ADDTECH

INTERIM REPORT Q2 1 APRIL - 30 SEPTEMBER 2016

SECOND QUARTER (1 JULY - 30 SEPTEMBER 2016)

- **Net sales** increased by 12 percent and amounted to SEK 1,658 million (1,482).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 24 percent and amounted to SEK 183 million (147) corresponding to an EBITA-margin of 11.0 percent (9.9).
- **Operating profit** increased by 24 percent and amounted to SEK 156 million (125) corresponding to an operating margin of 9.4 percent (8.5).
- **Profit after tax** increased by 30 percent and amounted to SEK 121 million (94).
- **Earnings per share** totalled SEK 1.80 (1.40). For the most recent 12-month period, earnings per share amounted to SEK 5.70 (5.50).
- **Cash flow from operating activities** amounted to SEK 110 million (77). For the most recent 12-month period, cash flow per share amounted to SEK 8.20 (7.70).

THE PERIOD (1 APRIL - 30 SEPTEMBER 2016)

- **Net sales** increased by 16 percent and amounted to SEK 3,418 million (2,954).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 31 percent and amounted to SEK 362 million (277) corresponding to an EBITA-margin of 10.6 percent (9.4).
- **Operating profit** increased by 32 percent and amounted to SEK 309 million (234) corresponding to an operating margin of 9.0 percent (7.9).
- **Profit after tax** increased by 33 percent and amounted to SEK 234 million (177).
- **Earnings per share** totalled SEK 3.45 (2.60).
- **Return on working capital** amounted to 48 percent and **return on equity** amounted to 24 percent (27).
- **The equity ratio** amounted to 38 percent (35).
- Since the start of the financial year we have completed five acquisitions, of which one after the end of the period, with total annual sales of about SEK 230 million.

GROUP SUMMARY	3 months ending			6 months ending			12 months ending		
SEKm	30 Sep 16	30 Sep 15	Δ	30 Sep 16	30 Sep 15	Δ	30 Sep 16	31 Mar 16	Δ
Net sales	1,658	1,482	12%	3,418	2,954	16%	6,619	6,155	8%
EBITA	183	147	24%	362	277	31%	621	536	16%
EBITA-margin %	11.0	9.9		10.6	9.4		9.4	8.7	
Profit after financial items	155	121	30%	300	228	32%	495	423	17%
Profit for the period	121	94	30%	234	177	33%	390	333	17%
Earnings per share (EPS), SEK	1.80	1.40	29%	3.45	2.60	33%	5.70	4.85	18%
Cash flow per share from operating activities, SEK							8.20	7.10	15%
Return on equity, %							24	20	
The equity ratio, %							38	40	

All data in this report refer to continuing operations, excluding the distribution of AddLife, unless otherwise stated. All figures regarding the income statement refer to continuing operations retroactively from 1 April 2014. All figures regarding the balance sheet refer to continuing operations from 31 March 2016 without retroactivity for earlier periods.

CEO'S COMMENTS

CONTINUED GOOD EARNINGS GROWTH DURING THE SECOND QUARTER

Addtech continued to develop very well in the second quarter. Despite the challenging state of the market, we continue to grow. Compared to the corresponding quarter of the previous year, which was relatively strong, sales increased by 12 percent and EBITA increased by 24 percent. As a result our operating margin was further strengthened. The increase in earnings is equal parts attributable to acquisitions as to organic growth with good cost control. The selective cost reductions that have been implemented are now having a positive effect on earnings.

Overall, the underlying demand was stable for the Group during the quarter, but the market situation varies depending on geography and customer segment. Demand for production components from Nordic manufacturing companies remained stable at a high level in most customer segments, such as machinery manufacturers, the engineering industry and medical technology. Business from customers within special vehicles, transport and wind power improved. Demand for products in telecom fell considerably, and investments in oil and gas in Norway remained at a low, yet stable, level. However, demand is growing in other areas in the Norwegian market, such as infrastructure and the food industry. Demand from industrial aftermarket customers generally remained unchanged. Customers in electricity transmission have increased their investments, while demand from customers in electricity distribution remained at a high and stable level. The market for electricity-related products in building and installation developed well.

Since the start of the financial year we have completed five acquisitions, of which one after the end of the period, with total annual sales of about SEK 230 million and 77 employees. With a robust cash flow and a strong balance sheet our ambition is to continue growing and acquiring profitable technology companies with market-leading niche positions.

Johan Sjö

President and CEO

Addtech in brief

Addtech is a technology trading group that provides technological and economic value added in the link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and infrastructure. Addtech has over 2 000 employees in approximately 120 subsidiaries that operate under their own brands. The Group has annual sales of about SEK 6.5 billion. Addtech is listed on the Nasdaq Stockholm.

GROUP DEVELOPMENT

GROUP DEVELOPMENT IN THE SECOND QUARTER

Net sales in the Addtech Group increased during the second quarter by 12 percent to SEK 1,658 million (1,482). The organic growth amounted to 2 percent and acquired growth amounted to 10 percent. Exchange rate changes had a marginally positive effect on net sales, corresponding to SEK 1 million. Exchange rate changes also had a marginally positive effect on operating profit.

Operating profit increased during the quarter by 24 percent to SEK 156 million (125) and the operating margin stood at 9.4 percent (8.5). Net financial items were SEK -1 million (-4) and profit after financial items increased by 30 percent to SEK 155 million (121). Profit after tax for the period increased by 30 percent to SEK 121 million (94) corresponding to earnings per share for the quarter of SEK 1.80 (1.40).

GROUP DEVELOPMENT IN THE PERIOD

Net sales in the Addtech Group increased during the period by 16 percent to SEK 3,418 million (2,954). The organic growth amounted to 5 percent and acquired growth amounted to 12 percent. Exchange rate changes had a negative effect of 1 percent on net sales, corresponding to SEK 19 million, and a marginally negative effect on operating profit, corresponding to SEK 1 million.

Operating profit increased during the period by 32 percent to SEK 309 million (234) and the operating margin amounted to 9.0 percent (7.9). Net financial items were SEK -9 million (-6) and profit after financial items increased by 32 percent to SEK 300 million (228).

Profit after tax for the period increased by 33 percent to SEK 234 million (177) and the effective tax rate amounted to 22 percent (22). Earnings per share for the period amounted to SEK 3.45 (2.60).

DEVELOPMENT IN THE BUSINESS AREAS

COMPONENTS

Net sales in Components increased in the second quarter by 8 percent to SEK 520 million (480) and EBITA amounted to SEK 44 million (43). Net sales during the period increased by 13 percent to SEK 1,101 million (978) and EBITA increased by 16 percent to SEK 91 million (78).

All in all, demand for production components from Nordic manufacturing companies was stable during the quarter. The market within oil and gas in Norway is still very weak, but other customer segments in the Norwegian market are displaying growth. In Sweden and Denmark the business situation remains unchanged as a whole, even when compared to a strong first quarter this year and a strong second quarter last year. Overall, the Finnish market is weak, but our operations have continued to succeed in increasing their sales.

ENERGY

Net sales in Energy increased in the second quarter by 19 percent to SEK 439 million (371) and EBITA increased by 54 percent to SEK 57 million (37). Net sales during the period increased by 27 percent to SEK 881 million (695) and EBITA increased by 60 percent and amounted to SEK 114 million (71).

The business area reported healthy organic growth during the quarter, good contributions from implemented acquisitions and a positive impact on earnings from cost reductions. Demand from customers in infrastructure and construction remained positive during the quarter. Infrastructure investments in electrical power transmission increased for small projects, but remained at a low level in larger new-build projects. The sales of niche products in electrical power distribution were stable, while demand for products within electrical installation and electrical safety increased during the period.

INDUSTRIAL PROCESS

Net sales in Industrial Process in the second quarter amounted to SEK 380 million (357) and EBITA amounted to SEK 33 million (34). Net sales during the period increased by 5 percent to SEK 751 million (714) and EBITA increased by 6 percent and amounted to SEK 64 million (61).

Overall, demand from the production industry in the Nordics was unchanged during the quarter, while it increased in the rest of Europe. Investments in the Nordic process industry, including in oil and gas, continued to decline. Demand in the field of energy and for products to the shipping market developed positively, whereas it was stable in other segments such as machinery manufacturers, medical technology customers and the sawmill industry.

POWER SOLUTIONS

Net sales in Power Solutions increased in the second quarter by 16 percent to SEK 322 million (277) and EBITA increased by 37 percent to SEK 48 million (35). Net sales during the period increased by 20 percent to SEK 690 million (574) and EBITA increased by 36 percent and amounted to SEK 94 million (69).

All in all, demand for the business area remained unchanged at a high level during the quarter, and previously completed acquisitions have contributed according to plan. The business climate for products to the special vehicles industry and for customers in wind power increased. Customers in telecom reduced their demand significantly, while the market was more stable in the electronics and medical technology segments.

DEVELOPMENT IN TOTAL

PROFITABILITY, FINANCIAL POSITION AND CASH FLOW

The return on equity at the end of the period was 24 percent (27), and return on capital employed was 18 percent (21). Return on working capital P/WC (EBITA in relation to working capital) amounted to 48 percent. For further information on definitions of performance measures, see page 17.

At the end of the period the equity ratio stood at 38 percent (35). Equity per share, excluding non-controlling interest, totalled SEK 22.60 (24.20). The Group's net debt at the end of the period stood at SEK 833 million (1,239), excluding pension liabilities of SEK 201 million (319). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions, totalled 0.5 (0.7).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 857 million (557) at 30 September 2016.

Cash flow from operating activities reached SEK 214 million (141) during the period. Company acquisitions and disposals including settlement of additional purchase consideration regarding acquisitions implemented in previous years amounted to SEK 90 million (411). Investments in non-current assets totalled SEK 27 million (35) and disposal of non-current assets was SEK 2 million (2). Dividend from associated company amounted to SEK 3 million (0). Repurchase of treasury shares amounted to SEK 40 million (45) and repurchase of call options amounted to SEK 6 million (0). Exercised and issued call options totalled SEK 0 million (21). During the second quarter, dividend of SEK 3.25 per share was paid, totalling SEK 218 million (217).

EMPLOYEES

At the end of the period, the number of employees was 2,128, compared to 2,076 at the beginning of the financial year. During the period, implemented acquisitions increased the number of employees by 72. The average number of employees in the latest 12-month period was 2,096.

OWNERSHIP STRUCTURE

At the end of the period the share capital stood at SEK 51.1 million.

Class of shares	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Class A shares, 10 votes per share	3,237,672	32,376,720	4.7	33.3
Class B shares, 1 vote per share	64,960,824	64,960,824	95.3	66.7
Total number of shares before repurchases	**68,198,496**	**97,337,544**	**100.0**	**100.0**
Of which repurchased class B shares	-1,528,419		2.2	1.6
Total number of shares after repurchases	**66,670,077**			

The share price on 30 September 2016 was SEK 134.25 (119.00), to be compared with SEK 106.00 (126.25) on 30 June 2016.

During the quarter, 300,000 treasury shares were repurchased. The average number of treasury shares held during the period was 1,266,103 (1,588,053), which covers the Company’s obligation in the outstanding call options programme. The average purchase price for repurchased shares amounts to SEK 81.17 per share.

In accordance with a resolution of the August 2016 AGM, approximately 20 members of management were offered the opportunity to acquire 300,000 call options on repurchased Class B shares. The programme was fully subscribed. The call options were transferred at a price of SEK 11.80 per option, equivalent to the market value of the options based on an external valuation.

During the quarter options attributable to the 2013/2017 programme started to be exercised. A total of 3,130 call options have been exercised, corresponding to 11,581 shares.

Addtech has four outstanding call option programmes for a total of 1,528,419 shares. Call options issued on repurchased shares entail a dilution effect of about 0.3 percent during the latest 12-month period (0.4).

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Initial exercise price	Adjusted exercise price	Expiration period
2016/2020	300,000	300,000	0.4%	159.00	-	16 Sep 2019 - 5 Jun 2020
2015/2019	350,000	430,500	0.6%	154.50	125.10	17 Sep 2018 - 3 Jun 2019
2014/2018	350,000	430,500	0.6%	116.70	94.50	17 Sep 2017 - 1 Jun 2018
2013/2017	99,302	367,419	0.5%	106.13	85.90	19 Sep 2016 - 2 Jun 2017

ACQUISITIONS

During the period following acquisitions have been completed; Elektro-Tukku Oy to become part of the Components business area. E.T.S Portsmouth Limited to become part of the Energy business area. Sammet Dampers Oy to become part of the Industrial Process business area, and Poryan China Company Ltd to become part of the Power Solutions business area.

The acquisitions were completed at the start of the period and the effect on the Addtech Group's net sales was SEK 102 million, on operating profit it was SEK 10 million and on profit after tax for the period it as SEK 9 million.

The amount of contingent consideration depends on future results achieved in the companies. The estimated outcome for the year's acquisitions amounts to SEK 23 million, which is due for payment within one to two years. The amounts are estimated to be able to reach a maximum total of SEK 24 million. Of the consideration not yet paid for acquisitions during the period, the discounted value amounts to SEK 21 million.

For acquisitions that resulted in an ownership transfer during the period, transaction costs totalled SEK 6 million (5) and are reported under selling expenses.

During the period, SEK 6 million (0) was reported under other operating income and expenses, because estimated contingent considerations, regarding previous acquisitions, deviated from actual outcomes. Revaluation of liabilities for contingent, not yet paid, consideration added cost of SEK 3 million (0) during the period, which is reported under other operating income and expenses.

The Group’s goodwill at the time of the acquisition, regarding the expected future sales trend and profitability, is the amount by which the acquisition value exceeds the fair value of net assets acquired. On 30 September 2016 goodwill amounted to SEK 949 million, compared to SEK 1,308 million on 30 September 2015. The Group’s goodwill is assessed annually for impairment, and no needs for impairment have been identified.

According to the preliminary acquisitions analyses, the assets and liabilities included in the acquisitions were as follows, during the period:

	Carrying amount at acquisition date	Adjustment to fair value	Fair value
Intangible non-current assets	0	70	70
Other non-current assets	6	-	6
Inventories	22	-	22
Other current assets	120	-	120
Deferred tax liability/tax asset	0	-13	-13
Other liabilities	-72	-	-72
Acquired net assets	**76**	**57**	**133**
Goodwill			57
Non-controlling interests			-3
Consideration 1)			**187**
Less: cash and cash equivalents in acquired businesses			-77
Less: consideration not yet paid			-26
Effect on the Group’s cash and cash equivalents			**84**

1) The consideration is stated excluding acquisition expenses.

PARENT COMPANY

Parent Company net sales totalled SEK 25 million (29) and profit after financial items was SEK -3 million (6). Net investments in non-current assets were SEK 0 million (1). The Parent Company's net financial liabilities was SEK 85 million (+6) at the end of the period.

TRANSACTIONS WITH RELATED PARTIES

No transactions between Addtech and related parties that have significantly affected the Group's position and earnings have taken place during the period.

ACCOUNTING POLICIES

This interim report was prepared as per International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting. The accounting policies and basis for calculations applied in the latest annual report were also used here. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528), in compliance with recommendation RFR 2 Accounting for Legal Entites, of the Swedish Financial Reporting Board. The new and revised IFRS standards and IFRIC interpretations that come into force as of the 2016/2017 financial year have had no material effect on the Group's financial reports. Disclosure in accordance with IAS 34.16A is presented both in the financial statements and related notes, as well as in other parts of the interim report.

ALTERNATIVE PERFOMANCE MEASURES

The Company presents certain financial measures in the interim report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way, they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures. For definitions of the performance measures that Addtech uses, please see page 17.

EVENTS AFTER THE END OF THE PERIOD

On 3 October, Penlink AB was acquired to become part of the Components business area. Penlink delivers products and solutions in the fields of rotating transmission and electro optics. The company has five employees and sales of around SEK 25 million.

SEASONAL EFFECTS

Addtech's sales of high-tech products and solutions in the manufacturing industry and infrastructure are not subject to major seasonal variations. The number of production days and customers' demand and willingness to invest can vary over the quarters.

RISKS AND FACTORS OF UNCERTAINTY

Addtech's profit and financial position, as well as its strategic position, are affected by a number of internal factors under Addtech's control and by a number of external factors over which Addtech has limited influence. The most important risk factors for Addtech are the state of the economy, combined with structural change and the competitive situation. Risk and uncertainty factors are the same as in previous periods, please see section Risks and uncertainties (page 19-21) in Addtech's 2015/2016 annual report for further details. The Parent Company is indirectly affected by the above risks and uncertainty factors due to its role in the organisation.

AFFIRMATION

The Board of Directors and the President deem that the interim report on the first six months gives a true and fair picture of the Company's and the Group's operations, position and earnings, and describes the significant risks and uncertainty factors to which the Company and the Group are exposed.

Stockholm, 27 October 2016

Anders Börjesson *Chairman of the Board*	Tom Hedelius *Vice Chairman of the Board*	Eva Elmstedt *Director*	Ulf Mattsson *Director*
Malin Nordesjö *Director*	Kenth Eriksson *Director*	Johan Sjö *President and Director*	

This report has not been subject to review by the company's auditor.

BUSINESS AREAS

Net sales by business area	2016/2017				2015/2016	
Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Components	520	581	542	509	480	498
Energy	439	442	402	390	371	324
Industrial Process	380	371	351	359	357	357
Power Solutions	322	368	338	314	277	297
Group items	-3	-2	-2	-2	-3	-4
Addtech Group	**1,658**	**1,760**	**1,631**	**1,570**	**1,482**	**1,472**

EBITA by business area	2016/2017				2015/2016	
Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Components	44	47	42	29	43	35
Energy	57	57	41	37	37	34
Industrial Process	33	31	28	27	34	27
Power Solutions	48	46	38	29	35	34
Parent Company and Group items	1	-2	-7	-5	-2	0
EBITA	**183**	**179**	**142**	**117**	**147**	**130**
Depr. of intangible non-current assets	-27	-26	-25	-25	-22	-21
– of which acquisitions	-26	-25	-24	-23	-20	-19
Op. profit	**156**	**153**	**117**	**92**	**125**	**109**
Net fin. Items	-1	-8	-9	-5	-4	-2
Profit after fin. items	**155**	**145**	**108**	**87**	**121**	**107**

Net sales	3 months ending		6 months ending		12 months ending	
SEKm	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15	30 Sep 16	31 Mar 16
Components	520	480	1,101	978	2,152	2,029
Energy	439	371	881	695	1,673	1,487
Industrial Process	380	357	751	714	1,460	1,423
Power Solutions	322	277	690	574	1,342	1,226
Group items	-3	-3	-5	-7	-8	-10
Addtech Group	**1,658**	**1,482**	**3,418**	**2,954**	**6,619**	**6,155**

EBITA and EBITA-margin	3 months ending				6 months ending				12 months ending			
	30 Sep 16		30 Sep 15		30 Sep 16		30 Sep 15		30 Sep 16		31 Mar 16	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Components	44	*8.5*	43	*8.9*	91	*8.3*	78	*8.0*	162	*7.5*	149	*7.4*
Energy	57	*12.8*	37	*9.9*	114	*12.9*	71	*10.2*	192	*11.5*	149	*10.1*
Industrial Process	33	*8.8*	34	*9.4*	64	*8.6*	61	*8.5*	119	*8.1*	116	*8.1*
Power Solutions	48	*14.8*	35	*12.5*	94	*13.7*	69	*12.1*	161	*12.0*	136	*11.1*
Group items	1		-2		-1		-2		-13		-14	
EBITA	**183**	***11.0***	**147**	***9.9***	**362**	***10.6***	**277**	***9.4***	**621**	***9.4***	**536**	***8.7***
Depr. of intangible non-current assets	-27		-22		-53		-43		-103		-93	
– of which acquisitions	-26		-20		-51		-39		-98		-86	
Op. profit	**156**	***9.4***	**125**	***8.5***	**309**	***9.0***	**234**	***7.9***	**518**	***7.8***	**443**	***7.2***
Net fin. items	-1		-4		-9		-6		-23		-20	
Profit after fin. items	**155**		**121**		**300**		**228**		**495**		**423**	

CONSOLIDATED INCOME STATEMENT, CONDENSED

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Sep 16**	**30 Sep 15**	**30 Sep 16**	**30 Sep 15**	**30 Sep 16**	**31 Mar 16**
Continuing operations						
Net sales	1,658	1,482	3,418	2,954	6,619	6,155
Cost of sales	-1,138	-1,022	-2,339	-2,021	-4,562	-4,244
Gross profit	**520**	**460**	**1,079**	**933**	**2,057**	**1,911**
Selling expenses	-279	-248	-592	-520	-1,172	-1,100
Administrative expenses	-91	-86	-195	-179	-400	-384
Other operating income and expenses	6	-1	17	0	33	16
Operating profit	**156**	**125**	**309**	**234**	**518**	**443**
- as % of net sales	*9.4*	*8.5*	*9.0*	*7.9*	*7.8*	*7.2*
Financial income and expenses	-1	-4	-9	-6	-23	-20
Profit after financial items	**155**	**121**	**300**	**228**	**495**	**423**
- as % of net sales	*9.3*	*8.1*	*8.8*	*7.7*	*7.5*	*6.9*
Income tax expense	-34	-27	-66	-51	-105	-90
Profit for the period, continuing operations	**121**	**94**	**234**	**177**	**390**	**333**
Discontinued operations						
Profit for the period, discontinued operations	-	12	-	34	1,602	1,636
Profit for the period	**121**	**106**	**234**	**211**	**1,992**	**1,969**
Profit for the period attributable to:						
Equity holders of the Parent Company	121	99	231	202	1,979	1,950
Non-controlling interests	*0*	*7*	*3*	*9*	*13*	*19*
Earnings per share before dilution, SEK						
Continuing operations	1.80	1.40	3.45	2.60	5.70	4.85
Discontinued operations	-	0.10	-	0.45	23.90	24.35
Total earnings per share before dilution	**1.80**	**1.50**	**3.45**	**3.05**	**29.60**	**29.20**
Earnings per share after dilution, SEK						
Continuing operations	1.80	1.35	3.45	2.55	5.75	4.85
Discontinued operations	-	0.10	-	0.45	23.90	24.35
Total earnings per share after dilution	**1.80**	**1.45**	**3.45**	**3.00**	**29.65**	**29.20**
Average number of shares after repurchases, '000s	66,907	66,652	66,932	66,610	66,864	66,703
Number of shares at end of the period, '000s	66,670	66,445	66,670	66,445	66,670	66,958

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ending		6 months ending		12 months ending	
SEKm	**30 Sep 16**	**30 Sep 15**	**30 Sep 16**	**30 Sep 15**	**30 Sep 16**	**31 Mar 16**
Profit for the period	**121**	**106**	**234**	**211**	**1,992**	**1,969**
Components that will be reclassified to profit for the year						
Cash flow hedges	1	0	1	-1	0	-2
Foreign currency translation differences for the period	40	-18	76	-37	55	-58
Components that will not be reclassified to profit for the year						
Actuarial effects of the net pension obligation	-	-	-	-	34	34
Other comprehensive income	**41**	**-18**	**77**	**-38**	**89**	**-26**
Total comprehensive income	**162**	**88**	**311**	**173**	**2,081**	**1,943**
Total comprehensive income attributable to:						
Equity holders of the Parent Company	161	82	307	166	2,066	1,925
Non-controlling interests	1	6	4	7	15	18

CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	**30 Sep 16**	**30 Sep 15**	**31 Mar 16**
Goodwill	949	1,308	856
Other intangible non-current assets	686	873	642
Property, plant and equipment	177	230	168
Financial non-current assets	31	29	27
Total non-current assets	**1,843**	**2,440**	**1,693**
Inventories	942	1,063	874
Current receivables	1,180	1,233	1,098
Cash and cash equivalents	128	122	140
Total current assets	**2,250**	**2,418**	**2,112**
Total assets	**4,093**	**4,858**	**3,805**
Total equity	**1,545**	**1,700**	**1,514**
Interest-bearing provisions	201	319	199
Non-interest-bearing provisions	248	272	242
Non-current interest-bearing liabilities	35	123	41
Total non-current liabilities	**484**	**714**	**482**
Non-interest-bearing provisions	13	7	13
Current interest-bearing liabilities	926	1,237	721
Current non-interest-bearing liabilities	1,125	1,200	1,075
Total current liabilities	**2,064**	**2,444**	**1,809**
Total equity and liabilities	**4,093**	**4,858**	**3,805**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

	1 Apr 16–30 Sep 16			1 Apr 15–30 Sep 15			1 Apr 15–31 Mar 16		
SEKm	Equity excl. non-controlling interests	Non-controlling interests	Total equity	Equity excl. non-controlling interests	Non-controlling interests	Total equity	Equity excl. non-controlling interests	Non-controlling interests	Total equity
Amount at beginning of period	**1,479**	**35**	**1,514**	**1,504**	**35**	**1,539**	**1,504**	**35**	**1,539**
Issue in kind	-	-	**-**	234	-	**234**	234	-	**234**
Exercised, issued and repurchased options	-6	-	**-6**	21	-	**21**	61	-	**61**
Repurchase of treasury shares	-40	-	**-40**	-45	-	**-45**	-45	-	**-45**
Dividend, ordinary	-218	-4	**-222**	-219	-3	**-222**	-219	-8	**-227**
Change non-controlling interests	-1	3	**2**	-54	54	**0**	-54	53	**-1**
Option debt, acquisition	-9	-	**-9**	-	-	**-**	-	-	**-**
Distribution of AddLife	-5	-	**-5**	-	-	**-**	-1,927	-63	**-1,990**
Total comprehensive income	307	4	**311**	166	7	**173**	1,925	18	**1,943**
Amount at end of period	**1,507**	**38**	**1,545**	**1,607**	**93**	**1,700**	**1,479**	**35**	**1,514**

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

	3 months ending		6 months ending		12 months ending	
SEKm	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15	30 Sep 16	31 Mar 16
Profit after financial items	155	121	300	228	495	423
Profit from discontinued operations after financial items	-	15	-	45	1,613	1,658
Adjustment for items not included in cash flow*	21	46	70	84	-1,427	-1,413
Income tax paid	-15	-39	-44	-60	-144	-160
Changes in working capital	-51	-66	-112	-156	10	-34
Cash flow from operating activities	**110**	**77**	**214**	**141**	**547**	**474**
Net investments in non-current assets	-16	-16	-22	-33	-55	-66
Acquisitions and disposals	-15	-366	-90	-411	-302	-623
Discontinued operations, Net affecting liquidity	-	-	-	-	337	337
Cash flow from investing activities	**-31**	**-382**	**-112**	**-444**	**-20**	**-352**
Dividend paid to shareholders	-218	-217	-218	-217	-218	-217
Repurchase of own shares/options	-40	-45	-46	-45	-46	-45
Other financing activities	121	610	142	611	-259	210
Cash flow from financing activities	**-137**	**348**	**-122**	**349**	**-523**	**-52**
Cash flow for the period	**-58**	**43**	**-20**	**46**	**4**	**70**
Cash and cash equivalents at beginning of period	184	81	140	83	122	83
Exchange differences on cash and cash equivalents	2	-2	8	-7	2	-13
Cash and cash equivalents at end of period	**128**	**122**	**128**	**122**	**128**	**140**

* Includes discountined operations for comparative periods

FAIR VALUES ON FINANCIAL INSTRUMENTS

	30 Sep 16			31 Mar 16		
SEKm	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives used in hedge accounting	**2**	2	-	**1**	1	-
Derivatives held for trading purposes	**2**	2	-	**2**	2	-
Total financial assets at fair value per level	**4**	**4**	**-**	**3**	**3**	**-**
Derivatives used in hedge accounting	**1**	1	-	**3**	3	-
Derivatives held for trading purposes	**3**	3	-	**2**	2	-
Contingent considerations	**69**	-	69	**55**	-	55
Total financial liabilities at fair value per level	**73**	**4**	**69**	**60**	**5**	**55**

The fair value and carrying amount are recognised in the balance sheet as shown in the table above.
For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1. As at the reporting date the Group had no items in this category.
For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.
For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3.
For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

		12 months ending
Contingent considerations	30 Sep 16	31 Mar 16
Carrying amount, opening balance	**55**	**31**
Acquisitions during the year	20	54
Reversed through profit or loss	-3	-10
Consideration paid	-6	-21
Interest expenses	2	2
Exchange differences	1	-1
Carrying amount, closing balance	**69**	**55**

KEY FINANCIAL INDICATORS **

					12 months ending
	30 Sep 16	31 Mar 16	30 Sep 15	31 Mar 15	31 Mar 14
Net sales, SEKm	6,619	6,155	5,950	5,719	6,089
EBITDA, SEKm	657	570	563	542	623
EBITA, SEKm	621	536	530	510	582
EBITA-margin, SEKm	9.4	8.7	8.9	8.9	9.6
Operating profit, SEKm	518	443	445	431	501
Operating margin, %	7.8	7.2	7.5	7.5	8.2
Profit after financial items, SEKm	495	423	430	408	475
Profit for the period, SEKm	390	333	338	321	369
Equity ratio, %	38	40	35	40	39
Return on equity, %	24	20	27	28	30
Return on working capital (P/WC), % *	48	38	42	44	47
Return on capital employed, %	18	16	21	23	24
Net debt, incl pensions, SEKm	1,034	822	1,557	828	776
Net debt, incl pensions / equity ratio, multiple	0.7	0.6	1.0	0.6	0.6
Net debt, incl pensions / EBITDA, multiple	1.6	1.4	2.2	1.2	1.2
Net debt excl. pensions, SEKm	833	623	1,239	510	524
Net debt, excl pensions / equity ratio, multiple	0.5	0.4	0.7	0.3	0.4
Interest coverage ratio, multiple	21.5	20.3	23.9	21.9	17.5
Average number of employees*	2,096	2,386	2,302	2,224	2,100
Number of employees at end of the period	2,128	2,076	2,478	2,286	2,150

* P/WC is from 1 April 2016 calculated as EBITA divided by working capital, previously calculated as operating profit divided by working capital. Average number of employees includes discontinued operations in the period 31 March 2016, and previous periods.

KEY FINANCIAL INDICATORS PER SHARE **

					12 months ending
	30 Sep 16	31 Mar 16	30 Sep 15	31 Mar 15	31 Mar 14
Earnings per share (EPS), SEK	5.70	4.85	5.50	4.70	5.50
Diluted EPS, SEK	5.75	4.85	5.50	4.70	5.45
Cash flow per share, SEK	8.20	7.10	7.70	8.40	7.25
Shareholders' equity per share, SEK	22.60	22.10	24.20	22.60	20.10
Last price paid per share, SEK	134.25	112.00	119.00	115.75	101.75
Average number of shares after repurchases, '000s	66,864	66,703	66,416	66,288	66,003
Average number of shares adjusted for repurchases and dilution, '000s	67,071	66,809	66,660	66,615	66,457
Number of shares outstanding at end of the period, '000s	66,670	66,958	66,445	66,456	66,135

** All figures regarding the income statement refer to continuing operations excluding the distribution of AddLife retroactively from 1 April 2014. All figures regarding the balance sheet refer to continuing from 31 March 2016 without retroactivity for earlier periods.

ACQUISITIONS

Acquisitions completed as of the 2015/2016 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business Area
Dafine Engineering Oy, Finland	April, 2015	25	4	Energy
EB Elektro RE AS, Norway	July, 2015	85	20	Energy
CTM Lyng AS, Norway	September, 2015	135	55	Energy
Partco Oy, Finland	September, 2015	20	10	Components
RECAB Embedded Computers AB, Sweden	October, 2015	100	18	Components
Kretsteknik Nordic AB (assets and liabilities), Sweden	October, 2015	25	1	Components
Enöque Svenska AB, Sweden	October, 2015	6	2	Energy
Powermec AB, Sweden	November, 2015	150	26	Power Solutions
Goodtech Products AS, Norway	February, 2016	85	23	Components
INL System AB, Sweden	March, 2016	12	2	Components
Sammet Dampers Oy, Finland	April, 2016	45	12	Industrial Process
Poryan China Company Ltd, China	April, 2016	50	22	Power Solutions
E.T.S. Portsmouth Limited, Great Britain	April, 2016	100	35	Energy
Elektro-Tukku Oy, Finland	May, 2016	8	3	Components
Penlink AB, Sweden	October, 2015	25	5	Components

* Refers to conditions at the time of acquisition on a full-year basis.

PARENT COMPANY INCOME STATEMENT

	3 months ending		6 months ending		12 months ending	
SEKm	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15	30 Sep 16	31 Mar 16
Net sales	12	14	25	29	54	58
Administrative expenses	-13	-16	-29	-34	-64	-69
Operating profit/loss	**-1**	**-2**	**-4**	**-5**	**-10**	**-11**
Profit from interests in Group companies	-	-	-	-	190	190
Interest income and expenses and similar items	3	2	1	11	11	21
Profit after financial items	**2**	**0**	**-3**	**6**	**191**	**200**
Appropriations	-	-	-	-	-20	-20
Profit before taxes	**2**	**0**	**-3**	**6**	**171**	**180**
Income tax expense	-1	0	0	-2	-36	-38
Profit for the period	**1**	**0**	**-3**	**4**	**135**	**142**
Total comprehensive income	**1**	**0**	**-3**	**4**	**135**	**142**

PARENT COMPANY BALANCE SHEET

SEKm	30 Sep 16	31 Mar 16	30 Sep 15
Intangible non-current assets	0	0	0
Property, plant and equipment	4	4	4
Non-current financial assets	2,176	2,446	2,580
Total non-current assets	**2,180**	**2,450**	**2,584**
Current receivables	93	304	299
Cash and bank balances	-	-	-
Total current assets	**93**	**304**	**299**
Total assets	**2,273**	**2,754**	**2,883**
Equity	**565**	**836**	**737**
Untaxed reserves	375	375	355
Provisions	16	16	16
Non-current liabilities	146	390	364
Current liabilities	1,171	1,137	1,411
Total equity and liabilities	**2,273**	**2,754**	**2,883**

FURTHER INFORMATION

Publication

This information is information that Addtech AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 8.00 a.m CET on 27 October 2016.

Future information

2017-02-02 Interim report April - December 2016
2017-05-11 Year-end report April 2016 - March 2017

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DEFINITIONS

Return on equity[2]
Earnings after tax divided by equity. The components are calculated as the average of the last 12 months.

Return on working capital (P/WC)[1]
EBITA divided by working capital, where working capital consists of inventories, receivables and payables. The components are calculated as the average of the last 12 months. P/WC is from 1 April 2016 calculated as EBITA divided by working capital, previously calculated as operating profit divided by working capital.

Return on capital employed
Profit before tax plus financial expenses as a percentage of capital employed. The components are calculated as the average of the last 12 months.

EBITA
Operating profit before amortisation of intangible assets.

EBITA-margin
EBITA as a percentage of net sales.

EBITDA
Operating profit before depreciation and amortisation.

Equity per share
Shareholders' share of equity divided by number of shares outstanding on the reporting periods end.

Financial net debt
The net of interest-bearing debt and provisions minus cash and cash equivalents.

Cash flow from operating activities per share
Cash flow from operating activities, divided by the average number of outstanding shares after repurchase.

Net debt excluding pensions
The net of interest-bearing debt and provisions excluding pensions minus cash and cash equivalents.

Net debt excluding pensions/ equity ratio[2]
Net debt excluding pensions divided by shareholders' equity.

Interest coverage ratio
Profit after net financial items plus financial expenses divided by financial expenses.

Operating margin
Operating profit as a percentage of net sales.

Equity ratio[2]
Equity as a percentage of total assets.

Debt/equity ratio[2]
Financial net liabilities divided by equity.

Capital employed
Total assets minus non-interest-bearing liabilities and provisions.

Outstanding shares
Total number of shares less treasury shares repurchased by the Company.

Earnings per share (EPS)
Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period. Performance measures under IFRS.

Earnings per share (EPS), diluted[2]
Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period, adjusted for the additional number of shares following exercise of outstanding warrants. Performance measures under IFRS.

[1]The performance measure is operational and is not considered to be an alternative performance measure according to ESMA's guidelines.
[2]Minority interest is included in equity when the performance measures are calculated.