

Interim report January - September 2017

Västerås, October 25th 2017



JULY - SEPTEMBER 2017

- Net turnover 154.5 MSEK (145.5)
- Profit before depreciation/amortization and write downs 3.9 MSEK (0.2)
- Operating profit/loss EBIT 1.5 MSEK (-2.6)
- Operating margin EBIT 1.0 % (-1.8)
- Profits after tax 0.9 MSEK (-1.5)
- Profit per share 0.09 SEK (-0.18)

JANUARY - SEPTEMBER 2017

- Net turnover 540.7 MSEK (513.0)
- Profit before depreciation/amortization and write downs 21.7 MSEK (9.3)
- Operating profit/loss EBIT 14.2 MSEK (1.2)
- Operating margin EBIT 2.6 % (0.2)
- Profits after tax 10.0 MSEK (0.8)
- Profit per share 0.96 SEK (-0.02)



Karl-Gustav Ramström
A WORD FROM THE CEO

The challenge is to raise the visibility of great expertise and emphasize our offer

The market continues to be strongly driven by digitalization and robotization. Our growth is primarily within the life science sector, but also the smart products and robotized manufacture sectors. We have made several interesting deals and also established a partnership with QuickCool to develop their medical technical products. As part of the investment in digitalization within production, we have also established a close collaboration with Göteborgs

Tekniska College and their Smarta Fabriker (Smart Factories) project, which is a collaboration between the academic and business worlds to create expertise and spread knowledge of industrial digitalization. Utilization is satisfactory and sales and profitability continue to develop positively. Operating profits are better compared to the equivalent period last year. The increase in turnover is partially driven by a higher proportion of material and sub-contracted consultants and the present challenge is to review our pricing levels and get better payment for our great expertise and to have more of our own consultants, in order to increase profitability more quickly.

TO DEVELOP AND BE DEVELOPED

Prevas has traditionally always been good at solving complex problems through our employees' expertise, and during the last quarter we have focused on training ourselves. The object is to emphasize the advantages that the combination of digitalization and Prevas' special expertise can offer, something that we prioritize over the long-term to ensure that Prevas is an organization that is continually learning and at the cutting edge of technology. That is something that both our employees and our customers want and we therefore need to expand, so that there are more of us who are expert in these areas. In the long-term it is about being the best at offering digitalization expertise and helping companies to improve their competitiveness.

For our part, it is also about offering help for self help. We can both open eyes and provide technical support, at the same time as delivering solutions. We have always been good at questioning and critically evaluating new technology, which we then pass on to our customers. What benefits can we get from this new technology? Will it function safely and is the quality high enough? These are important questions for the customer and, even if the technology is complex, we can deliver easy to use, robust and quality assured solutions.

WE MUST HELP OUR CUSTOMERS TAKE THE RIGHT STEP INTO THE FUTURE

Today it is no longer about the will to take on digitalization, but rather how long you have. The days of waiting for a specification before starting a job have passed. Today, with the customer, we have to challenge existing processes and solutions, testing ourselves with agile working methods, continuously measuring and evaluating with continuous adaptation to the prevailing conditions. It is a challenge for both us and our customers.

Close collaboration in the early phases of development will be decisive. We must develop digital partnerships with the customers; a necessity with the rapid pace of change we are experiencing. Development is exponential, which means that anyone who thinks linearly will automatically fall behind. We are investing in Prevas and want to make a difference and help our customers secure a sustainable future.

Karl-Gustav Ramström,
CEO Prevas AB

FORTHCOMING REPORTS

Year end report 2017,
February 8 2018

MORE INFORMATION

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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

Investments in the market have been focused on seizing the opportunities that digitalization can offer. In addition to digitalization changing the world in every industry, companies can improve their productivity and create new game plans by expanding their offers and finding new income streams. Prevas has gained leading position in the market within the Internet of Things and industrial IT, which are core areas within digitalization. Both existing customers and new customer categories are increasingly starting to employ Prevas' broad offer within digitalization.

In August, Prevas arranged an internal education day and mini-convention at the newly built mini-factory "Smarta fabriker" at Lindholmen in Gothenburg. Göteborgs Tekniska College is the project manager for construction of the factory, which is intended to showcase digitalization's capabilities, increase interest in technology among young people and to provide skills development for industry. Among other things, Prevas has contributed the order and planning system to the smart factory. During the training day, several Prevas projects within different areas of expertise were demonstrated, such as AR technology, condition monitoring, smart logistics, smart services etc.

Smart services is an area where Prevas can supply solutions that give rapid payback for the customer in the shape of completely new income streams and more efficient and better customer service. We gather large amounts of data, big data, from units every day. Data that is analyzed and visualized for a clear overview of operating status and actual use. For example, with Prevas' maintenance solution, new customer groups can get access to digitalization technology quickly and easily to rationalize their operations. Nor Textil, with over 1000 employees in 17 laundries in Norway, is a new customer that ordered Prevas' maintenance solution during the period.

Several major orders within the life science sector have been obtained which will lead to new innovative analysis instruments and medical technical equipment being developed. The combined demands for expertise in advanced technology and quality and for FDA approved documentation are something that Prevas is well equipped for. QuickCool is an example of a new customer attracted by Prevas' expertise and where a long-term collaboration has started.

Testing is an area that is increasing in significance within industry. The demand for rationalization through digitalization has increased the desire to invest in developing modern and future proof test systems. Prevas has a Center of Excellence for test systems, with customers including Volvo. During the period, several strategic orders were received from new customers and industries.

A framework agreement with the SAAB group has been extended and the defense industry sector continues to be an interesting area, with strong orders.

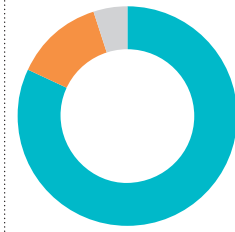
A lot of new exciting projects also impact on the areas of the environment and climate. New technologies can often be the solution to a more long-term, sustainable world. For example, Sol Voltaics uses nanotechnology for solar energy. New innovative solar panel products will be produced with the help of Prevas' expertise within industrial technology. ROMO Wind is another customer that has purchased development services during the quarter, to develop a new version of their product iSpin that increases the efficiency of wind turbines by measuring the wind.

More efficient production through robot automation remains a hot area and new orders have been received, including from the automotive industry. Prevas' good reputation and previous successful projects have also laid the foundations for receiving new automation assignments from our existing customers.

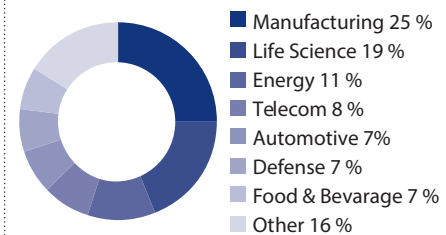
OFFER

In order to gather our specialist expertise within important areas of operation and technology, Prevas has established a number of Centers of Excellence. Our strategy is to increase customer benefits through these centers of excellence and specialist areas, in close collaboration with our

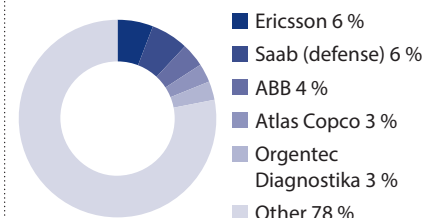
TURNOVER DIVIDED BY SEGMENT, Q1-3 2017



INDUSTRY BREAKDOWN, Q1-3 2017



THE LARGEST CUSTOMERS, Q1-3 2017



MEET US AT

Embedded Conference Scandinavia, Stockholm, **Nov 7-8 2017**

Electronics of Tomorrow, Herning, **Oct 31st - Nov 2nd 2017**

NIDays, Stockholm, **Nov 7th 2017**

NIDays, Copenhagen, **Nov 9th 2017**

UNDER THE SKIN

"Under skalet" (Under the skin) 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



customers. The new wave of digitalization has created openings for other types of customers to be attracted by Prevas expertise. Prevas is one of a few suppliers with vast experience and breadth of expertise in the areas of smart products and smart factories.

Prevas' investment within digitalization, Internet of Things and Industry 4.0 has also led to new business, both in the form of new innovative connected products and new system solutions within smart services.

Today's smart products are becoming increasingly complex and electronics are used everywhere in today's society, in everything from cars, trains, planes, medical equipment, industrial robots to modern white goods. A good testing and verification model is important for a product's success, to reduce development times and increase product quality. Prevas' expertise within test solutions is necessary to test the smart and complex products of today.

There are a lot of advances in research within life science that require new methods of analysis and advanced measurement instruments to become usable. Advanced sensor technology and the new connectivity opportunities also create new product innovations and opportunities within the healthcare sector. Prevas' customer base includes both small start-up companies and major international groups and it is pleasing to see that Prevas expertise contributes to saving lives and improving the quality of life for many people.

Automation and robotics solutions are needed to achieve efficient and sustainable manufacturing. Modern robotics solutions result in increased pace of production and product quality, fewer operational stoppages and lower costs. Prevas' specialist area within robotics solutions is based on a wide range of application expertise. With cutting edge expertise in system design and mechanical engineering, as well as robot programming, we can construct competitive and complete robot-based production units. To this is added another important area, which is logistics within the factories. Here Prevas is able to supplement both experience and deep expertise in a good way by creating good total solutions for the optimized production flows demanded by many customers.

World class performance requires even more. The expression smart factories is growing rapidly. These require comprehensive IT solutions for control and monitoring of complete production processes. Prevas' specialist area within manufacturing execution systems (MES) closes the gap between business systems and automation systems. Connection of all production equipment is a corner stone within this area. Cost effective solutions are available today that give competitiveness in a number of areas; productivity, flexibility, traceability, quality and profitability. There are a lot of customer categories that are recipients of these powerful improvements for production planning, quality and production follow up, material handling and logistics.

IMPORTANT EVENTS DURING THE PERIOD

Information that was announced during the third quarter.

- **Prevas is a development partner of ROMO Wind** which uses a new ground breaking method to measure the wind hitting a wind turbine. Their measurement method, iSpins, can be used to ensure that the wind turbine does not lose productivity and the owners of the wind turbine get a deeper insight into the wind conditions through all the important wind parameters being measured at the same time.

IMPORTANT EVENTS AFTER THE PERIOD

Information that was announced after the third quarter.

- **Maintenance order from Nor Tekstil AS.**
Norway's leading supplier of textile services, Nor Tekstil, selected the Infor EAM maintenance system from Prevas for their 17 laundries.
- **QuickCool chooses Prevas as its software supplier** before 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.

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.

Financial Information, group

TURNOVER

JULY - SEPTEMBER

Net turnover amounted to 154.5 MSEK (145.5). The number of working days amounted to 65 (66). Net turnover per employee amounted to 317 TSEK (276).

JANUARY - SEPTEMBER

Net turnover amounted to 540.7 MSEK (513.0). The number of working days amounted to 188 (189). Net turnover per employee amounted to 1,060 TSEK (941 TSEK).

PROFITS/LOSS

JULY - SEPTEMBER

Operating profit/loss EBIT amounted to 1.5 MSEK (-2.6) which gives an operating margin of 1.0 percent (-1.8). Profit before depreciation/amortization and write downs EBITDA amounted to 3.9 MSEK (0.2) which gives profit margin before depreciation/amortization and write downs of 2.5 percent (0.2). Profits after tax amounted to 0.9 MSEK (-1.5). Operations have seen continued positive development in consultancy utilization compared to last year.

JANUARY - SEPTEMBER

Operating profit/loss EBIT amounted to 14.2 MSEK (1.2) which gives an operating margin of 2.6 percent (0.2). Profit before depreciation/amortization and write downs EBITDA amounted to 21.7 MSEK (9.3) which gives profit margin before depreciation/amortization and write downs of 4.0 percent (1.8). Profits after tax amounted to 10.0 MSEK (0.8).

CASH FLOW, LIQUID FUNDS AND FINANCING

The cash flow from ongoing operations for Jan-Sept amounted to 12.3 MSEK (1.6). Liquid funds at period end amounted to 17.7 MSEK (17.4) of which an unused overdraft facility for 17.1 MSEK (16.2).

FINANCIAL POSITION

Equity at period end amounted to 147.9 MSEK (146.3), which

gives an equity ratio of 44 percent (44). Equity per share amounted to 14.46 SEK (14.24).

EMPLOYEES

The average number of employees during the interim period amounted to 510 (545), of which 400 (438) were in Sweden, 67 (55) in Denmark, 20 (48) in Other segments and 23 (27) were central. The number of employees at period end amounted to 532 (583) of which the proportion who were women was 13 percent.

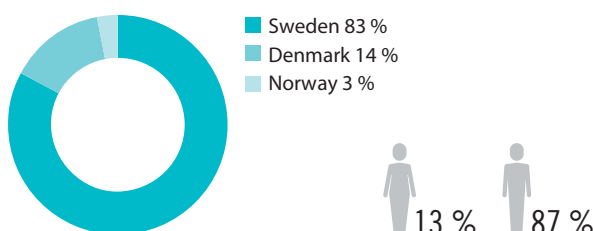
INVESTMENTS

During the interim period, the group's investment in assets amounted to 2.7 MSEK (1.4), of which 1.2 MSEK (0.9) covered machinery and inventory and 1.5 MSEK (0.6) product development and intangible assets. In addition to this, acquisition costs for car leasing rose to 3.5 MSEK (2.5).

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 to 8.3 (scale of 1 to 10) during the quarter. This together with the fact that 88 percent of our projects were delivered on time during the year, means that Prevas is highly valued by the customers.

TOTAL NUMBER OF EMPLOYEES *



* per 9/30 2017

Key ratio per quarter

	2017	2017	2017	2016	2016	2016	2016	2015	2015	2015	2015
	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	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	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	1.4	5.0	-4.6	-1.8	0.4	1.7	-8.4	0.2	-2.1	0.7
Number of working days	65	59	64	64	66	62	61	63	66	59	62
Number of employees at end of period	532	535	540	548	583	586	590	579	592	601	613
Number of employees, average	488	514	532	533	527	561	551	554	539	574	584
Net turnover/employee, TSEK	317	365	374	344	276	343	320	333	274	322	318
Equity ratio, %	44	43	42	39	44	42	43	40	43	41	42
Profit per share, SEK	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	14.46	14.39	14.24	13.54	14.24	14.33	14.29	14.09	14.79	14.78	15.03

THE PARENT COMPANY

JANUARY - SEPTEMBER

Turnover amounted to 412.2 MSEK (391.6) and the result after financial items amounted to 9.8 MSEK (-6.0).

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 quarter 3 in 2017 has not lead to any increased exposure to risk. Another risk is competition for qualified employees, where the risk has increased over recent years. 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 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 leg-

islation 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 (3.3 MSEK). 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 35 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.

Västerås October 25th 2017
Prevas AB (publ)

Karl-Gustav Ramström, CEO Prevas AB

Auditor's report regarding

Review of the interim report

To the Board of Prevas AB (publ) company reg. no. 556252-1384

Introduction

We have carried out a review of the financial interim information in summary (interim report) for Prevas AB (publ) as per September 30th 2017 and the nine month period to that date. The Board and the Chief Executive Officer have the responsibility for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish legislation regarding annual reports. It is our responsibility to state our conclusions about this interim report based on this overall review.

The intention and scope of the overall review

We have carried out a review in accordance with the International Standard on Review Engagements ISRE 2410, Review of interim financial information performed by the independent auditor of the entity. A review consists of asking questions, primarily of those responsible for financial aspects and accounting aspects, carrying out an analytical inspection and taking other review inspection actions. A review has a different intention and significantly smaller scope than the intention and scope that an audit in accordance with ISA and good auditing practice might have. The review actions that are taken in a review are not sufficient for us to be able to ascertain with certainty all the significant circumstances, which would be identified by an audit. The stated conclusion based on a review does not, therefore, have the security of a conclusion based on an audit.

Conclusion

Based on our review, no circumstances have arisen that have given us reason to believe that the interim report has not, in all material respects, been prepared by the company in accordance with IAS 34 and the relevant Swedish legislation regarding annual reports, and for the parent company in accordance with the relevant Swedish legislation regarding annual reports.

Stockholm October 25th 2017

KPMG AB

Helena Arvidsson Älgne
Chartered Accountant

Published 10/25/2017, 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 (Delårsrapport januari - september 2017 at www.prevas.se). Or contact the company direct.

Accounts, group

STATEMENT OF OPERATIONS in summary, TSEK	2017 Q 3	2016 Q 3	2017 Q1-3	2016 Q1-3	2016 Full year
Net turnover	154,535	145,455	540,735	513,038	696,562
Capitalized work	80	260	1,073	519	1,491
Other external costs	-52,542	-42 573	-175,391	-147 443	-208,341
Personnel costs	-98,200	-102 905	-344,712	-356 770	-486,459
Profits before depreciation/amortization	3,873	237	21,705	9,344	3,253
Depreciation intangible fixed costs	-1,353	-1 785	-4,583	-5 153	-6,927
Depreciation tangible fixed assets	-1,010	-1 007	-2,941	-2 981	-3,630
Operating profit/loss	1,510	-2 555	14,181	1,210	-7,304
Financial net	-287	1,314	-1,110	598	9
Profit after financial items	1,223	-1,241	13,071	1,808	-7,295
Tax	-320	-270	-3,029	-991	1,120
Profits for the period	903	-1 511	10,042	817	-6,175
Profit for period attributable to parent company owners	900	-1 827	9,679	-182	-7,366
Profit for period attributable to non-controlling interests	3	316	363	999	1,191
Profit per share before and after dilution in SEK	0.09 SEK	-0.18 SEK	0.96 SEK	-0.02 SEK	-0.73 SEK

REPORT OF TOTAL EARNINGS in summary, TSEK	2017 Q 3	2016 Q 3	2017 Q1-3	2016 Q1-3	2016 Full year
Profits for the period	903	-1 511	10,042	817	-6,175
Items that will be later implemented in the period's profit/loss;					
Calculation differences attributable to overseas operations	-203	960	-328	1,679	1,733
Total earnings for the period after tax	700	-551	9,714	2,496	-4,442
Total earnings for period attributable to parent company owners	697	-867	9,351	1,497	-5,633
Total earnings for period attributable to non-controlling interests	3	316	363	999	1,191

BALANCE SHEET in summary, TSEK	2017 Sept 30th	2016 Sept 30th	2016 31st Dec
Goodwill	135,639	135,933	135,821
Other intangible fixed assets	5,934	9,519	8,724
Tangible fixed assets	14,263	12,872	14,006
Deferred tax asset	3,941	4,455	4,956
Total fixed assets	159,777	162,779	163,507
Current receivables	173,744	171,535	197,098
Liquid funds	513	1,211	1,260
Total current assets	174,257	172,746	198,358
TOTAL ASSETS	334,034	335,525	361,865
Equity attributable to owners of parent company	146,096	143,875	136,745
Equity attributable to non-controlling interests	1,807	2,452	2,644
Equity	147,903	146,327	139,389
Deferred tax liability	8,228	9,556	8,934
Non-current provisions	–	500	500
Long term interest bearing liabilities	7,851	10,383	9,437
Total non-current liabilities	16,079	20,439	18,871
Current provisions	1,409	3,996	2,672
Current interest bearing liabilities	55,425	54,606	60,381
Other interest bearing liabilities	113,218	110,157	140,552
Total current provisions	170,052	168,759	203,605
TOTAL LIABILITIES AND EQUITY	334,034	335,525	361,865

CHANGES IN EQUITY in summary, TSEK	2017 Q1-3	2016 Q1-3	2016 Full year
Opening balance	139,389	143,831	143,831
Total of total earnings for period attributable to parent company owners	9,351	1,497	-5,633
Total of total earnings for period attributable to non-controlling interests	363	999	1,191
Dividend non-controlling interests	-1,200	–	–
Closing balance	147,903	146,327	139,389
Equity attributable to owners of parent company	146,096	143,875	136,745
Equity attributable to non-controlling interests	1,807	2,452	2,644

OPERATING SEGMENT, July-September 2017, TSEK	Sweden	Denmark	Other	Group- functions and eliminations	Total the group
Sales to external customers	123,550	22,350	8,636	–	154,536
Sales to other segments	287	1,250	475	–2,012	
Profits before depreciation/amortization, EBITDA	529	2,235	327	782	3,873
Write-offs	–1,550	–345	–468	–	–2,363
Operating profit, EBIT	–1,021	1,890	–141	782	1,510
Financial items				–287	–287
Pretax Profits					1,223
OPERATING SEGMENT, July-September 2016, TSEK	Sweden	Denmark	Other	Group- functions and eliminations	Total the group
Sales to external customers	121,247	15,863	8,345	–	145,455
Sales to other segments	208	683	511	–1 402	
Profits before depreciation/amortization, EBITDA	875	2,059	–2 465	–232	237
Write-offs	–2 091	–194	–507	–	–2 792
Operating profit, EBIT	–1 216	1,865	–2 972		–2 555
Financial items				1,314	1,314
Pretax Profits					–1,241
OPERATING SEGMENT, January-September 2017, TSEK	Sweden	Denmark	Other	Group- functions and eliminations	Total the group
Sales to external customers	443,711	69,405	27,620	–	540,736
Sales to other segments	1,152	2,616	1,694	–5,462	
Profits before depreciation/amortization, EBITDA	15,515	5,419	2,209	–1,438	21,705
Write-offs	–5,074	–988	–1,462	–	–7,524
Operating profit, EBIT	10,441	4,431	747	–1,438	14,181
Financial items				–1,110	–1,110
Pretax Profits					13,071
OPERATING SEGMENT, January-September 2016, TSEK	Sweden	Denmark	Other	Group- functions and eliminations	Total the group
Sales to external customers	421,901	56,735	34,402	–	513,038
Sales to other segments	1,326	2,510	1,775	–5 611	
Profits before depreciation/amortization, EBITDA	9,311	7,296	–5 861	–1 402	9,344
Write-offs	–5 758	–922	–1 454	–	–8 134
Operating profit, EBIT	3,553	6,374	–7 315	–1 402	1,210
Financial items				598	598
Pretax Profits					1,808
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 3	2016 Q 3	2017 Q1-3	2016 Q1-3	2016 Full year
ONGOING OPERATIONS					
Pretax Profits	1,223	-1,241	13,071	1,808	-7,295
Adjustments for items not included in cash flow	1,025	2,385	5,690	4,818	6,091
Paid income tax	-879	-3 397	-2,434	-4 683	-2,113
Cash flow from ongoing operations before change to working capital	1,369	-2 253	16,327	1,943	-3,317
Changes to operating receivables	6,683	13,696	23,354	19,560	-5,727
Changes to operating liabilities	-12,006	-28 608	-27,334	-19 856	9,714
Cash flow from ongoing operations	-3,954	-17 165	12,347	1,647	670
INVESTMENT OPERATIONS					
Acquisition of operations and shares excl. liquid funds	-	-	-2,375*	-4,039	-5,475
Investment in intangible fixed assets	-462	-289	-1,455	-575	-1,547
Investment in tangible fixed assets	-213	-331	-1,247	-857	-1,720
Cash flow from investment operations	-675	-620	-5,077	-5 471	-8,742
FINANCING OPERATIONS					
Repayment of loans	-	-1,700	-3,400	-5 100	-6,800
Change of overdraft facility	4,974	19,367	-3,329	9,049	14,942
Dividends paid	-	-	-1,200	-	-
Cash flow from financing operations	4,974	17,667	-7,929	3,949	8,142
Cash flow for the period	345	-118	-659	125	70
Liquid funds at start of period	273	1,309	1,260	487	487
Exchange differences in liquid funds	-104	20	-87	599	703
Liquid funds at end of period	514	1,211	514	1,211	1,260

*) Refers to paid additional considerations.

KEY RATIOS, TSEK	2017 Q 3	2016 Q 3	2017 Q1-3	2016 Q1-3	2016 Full year
Profit margin depreciation/amortization and write downs/EBITDA	2.5 %	0.2 %	4.0 %	1.8 %	0.5 %
Operating margin/EBIT	1.0 %	-1.8 %	2.6 %	0.2 %	-1.0 %
Profit margin	0.8 %	-0.9 %	2.4 %	0.4 %	-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	10,102
<i>Average number of shares outstanding, thousand</i>					
before and after dilution	10,102	10,102	10,102	10,102	10,102
Profit per share before and after dilution	0.09 SEK	-0.18 SEK	0.96 SEK	-0.02 SEK	-0.73 SEK
Equity per share before and after dilution			14.46 SEK	14.24 SEK	13.54 SEK
Equity ratio			44 %	44 %	39 %
Return on capital employed, %			6.9 %	1.6 %	-2.5 %
Return on equity, %			7.0 %	0.6 %	-4.4 %
Average number of employees	488	527	510	545	539
Number of working days	65	66	188	189	253
Turnover per employee in TSEK	317	276	1,060	941	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 3	2016 Q 3	2017 Q1-3	2016 Q1-3	2016 Full year
Net turnover	115,176	112,879	412,159	391,553	535,265
Capitalized work	–	–	775	–	711
Other external costs	–44,890	–37 704	–154,670	–129 767	–189,256
Personnel costs	–69,240	–74 295	–246,440	–257 574	–346,213
Amortization and write downs intangible fixed assets	–1,119	–1 322	–3,640	–3 635	–4,868
Depreciation tangible fixed assets	–167	–176	–526	–549	–720
Operating profit/loss	–240	–618	7,658	28	–5,081
Profit from participation in group companies	–176	–5 117	2,995	–5 117	–10,200
Interest income and similar profit items	292	268	357	291	2,153
Interest costs and similar profit items	–498	–625	–1,231	–1 168	–1,728
Profit after financial items	–622	–6 092	9,779	–5 966	–14,856
Tax	–62	–31	–1,987	–148	711
Profits for the period	–684	–6 123	7,792	–6 114	–14,145

BALANCE SHEET in summary, TSEK	2017 Sept 30th	2016 Sept 30th	2016 31st Dec
Intangible fixed assets	4,777	7,781	7,260
Tangible fixed assets	1,436	1,156	1,315
Financial fixed assets	57,334	57,379	63,763
Current receivables	129,833	134,167	158,192
Cash and Bank	25	13	12
Total assets	193,405	200,496	230,542
Restricted equity	35,932	42,237	42,948
Non-restricted equity	7,792	1,726	–7,016
Equity	43,724	43,963	35,932
Provisions	1,655	5,189	3,764
Long term interest bearing liabilities	–	3,600	1,900
Current interest bearing liabilities	53,161	52,097	57,990
Other interest bearing liabilities	94,865	95,647	130,956
Total liabilities and Equity	193,405	200,496	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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