genova Property Group, were completed in the third quarter of 2016.

In September 2016, the USD 1.8bn financial restructuring of Prosafe, the world's leading owner and operator of semi-submersible accommodation units, was completed. ABGSC acted as advisor to Prosafe in the process. Additionally, ABGSC assisted Volstad Subsea in its NOK 600m financial restructuring. Within DCM, multiple bond issues were completed during the quarter including a USD 225m convertible bond for one of the world's largest ship-owning companies, Ship Finance International, a EUR 45m senior secured bond for the Swedish online gaming provider Cherry, a SEK 400m senior secured bond issue for manufacturer and manager of student residences Prime Living and a SEK 150m senior unsecured bond for the real estate company Amasten.

## FINANCIAL STATEMENTS

### Financial review

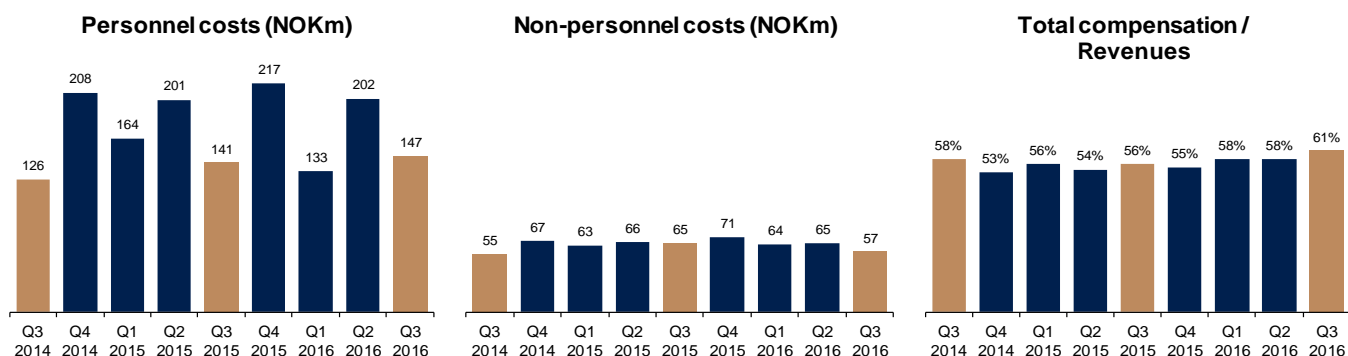
Revenues in Q3 2016 were down 4% compared to Q3 last year. For the first nine months, revenues were NOK 823m compared to NOK 923m for the same period last year.

Total operating costs for Q3 2016 (including variable personnel costs) were stable year-over-year, NOK 204m compared to NOK 206m last year. For the first nine months, total operating costs (including variable personnel costs) were NOK 669m compared to NOK 702m for the same period last year.

Net financial income in Q3 was NOK 1m resulting in a pre-tax profit of NOK 38m. The tax charge was NOK 10m. Net profit was NOK 28m in the quarter vs. NOK 36m last year.

Basic earnings per share (EPS) was NOK 0.06 for Q3, compared to NOK 0.08 in the same period last year. The corresponding figures for the first six months of the year were NOK 0.25 and NOK 0.36 respectively.

The balance sheet remains very strong and liquid, with a significant portion of the asset base consisting of bank deposits in combination with a balanced net working capital. The Group's capital adequacy ratio as at 30 September 2016 was 22% (2.8x the regulatory minimum requirement).





*Condensed consolidated income statement (unaudited)*

NOKm	Q3 2016	Q3 2015	YTD 2016	YTD 2015	2015
Brokerage revenues	124.4	112.4	393.4	441.5	602.7
Corporate Finance revenues	117.1	138.4	429.8	481.3	711.2
<b>Total revenues</b>	<b>241.5</b>	<b>250.8</b>	<b>823.2</b>	<b>922.8</b>	<b>1,313.9</b>
Fixed personnel costs	-102.5	-94.1	-313.8	-285.4	-385.6
Other operating costs	-55.5	-63.2	-181.3	-188.3	-257.2
Depreciation	-1.7	-2.2	-5.3	-6.7	-8.8
<b>Total operating costs</b>	<b>-159.7</b>	<b>-159.5</b>	<b>-500.4</b>	<b>-480.4</b>	<b>-651.6</b>
<b>Operating profit before variable compensation</b>	<b>81.8</b>	<b>91.3</b>	<b>322.8</b>	<b>442.4</b>	<b>662.3</b>
Variable personnel costs	-44.5	-46.8	-168.6	-221.4	-338.0
<b>Operating profit after variable compensation</b>	<b>37.3</b>	<b>44.5</b>	<b>154.2</b>	<b>221.0</b>	<b>324.3</b>
Net financial result	0.9	4.7	4.2	10.4	17.1
<b>Profit before tax</b>	<b>38.2</b>	<b>49.2</b>	<b>158.4</b>	<b>231.4</b>	<b>341.4</b>
Taxes	-10.3	-13.2	-42.5	-65.1	-111.1
<b>Net profit</b>	<b>27.9</b>	<b>36.0</b>	<b>115.8</b>	<b>166.4</b>	<b>230.3</b>

*Condensed other comprehensive income*

NOKm	Q3 2016	Q3 2015	YTD 2016	YTD 2015	2015
<b>Net profit</b>	<b>27.9</b>	<b>36.0</b>	<b>115.8</b>	<b>166.4</b>	<b>230.3</b>
<b>Items that may be reclassified to profit or loss</b>					
Exchange differences on translating foreign operations	-26.7	32.4	-62.3	51.7	66.9
Hedging of investment in foreign subsidiaries	26.2	-32.5	63.9	-51.1	-66.9
Income tax relating to items that may be reclassified	-6.6	8.8	-16.0	13.8	18.0
<b>Total other comprehensive income</b>	<b>-7.0</b>	<b>8.6</b>	<b>-14.4</b>	<b>14.4</b>	<b>18.0</b>
<b>Total comprehensive income for the period</b>	<b>20.9</b>	<b>44.7</b>	<b>101.4</b>	<b>180.7</b>	<b>248.3</b>

*Condensed consolidated balance sheet (unaudited)*

NOKm	30/09/2016	30/09/2015	31/12/2015
Total intangible assets	53.0	67.3	53.3
Plant and equipment	18.1	18.4	19.1
Financial non-current assets	12.6	23.3	27.0
<b>Total non-current assets</b>	<b>83.7</b>	<b>109.0</b>	<b>99.4</b>
Receivables	2,537.0	3,172.6	1,166.5
Investments	227.8	251.1	291.5
Cash and bank deposits	727.8	761.7	853.5
<b>Total current assets</b>	<b>3,492.6</b>	<b>4,185.4</b>	<b>2,311.5</b>
<b>Total assets</b>	<b>3,576.4</b>	<b>4,294.4</b>	<b>2,410.8</b>
Paid-in capital	306.6	287.4	288.7
Retained earnings	495.4	631.8	709.0
<b>Total equity</b>	<b>802.0</b>	<b>919.2</b>	<b>997.7</b>
Long-term liabilities	18.1	18.6	17.6
Short-term interest bearing liabilities	0.0	0.0	0.0
Short-term liabilities	2,756.3	3,356.6	1,395.5
<b>Total liabilities</b>	<b>2,774.4</b>	<b>3,375.2</b>	<b>1,413.1</b>
<b>Total equity and liabilities</b>	<b>3,576.4</b>	<b>4,294.4</b>	<b>2,410.8</b>

*Condensed statement of changes in equity*

NOKm	Q3 2016	Q3 2015	YTD 2016	YTD 2015	2015
<b>Shareholders equity - opening balance</b>	<b>780.0</b>	<b>874.0</b>	<b>997.7</b>	<b>1,248.2</b>	<b>1,248.2</b>
Comprehensive income for the period	20.9	44.7	101.4	180.7	248.3
Payment to shareholders	0.0	0.0	-279.7	-459.9	-459.4
New issuing of shares	0.0	0.0	18.1	19.9	19.9
Change in own shares	1.1	0.5	-35.6	-69.7	-59.3
<b>Shareholders equity - closing balance</b>	<b>802.0</b>	<b>919.2</b>	<b>802.0</b>	<b>919.2</b>	<b>997.7</b>

*Condensed consolidated cash flow statement*

NOKm	Q3 2016	Q3 2015	YTD 2016	YTD 2015	2015
<b>Cash and cash equivalents - opening balance</b>	<b>710.4</b>	<b>563.5</b>	<b>853.5</b>	<b>1,014.2</b>	<b>1,014.2</b>
Net cash flow from operating activities	410.5	325.8	161.3	225.5	307.7
Net cash flow from investing activities	2.3	10.9	10.0	32.1	31.0
Net cash flow from financing activities	-395.3	-138.5	-297.0	-510.1	-499.4
<b>Net change in cash and cash equivalents</b>	<b>17.4</b>	<b>198.2</b>	<b>-125.7</b>	<b>-252.5</b>	<b>-160.7</b>
<b>Cash and cash equivalents - closing balance</b>	<b>727.8</b>	<b>761.7</b>	<b>727.8</b>	<b>761.7</b>	<b>853.5</b>

## Notes

### 1) *Accounting principles*

The quarterly report is prepared in accordance with IAS 34 Interim Financial Reporting and International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and all interpretations from the Financial Reporting Interpretations Committee (IFRIC), which have been endorsed by the EU Commission for adoption within the EU. The quarterly report is prepared using the same principles as those used for the 2015 annual report. The quarterly report is unaudited.

### 2) *Judgments, estimates and assumptions*

The preparation of condensed consolidated interim financial statements in accordance with IFRS and the application of the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. When preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, were the same as those that applied to the consolidated financial statements as of the period ending 31 December 2015.

### 3) *Risk and uncertainty*

As described in ABGSC's 2015 annual report, ABGSC's total risk exposure is analysed and evaluated at the group level. Risk evaluations are integrated in all business activities both at the group and business unit levels, increasing ABGSC's ability to take advantage of business opportunities. There has not been any significant change in the risk exposure or the risks and uncertainties described in the 2015 annual report.

### 4) *Related parties*

There have not been any changes or transactions with any related parties that significantly impact the Group's financial position or results for the period.

## 5) Segment information

ABGSC's two business segments are Markets and Investment Banking. The management system is matrix-based, with revenues and expenses recorded by both business segment and geographical market. Assets and liabilities, except for items subject to direct allocation, and equity and cash flow are recorded by geographical market. Bonuses and profit sharing, financial results and income taxes are all treated as unallocated items in the internal reporting.

<b>Markets</b>		<b>Q3 2016</b>	<b>Q3 2015</b>	<b>YTD 2016</b>	<b>YTD 2015</b>
Revenues - external	NOKm	109	119	353	388
Revenues - allocated to/from other operating segments	NOKm	37	22	106	114
<b>Total revenues</b>	<b>NOKm</b>	<b>145</b>	<b>141</b>	<b>459</b>	<b>503</b>
Fixed operating costs	NOKm	97	105	312	317
<b>Operating profit before variable compensation</b>	<b>NOKm</b>	<b>48</b>	<b>36</b>	<b>147</b>	<b>186</b>
<b>Investment Banking</b>					
		<b>Q3 2016</b>	<b>Q3 2015</b>	<b>YTD 2016</b>	<b>YTD 2015</b>
Revenues - external	NOKm	133	132	470	534
Revenues - allocated to/from other operating segments	NOKm	-37	-22	-106	-114
<b>Total revenues</b>	<b>NOKm</b>	<b>96</b>	<b>110</b>	<b>364</b>	<b>420</b>
Fixed operating costs	NOKm	62	55	188	164
<b>Operating profit before variable compensation</b>	<b>NOKm</b>	<b>34</b>	<b>55</b>	<b>176</b>	<b>257</b>
<b>Operating revenues from external customers by geographical segments</b>					
		<b>Q3 2016</b>	<b>Q3 2015</b>	<b>YTD 2016</b>	<b>YTD 2015</b>
Norway	NOKm	95	131	332	440
Sweden	NOKm	86	51	281	237
Other Europe	NOKm	46	54	166	193
US	NOKm	15	15	43	53
<b>Total</b>	<b>NOKm</b>	<b>242</b>	<b>251</b>	<b>823</b>	<b>923</b>

## SHAREHOLDER MATTERS

### Share transactions

During the quarter, ABGSC sold 2,770,900 treasury shares to partners as settlement of forward contracts previously entered into and ABGSC purchased 1,181,400 treasury shares in the market at an average price of NOK 5.247 per share. In addition, ABGSC sold 1,200,000 shares on forward contracts to partners during the quarter.

### Number of shares

		Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>Shares outstanding (period end)</b>	<b>(1,000)</b>	<b>466,168</b>	<b>466,168</b>	<b>466,168</b>	<b>470,747</b>	<b>470,747</b>
- Treasury shares (period end)	(1,000)	8,933	3,043	2,948	5,820	4,230
+ Forward contracts outstanding (period end)	(1,000)	36,272	30,383	40,788	31,033	29,462
<b>Diluted shares (period end)</b>	<b>(1,000)</b>	<b>493,507</b>	<b>493,507</b>	<b>504,007</b>	<b>495,960</b>	<b>495,978</b>
<b>Shares outstanding (average)</b>	<b>(1,000)</b>	<b>466,168</b>	<b>466,168</b>	<b>466,168</b>	<b>469,439</b>	<b>470,747</b>
- Treasury shares (average)	(1,000)	9,078	6,500	2,956	4,433	5,719
+ Forward contracts outstanding (average)	(1,000)	36,454	33,839	33,091	36,116	30,339
<b>Diluted shares (average)</b>	<b>(1,000)</b>	<b>493,544</b>	<b>493,507</b>	<b>496,304</b>	<b>501,122</b>	<b>495,367</b>

### Shareholder structure

<b>Shares held by Directors and staff</b>	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Shares held by Directors and Staff / Shares outstanding	23%	23%	23%	23%	23%
Shares and fwd contracts held by Directors and Staff / Diluted shares	30%	28%	30%	28%	28%

<b>Shareholders by country (shares outstanding)</b>	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Norway	61%	60%	60%	62%	62%
Great Britain	17%	17%	18%	16%	16%
USA	14%	14%	14%	15%	13%
Sweden	4%	4%	4%	4%	4%
Other	4%	5%	4%	4%	6%

## Largest shareholders

20 largest shareholders as of 30 September 2016 (registered in VPS as of 4 October 2016):

Shareholder	Number of shares	%
J.P. Morgan Luxembourg (nominee)	45,645,700	9.7%
Sanden A/S *	38,399,100	8.2%
Ferd AS	35,790,102	7.6%
Perestroika AS	21,405,275	4.5%
State Street Bank (nominee)	17,754,168	3.8%
Erling Neby AS	9,200,000	2.0%
Citibank (nominee)	8,630,418	1.8%
Verdipapirfondet Pareto Investment	7,000,000	1.5%
Fidelity Investment	6,890,610	1.5%
State Street Bank (nominee)	6,602,499	1.4%
DNB Bank ASA	6,335,083	1.3%
Morgan Stanley & Co (nominee)	5,838,502	1.2%
Landkreditt Utbytte	4,700,000	1.0%
A/S Skarv	4,500,000	1.0%
Peter Schofield	4,353,000	0.9%
ABG Sundal Collier Holding ASA (own shares)	4,230,490	0.9%
KLP Aksje Norge Indeks	4,220,263	0.9%
SEB Prime Solutions	4,000,000	0.8%
Giotto AS **	3,892,800	0.8%
Goldman Sachs & Co (nominee)	3,503,630	0.7%
<b>Total top 20</b>	<b>242,891,640</b>	<b>51.6%</b>
Other	227,855,455	48.4%
<b>Total</b>	<b>470,747,095</b>	<b>100.0%</b>

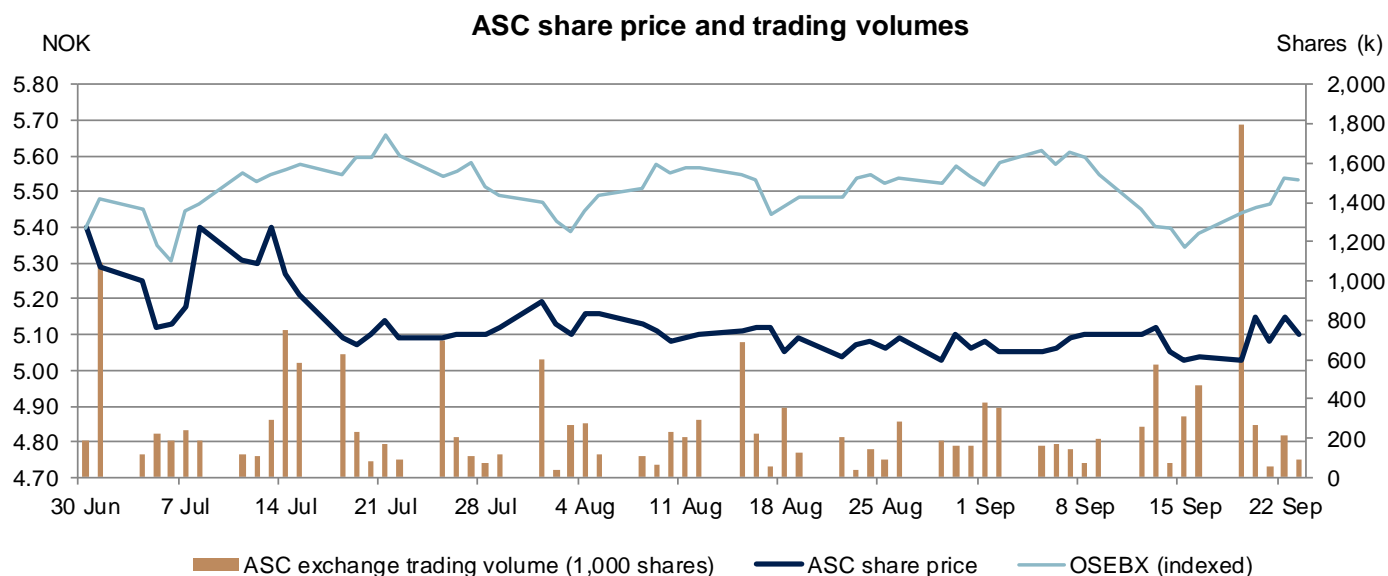
\* Jan Petter Collier, who is a board member in ABG Sundal Collier Holding ASA, and family own a total of 40,631,000 shares including shares owned by Sanden AS.

\*\* Knut Brundtland, who is CEO, and family own a total of 5,050,000 shares including shares owned by Giotto AS.

An up to date list of the 20 largest shareholders can be found under the Investor Relations section on the ABGSC web site ([www.abgsc.com](http://www.abgsc.com)).

## Share price development

The ABG Sundal Collier Holding ASA share is listed on the Oslo Stock Exchange with the ticker symbol "ASC".



The closing price per share was NOK 5.40 as of 30 June 2016, and NOK 5.09 as of 30 September 2016. The highest closing price observed during the period was NOK 5.40 and the lowest was NOK 5.03.

The daily average traded volume during the quarter on the Oslo Stock Exchange was 268k shares. According to the Fidessa Fragmentation Index, 91% of the total traded volume over the period took place on the Oslo Stock Exchange.

## Forward contracts with partners

As part of the partner share incentive programme, several partners in the firm have entered into forward contracts for the future delivery of shares. Under the programme, new and certain existing partners are given the opportunity to acquire restricted partner shares at a 15% discount (reflecting the restrictions imposed on partner shares).

The settlement price is based on the 30-day-volume weighted average market price for shares on the initial contract date. The final settlement price will be adjusted to reflect any distribution to shareholders paid prior to settlement. The interest element in the forward contract will also lead to an adjustment of the settlement price in cases where the contract is settled prior to the original expiry date.

The forward contracts have settlement in the period 2017 to 2019.

<b>Expiry year</b>	<b>Forward contracts (1,000)</b>	<b>Forward average price</b>
2017	10,552	2.99
2018	8,754	2.98
2019	10,155	4.73
<b>Total</b>	<b>29,462</b>	

### *Policy for distribution to shareholders*

The Board is committed to returning excess capital to shareholders through stable cash distribution and the buy-back of shares over time. Excess capital will be evaluated on a continuous basis, taking into consideration a number of factors including market conditions, regulatory requirements, counterparty and market perceptions and the nature of our business.

The Board currently has a mandate from the shareholders to acquire a number of ASC shares corresponding to approximately 10% of the share capital. The one-year mandate is valid until the end of June 2017.

### *Financial calendar*

ABGSC has approved the financial calendar for the accounting year 2016:

- 14 February 2017: Earnings release Q4 / preliminary full-year figures 2016



## SUPPLEMENTARY INFORMATION

Historical figures – nine quarters

Income statement		Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Revenues	NOKm	218	392	296	376	251	391	231	350	242
Operating costs	NOKm	-181	-275	-228	-268	-206	-288	-198	-267	-204
<b>Operating profit</b>	<b>NOKm</b>	<b>38</b>	<b>117</b>	<b>68</b>	<b>108</b>	<b>44</b>	<b>103</b>	<b>34</b>	<b>83</b>	<b>37</b>
Net financial result	NOKm	5	2	4	1	5	7	2	1	1
<b>Profit before tax</b>	<b>NOKm</b>	<b>43</b>	<b>119</b>	<b>72</b>	<b>110</b>	<b>49</b>	<b>110</b>	<b>36</b>	<b>84</b>	<b>38</b>
Taxes	NOKm	-13	-24	-20	-32	-13	-46	-10	-23	-10
<b>Net profit</b>	<b>NOKm</b>	<b>29</b>	<b>95</b>	<b>53</b>	<b>78</b>	<b>36</b>	<b>64</b>	<b>26</b>	<b>62</b>	<b>28</b>

Balance sheet		Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>Total non-current assets</b>	<b>NOKm</b>	<b>157</b>	<b>149</b>	<b>131</b>	<b>121</b>	<b>109</b>	<b>99</b>	<b>97</b>	<b>88</b>	<b>84</b>
Receivables	NOKm	3,851	1,257	3,412	2,629	3,173	1,166	2,179	3,071	2,537
Investments	NOKm	353	195	183	201	251	291	120	309	228
Cash and bank deposits	NOKm	1,042	1,014	931	563	762	854	843	710	728
<b>Total current assets</b>	<b>NOKm</b>	<b>5,246</b>	<b>2,467</b>	<b>4,526</b>	<b>3,394</b>	<b>4,185</b>	<b>2,311</b>	<b>3,142</b>	<b>4,091</b>	<b>3,493</b>
<b>Total assets</b>	<b>NOKm</b>	<b>5,403</b>	<b>2,615</b>	<b>4,658</b>	<b>3,515</b>	<b>4,294</b>	<b>2,411</b>	<b>3,239</b>	<b>4,178</b>	<b>3,576</b>
<b>Total equity</b>	<b>NOKm</b>	<b>1,153</b>	<b>1,248</b>	<b>1,317</b>	<b>874</b>	<b>919</b>	<b>998</b>	<b>1,020</b>	<b>780</b>	<b>802</b>
Long-term liabilities	NOKm	22	19	19	18	19	18	18	18	18
Short-term interest bearing liabilities	NOKm	140	0	0	139	0	0	0	396	0
Short-term liabilities	NOKm	4,087	1,348	3,322	2,483	3,357	1,395	2,202	2,984	2,756
<b>Total liabilities</b>	<b>NOKm</b>	<b>4,250</b>	<b>1,367</b>	<b>3,341</b>	<b>2,641</b>	<b>3,375</b>	<b>1,413</b>	<b>2,220</b>	<b>3,398</b>	<b>2,774</b>
<b>Total equity and liabilities</b>	<b>NOKm</b>	<b>5,403</b>	<b>2,615</b>	<b>4,658</b>	<b>3,515</b>	<b>4,294</b>	<b>2,411</b>	<b>3,239</b>	<b>4,178</b>	<b>3,576</b>

Revenue split		Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Equities	NOKm	88	149	136	150	113	142	112	133	114
Non-Equities (Fixed Income, CB & FX)	NOKm	37	50	30	45	28	50	27	43	32
<b>Markets</b>	<b>NOKm</b>	<b>125</b>	<b>199</b>	<b>166</b>	<b>195</b>	<b>141</b>	<b>192</b>	<b>138</b>	<b>175</b>	<b>145</b>
<b>Investment Banking</b>	<b>NOKm</b>	<b>93</b>	<b>193</b>	<b>130</b>	<b>180</b>	<b>110</b>	<b>199</b>	<b>93</b>	<b>175</b>	<b>96</b>
<b>Revenues</b>	<b>NOKm</b>	<b>218</b>	<b>392</b>	<b>296</b>	<b>376</b>	<b>251</b>	<b>391</b>	<b>231</b>	<b>350</b>	<b>241</b>

Key figures		Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>Headcount (average)</b>	<b>#</b>	<b>257</b>	<b>259</b>	<b>255</b>	<b>250</b>	<b>252</b>	<b>252</b>	<b>253</b>	<b>256</b>	<b>250</b>
Revenues per head (average)	NOKm	0.85	1.51	1.16	1.50	0.99	1.55	0.91	1.37	0.96
Operating costs per head (average)	NOKm	-0.70	-1.06	-0.89	-1.07	-0.82	-1.14	-0.78	-1.04	-0.82
Operating cost / Revenues	%	83%	70%	77%	71%	82%	74%	85%	76%	85%
Total compensation / Revenues	%	58%	53%	56%	54%	56%	55%	58%	58%	61%
Operating margin %	%	17%	30%	23%	29%	18%	26%	15%	24%	15%
Return on Equity (annualised)	%	10%	32%	16%	28%	16%	27%	10%	27%	14%

<b>Shares outstanding (period end)</b>	<b>(1,000)</b>	<b>458,366</b>	<b>459,946</b>	<b>459,946</b>	<b>466,168</b>	<b>466,168</b>	<b>466,168</b>	<b>466,168</b>	<b>470,747</b>	<b>470,747</b>
Treasury shares (period end)	(1,000)	-47	-3,986	-2,503	-9,128	-8,933	-3,043	-2,948	-5,820	-4,230
Forward contracts outstanding (period end)	(1,000)	46,227	43,997	57,116	36,512	36,272	30,383	40,788	31,033	29,462
<b>Diluted shares (period end)</b>	<b>(1,000)</b>	<b>504,546</b>	<b>499,957</b>	<b>514,559</b>	<b>493,552</b>	<b>493,507</b>	<b>493,507</b>	<b>504,007</b>	<b>495,960</b>	<b>495,978</b>
Earnings per share (basic)	NOK	0.06	0.21	0.11	0.17	0.08	0.14	0.06	0.13	0.06
<b>Earnings per share (diluted)</b>	<b>NOK</b>	<b>0.06</b>	<b>0.19</b>	<b>0.11</b>	<b>0.16</b>	<b>0.07</b>	<b>0.13</b>	<b>0.05</b>	<b>0.12</b>	<b>0.06</b>
Book value per share (basic)	NOK	2.52	2.72	2.87	1.88	1.98	2.14	2.19	1.66	1.71
Book value per share (diluted)	NOK	2.63	2.83	2.99	2.00	2.09	2.23	2.33	1.78	1.82
Total capital adequacy	NOKm	3,537	2,804	2,820	2,835	2,940	3,286	2,879	3,219	3,020
Core capital	NOKm	961	747	757	697	697	687	687	669	670
<b>Total capital adequacy ratio</b>	<b>%</b>	<b>27%</b>	<b>27%</b>	<b>27%</b>	<b>25%</b>	<b>24%</b>	<b>21%</b>	<b>24%</b>	<b>21%</b>	<b>22%</b>
Minimum requirement coverage ratio	x	3.4x	3.3x	3.4x	3.1x	3.0x	2.6x	3.0x	2.6x	2.8x

<b>Markets</b>		<b>Q3 2014</b>	<b>Q4 2014</b>	<b>Q1 2015</b>	<b>Q2 2015</b>	<b>Q3 2015</b>	<b>Q4 2015</b>	<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>
Revenues	NOKm	125	199	166	196	141	192	138	175	145
Fixed operating costs	NOKm	94	105	110	103	105	112	107	108	97
<b>Operating profit before variable comp.</b>	<b>NOKm</b>	<b>32</b>	<b>94</b>	<b>56</b>	<b>93</b>	<b>36</b>	<b>80</b>	<b>31</b>	<b>68</b>	<b>48</b>
Headcount (average)	#	82	83	79	74	73	74	73	73	73

<b>Investment Banking</b>		<b>Q3 2014</b>	<b>Q4 2014</b>	<b>Q1 2015</b>	<b>Q2 2015</b>	<b>Q3 2015</b>	<b>Q4 2015</b>	<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>
Revenues	NOKm	93	193	130	180	110	199	93	175	96
Fixed operating costs	NOKm	49	57	50	59	55	59	57	69	62
<b>Operating profit before variable comp.</b>	<b>NOKm</b>	<b>44</b>	<b>136</b>	<b>80</b>	<b>122</b>	<b>55</b>	<b>140</b>	<b>36</b>	<b>106</b>	<b>34</b>
Headcount (average)	#	65	68	69	68	70	71	73	75	74