

# Q1 2018

## Interim report



### **Revenues and profitability in line with Q1 last year**

Revenues of NOK 305m vs NOK 312m last year (-2%)

EPS of NOK 0.12 compared to NOK 0.13 last year

### **Robust capitalisation and liquid balance sheet**

Group capital adequacy ratio of 1.8x the regulatory minimum requirement after the NOK 0.50 payment to shareholders

## **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 investment research and brokerage services.

We are a leading Nordic full-service advisor for companies looking to issue bonds, convertible bonds and equities or seeking M&A or restructuring advisory services. By being an independent advisory partnership, our clients can rest assured that they not only get access to the most dedicated and talented people, but also a firm that has all the right incentives for pricing and structuring transactions in the best interests of its clients.

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.

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 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, Germany and Singapore.

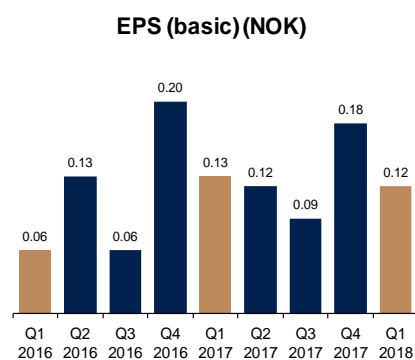
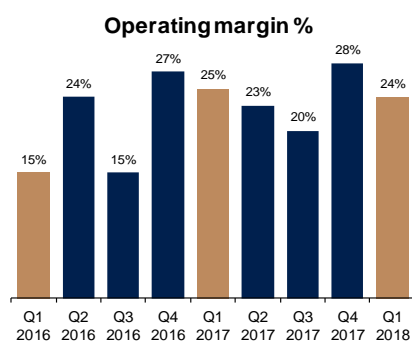
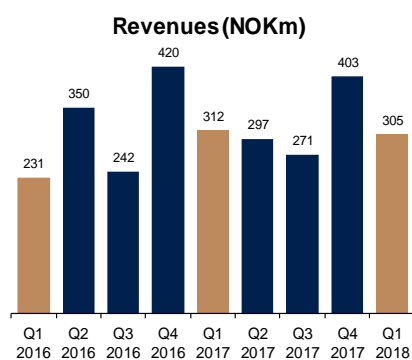
## **OUR VISION AND MISSION**

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

		Q1 2018	Q1 2017	Y-o-Y
<b>Revenues</b>	<b>NOKm</b>	<b>305</b>	<b>312</b>	<b>-2%</b>
Personnel costs	NOKm	-170	-173	-2%
Non-personnel costs	NOKm	-63	-62	3%
<b>Total operating costs</b>	<b>NOKm</b>	<b>-233</b>	<b>-235</b>	<b>-1%</b>
<b>Operating profit</b>	<b>NOKm</b>	<b>72</b>	<b>77</b>	<b>-6%</b>
Net financials	NOKm	0	4	-93%
<b>Profit before tax</b>	<b>NOKm</b>	<b>73</b>	<b>81</b>	<b>-10%</b>
Taxes	NOKm	-18	-23	-22%
Non-controlling interests	NOKm	-1	0	NA
<b>Net profit</b>	<b>NOKm</b>	<b>54</b>	<b>58</b>	<b>-7%</b>
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EPS (basic)	NOK	0.12	0.13	-8%
EPS (diluted)	NOK	0.11	0.12	-8%
Book value per share	NOK	1.78	1.89	-6%
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Headcount (average)	#	261	257	2%
Revenues per head (average)	NOKm	1.17	1.21	-3%
Operating costs per head (average)	NOKm	-0.89	-0.91	-2%
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Operating cost / Revenues	%	76.3%	75.3%	
Total compensation / Revenues	%	55.6%	55.5%	
Operating margin %	%	23.7%	24.7%	
Return on Equity (annualised)	%	25.5%	26.4%	



## COMMENTS FROM THE CEO

The start of the year has been particularly satisfying for ABGSC, both because activity has remained high and because we have had the pleasure and trust of being involved in so many transactions within all of the product areas that we offer. Although the Investment Banking business by nature can be described as dynamic, volatile and at times somewhat lumpy, we have once again proven the value of our diversified operation. Regulatory- or structural headwinds or cyclical downturns observed within some business areas or locations are offset by improvements in others. This is the benefit of a broad platform in terms of geography, clients, products and sector competence and allows us to transform our business when required and to operate with a long-term focus to the best interest of our clients and other stakeholders.

While the global industrial cycle is strong, it could be peaking as leading indicators have turned down recently. A broad-based income growth for consumers has spurred consumption growth, but capacity utilization has risen above trend and inflation pressure is increasing. The removal of monetary stimulus, peaking leading indicators, increased geo-political tension and fear of a trade war have increased the volatility in financial markets. Nevertheless, the primary market for IPOs and high yield bonds on Nordic documentation was open throughout most of the first quarter.

In the market as a whole, there were six main-list IPOs completed in the Nordic region in the quarter, three of which were in Norway, two in Finland and one in Sweden. This compares to three IPOs in Q1 2017 as well as in Q1 2016. In this context, I would especially like to highlight that ABGSC was joint global coordinator and bookrunner in the NOK 7.4bn IPO of Elkem, which represents the largest IPO in Norway since 2010, and in the NOK 1.4bn IPO of Fjordkraft.

NOK 38bn in new issues is the highest high yield Q1 volume ever, and if the activity level is upheld throughout 2018 it will be a new record year for high yield. The impressive new issue volume was driven by a record quarter in Sweden, with NOK 20bn, and also a historic top three Q1 in Norway, with NOK 17bn. Swedish new issue volume was as usual dominated by senior unsecured real estate bonds, while it is worth noting that more than 40% of the Norwegian issue volume was for companies owned by private equity.

Meanwhile, announced Nordic M&A volumes during Q1 were below trend and the levels observed for the same period last year. Acknowledging that we have been predicting a pick-up in this market for a while now without seeing it materialising to the extent expected, we still see the underlying fundamentals continuing to stimulate an increased activity level going forward.

The implementation of the MiFID II regulations at the start of 2018 is expected to have a meaningful impact on the market for research and brokerage services. While revenues within this area are somewhat down so far, we still find it premature to draw any firm conclusions on the financial impact of this change with regards to our operations. ABGSC has been well prepared for this change, both operationally and in terms of technology. We are maintaining our current client relationships with all key counterparties, both within research advisory and trading. ABGSC will not weaken its leading product offering in this segment and we believe we will be able to offset any lost revenues within this area by growing our market share and further developing our primary capital market business.

Our transaction pipeline for 2018 is developing well, and we have ambitions to further grow our client base while broadening our product and service offering to current and new clients.

*Knut Brundtland, CEO*

## MARKETS DIVISION

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

Revenues in the Markets division primarily comprise secondary commissions on client trades, payments for investment advisory services and research, 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.

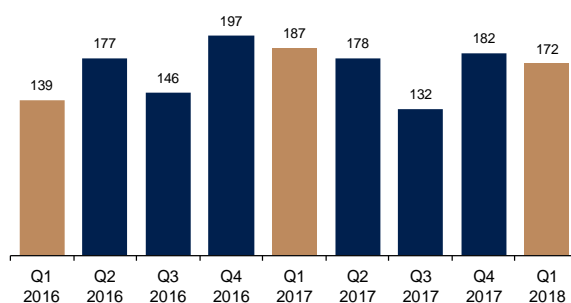
### Key figures and comments

NOKm	Q1 2018	Q1 2017	Y-o-Y
Equities	144	139	3%
Non-Equities (Fixed Income, CB & FX)	28	48	-40%
<b>Revenues</b>	<b>172</b>	<b>187</b>	<b>-8%</b>
Revenues - 4 quarter rolling avg.	166	177	-6%

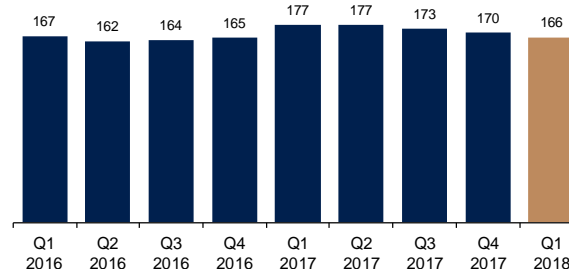
  

NOKm	Q1 2018	Q1 2017	Y-o-Y
Revenues	172	187	-8%
Fixed operating costs	-98	-98	1%
<b>Operating profit before variable comp.</b>	<b>74</b>	<b>89</b>	<b>-17%</b>
Headcount (average)	69	74	-7%
Revenues per head (average)	2.48	2.52	-2%
Operating costs per head (average)	-1.42	-1.32	8%

Revenues (NOKm)



Revenues - 4 quarter rolling avg. (NOKm)



Markets' revenues of NOK 172m in Q1 were down 8% from NOK 187m last year. Revenues from Equities were up 3% compared to last year while Non-Equities revenues decreased by 40% year-over-year, from NOK 48m to NOK 28m, primarily as a consequence of the closure of the Convertible Bonds sales and trading operation in Q4 2017. The contribution from Convertible Bonds for the remainder of 2017 was marginal.

The average headcount for the Markets division in Q1 was 69, down 7% year-over-year, with average revenue per head decreasing by 2%. Operating profit before variable compensation decreased to NOK 74m from NOK 89m for the same period last year.

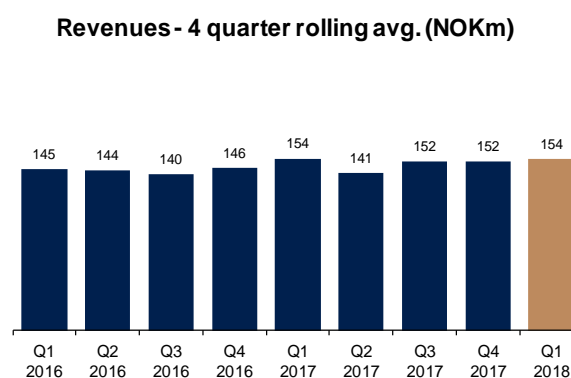
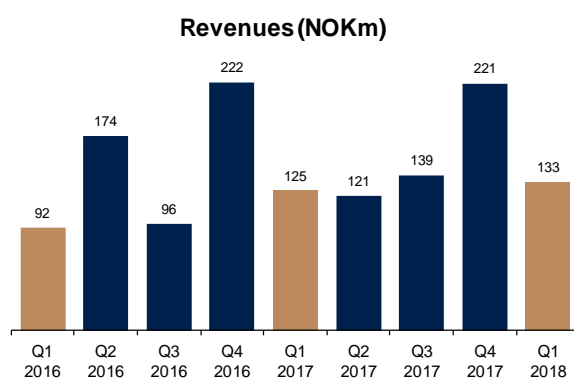
## INVESTMENT BANKING DIVISION

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	Q1 2018	Q1 2017	Y-o-Y
Revenues	133	125	6%
Fixed operating costs	-62	-58	7%
<b>Operating profit before variable comp.</b>	<b>71</b>	<b>68</b>	<b>6%</b>
Headcount (average)	81	76	7%
Revenues per head (average)	1.65	1.65	0%
Operating costs per head (average)	-0.77	-0.76	1%



Net Investment Banking revenues totalled NOK 133m in Q1, up 6% compared to Q1 last year. The average headcount for Investment Banking in the quarter was 81, up 7% year-over-year, while average revenue per head was stable year-over-year. Operating profit before variable compensation was NOK 71m, up 6% compared to the same period last year.

### Selected announced transactions

During Q1, ABGSC advised HgCapital on the sale of Frösunda Omsorg, one of the leading Swedish providers of care services, to Adolfsen Group, owned by Kristian and Roger Adolfsen. ABGSC advised Fjordkraft Holding ASA as the company entered into an agreement to acquire TrønderEnergi Marked. In addition, ABGSC acted as advisor to the owners of SurfTown and Cohaesio, leading Danish providers of shared hosting and IT outsourcing, respectively, in the sale to Zitcom and Sentia both backed by Waterland Private Equity. The transactions is part of an ongoing consolidation of the Nordic shared hosting and IT outsourcing market.

Q1 2018 was a very active period for ABGSC when it comes to ECM transactions. We acted as joint global coordinator and bookrunner in the NOK 7.4bn IPO of Elkem, a leading speciality chemicals company. The Elkem IPO was the largest in Norway since 2010 and the second-largest IPO since the Statoil IPO in 2001. ABGSC furthermore acted as sole global coordinator in the NOK 1,397m IPO of Fjordkraft, a leading electricity retailer in Norway. ABGSC also completed several new share issues during the quarter, including a USD 250m private placement in the drilling contractor Borr Drilling, a NOK 759m private placement in Ocean Yield, a company with investments in vessels on long-term charters, and a NOK 510m private placement in Awilco Drilling, a UK-based drilling contractor. Other notable transactions completed in Norway in the quarter were the NOK 300m private placement in Polarcus, a marine geophysical company, and the NOK 300m private placement in Mageis, a Norwegian geophysical company specialising in ocean bottom seismic acquisition.

Furthermore, ABGSC acted as joint bookrunner in the SEK 384m directed new share issue in Oncopeptides, a clinical development pharmaceutical company, and as sole bookrunner in the SEK 85m directed new share issue in BioInvent, a Swedish biotech company. We also acted as sole manager in the NOK 150m private placement in Kahoot!, a game-based learning and trivia platform used in classrooms, offices and social settings, and as joint bookrunner in the NOK 100m new share issue in Easybank, a Norwegian niche bank listed on the NOTC A-list in Oslo

The activity levels within DCM in Q1 were very impressive, and if this positive trend continues, 2018 will be a record year for high yield. ABGSC was bookrunner for eight new bond issues for companies in the E&P, TMT, healthcare and real estate sectors. Early in the quarter, ABGSC managed a USD 65m senior secured bond issue by Seagull, a leading provider of computer-based training and e-learning to the maritime sector, a SEK 500m senior unsecured bond issue by ENEA, a global information technology company, and a NOK 120m senior secured bond by Ulna Barnehager, a professional kindergarten company that owns and operates twenty kindergartens in Norway. In March, a SEK 100m senior secured bond issue by Prime Living was completed. Prime Living is an innovative development company that builds, manages and rents housing to students in Sweden. Moreover, ABGSC acted as joint bookrunner in the EUR 70m senior secured bond by Sand Hill Petroleum, a newly formed oil and gas E&P company. We also acted as joint bookrunner in the SEK 600m senior notes issue and the SEK 150m junior notes issue for Brado AB (Frösunda). Frösunda is a leading Swedish private provider of care services in the fields of personal assistance, individual and family, disability and elderly care.



## FINANCIAL STATEMENTS

### Financial review

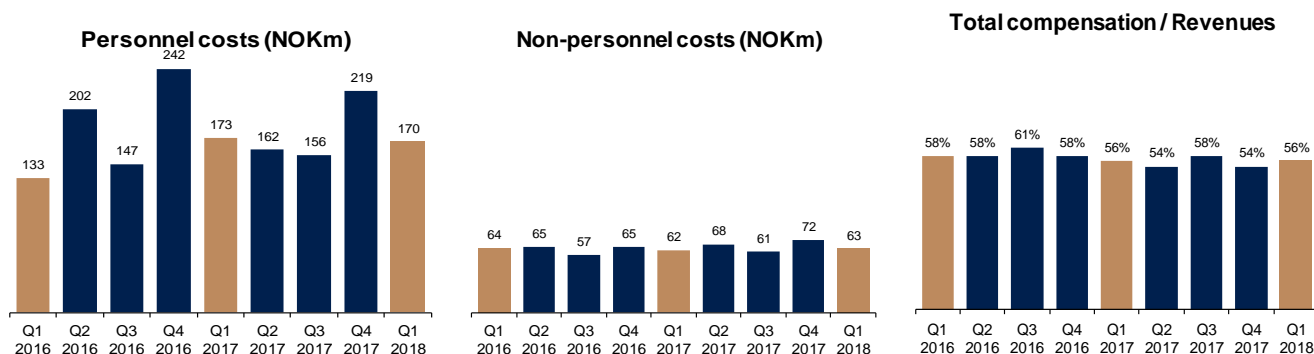
Revenues of NOK 305m in Q1 2018 were in line with the same period last year. While commission and research payments were somewhat down post MiFID II implementation, this has been partly offset by slightly higher Investment Banking revenues, primarily driven by a strong ECM quarter.

Total operating costs were also stable, decreasing by 1%, from NOK 235m in Q1 last year to NOK 233m. The y-o-y change is primarily driven by lower variable remuneration costs being an indirect function of revenues, somewhat offset by higher fixed staff costs due to increased headcount.

Net financial income was NOK 0m in Q1, compared to NOK 4m in Q1 2017. Pre-tax profit was NOK 73m and the tax charge was NOK 18m, resulting in a net profit to the owner of the parent of NOK 54m in the quarter compared to NOK 58m last year.

Basic earnings per share (EPS) was NOK 0.12 for Q1, compared to NOK 0.13 in the same period last year.

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 is 1.8 times the regulatory requirement after the proposed payment to shareholders of NOK 0.50 per share.





*Condensed consolidated income statement (unaudited)*

NOKm	Q1 2018	Q1 2017	2017
Brokerage and research revenues	94.9	117.9	434.1
Corporate Finance revenues	210.4	194.1	849.1
<b>Total revenues</b>	<b>305.3</b>	<b>312.0</b>	<b>1,283.1</b>
Fixed personnel costs	-96.9	-93.9	-384.8
Other operating costs	-61.2	-60.1	-253.4
Depreciation	-2.2	-1.6	-8.5
<b>Total operating costs</b>	<b>-160.2</b>	<b>-155.6</b>	<b>-646.7</b>
<b>Operating profit before variable compensation</b>	<b>145.1</b>	<b>156.4</b>	<b>636.4</b>
Variable personnel costs	-72.7	-79.4	-325.7
<b>Operating profit after variable compensation</b>	<b>72.3</b>	<b>77.0</b>	<b>310.7</b>
Net financial result	0.3	4.1	20.1
<b>Profit before tax</b>	<b>72.6</b>	<b>81.1</b>	<b>330.8</b>
Taxes	-17.9	-23.1	-84.5
<b>Net profit</b>	<b>54.7</b>	<b>58.0</b>	<b>246.3</b>
Profit / loss to non-controlling interests	0.8	0.0	5.8
Profit / loss to owners of the parent	53.8	58.0	240.5

*Condensed other comprehensive income*

NOKm	Q1 2018	Q1 2017	2017
<b>Net profit</b>	<b>54.7</b>	<b>58.0</b>	<b>246.3</b>
<b>Items that may be reclassified to profit or loss</b>			
Exchange differences on translating foreign operations	-17.3	2.6	7.6
Hedging of investment in foreign subsidiaries	17.6	-1.7	-7.1
Income tax relating to items that may be reclassified	-4.4	0.4	1.8
<b>Total other comprehensive income</b>	<b>-4.1</b>	<b>1.3</b>	<b>2.3</b>
<b>Total comprehensive income for the period</b>	<b>50.6</b>	<b>59.3</b>	<b>248.6</b>
Comprehensive income to non-controlling interests	0.8	0.0	5.8
Comprehensive income to owners of the parent	49.8	59.3	242.8

*Condensed consolidated balance sheet (unaudited)*

NOKm	31/03/2018	31/03/2017	31/12/2017
Total intangible assets	124.6	53.8	124.6
Plant and equipment	16.5	24.8	18.7
Financial non-current assets	13.9	13.2	19.3
<b>Total non-current assets</b>	<b>155.0</b>	<b>91.7</b>	<b>162.6</b>
Receivables	1,753.2	3,848.9	893.8
Investments	83.0	242.2	83.4
Cash and bank deposits	681.6	745.4	902.0
<b>Total current assets</b>	<b>2,517.9</b>	<b>4,836.6</b>	<b>1,879.3</b>
<b>Total assets</b>	<b>2,672.9</b>	<b>4,928.3</b>	<b>2,041.9</b>
Paid-in capital	302.9	303.7	305.2
Retained earnings	526.8	580.2	552.1
<b>Equity attributable to owners of the parent</b>	<b>829.7</b>	<b>883.9</b>	<b>857.4</b>
Non controlling interests	39.9	0.0	58.3
<b>Total equity</b>	<b>869.6</b>	<b>883.9</b>	<b>915.7</b>
Long-term liabilities	25.1	16.3	14.8
Short-term liabilities	1,778.1	4,028.1	1,111.4
<b>Total liabilities</b>	<b>1,803.3</b>	<b>4,044.5</b>	<b>1,126.2</b>
<b>Total equity and liabilities</b>	<b>2,672.9</b>	<b>4,928.3</b>	<b>2,041.9</b>

*Condensed statement of changes in equity*

NOKm	Q1 2018	Q1 2017	2017
<b>Equity attributable to owners of the parent - opening balance</b>	<b>857.4</b>	<b>876.0</b>	<b>876.0</b>
Comprehensive income to owners of the parent	49.8	59.3	242.8
Payment to shareholders	0.0	0.0	-235.4
New issuing of shares	0.0	0.0	0.0
Change in own shares	-77.5	-51.4	-26.0
<b>Equity attributable to owners of the parent - closing balance</b>	<b>829.7</b>	<b>883.9</b>	<b>857.4</b>
<b>Equity attributable to non-controlling interests - Opening balance</b>	<b>58.3</b>	<b>0.0</b>	<b>0.0</b>
Comprehensive income to non-controlling interests	0.8	0.0	5.8
Payment to shareholders	-19.2	0.0	0.0
Business combinations	0.0	0.0	52.5
<b>Equity attributable to non-controlling interests - Closing balance</b>	<b>39.9</b>	<b>0.0</b>	<b>58.3</b>
<b>Total equity - closing balance</b>	<b>869.6</b>	<b>883.9</b>	<b>915.7</b>

*Condensed consolidated cash flow statement*

NOKm	Q1 2018	Q1 2017	2017
<b>Cash and cash equivalents - opening balance</b>	<b>902.0</b>	<b>748.5</b>	<b>748.5</b>
Net cash flow from operating activities	-129.1	52.4	433.3
Net cash flow from investing activities	5.4	-3.6	-16.3
Net cash flow from financing activities	-96.7	-51.9	-263.5
<b>Net change in cash and cash equivalents</b>	<b>-220.4</b>	<b>-3.1</b>	<b>153.5</b>
<b>Cash and cash equivalents - closing balance</b>	<b>681.6</b>	<b>745.4</b>	<b>902.0</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 2017 annual report, except for the implementation of IFRS 9 and IFRS 15, which entered into effect on 1 January 2008. IFRS 9/IFRS 15 do not have any material effects on the financial statements. For further information, we refer to the accounting principles in the 2017 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 require 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 2017.

### 3) *Risk and uncertainty*

As described in ABGSC's 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 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>Q1 2018</b>	<b>Q1 2017</b>	<b>YTD 2018</b>	<b>YTD 2017</b>
Revenues - external	NOKm	93	108	93	108
Revenues - allocated to/from other operating segments	NOKm	79	78	79	78
<b>Total revenues</b>	<b>NOKm</b>	<b>172</b>	<b>187</b>	<b>172</b>	<b>187</b>
Fixed operating costs	NOKm	98	98	98	98
<b>Operating profit before variable compensation</b>	<b>NOKm</b>	<b>74</b>	<b>89</b>	<b>74</b>	<b>89</b>
<b>Investment Banking</b>					
	<b>NOKm</b>	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>YTD 2018</b>	<b>YTD 2017</b>
Revenues - external	NOKm	212	204	212	204
Revenues - allocated to/from other operating segments	NOKm	-79	-78	-79	-78
<b>Total revenues</b>	<b>NOKm</b>	<b>133</b>	<b>125</b>	<b>133</b>	<b>125</b>
Fixed operating costs	NOKm	62	58	62	58
<b>Operating profit before variable compensation</b>	<b>NOKm</b>	<b>71</b>	<b>68</b>	<b>71</b>	<b>68</b>
<b>Operating revenues from external customers by geographical segments</b>					
		<b>Q1 2018</b>	<b>Q1 2017</b>	<b>YTD 2018</b>	<b>YTD 2017</b>
Norway	NOKm	156	129	156	129
Sweden	NOKm	75	122	75	122
Denmark	NOKm	18	13	18	13
International	NOKm	57	48	57	48
<b>Total</b>	<b>NOKm</b>	<b>305</b>	<b>312</b>	<b>305</b>	<b>312</b>

## SHAREHOLDER MATTERS

### Share transactions

During the quarter, ABGSC purchased 14.8m treasury shares at NOK 6.35 per share in a buy-back offer to all shareholders. ABGSC also purchased 0.3m treasury shares from retired partners at an average price of NOK 4.34 per share. ABGSC sold 3.4m treasury shares to partners as settlement of forward contracts previously entered into and sold 1.7m treasury shares to specially identified staff who according to local regulations have to purchase shares as part of their variable compensation. ABGSC also sold 12.6m shares on forward contracts to partners during the quarter as part of the annual share incentive programme.

### Number of shares

		Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
<b>Shares outstanding (period end)</b>	<b>(1,000)</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>
- Treasury shares (period end)	(1,000)	16,835	11,330	10,481	10,024	20,101
+ Forward contracts outstanding (period end)	(1,000)	38,755	33,250	34,469	34,191	43,405
<b>Diluted shares (period end)</b>	<b>(1,000)</b>	<b>492,668</b>	<b>492,668</b>	<b>494,734</b>	<b>494,914</b>	<b>494,051</b>
<b>Shares outstanding (average)</b>	<b>(1,000)</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>
- Treasury shares (average)	(1,000)	8,902	15,043	10,773	10,201	11,798
+ Forward contracts outstanding (average)	(1,000)	32,046	36,964	33,670	34,302	38,622
<b>Diluted shares (average)</b>	<b>(1,000)</b>	<b>493,891</b>	<b>492,668</b>	<b>493,645</b>	<b>494,848</b>	<b>497,570</b>

### Shareholder structure

<b>Shares held by Directors and staff</b>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Shares held by Directors and Staff / Shares outstanding	21%	22%	22%	20%	20%
Shares and fwd contracts held by Directors and Staff / Diluted shares	28%	28%	28%	26%	28%

<b>Shareholders by country (shares outstanding)</b>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Norway	61%	59%	56%	56%	58%
Great Britain	14%	14%	17%	17%	16%
USA	14%	15%	15%	15%	14%
Sweden	4%	4%	4%	4%	4%
Other	6%	8%	8%	9%	8%

## Largest shareholders

20 largest shareholders as of 31 March 2018 (registered in VPS as of 4 April 2018):

Shareholder	Number of shares	%
JP Morgan Bank Luxembourg (nominee)	42,602,700	9.1%
Sanden AS *	39,582,233	8.4%
State Street Bank (nominee)	22,875,060	4.9%
ABG Sundal Collier Holding ASA (own shares)	20,101,439	4.3%
Erling Neby AS	12,000,000	2.5%
Landkreditt Utbytte	10,000,000	2.1%
Fidelity Int Small Cap Fund	9,109,810	1.9%
SEB Prime Solutions	9,100,000	1.9%
Verdipapirfondet Pareto Investment	8,666,830	1.8%
JP Morgan Chase Bank (nominee)	8,489,331	1.8%
Citibank (nominee)	7,956,205	1.7%
State Street Bank (nominee)	7,154,499	1.5%
Watrium AS	7,000,000	1.5%
A/S Skarv	5,500,000	1.2%
Peter Schofield	4,623,000	1.0%
DnB Markets	4,610,043	1.0%
Giotto AS **	4,385,900	0.9%
Swedbank Robur Småbolagsfond Norden	3,994,980	0.8%
Sasan AS ***	3,624,376	0.8%
Sole Active AS	3,085,000	0.7%
<b>Total top 20</b>	<b>234,461,406</b>	<b>49.8%</b>
Other	236,285,689	50.2%
<b>Total</b>	<b>470,747,095</b>	<b>100.0%</b>

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

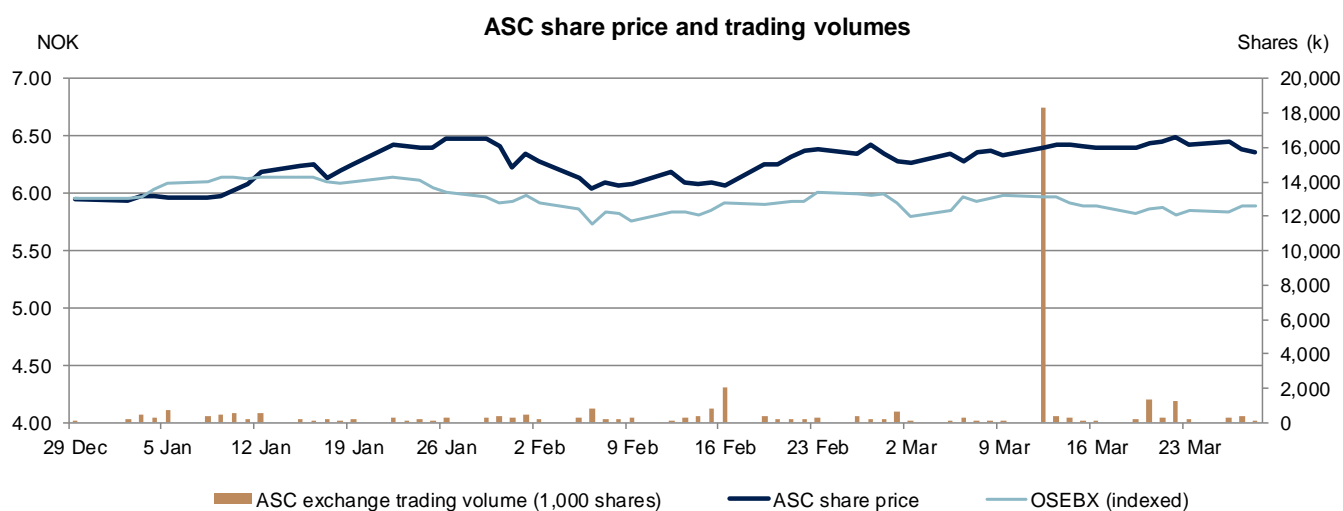
\*\* Knut Brundtland, who is CEO, and family own a total of 5,583,000 shares including shares owned by Giotto AS and Piero AS.

\*\*\* Arild A. Engh, who is a board member of ABG Sundal Collier Holding ASA, owns a total of 5,432,976 shares including shares owned by Sasan AS and Kilen AS.

An up-to-date list of the 20 largest shareholders can be found under the Investor Relations section on the ABGSC website ([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 6.36 as of 28 March 2018. The highest closing price observed during the quarter was NOK 6.49 and the lowest was NOK 5.93.



The average daily traded volume during the quarter on the Oslo Stock Exchange was 647k shares. On 12 March 2018, ABGSC purchased 14.8m treasury shares in a buy-back offering. According to the Fidessa Fragmentation Index, 94% 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 market price, with a 15% price adjustment reflecting several restrictions with regards to the selling (or purchasing) of these shares.

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 2018 to 2023.

<b>Expiry year</b>	<b>Forward contracts (1,000)</b>	<b>Forward average price</b>
2018	4,688	2.52
2019	11,267	4.17
2020	500	3.88
2022	14,525	4.75
2023	12,425	6.00
<b>Total</b>	<b>43,405</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 2018.

### *Financial calendar*

ABGSC has approved the financial calendar for the accounting year 2018:

- 13 July 2018, Earnings release Q2 2018
- 17 October 2018, Earnings release Q3 2018
- 13 February 2019, Earnings release Q4 / preliminary full-year figures 2018

The Annual General Meeting will take place on 26 April 2018 and the first trading day ex. dividend will be 27 April 2018.

## SUPPLEMENTARY INFORMATION

Historical figures – nine quarters

Income statement		Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Revenues	NOKm	231	350	242	420	312	297	271	403	305
Operating costs	NOKm	-198	-267	-204	-307	-235	-229	-217	-291	-233
<b>Operating profit</b>	<b>NOKm</b>	<b>34</b>	<b>83</b>	<b>37</b>	<b>113</b>	<b>77</b>	<b>68</b>	<b>54</b>	<b>112</b>	<b>72</b>
Net financial result	NOKm	2	1	1	11	4	1	5	10	0
<b>Profit before tax</b>	<b>NOKm</b>	<b>36</b>	<b>84</b>	<b>38</b>	<b>124</b>	<b>81</b>	<b>69</b>	<b>59</b>	<b>122</b>	<b>73</b>
Taxes	NOKm	-10	-23	-10	-29	-23	-15	-15	-32	-18
Non-controlling interests	NOKm	0	0	0	0	0	0	-1	-5	-1
<b>Net profit</b>	<b>NOKm</b>	<b>26</b>	<b>62</b>	<b>28</b>	<b>95</b>	<b>58</b>	<b>54</b>	<b>43</b>	<b>85</b>	<b>54</b>

Balance sheet		Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
<b>Total non-current assets</b>	<b>NOKm</b>	<b>97</b>	<b>88</b>	<b>84</b>	<b>90</b>	<b>92</b>	<b>88</b>	<b>145</b>	<b>163</b>	<b>155</b>
Receivables	NOKm	2,179	3,071	2,537	1,729	3,849	3,108	2,531	894	1,753
Investments	NOKm	120	309	228	247	242	158	198	83	83
Cash and bank deposits	NOKm	843	710	728	749	745	904	685	902	682
<b>Total current assets</b>	<b>NOKm</b>	<b>3,142</b>	<b>4,091</b>	<b>3,493</b>	<b>2,724</b>	<b>4,837</b>	<b>4,170</b>	<b>3,414</b>	<b>1,879</b>	<b>2,518</b>
<b>Total assets</b>	<b>NOKm</b>	<b>3,239</b>	<b>4,178</b>	<b>3,576</b>	<b>2,814</b>	<b>4,928</b>	<b>4,258</b>	<b>3,559</b>	<b>2,042</b>	<b>2,673</b>
<b>Equity attributable to owners of the parent</b>	<b>NOKm</b>	<b>1,020</b>	<b>780</b>	<b>802</b>	<b>876</b>	<b>884</b>	<b>724</b>	<b>766</b>	<b>857</b>	<b>830</b>
Non-controlling interests	NOKm	0	0	0	0	0	0	53	58	40
<b>Total equity</b>	<b>NOKm</b>	<b>1,020</b>	<b>780</b>	<b>802</b>	<b>876</b>	<b>884</b>	<b>724</b>	<b>820</b>	<b>916</b>	<b>870</b>
Long-term liabilities	NOKm	18	18	18	17	16	17	16	15	25
Short-term interest bearing liabilities	NOKm	0	396	0	0	0	0	0	0	0
Short-term liabilities	NOKm	2,202	2,984	2,756	1,921	4,028	3,518	2,723	1,111	1,778
<b>Total liabilities</b>	<b>NOKm</b>	<b>2,220</b>	<b>3,398</b>	<b>2,774</b>	<b>1,938</b>	<b>4,044</b>	<b>3,535</b>	<b>2,740</b>	<b>1,126</b>	<b>1,803</b>
<b>Total equity and liabilities</b>	<b>NOKm</b>	<b>3,239</b>	<b>4,178</b>	<b>3,576</b>	<b>2,814</b>	<b>4,928</b>	<b>4,258</b>	<b>3,559</b>	<b>2,042</b>	<b>2,673</b>

Revenue split		Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Equities	NOKm	113	136	114	161	139	129	93	139	144
Non-Equities (Fixed Income, CB & FX)	NOKm	27	41	32	36	48	49	39	43	28
<b>Markets</b>	<b>NOKm</b>	<b>139</b>	<b>177</b>	<b>146</b>	<b>197</b>	<b>187</b>	<b>178</b>	<b>132</b>	<b>182</b>	<b>172</b>
<b>Investment Banking</b>	<b>NOKm</b>	<b>92</b>	<b>174</b>	<b>96</b>	<b>222</b>	<b>125</b>	<b>121</b>	<b>139</b>	<b>221</b>	<b>133</b>
<b>Revenues</b>	<b>NOKm</b>	<b>231</b>	<b>351</b>	<b>242</b>	<b>419</b>	<b>312</b>	<b>298</b>	<b>271</b>	<b>403</b>	<b>305</b>

Key figures		Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
<b>Headcount (average)</b>	<b>#</b>	<b>253</b>	<b>256</b>	<b>251</b>	<b>252</b>	<b>257</b>	<b>250</b>	<b>258</b>	<b>262</b>	<b>261</b>
Revenues per head (average)	NOKm	0.91	1.37	0.96	1.66	1.21	1.19	1.05	1.54	1.17
Operating costs per head (average)	NOKm	-0.78	-1.04	-0.81	-1.22	-0.91	-0.92	-0.84	-1.11	-0.89
Operating cost / Revenues	%	85%	76%	85%	73%	75%	77%	80%	72%	76%
Total compensation / Revenues	%	58%	58%	61%	58%	56%	54%	58%	54%	56%
Operating margin %	%	15%	24%	15%	27%	25%	23%	20%	28%	24%
Return on Equity (annualised)	%	10%	27%	14%	45%	26%	27%	23%	42%	26%

<b>Shares outstanding (period end)</b>	<b>(1,000)</b>	<b>466,168</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>	<b>470,747</b>
Treasury shares (period end)	(1,000)	-2,948	-5,820	-4,230	-9,537	-16,835	-11,330	-10,481	-10,024	-20,101
Forward contracts outstanding (period end)	(1,000)	40,788	31,033	29,462	29,493	38,755	33,250	34,469	34,191	43,405
<b>Diluted shares (period end)</b>	<b>(1,000)</b>	<b>504,007</b>	<b>495,960</b>	<b>495,978</b>	<b>490,703</b>	<b>492,668</b>	<b>492,668</b>	<b>494,734</b>	<b>494,914</b>	<b>494,051</b>
Earnings per share (basic)	NOK	0.06	0.13	0.06	0.20	0.13	0.12	0.09	0.18	0.12
<b>Earnings per share (diluted)</b>	<b>NOK</b>	<b>0.05</b>	<b>0.12</b>	<b>0.06</b>	<b>0.19</b>	<b>0.12</b>	<b>0.11</b>	<b>0.09</b>	<b>0.17</b>	<b>0.11</b>
Book value per share (basic)	NOK	2.19	1.66	1.71	1.87	1.89	1.55	1.64	1.83	1.78
Book value per share (diluted)	NOK	2.33	1.78	1.82	2.00	2.11	1.72	1.81	2.00	2.06
Total capital adequacy	NOKm	2,879	3,219	3,020	3,393	3,565	3,124	3,284	3,153	3,352
Core capital	NOKm	687	669	670	600	549	569	566	588	492
<b>Total capital adequacy ratio</b>	<b>%</b>	<b>24%</b>	<b>21%</b>	<b>22%</b>	<b>18%</b>	<b>15%</b>	<b>18%</b>	<b>17%</b>	<b>19%</b>	<b>15%</b>
Minimum requirement coverage ratio	x	3.0x	2.6x	2.8x	2.2x	1.9x	2.3x	2.2x	2.3x	1.8x

<b>Markets</b>		<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>	<b>Q4 2016</b>	<b>Q1 2017</b>	<b>Q2 2017</b>	<b>Q3 2017</b>	<b>Q4 2017</b>	<b>Q1 2018</b>
Revenues	NOKm	139	177	146	197	187	177	132	181	172
Fixed operating costs	NOKm	107	108	97	109	98	101	98	105	98
<b>Operating profit before variable comp.</b>	<b>NOKm</b>	<b>32</b>	<b>69</b>	<b>49</b>	<b>88</b>	<b>89</b>	<b>76</b>	<b>34</b>	<b>76</b>	<b>74</b>
Headcount (average)	#	73	73	73	70	74	70	73	72	69

<b>Investment Banking</b>		<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>	<b>Q4 2016</b>	<b>Q1 2017</b>	<b>Q2 2017</b>	<b>Q3 2017</b>	<b>Q4 2017</b>	<b>Q1 2018</b>
Revenues	NOKm	92	174	96	222	125	121	139	221	133
Fixed operating costs	NOKm	57	69	62	69	58	61	58	68	62
<b>Operating profit before variable comp.</b>	<b>NOKm</b>	<b>35</b>	<b>106</b>	<b>33</b>	<b>153</b>	<b>68</b>	<b>60</b>	<b>81</b>	<b>153</b>	<b>71</b>
Headcount (average)	#	73	75	75	76	76	75	78	81	81