LEAX GROUP

Interim Financial Report

Q1 2019

LEAX Group AB (publ)

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Interim Financial Report

January 1 – March 31, 2019

Highlights of the first quarter of 2019

Net Sales amounted to SEK 505,6 million (473,2)

Adjusted operating profit before depreciation (Adjusted EBITDA) increased to SEK 47,5 million (39,4)

Earnings before tax (EBT) increased to SEK 19,0 million (13,2) [1]

Profit margin before tax (EBT%) amounted to 3,7%, (2,8%) [1]

Cash flow from operating activities amounted to SEK 28,2 million (13,8) [1]

Net income for the period increased to SEK 17,6 million (10,3) [1]

[1] 2019 has been affected by IFRS 16 Leases, while 2018 is unchanged and not restated. Please see Note 3 IFRS 16 for further information regarding IFRS 16.

Key Ratios LEAX Group

MSEK		2019 Jan-Mar	2018 Jan-Mar	2018 Full year
Net Sales	A	505,6	473,2	1 818,1
Net Sales Core operations		453,8	413,7	1 566,2
Net Sales International operations		51,8	59,5	251,8
Net Sales by customer segment in %				
Commercial vehicles (%)		68,3	67,0	68,4
General industry (%)		20,3	21,2	20,7
Mining & construction (%)		3,8	3,9	3,4
Agriculture (%)		0,8	0,5	0,6
Passenger cars (%)		6,8	7,4	6,9
EBITDA	B	59,0	39,4	104,9
EBITDA margin %	B/A*100	11,7	8,3	5,8
EBITDA Core Operations		65,7	40,1	114,3
EBITDA International		-6,7	-0,7	-9,5
EBITDA LTM	C	124,5	115,8	104,9
EBITDA excl. IFRS 16	D	47,5	39,4	104,9
EBITDA excl. IFRS 16 LTM	E	112,9	115,8	104,9
Adjusted EBITDA	F	47,5	39,4	110,5
Adjusted EBITDA margin %	F/A*100	9,4	8,3	6,1
Adjusted EBITDA LTM	G	118,6	128,1	110,5
EBT	H	19,0	13,2	-17,6
EBT margin %	H/A*100	3,7	2,8	-1,0
Net income		17,6	10,3	-6,6
Cash flow from operations		-42,0	-33,1	-43,8
Net Debt	I	894,2	587,9	608,7
Adjusted Net Debt	J	660,7	587,9	608,7
Equity	K	278,5	289,5	256,4
Adjusted Net Debt / EBITDA excl. IFRS 16 LTM	J/E	5,9	5,1	5,8
Adjusted Net Debt / Adjusted EBITDA LTM	J/G	5,6	4,6	5,5
Net Debt / Equity	I/K	3,2	2,0	2,4
Realized currency gains/losses		-1,4	-1,2	-6,4
Unrealized currency gains/losses		3,0	1,9	1,3

CEO comments

The first quarter of 2019 turned out slightly better than expected and we can see that the activities we have undertaken to create a better underlying profitability are starting to pay off. Compared to last year, LEAX Group revenue grew with 7% and EBITDA increased with 21% (excluding effects from IFRS 16).

The demands from our customers are still on high levels in all segments. As expected, the demand in Brazil decreased due to a planned change of product line from our main customer. However, demand in Brazil is expected to be back to the levels we saw at the end of last year in the coming quarter.

As previously communicated, we are in the middle of a large investment phase for three large projects for the passenger car segment.

We have now invested about 210 MSEK in new machinery relating to these projects. Two of these projects will include deliveries to our customers during the second quarter. Although the projects are running on schedule, the ramp-up is slow and it will take another three to four quarters before we see a material effect in revenue. The investment phase is influencing our net debt, but we are taking measures to mitigate this through optimisation of our net working capital.

The outlook for the year looks stable and we are following the demands from our customers closely to be able to react if we see changes.

Henrik Fagrenius, CEO LEAX Group

FINANCIAL REPORTS FOR THE GROUP

Consolidated statement of comprehensive income for the group

MSEK	2019 Jan-Mar	2018 Jan-Mar	2018 Full year
Net Sales	505,6	473,2	1 818,1
Other operating income	3,6	13,6	68,0
Change in work in progress and finished goods	-5,7	1,7	7,9
Capitalized work for own account	2,5	3,4	16,6
Raw material and consumables	-249,9	-238,5	-951,9
Other external costs [1]	-74,0	-90,8	-358,0
Personnel expenses	-120,5	-115,3	-456,0
Depreciation and impairment losses of non-current assets [1]	-34,4	-23,0	-93,2
Other operating expenses	-5,0	-9,6	-43,2
Income from associated companies	2,4	1,7	3,3
Operating profit	24,6	16,4	11,7
Financial income and expenses, net [1]	-5,6	-3,2	-29,3
Earnings before tax, EBT	19,0	13,2	-17,6
Income taxes	-1,4	-2,9	11,0
Net income [1]	17,6	10,3	-6,6
Of which attributable to			
Owners of the parent	17,1	9,7	-7,8
Non-controlling interests	0,5	0,6	1,2
Net income	17,6	10,3	-6,6

Consolidated statement of other comprehensive income for the group

MSEK	2019 Jan-Mar	2018 Jan-Mar	2018 Full year
Net income	17,6	10,3	-6,6
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Translation differences	4,5	6,0	-0,2
Other comprehensive income for the period	4,5	6,0	-0,2
Total comprehensive income for the period	22,1	16,3	-6,8
Total comprehensive income for the period attributable to:			
Owners of the parent	21,5	15,5	-8,2
Non-controlling interests	0,6	0,8	1,5
Total comprehensive income for the period	22,1	16,3	-6,8

[1] IFRS 16 has affected Other external costs by +11,6, Depreciation by -10,3 and interest expenses by -1,6. Net income is affected by -0,3.

Consolidated statement of financial position

MSEK	2019 Mar 31	2018 Mar 31	2018 Dec 31
Assets			
Intangible fixed assets	16,5	17,7	17,6
Tangible fixed assets [1]	642,5	523,1	595,3
Other right-of-use assets [2]	233,1	–	–
Shares in associated companies	25,6	32,1	31,1
Deferred tax asset	56,2	42,0	56,0
Non-current receivables	5,6	6,3	5,2
Other financial assets	10,2	10,2	10,2
Total fixed assets	989,6	631,4	715,4
Inventories	245,9	238,0	239,4
Accounts receivable	287,3	278,3	229,0
Current tax assets	19,5	24,7	18,2
Other current receivables	34,7	37,7	28,4
Prepaid expenses and accrued income	17,9	23,1	20,5
Cash and cash equivalents	67,8	7,0	86,3
Total current assets	673,0	608,8	621,8
Total assets	1 662,6	1 240,2	1 337,2
Equity			
Share capital	1,0	1,0	1,0
Reserves	27,1	29,0	22,7
Retained earnings incl net income	243,4	253,8	226,3
Total equity attributable to owners of the parent	271,6	283,8	250,0
Non-controlling interests	6,9	5,7	6,4
Total equity	278,5	289,5	256,4
Liabilities			
Interest-bearing liabilities, non-current [1]	684,0	483,7	647,5
Other lease liabilities, non-current [2]	196,5	–	–
Other non-current liabilities	2,7	–	–
Deferred tax liabilities	17,3	19,8	17,2
Total non-current liabilities	900,4	503,5	664,7
Interest-bearing liabilities, current [1]	44,6	111,2	47,5
Other lease liabilities, current [2]	36,9	–	–
Advances from customers	8,9	10,6	11,6
Accounts payable	258,4	198,4	223,7
Liabilities to associated companies	0,7	11,2	8,7
Current tax liabilities	3,4	2,7	2,4
Other current liabilities	48,6	28,7	46,2
Accrued expenses and deferred income	82,2	84,4	75,9
Total current liabilities	483,6	447,2	416,1
Total liabilities	1 384,1	950,7	1 080,8
Total equity and liabilities	1 662,6	1 240,2	1 337,2

[1] Including leased assets and corresponding liabilities previously capitalized as financial leases in accordance with IAS 17.

[2] Other lease contracts and corresponding liabilities than previously capitalized in accordance with IAS 17.

Consolidated statement of changes in equity

2018	Total equity attributable to owners of the parent					
MSEK	Share capital	Translation reserve	Retained earings	**Total**	Non-controlling interests	**Total equity**
Opening balance 1st of Jan 2018	1,0	23,2	244,2	268,4	6,4	274,8
Comprehensive income						
Net income for the period			9,7	9,7	0,6	10,3
Other comprehensive income		5,8		5,8	0,2	6,0
Total comprehensive income	–	5,8	9,7	15,5	0,8	16,3
Transactions with shareholders						
Tranfer of value to and from shareholders						
Dividends				–	-1,5	-1,5
Total transfers of value with shareholders	–	–	–	–	-1,5	-1,5
Closing balance 31st of March 2018	1,0	29,0	253,9	283,9	5,7	289,5

* Adjustments of previous years' result concerns the subsidiary in China.

2019	Total equity attributable to owners of the parent					
MSEK	Share capital	Translation reserve	Retained earings	**Total**	Non-controlling interests	**Total equity**
Opening balance 1st of Jan 2019	1,0	22,7	226,3	250,0	6,4	256,4
Comprehensive income						
Net income for the period			17,1	17,1	0,5	17,6
Other comprehensive income		4,4		4,4	0,1	4,5
Total comprehensive income	–	4,4	17,1	21,5	0,6	22,1
Transactions with shareholders						
Tranfer of value to and from shareholders						
Dividends				–		–
Total transfers of value with shareholders	–	–	–	–	–	–
Closing balance 31st of March 2019	1,0	27,1	243,4	271,6	6,9	278,5

Consolidated cash flow statement

MSEK	2019 Jan-Mar	2018 Jan-Mar	2018 Full year
Operating activites			
Earnings before tax	19,0	13,2	-17,6
Adjustment for non-cash items	35,9	21,3	87,6
Income taxes paid	-1,5	-2,9	0,1
	53,3	31,6	70,1
Increase (-) /Decrease (+) of inventories	-6,5	-9,0	-10,4
Increase (-) /Decrease (+) of operating assets	-61,9	-10,0	51,2
Increase (+) /Decrease (-) of operating liabilities	43,3	1,2	34,1
Cash flow from operating activities [1]	28,2	13,8	145,0
Investing activities			
Investments in tangible and intangible fixed assets	-70,2	-47,9	-198,9
Disposals of tangible and intangible fixed assets	–	1,0	10,1
Cash flow from investing activites	-70,2	-46,9	-188,8
Financing activities			
Change in overdraft facility	32,4	2,0	2,1
New borrowings	9,4	33,0	395,5
Repayment of borrowings	-8,3	-17,9	-280,5
Amortization of lease liability	-10,0	–	–
Dividends paid	–	-1,5	-11,6
Cash flow from financing activities [1]	23,5	15,6	105,6
Cash flow for the period	-18,5	-17,5	61,8
Cash and cash equivalents at the beginning of the period	86,3	24,5	24,5
Cash and cash equivalents at the end of the period	67,8	7,0	86,3

[1] IFRS 16 has no effect on total cash flow, but has affected cash flow from operating activities by +10 and cashflow from financing activities by -10 for 2019.

Note 1 Accounting policies

The interim report for the group has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendation RFR 2 Accounting for Legal Entities.

The group applies the International Financial Reporting Standards (IFRS) adopted by the EU and the Swedish Annual Accounts Act.

The term "IFRS" in this document includes the application of IAS and IFRS, as well as the interpretations of these standards as published by IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The group and the parent company apply the same accounting policies and calculation models as in the annual report for 2018 with exception of new and revised standards, interpretations and improvements that should be applied from the January 1, 2019.

Except for IFRS 16, no new or revised IFRSs entering into force during 2019 have had any material effect on the group.

IFRS 16 and the effects from implementing IFRS 16 is described in note 3 IFRS 16 Leases.

The group has not applied any standards in advance, that have been published but not yet come into force.

For a more detailed description of the group's applied accounting policies as well as new and coming accounting standards we refer to note 1 in the annual report for 2018.

The functional currency of the parent company is the Swedish krona which also is the reporting currency for the group and the parent company. All amounts, if nothing else is stated, are presented in SEK million (MSEK) with one decimal.

This report has not been audited.

Note 2 Segments

Segment information is presented based on the company management's perspective, and operating segments are identified based on the internal reporting to LEAX chief operating decision maker. LEAX has identified the CEO as its chief operating decision maker, and the internal reporting used by this person to review operations and make decisions about resource allocation is the basis for segmentation. LEAX has combined its segments (business units) into one reportable operating segment in accordance with the rules for aggregation.

The table below shows Net Sales by country and Fixed assets by country in accordance with IFRS 8. Net Sales by country is based on the customers' geographical location. Fixed assets below is the sum of intangible assets, tangible fixed assets and right-of-use assets.

MSEK	**2019 Jan-Mar**	**2018 Jan-Mar**	**2018 Full year**
Net Sales by Country			
Sweden	303,3	284,8	1 077,1
Rest of Europe	161,8	144,7	546,1
Rest of World	40,5	43,7	194,9
	505,6	473,2	1 818,1

MSEK	**2019 Mar 31**	**2018 Mar 31**	**2018 Dec 31**
Fixed Assets by Country			
Sweden	413,2	251,9	267,4
Rest of Europe	407,2	230,4	280,1
Rest of World	71,7	58,5	65,4
	892,1	540,8	612,9

Note 3 IFRS 16 Leases

3.1 Accounting policies IFRS 16

From January 1, 2019 IFRS 16 – Leases has replaced IAS 17 Leases and the related interpretation IFRIC 4, SIC – 15 and SIC -27. IFRS 16 requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to pay for that right.

The group has done an overview and collected information about lease agreements from all companies within the group, which serve as the foundation for the calculations for IFRS 16.

The main types of assets leased by the group and added with the introduction of IFRS 16 are production and office premises, cars and forklifts. After implementing IFRS 16, the majority of these leasing contracts have been recognized in the balance sheet as right-of-use assets and lease liabilities. The fixed assets and liabilities in the balance sheet have therefore increased. Other external costs has decreased, while depreciation and interest cost have increased. EBITDA has been affected positively. All of this has had effect on several key ratios.

Since LEAX has chosen the simplified approach, which does not require restatement of comparative periods, LEAX has added information for the current interim period prepared in accordance with IAS 17 (see note 3.4). This information will be included in coming interim reports as well.

Lease contracts are accounted for as right-of-use assets and lease liability from the date when the leased asset is available for use for the group.

Assets and liabilities from leasing agreements are initially valued at present value. The lease liability is initially valued at the present value of future lease payments that haven't already been paid. All leasing contracts have been discounted using the same incremental borrowing rate. Each lease payment is divided between amortization of the liability and financial cost. The financial cost is distributed over the leasing period so that each leasing period is charged with an amount corresponding to a fixed interest rate on the liability for the period. This means higher costs in the beginning of a leasing contract.

Since this is the first period for IFRS 16 all right-of-use assets have been valued according to the value of the leasing liability adjusted for prepaid leasing fees attributable to agreements on January 1, 2019. A right-of-use asset is depreciated on a straight-line basis using the shorter of the asset's useful life or the lease term. The useful life is used for leasing contracts where rights and obligations have been transferred to the group.

Lease agreements with an underlaying asset of low value or with a lease term of less than 12 months are expensed when incurred.

3.2 Effect on opening balance 2019

Extract from balance sheet showing effects on opening balance due to implementation of IFRS 16.

MSEK	2018 Dec 31	IFRS 16 effect on 2019 Jan 1	2019 Jan 1
Assets			
Tangible fixed assets [1]	595,3	–	595,3
Other right-of-use assets [2]	–	243,0	243,0
Total fixed assets	715,4	243,0	958,5
Prepaid expenses and accrued income	20,5	-5,7	14,8
Total current assets	621,8	-5,7	616,1
Total assets	1 337,2	237,4	1 574,6
Equity			
Total equity	256,4	–	256,4
Liabilities			
Interest-bearing liabilities, non-current [1]	647,5	–	647,5
Other lease liabilities, non-current [2]	–	199,2	199,2
Total non-current liabilities	664,7	199,2	863,9
Interest-bearing liabilities, current [1]	47,5	–	47,5
Other lease liabilities, current [2]	–	38,1	38,1
Total current liabilities	416,1	38,1	454,3
Total liabilities	1 080,8	237,4	1 318,2
Total equity and liabilities	1 337,2	237,4	1 574,6

[1] Including leased assets and corresponding liabilities previously capitalized as financial leases in accordance with IAS 17.

[2] Other lease contracts and corresponding liabilities than previously capitalized in accordance with IAS 17.

3.3 Effect on consolidated statement of comprehensive income for the group

MSEK		2019 Jan-Mar
Other external costs	Reversal of leasing cost	11,6
Depreciation and impairment losses of non-current assets	Depreciation of other right-of-use assets	-10,3
Financial income and expenses	Interest cost	-1,6
Effect on Net income Jan-Mar 2019 due to IFRS 16		-0,3

3.4 Financial reports excluding IFRS 16

Since the transitioning exemption in IFRS 16 does not permit a recalculation of the amounts for 2018, the numbers for 2019 and 2018 have been prepared with different policies with regards to leases. To enable a comparison with equal accounting policies, the group has restated 2019 to comply with the now superseded IAS 17. Hence, the section 3.4 only consists of pro forma financial reports.

Consolidated statement of comprehensive income for the group excluding IFRS 16

MSEK	**2019 Jan-Mar**	**2018 Jan-Mar**	**2018 Full year**
Net Sales	505,6	473,2	1 818,1
Other operating income	3,6	13,6	68,0
Change in work in progress and finished goods	-5,7	1,7	7,9
Capitalized work for own account	2,5	3,4	16,6
Raw material and consumables	-249,9	-238,5	-951,9
Other external costs	-85,5	-90,8	-358,0
Personnel expenses	-120,5	-115,3	-456,0
Depreciation and impairment losses of non-current assets	-24,1	-23,0	-93,2
Other operating expenses	-5,0	-9,6	-43,2
Income from associated companies	2,4	1,7	3,3
Operating profit	23,4	16,4	11,7
Financial income and expenses, net	-4,1	-3,2	-29,3
Earnings before tax, EBT	19,3	13,2	-17,6
Income taxes	-1,4	-2,9	11,0
Net income	17,9	10,3	-6,6

Consolidated statement of other comprehensive income for the group excluding IFRS

MSEK	**2019 Jan-Mar**	**2018 Jan-Mar**	**2018 Full year**
Net income	17,9	10,3	-6,6
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Translation differences	4,5	6,0	-0,2
Other comprehensive income for the period	4,5	6,0	-0,2
Total comprehensive income for the period	22,4	16,3	-6,8

Consolidated statement of financial position excluding IFRS 16

MSEK	2019 Mar 31	2018 Mar 31	2018 Dec 31
Assets			
Intangible fixed assets	16,5	17,7	17,6
Tangible fixed assets [1]	642,5	523,1	595,3
Other right-of-use assets	–	–	–
Shares in associated companies	25,6	32,1	31,1
Deferred tax asset	56,2	42,0	56,0
Non-current receivables	5,6	6,3	5,2
Other financial assets	10,2	10,2	10,2
Total fixed assets	756,5	631,4	715,4
Inventories	245,9	238,0	239,4
Accounts receivable	287,3	278,3	229,0
Current tax assets	19,5	24,7	18,2
Other current receivables	34,7	37,7	28,4
Prepaid expenses and accrued income	17,9	23,1	20,5
Cash and cash equivalents	67,8	7,0	86,3
Total current assets	673,0	608,8	621,8
Total assets	1 429,5	1 240,2	1 337,2
Equity			
Share capital	1,0	1,0	1,0
Reserves	27,1	29,0	22,7
Retained earnings incl net income	243,8	253,8	226,3
Total equity attributable to owners of the parent	271,9	283,8	250,0
Non-controlling interests	6,9	5,7	6,4
Total equity	278,8	289,5	256,4
Liabilities			
Interest-bearing liabilities, non-current [1]	684,0	483,7	647,5
Other lease liabilities, non-current	–	–	–
Other non-current liabilities	2,7	–	–
Deferred tax liabilities	17,3	19,8	17,2
Total non-current liabilities	703,9	503,5	664,7
Interest-bearing liabilities, current [1]	44,6	111,2	47,5
Other lease liabilities, current	–	–	–
Advances from customers	8,9	10,6	11,6
Accounts payable	258,4	198,4	223,7
Liabilities to associated companies	0,7	11,2	8,7
Current tax liabilities	3,4	2,7	2,4
Other current liabilities	48,6	28,7	46,2
Accrued expenses and deferred income	82,2	84,4	75,9
Total current liabilities	446,7	447,2	416,1
Total liabilities	1 150,7	950,7	1 080,8
Total equity and liabilities	1 429,5	1 240,2	1 337,2

[1] Including leased assets and corresponding liabilities previously capitalized as financial leases in accordance with IAS 17.

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Income statement parent company

MSEK	2019 Jan-Mar	2018 Jan-Mar	2018 Full year
Other operating income	0,1	–	–
Other external costs	0,0	-0,1	-0,1
Other operating expenses	-0,1	–	-0,2
Operating profit, EBIT	0,0	-0,1	-0,3
Financial income and expenses, net	9,3	21,9	15,5
Earnings before tax, EBT	9,3	21,8	15,2
Appropriations	–	–	9,3
Income taxes	–	–	-0,1
Net income	9,3	21,8	24,4

Balance sheet parent company

MSEK	2019 Mars 31	2018 Mars 31	2018 Dec 31
Assets			
Shares in group companies	280,6	251,9	277,9
Shares in associated companies	8,7	8,7	8,7
Deferred tax assets	2,8	2,9	2,8
Receivables from group companies	442,8	215,2	432,0
Other financial assets	9,6	9,6	9,6
Total fixed assets	744,6	488,4	731,0
Receivables from group companies	6,7	91,0	13,7
Current tax assets	–	1,9	–
Other current receivables	–	8,2	–
Prepaid expenses and accrued income	0,1	–	0,0
Cash and cash equivalents	17,0	0,0	14,0
Total current assets	23,7	101,2	27,7
Total assets	768,3	589,6	758,7
Equity			
Share capital	1,0	1,0	1,0
Retained earnings	206,2	191,8	181,8
Net income	9,3	21,8	24,4
Total equity	216,5	214,7	207,2
Untaxed reserves	–	5,3	–
Liabilities			
Non-current interest-bearing liabilities	504,6	270,7	480,3
Liabilities to group comanies	44,9	14,2	50,7
Total non-current liabilities	549,4	284,9	531,0
Current interest-bearing liabilities	–	25,4	–
Liabilities to group companies	–	48,0	10,0
Liabilities to associated companies	0,7	11,2	8,7
Accrued expenses and deferred income	1,6	0,2	1,8
Total current liabilities	2,3	84,7	20,5
Total liabilities	551,8	369,6	551,5
Total equity and liabilities	768,3	589,6	758,7

Definitions

Net Sales
Total sales less returns, allowances, and discounts.

Net Sales Core operations
Consists of net sales from all operations, excluding Brazil, Germany and China.

Net Sales International operations
Consists of net sales from the operations in Brazil, Germany and China.

EBITDA
Earnings before interest, taxes, depreciation and amortization.

EBITDA margin %
EBITDA divided by net sales.

EBITDA LTM
EBITDA for the last twelve months.

EBITDA excl. IFRS 16
EBITDA adjusted with the effects of IFRS 16. Leasing costs that according to IFRS 16 have been excluded from Other operating expenses are added back, which means a decrease of EBITDA compared to the EBITDA in the income statement. We disclose EBITDA excl. IFRS 16 to show an EBITDA that is comparable to EBITDA before implementing IFRS 16. Before 2019 there is no difference between EBITDA and EBITDA excl. IFRS 16.

EBITDA excl. IFRS 16 LTM
EBITDA excl. IFRS 16 for the last twelve months.

Adjusted EBITDA
EBITDA excl. IFRS 16 adjusted for non-recurring items. We disclose Adjusted EBITDA to show an Adjusted EBITDA that is comparable to Adjusted EBITDA before implementing IFRS 16. Adjusted EBITDA before 2019 is unchanged.

Adjusted EBITDA margin %
Adjusted EBITDA divided by net sales.

Adjusted EBITDA LTM
Adjusted EBITDA for the last twelve months.

EBT
Earnings before tax.

EBT margin %
EBT divided by net sales.

Net income
Total revenue minus all expenses.

Cash flow from operations
Cash flow from operating activities plus cash flow from investing activities.

Net Debt
Interest bearing liabilities, including lease liabilities, less cash and cash equivalents.

Adjusted Net Debt
Net debt adjusted with other lease liabilities than lease liabilities previously capitalized as financial leases in accordance with IAS 17. We disclose Adjusted Net debt to show a Net debt that is comparable to Net debt before implementing IFRS 16. Before 2019 there is no difference between Adjusted Net debt and Net debt.

Realized currency gains/losses
Currency profits/losses from completed transactions.

Unrealized currency gains/losses
Currency profits or losses that have occurred, but the transactions have not been completed.

The undersigned assures that the interim financial report gives a true and fair view of the operations of the group and its parent company.

Köping, May 7, 2019

Lars Davidsson
Chairman of the Board

Roger Berggren
Board Member

Jonas Lundgren
Board Member

Bent Wessel-Aas
Board Member

Dana Dobrin
Board Member

Lars Wrebo
Board Member

Henrik Fagrenius
President & CEO

Next report

Interim financial report for Q2 – April 1 to June 30 will be released on August 23, 2019.

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