

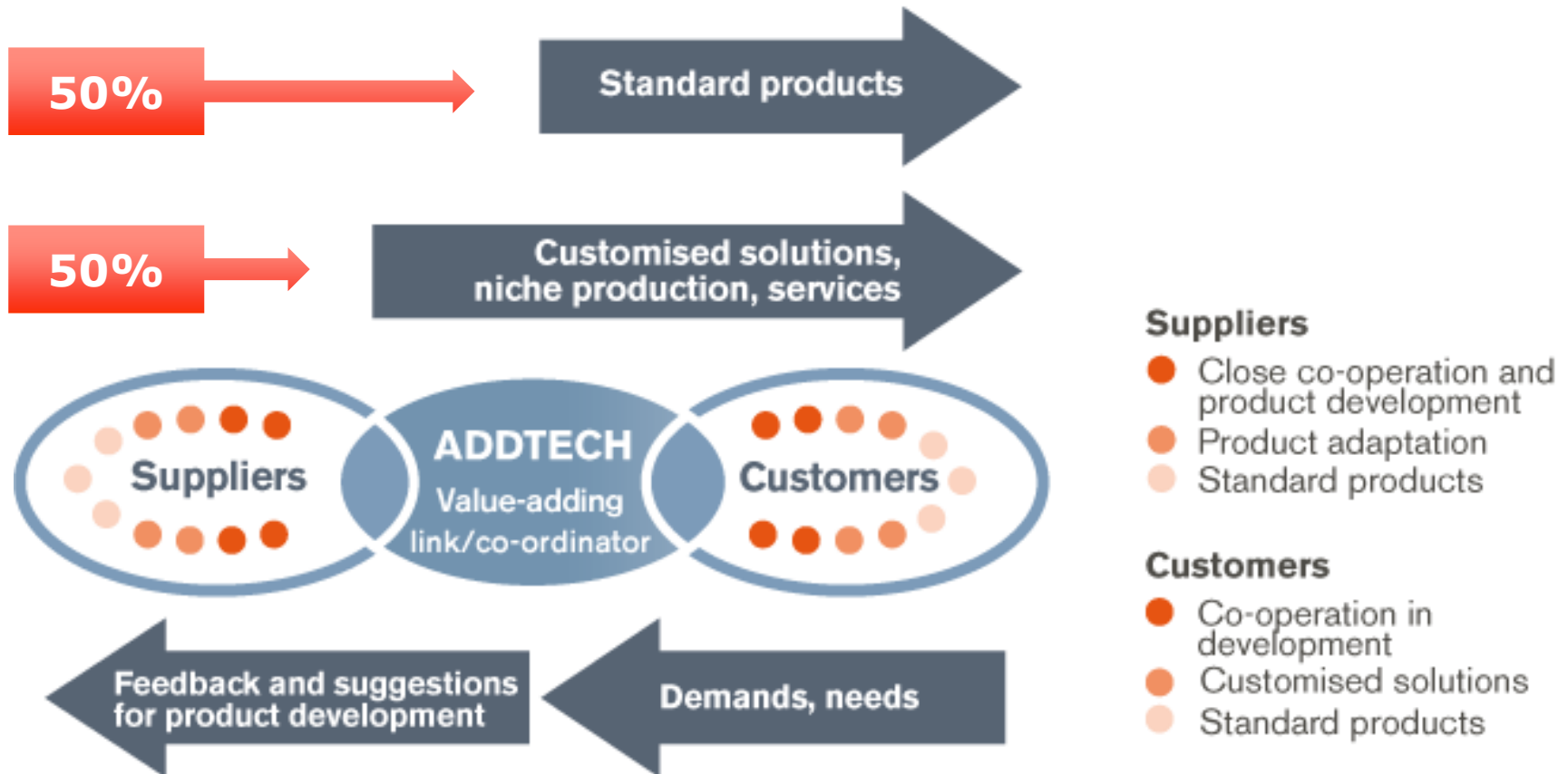
Presentation of Addtech

Addtech in brief

- A technology trading company
- Refining link between suppliers and customers
 - Focus on “Added Value” in product
 - Middle to low-sized volume
- From standard products to own-brand
 - Some own manufacturing
- The Nordic region
 - Other markets with unique offer
- Revenue above SEK 6,000m
 - About 120 decentralised subsidiaries

Addtech - Business model & Focus

B2B trading of technical products



Value **Adding Tech** Provider

Provides technical and economical value added

Strategies for profitable growth

Profitable growth is achieved through continuous business and organisational development





Interim report Q1

1 April 2016 – 30 June 2016

1 April 2016–30 June 2016

- Net sales increased by 20% to SEK 1,760m (1,472)
 - For comparable units +8%
 - Acquired growth +13%
 - Currency effects -1%
- EBITa increased by 38% to SEK 179m (130)
 - EBITa-margin 10.2% (8.8)
- Operating profit increased by 40% to SEK 153m (109)
 - Operating margin 8.7% (7.4)

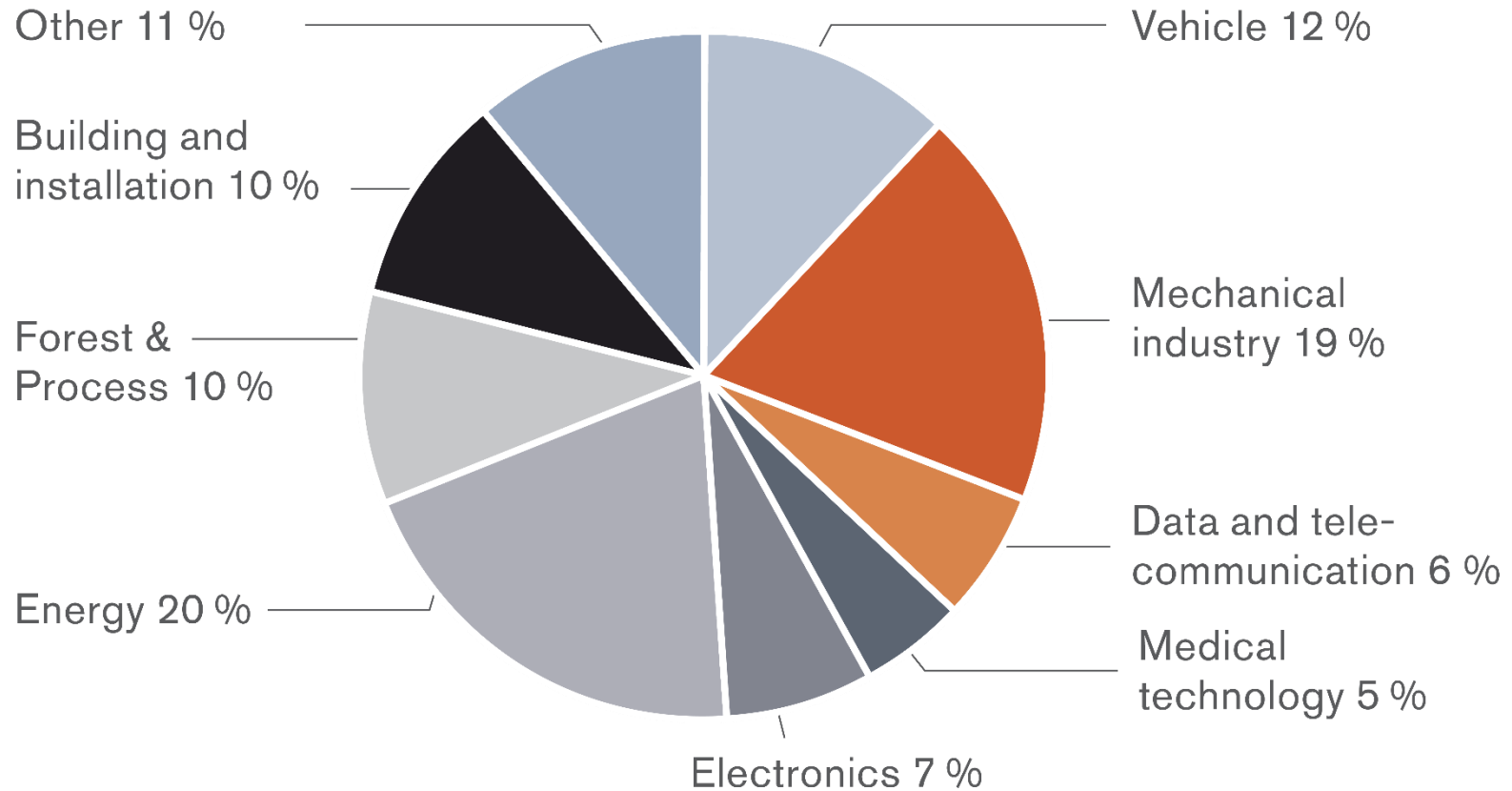
1 April 2016 – 30 June 2016

- The Group presented a good development in the beginning of this financial year.
- Sales and earnings increased, both organically and through acquisitions. The selective cost adjustments carried out has also had a positive effect on earnings. In total operating profit increased by 40 percent compared to the same quarter last year.
- Demand improved in several of the niche markets in which we operate, though our businesses continued to experience considerable variation among customer segments.
- Demand developed positively from customers in infrastructure, such as electricity transmission and the building & installation segments in the Swedish market, while other geographical markets were relatively stable. Within the energy sector, the market situation was particularly positive in wind power. Demand within the oil and gas sector in Norway remains at the same low level as in the fourth quarter. However, there are signs of stabilisation and some recovery.

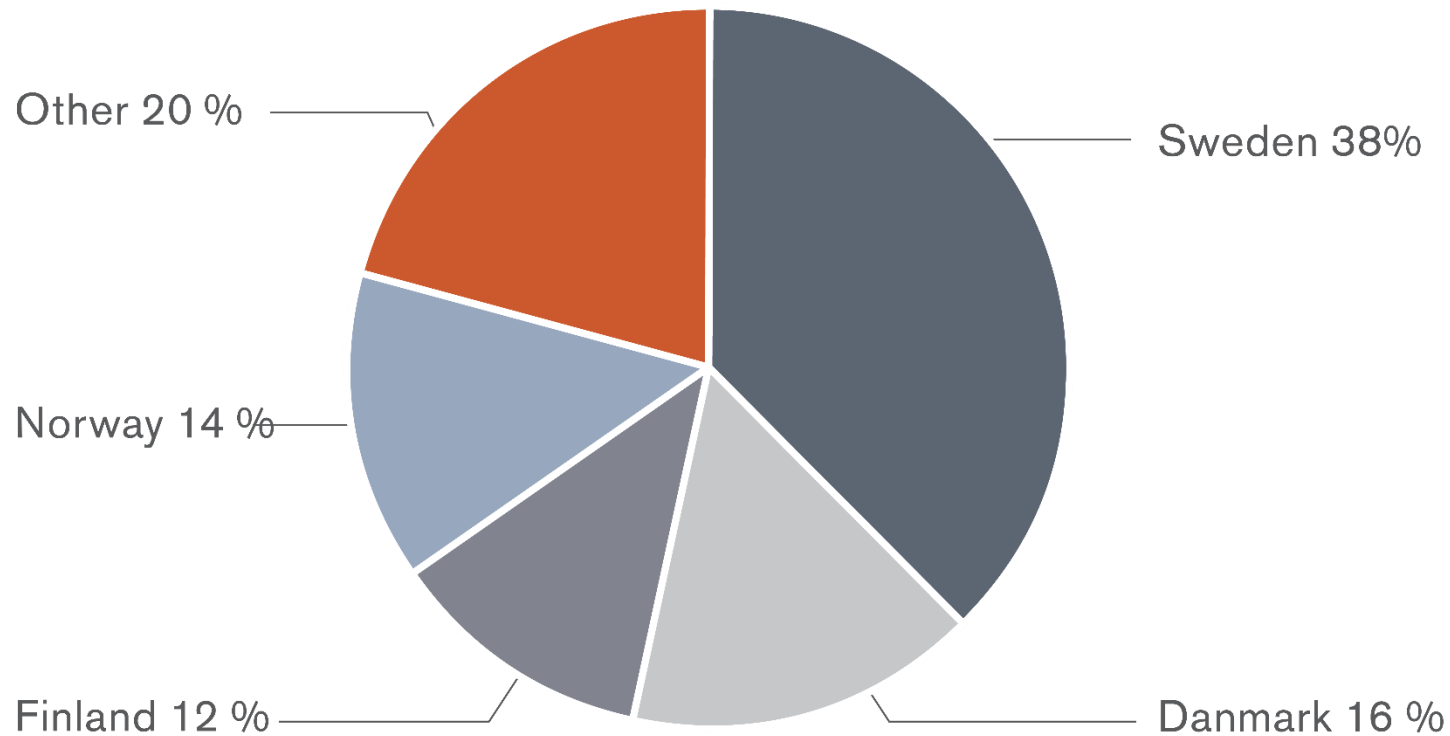
1 April 2016 – 30 June 2016

- Sales of production components to manufacturing companies increased somewhat in all Nordic markets, covering most customer segments such as machinery manufacturing, medical technology, ships and electronics. Demand for products in telecom declined, while demand for products used in special vehicles was relatively stable.
- All in all, the business situation on our markets outside the Nordic region was positive.
- We continued to acquire profitable technology companies with market-leading niche positions.
 - To date during this financial year, we have completed four acquisitions with total annual sales of about SEK 200 million and approximately 70 employees. Two of the acquisitions were carried out in Finland, one in the UK and one in China.
 - With a robust cash flow and a strong balance sheet, we have good opportunities to carry out new interesting acquisitions during the year.

Customer segments 2015/2016



Net sales by geographical market



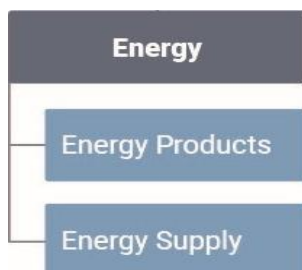
Components



	1st quarter		2015/2016	
Net sales	581	17%	2,029	7%
EBITA	47	33%	149	-3%
ROS	8.1%	7.1%	7.4%	8.2%

- Overall, demand for production components from Nordic manufacturing companies was good.
- The business situation varied in the different geographical regions and the single largest impact comes from decreased investments within oil and gas in Norway.
 - Demand in this customer segment was substantially lower than the corresponding period last year, but at the same level as the previous quarter.
- The market situation in Sweden and Denmark was favourable with a slight increase in sales.
- Demand in Finland increased, though the market continued to be relatively unstable.
- The business area continued to focus on cost-saving measures.

Energy



	1st quarter		2015/2016	
Net sales	442	36%	1,487	10%
EBITA	57	67%	149	7%
ROS	13.0%	10.6%	10.1%	10.4%

- Following a weak ending to the previous quarter, the business area demonstrated a recovery with solid organic growth, a good addition from completed acquisitions and positive effects from cost-saving measures.
- Infrastructure investments in electricity transmission rose, especially in Sweden, while sales of niche products in electrical power distribution were stable.
- A positive trend was noted in the market for products in electrical installation and electrical safety throughout the Nordic region, including Norway, which demonstrated some recovery.

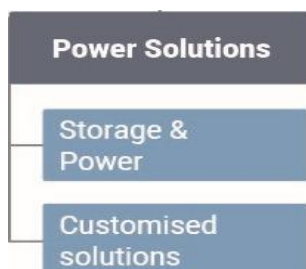
Industrial Process



	1st quarter		2015/2016	
Net sales	371	4%	1,423	1%
EBITA	31	13%	116	28%
ROS	8.3%	7.6%	8.1%	6.4%

- On the whole, demand improved somewhat, but business variations remain between different customer and product segments.
- Investments in the Nordic process industry, including oil and gas, declined.
- Demand from machinery manufacturers, medical device customers and the sawmill industry was stable.
- The business situation in both the energy sector and the shipping market developed favourably.

Power Solutions



	1st quarter		2015/2016	
Net sales	368	24%	1,226	13%
EBITA	46	35%	136	0%
ROS	12.6%	11.6%	11.1%	12.4%

- The business area registered good demand in most of its niche markets.
- A large proportion of growth in sales and earnings comes from previously completed acquisitions.
- The market situation for products aimed at the special vehicle and electronics industries was stable.
- Sales in the energy segment increased, which was due in part to increased demand from customers in wind power.
- Demand from customers in the telecom segment declined somewhat.

Addtech The Group

Income statement, condensed

(SEKm)	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Net Sales	1,760	1,472	6,443	6,155
Cost of sales & op. Expenses	-1,618	-1,364	-5,982	-5,728
Other operating items	11	1	26	16
Operating profit	153	109	487	443
Financial income & expenses	-8	-2	-26	-20
Profit after financial items	145	107	461	423
Income tax expense	-32	-24	-98	-90
Net profit	113	83	363	333
Earnings per share, SEK	1.65	1.20	5.30	4.85
EBIT-margin, %	8.7	7.4	7.6	7.2
EBITa-margin, %	10.2	8.8	9.1	8.7

Addtech The Group

Cash flow statement, condensed

(SEKm)	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Profit after financial items	145	137	2,089	2,081
Adj. for non cash items	49	38	-1,402	-1,413
Income tax paid	-29	-21	-168	-160
Changes in working capital	-61	-90	-5	-34
Cash flow from operating activities	104	64	514	474
Net investment in non-current assets	-6	-17	-55	-66
Acquisitions and disposals	-75	-45	-653	-623
Discontinued operations, Net affecting liquidity	-	-	337	337
Dividend paid	-	-	-217	-217
Repurchase of own shares/options	-6	-	-51	-45
Other financing activities	21	1	230	210
Period's cash flow	38	3	105	70

* 12 months includes discontinued operations

Addtech The Group

Balance sheet, condensed

(SEKm)	30 Jun 16	30 Jun 15	31 Mar 16
Goodwill	932	902	856
Other intangible non-current assets	690	621	642
Property, plant and equipment	171	201	168
Non-current financial assets	30	26	27
Inventories	918	900	874
Current receivables	1,191	1,124	1,098
Cash and cash equivalents	184	81	140
Total assets	4,116	3,855	3,805
Total equity	1,650	1,636	1,514
Interest-bearing provisions & liabilities	1,037	865	961
Non-interest-bearing prov. & liabilities	1,429	1,354	1,330
Total equity & liabilities	4,116	3,855	3,805

Addtech The Group

Key financial indicators

(SEKm)	30 Jun 16	31 Mar 16	30 Jun 15
Total equity (SEKm)	1,650	1,514	1,636
Equity per share, SEK	24.05	22.10	24.00
Equity ratio, %	40	40	42
Return on equity, %	22	20	28
Return on capital employed, %	17	16	23
Financial net debt (SEKm)	852	822	785
- of which pension liability	200	199	319
- of which other liabilities	652	623	466
Financial net debt / EBITDA	1.4	1.4	1.1
Net debt / equity ratio, times	0.4	0.4	0.3
Interest coverage ratio, times	21	20	24
Average number of employees	2,063	2,386	2,252
Number of employees at end of period	2,128	2,076	2,268

