

Year End Report 2017

Västerås, 8th February 2018



OCTOBER - DECEMBER 2017

- Net turnover 194.1 MSEK (183.5)
- Profit before depreciation/amortization and write downs 4.1 MSEK (-6.1)
- Operating profit/loss EBIT 2.0 MSEK (-8.5)
- Operating margin EBIT 1.0 % (-4.6)
- Profits after tax 1.5 MSEK (-7.0)
- Profit per share 0.10 SEK (-0.71)

JANUARY - DECEMBER 2017

- Net turnover 734.9 MSEK (696.6)
- Profit before depreciation/amortization and write downs 25.8 MSEK (3.3)
- Operating profit/loss EBIT 16.2 MSEK (-7.3)
- Operating margin EBIT 2.2 % (-1.0)
- Profits after tax 11.5 MSEK (-6.2)
- Profit per share 1.06 SEK (-0.73)



Developing smart products, smart factories and smart services for increasing our customers' innovative powers and productivity

The full-year report for 2017 shows a significant improvement compared to 2016.

The profitability, however, is not at the level we are aiming for but should also be considered in the light of a major delivery assignment having been concluded sooner than expected and burdening the fourth quarter with SEK 6.4 million, for a total of SEK 8.2 during 2017. Now that the assignment has been concluded, it will no longer affect profits. Adjusted for the above delivery assignment, EBIT amounted to SEK 8.4 million and an operating margin of

4.3 percent. On the whole, the year has led to a more stable organization with higher utilization and an increased rate of invoicing. Prevas' portfolio is also better adapted to the market due to a clear focus on the capabilities of digitalization. We therefore feel that we've laid the foundation for future growth and increased profitability.

Karl-Gustav Ramström

A WORD FROM THE CEO

ANNUAL REPORT

Will be available from Prevas' head office, Legeringsgatan 18 in Västerås, three weeks before the Annual General Meeting 2018. The annual report can also be ordered from the head office, Tel +46 (0)21-360 19 00 or info@prevas.se.

ANNUAL GENERAL MEETING 2018

Prevas AB's annual general meeting, Västerås
May 16th 2018, at 18:00 hrs

FORTHCOMING REPORTS

Interim report January - March,
April 25th 2018

Interim report January - June,
July 17th 2018

Interim report January - September,
October 24 2018

Year End Report 2018,
February 13th 2019

MORE INFORMATION

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GOOD MARKET OPPORTUNITIES

The market continues to be strong. Digitalization, along with rapid technological development, is still the prime mover. An important positive factor is that traditional Nordic industries are now seeing the benefits in productivity and product development that digitalization entails on a broader front, making them more willing to invest in new projects.

Hot areas are robot automation and life science, but here we can also include increasingly stronger manufacturing companies and other hi-tech export enterprises. An equally exciting and promising development is that we are now working with more companies that just a few years ago, we did not associate with digitalization, such as Löfbergs Kafferosteri, Kontigo Care and LYS Technologies.

Prevas' passion is to be at the technological forefront, and together with our customers, to take on technological challenges and create smart products and factories, something that is definitely in line with Prevas and our strong technological image. But we do not just enhance our customers' operations; it is just as important that we enhance our own. Our most important asset is the advanced technological skills that our employees possess. Prevas is knowledgeable of the entire chain, from the electronics at the deepest level to digitalization's capabilities for utilizing all data and information in producing the right decision-making materials for administering companies' various processes.

ATTRACTING SKILLED STAFF

Our work force increased during the fourth quarter and we are putting considerable effort into recruiting talented new staff for all our specialist areas. This is an important factor for further increasing our capacity and abilities in being a strong player with leading-edge expertise at the technological forefront. We are also investing more in strengthening Prevas' presence in various social forums. It is decisive to make our orientation known, not just among our customers but also among young people, since both advanced technological skills and sustainability are essential factors for a company's attractive powers.

The goal is to be seen as the market's most skilled partner in helping customers to realize their innovations in a sustainable manner. It therefore feels especially good that during 2017, we laid the foundation and created the prerequisites for this future-oriented strategy. Our operations are focused on smart products, smart factories and smart services.

Karl-Gustav Ramström,
 CEO Prevas AB

Operations

Prevas is a partner for companies in many industries. Our passion is resolving technical challenges in developing smart products, smart factories and smart services. Together with our customers we take advantage of the progress of technology and digitalization and convert the customers' needs and ideas into increased sustainability and competitiveness.

MARKET

During the year the market has been good in several industries and companies are investing in new innovative products and increased productivity. Prevas has gained a leading position in the digitalization market, within the Internet of Things and industrial IT and automation (Industry 4.0). Few suppliers can equal the experience and breadth of expertise within the new hot fields of smart products, smart factories and smart services. We are seeing both new and existing customers being attracted by Prevas' high level of expertise and strong offers within these fields.

The defense industry, which is affected by geopolitical concerns, continues to be highly active with the SAAB group leading the way. Prevas continues to receive strong orders in this area.

Life science is another expansive industry that is now beginning to embrace the new opportunities within digitalization. New innovative medical instruments have been developed to create new services for analysis of health and research into new medicines within the FDA's regulatory framework. For example, QuickCool, a new customer during the year, used Prevas' expertise in this demanding area. More opportunities are also being created in life science through connectivity and use of cloud services to create new products and services that are often designated mHealth and eHealth.

Testing is one area that has become more important to achieve the correct quality and efficiency within development and production. New technically advanced products often mean high test costs. Prevas' expertise within production testing and simulation for development testing combined with use of new technology has been increasingly in demand. There are customers within areas such as the automotive, life science and defense industries.

The automotive industry is exposed to increasingly higher international competition, which in turn increases the demands to work continuously on productivity improvements. Prevas' many years of experience and great expertise within robotic automation is therefore in great demand and a lot of new large orders have been received during the year. Another trend is that the use of industrial robots is spreading to new industry, which means a broader market for Prevas.

Within the environment, energy and climate there are a lot of exciting projects where digitalization and new technology often contribute to solutions for a more sustainable world. Some of the customers who have come to us during the year:

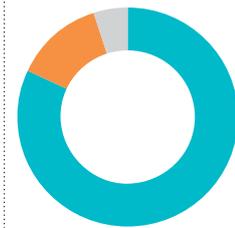
- Sol Voltaics who use nanotechnology for solar energy. New innovative solar panel products developed with help from Prevas' knowledge within industrial technology.
- ROMO Wind uses Prevas to further develop their product iSpin.
Through wind measurement one can use this product to increase the efficiency of wind turbines.

One area within digitalization that has made a breakthrough is smart maintenance services (Asset Management). It involves a lot of gathering and analysis of information about operating statuses to be able to plan better preventative maintenance and more optimized production. Löfbergs coffee roasting plant in Karlstad is a new customer who, with Prevas' help have taken their maintenance work to a whole new level.

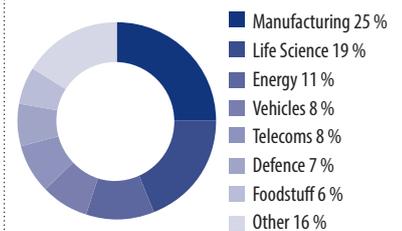
OFFER

The Digitalization revolution has opened new opportunities in virtually every aspect of life and we notice the effects every day. Prevas' investment in digitalization is aimed at Smart Products, Smart factories and Smart Services, in the shape of new innovative products with increased functionality and improved customer experience and new system solutions for more efficient production and service.

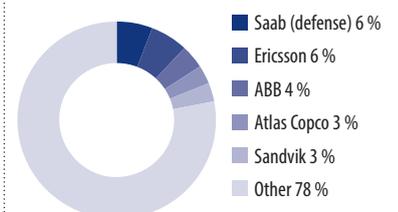
TURNOVER DIVIDED BY SEGMENT - 2017



INDUSTRY BREAKDOWN - 2017



THE LARGEST CUSTOMERS - 2017



MEET US AT

Labor market day, Karlstad,
Feb 14th 2018

Medico Bazar, Copenhagen,
March 7th 2018

Maintenance 2018, Gothenburg,
March 13th-16th 2018

S.E.E., Kista/Stockholm,
April 24th-26th 2018

UNDER SKALET

"Under skalet" is a web TV series that Prevas produces together with Ny Teknik. The films are published by Ny Teknik on www.nyteknik.se/underskalet.

FOLLOW US



Smart products

Today's smart products are becoming ever more complex and electronics with advanced software are everywhere, in everything from cars, trains, planes, medical technical equipment and industrial robots to modern white goods. With the help of integrated intelligence and communication, the conditions for new income streams are being created by being able to offer customers new services in the aftermarket. This is an area that a lot of production companies have not previously focused on. By connecting products and collecting data about product status and customer behavior, analysis can give a rapid overview of how customer service can be improved. With a combination of technical expertise, application skill and understanding of the customer's business, we help get their products onto the market quickly and safely.

Example of customer offers:

- Smart products with integrated electronics and intelligent sensors
- Connected products for new services and aftermarket
- Test system solutions to reduce development times and improve product quality
- Life science solutions with advanced sensor technology, advanced analysis and new connectivity opportunities

Smart factories

The concept of smart factories is based on exploiting comprehensive IT solutions for control and monitoring of the production processes and is an area of strong growth. Automation and robot solutions make up a strong component of this and by embracing solutions within industry 4.0 and gathering data to analyze information about operation and maintenance, the processes can be improved to an even higher level and thereby achieve efficient and sustainable production.

Example of customer offers:

- Manufacturing execution systems (MES) that bridge the gap between business systems and automation. Connectivity of production equipment is a cornerstone of this.
- Offers within robot solutions are based on a thorough knowledge of application within many industries. With cutting edge expertise in system design, mechanical engineering as well as robot and automation programming, we can construct competitive, complete and flexible robot-based production units.
- With Prevas' efficient maintenance solutions, the smart factory can improve availability and at the same time reduce maintenance costs. With status based maintenance that is based on digitalization, one can take another step in the direction of world class production.

Smart services

For Prevas, smart service is often about continuously collecting large amounts of data, big data, from connected units. Data that is analyzed and visualized to give a clear overview of operating status and actual use of the functions and equipment. Information that gives insight into the need for service and maintenance or opportunity for a more optimized use of goods and equipment, at the same time as also having valuable input for the R&D department for improvements.

Example of customer offers:

- Improved customer experiences and new business models within the aftermarket for the manufacturer. Made possible through connected products and new technology.
- Connected machines and instruments for extended and more efficient service.
- Rationalization of operation, maintenance and support within one or more installations by monitoring operation in real time.

IMPORTANT EVENTS DURING THE PERIOD

Information that was made public during the fourth quarter.

- **Activated CEO succession**
Prevas' CEO, K-G Ramström, will retire during the spring of 2019. The Board has therefore stated that they have taken the decision to begin recruitment of a new CEO for Prevas AB.

PREVAS VISION

Prevas shall be a leader in applying technology and serve as a model for creating a long-term, sustainable society.

PREVAS MISSION

Our work is based on an in-depth understanding of our clients' operations and business activities. Through continuous development – both of our own capabilities and those of our clients – we exploit advances in technology and digitalization. Working with our clients, we transform their needs and ideas into competitive strengths.

We have a passion for resolving technological challenges. With advanced expertise in product development, embedded systems, industrial IT and automation, Prevas provides solutions and consulting services that fulfill our clients' needs – today and tomorrow.

INNOVATION OF GROWTH

Since the dawn of time it has been innovative ideas that have developed the world. In a global community the pace of innovation has to be faster than ever to assure growth. Since starting in 1985 Prevas has had the task of using high technological expertise and innovative solutions to create growth for our clients.

- **Long term collaboration with focus on digital disruptive dependency care for increased quality of life**

Kontigo Care and Prevas have been partners for several years, with Prevas working to develop the hardware solutions that Kontigo Care has needed to fulfill its vision for treatment of serious dependencies. With the new eHealth platform Previct they are hoping to be able to identify relapses before they occur.

- **Order from Denofa.**

The Norwegian company Denofa chose a flexible information system from Prevas. The delivery includes Prevas' product Mikon, which is a powerful analysis and reporting tool and among other things can be used to increase quality and productivity.

- **Maintenance orders from Nor Tekstil AS.**

Norway's leading supplier of textile services, Nor Tekstil, chose the maintenance system Infor EAM from Prevas for their 17 laundries.

- **QuickCool selected Prevas as their software supplier** for the final phase and launch of their QuickCool® System. Prevas' local presence, technical expertise and experience in developing medical technology solutions were decisive when choosing a new partner.

- **Sol Voltaics selected Prevas as partner.**

Sol Voltaics AB is a spin-off from Lund University's world-leading nanotech research and the company is striving to expand the market for solar energy. Their product will enable existing solar panel manufacturers to increase the efficiency of their solar cells by using a nano-equipped thin film.

- **Investing in the EMC offer**

Prevas is strengthening its offer in the EMC field with increased capacity and testing opportunities to new standards. Thanks to our own EMC measurement chambers, Prevas can carry out the highest quality measurements at an early stage of the product development phase. Risks in the development work are reduced and the customers can save time and money.

- **Innovation competition with Prevas and Inission**

The seventh edition of the Inission innovation award has begun. The competition is aimed at encouraging entrepreneurs to realize their technology related innovations. Through Prevas, the winner is offered development services to a value of up to 250,000 SEK. The winner also receives industrialization and manufacturing services to a value of up to 1 million SEK from Inission.

Financial Information, group

TURNOVER

OCTOBER - DECEMBER

Net turnover amounted to 194.1 MSEK (183.5) an increase of 6 percent. The number of working days amounted to 63 (64). Net turnover per employee amounted to 380 TSEK (344).

JANUARY - DECEMBER

Net turnover amounted to 734.9 MSEK (696.6) an increase of 6 percent. The number of working days amounted to 251 (253). Net turnover per employee amounted to 1,441 TSEK (1,292 TSEK).

PROFITS/LOSS

OCTOBER - DECEMBER

Operating profit/loss EBIT amounted to 2.0 MSEK (-8.5) which gives an operating margin of 1.0 percent (-4.6). Profit before depreciation/amortization and write downs EBITDA amounted to 4.1 MSEK (-6.1) which gives profit margin before depreciation/amortization and write downs of 2.1 percent (-3.3). Profits after tax amounted to 1.5 MSEK (-7.0).

The period's EBIT was affected by a one off cost of -6.4 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period amounts to 8.4 MSEK and an operating margin of 4.3 percent.

JANUARY - DECEMBER

Operating profit/loss EBIT amounted to 16.2 MSEK (-7.3) which gives an operating margin of 2.2 percent (-1.0). Profit before depreciation/amortization and write downs EBITDA amounted to 25.8 MSEK (3.3) which gives profit margin before depreciation/amortization and write downs of 3.5 percent (0.5). Profits after tax amounted to 11.5 MSEK (-6.2).

The Period's EBIT was affected by a one off cost of -8.2 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period amounts to 24.4 MSEK and an operating margin of 3.3 percent.

During the year the cost saving program that was initiated in 2016 was concluded and all the objectives were achieved.

The completed improvements will first be fully realized during 2018 and primarily affect the operating segment Other.

CASH FLOW, LIQUID FUNDS AND FINANCING

The cash flow from ongoing operations for the year amounted to 8.1 MSEK (0.7). Liquid funds at year end amounted to 9.3 MSEK (10.3) of which an unused overdraft facility for 8.5 MSEK (9.3). The total credit capacity has been increased with a guarantee facility of 10 MSEK to support the company's expanded project commitments. It is the judgment of the Board that Prevas has a financing situation appropriate for the company's future planning.

FINANCIAL POSITION

Equity at period end amounted to 149.5 MSEK (139.4), which gives an equity ratio of 41 percent (39). Equity per share amounted to 14.58 SEK (13.54).

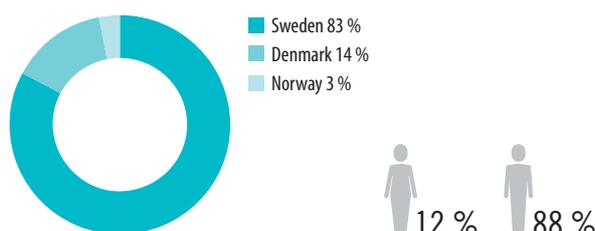
EMPLOYEES

The average number of employees during the year amounted to 510 (539), of which 401 (415) were in Sweden, 68 (58) in Denmark, 19 (42) in Other segments and 22 (25) were central. The number of employees at period end amounted to 538 (548) of which the proportion who were women was 12 percent.

INVESTMENTS

During the year, the group's investment in assets amounted to 3.6 MSEK (3.3), of which 1.8 MSEK (1.7) covered machinery

TOTAL NUMBER OF EMPLOYEES *



* per 12/31/2017

Key ratio per quarter

	2017	2017	2017	2017	2016	2016	2016	2016	2015	2015	2015	2015
	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Operating income, MSEK	194.1	154.5	187.5	198.7	183.5	145.5	191.3	176.3	184.4	147.9	183.4	185.7
Operating profit/loss, MSEK	2.0	1.5	2.6	10.0	-8.5	-2.6	0.7	3.0	-15.4	0.2	-3.9	1.4
Operating margin in %	1.0	1.0	1.4	5.0	-4.6	-1.8	0.4	1.7	-8.4	0.2	-2.1	0.7
Number of working days	63	65	59	64	64	66	62	61	63	66	59	62
Number of employees, end of period	538	532	535	540	548	583	586	590	579	592	601	613
Number of employees, average	511	488	514	532	533	527	561	551	554	539	574	584
Net turnover/employee, TSEK	380	317	365	374	344	276	343	320	333	274	322	318
Equity ratio, %	41	44	43	42	39	44	42	43	40	43	41	42
Profit per share, SEK	0.10	0.09	0.15	0.72	-0.71	-0.18	0.01	0.16	-0.68	0.04	-0.22	0.10
Equity per share, SEK	14.58	14.46	14.39	14.24	13.54	14.24	14.33	14.29	14.09	14.79	14.78	15.03

and inventory and 1.8 MSEK (1.6) product development and intangible assets. In addition to this, acquisition costs for car leasing rose to 6.2 MSEK (4.7).

OPERATIONAL STRENGTH KEY RATIOS, PROJECTS IN TIME

Customer satisfaction, delivery precision and warranty work are continuously metered as part of the company's certified quality system. Since starting in 1985 Prevas has had a very high number of satisfied customers and unique high quality figures regarding delivery precision and warranty. Prevas' customer satisfaction rating has increased during the quarter and has risen to 8.4 (scale of 1 to 10). This together with the fact that 88 percent of our projects were delivered on time, means that Prevas is highly valued by the customers.

THE PARENT COMPANY

OCTOBER - DECEMBER

Turnover amounted to 137.0 MSEK (143.7) and the result after financial items amounted to -5.8 MSEK (-8.9).

The Period's EBIT was affected by a one off cost of -6.4 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period after financial items amounts to 0.6 MSEK.

JANUARY - DECEMBER

Turnover amounted to 549.1 MSEK (535.3) and the result after financial items amounted to 4.0 MSEK (-14.9).

The Period's EBIT was affected by a one off cost of -8.2 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period after financial items amounts to 12.2 MSEK.

RISKS AND UNCERTAINTY FACTORS

The Prevas group, including the parent company, works with a number of basic principles for managing risk in the different divisions of the operations. Effective risk management is a continuous process that is run within the framework of operational control and makes up a natural part of the ongoing follow up work in the operations. Examples of operational and market related risks are; competition and pricing pressure, negative development at our customers, bankruptcy risks and exchange and interest rate risk. It is Prevas' judgment that the risks have increased slightly during the last few years but that 2017 has not lead to any increased exposure to risk. Another risk is competition for qualified employees, where the risk has continued to increase during 2017. From Prevas' position as market leader in Integrated System and Industrial IT, it is important to attract and recruit the best possible people. Given the very good labor market, the difficulty in maintaining the level of expertise is something that may affect Prevas in the future.

TRANSACTIONS WITH AFFILIATED BODIES

Any transactions of this type are reported in the annual report 2016 under note 25 and largely attributable to purchases and sales between companies within the group. Transactions occur under market conditions.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim reports. The group report has been prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU, and where relevant Swedish legislation regarding annual reports. The parent company accounts have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounts for legal entities.

New or modified IFRS or interpretations of 2017 have not had any significant effect on the financial reports.

The group and the parent company apply the same accounting principles and calculations bases as in the annual report for 2016.

FINANCIAL INSTRUMENTS

Reported value of liquid funds, account receivables, generated but unbilled income, interest bearing liabilities and suppliers' liabilities are considered to make up an approximation of the actual value of these receivables and liabilities.

Conditional additional considerations come to 0.5 MSEK (1.9). Additional considerations are valued at their actual value in accordance with level 3 and the most significant parameter when evaluating is estimated earnings of acquired operations. Final additional considerations can result in the range of 0-0.5 MSEK.

KEY FIGURES

From and including July 3rd 2016 the ESMA's (European Securities And Markets Authority) "Guidelines – Alternative key figures" will be applied. The definitions of Prevas key figures can be found on page 37 in the annual report for 2016. The alternative key figures such as EBITDA are used to give a more detailed description of how the operations developed, while other alternative key figures, such as various measures of return, focus on the ownership perspective.

PROPOSAL FOR DIVIDEND

The Board proposes at the ADGM that no dividend is paid.

Västerås February 8th 2018

Prevas AB (publ)

Karl-Gustav Ramström, CEO Prevas AB

This financial report has not been subject to inspection by the company's auditors.

Published 2/8/2018, 8:30 CET. The information is such that Prevas AB (publ) is required to make public in accordance with the Securities market Act and/or Financial Instruments Trading Act. This is a translation of an original document in Swedish. In case of dispute, the original document should be taken as authoritative (bokslutskommuniké 2017 at www.prevas.se). Or contact the company direct.

Accounts, group

STATEMENT OF OPERATIONS in summary, TSEK	2017 Q 4	2016 Q 4	2017 Full year	2016 Full year
Net turnover	194,119	183,524	734,854	696,562
Capitalized work	364	972	1,437	1,491
Other external costs	-68,311	-60,898	-243,702	-208,341
Personnel costs	-122,078	-129,689	-466,790	-486,459
Profits before depreciation/amortization	4,094	-6,091	25,799	3,253
Depreciation intangible fixed costs	-1,075	-1,774	-5,658	-6,927
Depreciation tangible fixed assets	-1,037	-649	-3,978	-3,630
Operating profit/loss	1,982	-8,514	16,163	-7,304
Financial net	-482	-589	-1,592	9
Profit after financial items	1,500	-9,103	14,571	-7,295
Tax	-30	2,111	-3,059	1,120
Profits for the period	1,470	-6,992	11,512	-6,175
Profit for period attributable to parent company owners	991	-7,184	10,670	-7,366
Profit for period attributable to non-controlling interests	479	192	842	1,191
Profit per share before and after dilution in SEK	0.10 SEK	-0.71 SEK	1.06 SEK	-0.73 SEK

REPORT OF TOTAL EARNINGS in summary, TSEK	2017 Q 4	2016 Q 4	2017 Full year	2016 Full year
Profits for the period	1,470	-6,992	11,512	-6,175
Items that will be later implemented in the period's profit/loss;				
Calculation differences attributable to overseas operations	162	54	-166	1,733
Total earnings for the period after tax	1,632	-6,938	11,346	-4,442
Total earnings for period attributable to parent company owners	1,153	-7,130	10,504	-5,633
Total earnings for period attributable to non-controlling interests	479	192	842	1,191

BALANCE SHEET in summary, TSEK	2017 31st Dec	2016 31st Dec
Goodwill	135,759	135,821
Other intangible fixed assets	5,257	8,724
Tangible fixed assets	15,187	14,006
Deferred tax asset	3,732	4,956
Total fixed assets	159,935	163,507
Current receivables	203,426	197,098
Liquid funds	886	1,260
Total current assets	204,312	198,358
TOTAL ASSETS	364,247	361,865
Equity attributable to owners of parent company	147,249	136,745
Equity attributable to non-controlling interests	2,286	2,644
Equity	149,535	139,389
Deferred tax liability	8,097	8,934
Non-current provisions	–	500
Long term interest bearing liabilities	8,369	9,437
Total non-current liabilities	16,466	18,871
Current provisions	1,287	2,672
Current interest bearing liabilities	60,932	60,381
Other interest bearing liabilities	136,027	140,552
Total current provisions	198,246	203,605
TOTAL LIABILITIES AND EQUITY	364,247	361,865

CHANGES IN EQUITY in summary, TSEK	2017 Full year	2016 Full year
Opening balance	139,389	143,831
Total of total earnings for period attributable to parent company owners	10,504	-5,633
Total of total earnings for period attributable to non-controlling interests	842	1,191
Dividend non-controlling interests	-1,200	–
Closing balance	149,535	139,389
Equity attributable to owners of parent company	147,249	136,745
Equity attributable to non-controlling interests	2,296	2,644

OPERATING SEGMENT, October-December 2017, TSEK	Sweden	Denmark	Other	Group functions and eliminations	Total the group
Sales to external customers	157,578	26,949	9,591	–	194,118
Sales to other segments	368	1,895	172	-2,435	
Profits before depreciation/amortization, EBITDA	4,863	2,161	-1,023	-1,907	4,094
Write-offs	-1,328	-345	-439	–	-2,112
Operating profit, EBIT	3,535	1,816	-1,462	-1,907	1,982
Financial items				-482	-482
Pretax Profits					1,500

OPERATING SEGMENT, October-December 2016, TSEK	Sweden	Denmark	Other	Group functions and eliminations	Total the group
Sales to external customers	155,569	17,705	10,250	–	183,524
Sales to other segments	181	741	481	-1,403	
Profits before depreciation/amortization, EBITDA	4,751	-1,571	-6,574	-2,697	-6,091
Write-offs	-1,563	-350	-510	–	-2,423
Operating profit, EBIT	3,188	-1,921	-7,084	-2,697	-8,514
Financial items				-589	-589
Pretax Profits					-9,103

OPERATING SEGMENT, January-December 2017, TSEK	Sweden	Denmark	Other	Group functions and eliminations	Total the group
Sales to external customers	601,289	96,354	37,211	–	734,854
Sales to other segments	1,520	4,511	1,866	-7,897	
Profits before depreciation/amortization, EBITDA	20,378	7,580	1,186	-3,345	25,799
Write-offs	-6,402	-1,333	-1,901	–	-9,636
Operating profit, EBIT	13,976	6,247	-715	-3,345	16,163
Financial items				-1,592	-1,592
Pretax Profits					14,571

OPERATING SEGMENT, January-December 2016, TSEK	Sweden	Denmark	Other	Group functions and eliminations	Total the group
Sales to external customers	577,470	74,440	44,652	–	696,562
Sales to other segments	1,507	3,251	2,256	-7,014	
Profits before depreciation/amortization, EBITDA	14,062	5,725	-12,435	-4,099	3,253
Write-offs	-7,321	-1,272	-1,964	–	-10,557
Operating profit, EBIT	6,741	4,453	-14,399	-4,099	-7,304
Financial items				9	9
Pretax Profits					-7,295

ANALYSIS OF CASH FLOW in summary, TSEK	2017 Q 4	2016 Q 4	2017 Full year	2016 Full year
ONGOING OPERATIONS				
Pretax Profits	1,500	-9,103	14,571	-7,295
Adjustments for items not included in cash flow	-191	1,273	5,499	6,091
Paid income tax	1,291	2,570	-1,143	-2,113
Cash flow from ongoing operations before change to working capital	2,600	-5,260	18,927	-3,317
Changes to operating receivables	-29,682	-25,287	-6,328	-5,727
Changes to operating liabilities	22,809	29,570	-4,525	9,714
Cash flow from ongoing operations	-4,273	-977	8,074	670
INVESTMENT OPERATIONS				
Acquisition of operations and shares excl. liquid funds	–	-1,436	-2,375*	-5,475
Investment in intangible fixed assets	-366	-972	-1,821	-1,547
Investment in tangible fixed assets	-581	-863	-1,828	-1,720
Cash flow from investment operations	-947	-3,271	-6,024	-8,742
FINANCING OPERATIONS				
Repayment of loans	-3,400	-1,700	-6,800	-6,800
Change of overdraft facility	8,667	5,893	5,338	14,942
Dividends paid	–	–	-1,200	–
Cash flow from financing operations	5,267	4,193	-2,662	8,142
Cash flow for the period	47	-55	-612	70
Liquid funds at start of period	514	1,211	1,260	487
Exchange differences in liquid funds	326	104	239	703
Liquid funds at end of period	886	1,260	886	1,260

*) Refers to paid additional considerations.

KEY RATIOS, TSEK	2017 Q 4	2016 Q 4	2017 Full year	2016 Full year
Profit margin depreciation/amortization and write downs/EBITDA	2.1 %	-3.3 %	3.5 %	0.5 %
Operating margin/EBIT	1.0 %	-4.6 %	2.2 %	-1.0 %
Profit margin	0.8 %	-5.0 %	2.0 %	-1.0 %
<i>Number of shares outstanding at close of report period, thousand</i>				
before and after dilution	10,102	10,102	10,102	10,102
<i>Average number of shares outstanding, thousand</i>				
before and after dilution	10,102	10,102	10,102	10,102
Profit per share before and after dilution	0.10 SEK	-0.71 SEK	1.06 SEK	-0.73 SEK
Equity per share before and after dilution			14.58 SEK	13.54 SEK
Equity ratio			41 %	39 %
Return on capital employed, %			7.9 %	-2.5 %
Return on equity, %			8.0 %	-4.4 %
Average number of employees			510	539
Number of working days			251	253
Turnover per employee in TSEK			1,441	1,292

Definitions of key ratios, see page 35 in Prevas' annual report 2016.

Accounts, parent company

STATEMENT OF OPERATIONS in summary, TSEK	2017 Q 4	2016 Q 4	2017 Full year	2016 Full year
Net turnover	136,983	143,712	549,142	535,265
Capitalized work	155	711	930	711
Other external costs	-56,574	-59,489	-211,244	-189,256
Personnel costs	-84,892	-88,639	-331,332	-346,213
Amortization and write downs intangible fixed assets	-897	-1,233	-4,537	-4,868
Depreciation tangible fixed assets	-164	-171	-690	-720
Operating profit/loss	-5,389	-5,109	2,269	-5,081
Profit from participation in group companies	–	-5,083	2,995	-10,200
Interest income and similar profit items	356	1,862	713	2,153
Interest costs and similar profit items	-736	-560	-1 967	-1,728
Profit after financial items	-5,769	-8,890	4,010	-14,856
Tax	864	859	-1,123	711
Profits for the period	-4,905	-8,031	2,887	-14,145

BALANCE SHEET in summary, TSEK	2017 31st Dec	2016 31st Dec
Intangible fixed assets	4,035	7,260
Tangible fixed assets	1,387	1,315
Financial fixed assets	64,134	63,763
Current receivables	158,098	158,192
Cash and Bank	2	12
Total assets	227,656	230,542
Restricted equity	36,719	42,948
Non-restricted equity	2,100	-7,016
Equity	38,819	35,932
Provisions	3,391	3,764
Long term interest bearing liabilities	–	1,900
Current interest bearing liabilities	56,528	57,990
Other interest bearing liabilities	128,918	130,956
Total liabilities and Equity	227,656	230,542

Prevas started in 1985 and is a partner to companies in many sectors. Our passion is resolving technical challenges in developing smart products and smart factories. With cutting-edge expertise in product development, embedded systems and industrial IT and automation, Prevas contributes innovative solutions and services that create growth.

Prevas has offices in Sweden, Denmark, Norway and India, and approximately 550 employees. Prevas has been listed on NASDAQ Stockholm since 1998.



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