

INTERIM REPORT Q1 1 APRIL - 30 JUNE 2016

FIRST QUARTER

- **Net sales** amounted to SEK 1,760 million (1,472) and increased by 20 percent.
- **Operating profit before amortisation of intangible non-current assets (EBITA)** amounted to SEK 179 million (130) corresponding to an EBITA-margin of 10.2 percent (8.8).
- **Operating profit** increased by 40 percent and amounted to SEK 153 million (109) corresponding to an operating margin of 8.7 percent (7.4).
- **Profit after financial items** increased by 35 percent and amounted to SEK 145 million (107).
- **Profit after tax** amounted to SEK 113 million (83).
- **Earnings per share** totalled SEK 1.65 (1.20). For the most recent 12-month period, earnings per share amounted to SEK 5.30 (4.95).
- **Cash flow from operating activities** amounted to SEK 104 million (64). For the most recent 12-month period, cash flow per share amounted to SEK 7.70 (7.95).
- **Return on equity** amounted to 22 percent (28).
- **The equity ratio** amounted to 40 percent (42).
- **During the period**, the Group implemented four acquisitions, which add total annual sales of about SEK 200 million.

SUMMARY OF THE GROUP'S DEVELOPMENT	3 months ending			12 months ending		
	30 Jun 16	30 Jun 15	Change %	30 Jun 16	31 Mar 16	Change %
SEKm						
Net sales	1,760	1,472	20	6,443	6,155	5
EBITA	179	130	38	585	536	9
EBITA-margin %	10.2	8.8		9.1	8.7	
Profit after financial items	145	107	35	461	423	9
Profit for the period	113	83	35	363	333	9
Earnings per share before and after dilution (EPS), SEK	1.65	1.20	38	5.30	4.85	9
Cash flow per share from operating activities, SEK				7.70	7.10	8
Return on working capital (P/WC), % *				47	38	
Return on equity, %				22	20	
The equity ratio, %				40	40	

* P/WC is from 1 April 2016 calculated as EBITA divided by working capital, previously calculated as operating profit divided by working capital.

The distribution of AddLife has been recognised as a discontinued operations in accordance with IFRS 5. 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

A GOOD START TO THE YEAR

The Group presented a good development in the beginning of this financial year. Sales and earnings increased, both organically and through acquisitions. The selective cost adjustments carried out has also had a positive effect on earnings. In total operating profit increased by 40 percent compared to the same quarter last year.

Demand improved in several of the niche markets in which we operate, though our businesses continued to experience considerable variation among customer segments. Demand developed positively from customers in infrastructure, such as electricity transmission and the building & installation segments in the Swedish market, while other geographical markets were relatively stable. Within the energy sector, the market situation was particularly positive in wind power. Demand within the oil and gas sector in Norway remains at the same low level as in the fourth quarter. However, there are signs of stabilisation and some recovery. Sales of production components to manufacturing companies increased somewhat in all Nordic markets, covering most customer segments such as machinery manufacturing, medical technology, ships and electronics. Demand for products in telecom declined, while demand for products used in special vehicles was relatively stable. All in all, the business situation on our markets outside the Nordic region was positive.

COMPLETED ACQUISITIONS

We continued to acquire profitable technology companies with market-leading niche positions. To date during this financial year, we have completed four acquisitions with total annual sales of about SEK 200 million and approximately 70 employees. Two of the acquisitions were carried out in Finland, one in the UK and one in China. With a robust cash flow and a strong balance sheet, we have good opportunities to carry out new interesting acquisitions during the year.

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 about 2 000 employees in approximately 120 subsidiaries that operate under their own brands. The Group has annual sales of about SEK 6 billion. Addtech is listed on the Nasdaq Stockholm.

GROUP PERFORMANCE FOR THE PERIOD

Net sales in the Addtech Group increased by 20 percent during the period to SEK 1,760 million (1,472). The organic growth amounted to 8 percent and acquired growth amounted to 13 percent. Exchange rate changes had a negative effect of 1 percent on net sales, corresponding to SEK 21 million, and a negative effect of 2 percent on operating profit, corresponding to SEK 2 million.

Operating profit increased during the period by 40 percent to SEK 153 million (109) and the operating margin stood at 8.7 percent (7.4). Net financial items were SEK -8 million (-2) and profit after financial items increased by 35 percent to SEK 145 million (107). Profit after tax for the period rose by 35 percent to SEK 113 million (83) and the effective tax rate amounted to 22 percent (23). Earnings per share for the period amounted to SEK 1.65 (1.20).

DEVELOPMENT IN THE BUSINESS AREAS - FIRST QUARTER

COMPONENTS

Net sales in Components increased by 17 percent to SEK 581 million (498) and EBITA increased by 33 percent and amounted to SEK 47 million (35).

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

ENERGY

Net sales in Energy increased by 36 percent to SEK 442 million (324) and EBITA increased by 67 percent and amounted to SEK 57 million (34).

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

INDUSTRIAL PROCESS

Net sales in Industrial Process increased by 4 percent to SEK 371 million (357) and EBITA increased by 13 percent and amounted to SEK 31 million (27).

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

POWER SOLUTIONS

Net sales in Power Solutions increased by 24 percent to SEK 368 million (297) and EBITA increased by 35 percent and amounted to SEK 46 million (34).

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

GROUP DEVELOPMENT

PROFITABILITY, FINANCIAL POSITION AND CASH FLOW

The return on equity at the end of the period was 22 percent (28), and return on capital employed was 17 percent (23). Return on working capital P/WC (EBITA in relation to working capital) amounted to 47 percent. For further information on definitions of performance measures, see page 14.

At the end of the period the equity ratio stood at 40 percent (42). Equity per share, excluding non-controlling interest, totalled SEK 24.05 (24.00). The Group's net debt at the end of the period stood at SEK 652 million (466), excluding pension liabilities of SEK 200 million (319). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions, totalled 0.4 (0.3).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 735 million (884) at 30 June 2016.

Cash flow from operating activities reached SEK 104 million (64) during the period. Company acquisitions and disposals including settlement of additional purchase consideration regarding acquisitions implemented in previous years amounted to SEK 75 million (45). Investments in non-current assets totalled SEK 10 million (18) and disposal of non-current assets was SEK 1 million (1). Dividend from associated company amounted to SEK 3 million (0). Repurchase of call options amounted to SEK 6 million (0) and the exercise of call options totalled SEK 0 million (15).

EMPLOYEES

The average number of employees in the latest 12-month period was 2,063 (2,252). 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.

OWNERSHIP STRUCTURE

At the end of the interim 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	-1,240,000		1.8	1.3
Total number of shares after repurchases	66,958,496			

The share price on 30 June 2016 was SEK 106.00 (126.25), to be compared with SEK 112.00 (115.75) on 31 March 2016.

No shares were repurchased during the quarter. The average number of treasury shares held during the quarter was 1,240,000 (1,630,387), which covers the Company's obligation in the outstanding call options programme. The average purchase price for repurchased shares amounts to SEK 68.83 per share.

Addtech has three outstanding call option programmes for a total of 1,239,998 shares, which during the quarter resulted in an estimated dilutive effect based on the quarter's average share price of approximately 0.2 percent (0.4). According to terms resolved by the Annual General Meeting, the call option programmes have been recalculated following the Group's distribution of AddLife. For more information please see the table below showing the outstanding call option programmes.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total B shares	Initial exercise price	Adjusted exercise price	Expiration period
2015/2019	350,000	430,500	0.5%	154.50	125.10	17 Sep 2018 - 3 Jun 2019
2014/2018	350,000	430,500	0.5%	116.70	94.50	17 Sep 2017 - 1 Jun 2018
2013/2017	102 432*	379,000	0.8%	106.13	85.90	19 Sep 2016 - 2 Jun 2017

* During the first quarter of 2016, 77,568 call options were repurchased in the 2013/2017 programme. Valuation of the repurchase was based on market conditions at the time of repurchase.

ACQUISITIONS

During the period 1 April to 30 June 2016, four company acquisitions took place:

On 1 April, Addtech acquired Sammet Dampers Oy to become part of the Industrial Process business area. Sammet Dampers is a leading developer and supplier of industrial dampers in Northern Europe. The company has 12 employees and sales of around EUR 5 million.

On 5 April, Addtech acquired Poryan China Company Ltd to become part of the Power Solutions business area. Poryan China Company Ltd provide component solutions and subsystems in circuit protection primarily to the train and signaling market in China. The company has 22 employees and sales of around SEK 50 million.

On 5 April, Addtech acquired ETS Cable Components to become part of the Energy business area. ETS Cable Components supplies products, systems and services in the field of cable accessories for power cable installation, including cable cleats brackets, cable glands, cable lugs, flexible conduits, cable ties and cable tooling above all for the UK market. The company has 35 employees and sales of around GBP 8.5 million.

On 2 May, Addtech acquired 100 percent of the shares in Elektro-Tukku Oy, Finland, to become part of the Components business area. Elektro-Tukku Oy sells measuring and control instruments to industry, OEMs and the public sector. The company has 3 employees and sales of around SEK 8 million. The operation will be part of an existing company.

The acquisitions were completed at the start of the period and the effect on the Addtech Group's net sales was SEK 49 million, on operating profit it was SEK 6 million and on profit after tax for the period it was SEK 5 million.

The outcome of contingent consideration depends on future results achieved in the companies, and the estimated outcome from the year's acquisitions amounts to SEK 23 million. The contingent consideration is payable within 1–2 years and is estimated to total a maximum of SEK 24 million. Of the consideration not yet paid for acquisitions during the period, estimated fair value of contingent consideration amounts to SEK 21 million. The outcome depends on the results achieved in the companies.

For acquisitions that resulted in ownership transfer during the period, transaction costs totalled SEK 5 million (0) and are recognised in selling expenses.

During the period, SEK 5 million (0) was recognised under other operating income, because estimated contingent considerations, regarding previous acquisitions, deviated from actual outcomes.

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 June 2016 goodwill stood at SEK 932 million, compared to SEK 902 million on 30 June 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	63	63
Other non-current assets	6	-	6
Inventories	22		22
Other current assets	120		120
Deferred tax liability/tax asset	0	-12	-12
Other liabilities	-72		-72
Acquired net assets	76	51	127
Goodwill			63
Non-controlling interests			-3
Consideration ¹⁾			187
Less: cash and cash equivalents in acquired businesses			-77
Less: consideration not yet paid			-41
Effect on the Group's cash and cash equivalents			69

¹⁾ The consideration is stated excluding acquisition expenses. The total consideration for the financial year's acquisitions was SEK 187 million.

PARENT COMPANY

Parent Company net sales totalled SEK 13 million (15) and profit after financial items was SEK -5 million (6). Net investments in non-current assets were SEK 0 million (1). The Parent Company's net financial asset was SEK 176 million at the end of the period, compared to SEK 21 million at the beginning of the financial year.

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 IFRSs 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 Entities, 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 PERFORMANCE 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 14.

EVENTS AFTER THE END OF THE INTERIM PERIOD

No other events of significance to the Group occurred after the end of the reporting period.

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.

Stockholm, 15 July 2016

Johan Sjö
President and CEO

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	Q1	Q4	Q3	Q2	Q1
Components	581	542	509	480	498
Energy	442	402	390	371	324
Industrial Process	371	351	359	357	357
Power Solutions	368	338	314	277	297
Parent Company and Group items	-2	-2	-2	-3	-4
Addtech Group	1,760	1,631	1,570	1,482	1,472

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

Net sales by business area	3 months ending		12 months ending	
SEKm	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Components	581	498	2,112	2,029
Energy	442	324	1,605	1,487
Industrial Process	371	357	1,437	1,423
Power Solutions	368	297	1,297	1,226
Parent Company and Group items	-2	-4	-8	-10
Addtech Group	1,760	1,472	6,443	6,155

EBITA and EBITA-margin by business area	3 months ending				12 months ending			
	30 Jun 16		30 Jun 15		30 Jun 16		31 Mar 16	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Components	47	8.1	35	7.1	161	7.6	149	7.4
Energy	57	13.0	34	10.6	172	10.8	149	10.1
Industrial Process	31	8.3	27	7.6	120	8.2	116	8.1
Power Solutions	46	12.6	34	11.6	148	11.4	136	11.1
Parent Company and Group items	-2		0		-16		-14	
EBITA	179	10.2	130	8.8	585	9.1	536	8.7
Depreciation of intangible non-current assets	-26		-21		-98		-93	
– of which acquisitions	-25		-19		-92		-86	
Operating profit	153	8.7	109	7.4	487	7.6	443	7.2
Finance income and expenses	-8		-2		-26		-20	
Profit after financial items	145		107		461		423	

CONSOLIDATED INCOME STATEMENT, CONDENSED

SEKm	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Continuing operations				
Net sales	1,760	1,472	6,443	6,155
Cost of sales	-1,201	-999	-4,446	-4,244
Gross profit	559	473	1,997	1,911
Selling expenses	-313	-272	-1,141	-1,100
Administrative expenses	-104	-93	-395	-384
Other operating income and expenses	11	1	26	16
Operating profit	153	109	487	443
- as % of net sales	8.7	7.4	7.6	7.2
Financial income and expenses	-8	-2	-26	-20
Profit after financial items	145	107	461	423
- as % of net sales	8.2	7.3	7.2	6.9
Income tax expense	-32	-24	-98	-90
Profit for the period, continuing operations	113	83	363	333
Discontinued operations				
Profit for the period, discontinued operations	-	22	1,614	1,636
Profit for the period	113	105	1,977	1,969
Profit for the period attributable to:				
Equity holders of the Parent Company	110	103	1,957	1,950
Non-controlling interests	3	2	20	19
Earnings per share before and after dilution, SEK				
Continuing operations	1.65	1.20	5.30	4.85
Discontinued operations	-	0.35	24.00	24.35
Total earnings per share before and after dilution	1.65	1.55	29.30	29.20
Average number of shares after repurchases, '000s	66,958	66,568	66,800	66,703
Number of shares at end of the period, '000s	66,958	66,708	66,958	66,958

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Profit for the period	113	105	1,977	1,969
<i>Components that will be reclassified to profit for the year</i>				
Cash flow hedges	0	-1	-1	-2
Foreign currency translation differences for the period	36	-19	-3	-58
<i>Components that will not be reclassified to profit for the year</i>				
Actuarial effects of the net pension obligation	-	-	34	34
Other comprehensive income	36	-20	30	-26
Total comprehensive income	149	85	2,007	1,943
Total comprehensive income attributable to:				
Equity holders of the Parent Company	146	84	1,987	1,925
Non-controlling interests	3	1	20	18

CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	30 Jun 16	30 Jun 15	31 Mar 16
Goodwill	932	902	856
Other intangible non-current assets	690	621	642
Property, plant and equipment	171	201	168
Financial non-current assets	30	26	27
Total non-current assets	1,823	1,750	1,693
Inventories	918	900	874
Current receivables	1,191	1,124	1,098
Cash and cash equivalents	184	81	140
Total current assets	2,293	2,105	2,112
Total assets	4,116	3,855	3,805
Total equity	1,650	1,636	1,514
Interest-bearing provisions	200	319	199
Non-interest-bearing provisions	249	212	242
Non-current interest-bearing liabilities	35	17	41
Total non-current liabilities	484	548	482
Non-interest-bearing provisions	13	6	13
Current interest-bearing liabilities	802	529	721
Current non-interest-bearing liabilities	1,167	1,136	1,075
Total current liabilities	1,982	1,671	1,809
Total equity and liabilities	4,116	3,855	3,805

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEKm	1 Apr 16-30 Jun 16			1 Apr 15-30 Jun 15			1 Apr 15-31 Mar 16		
	Equity excl. non- control- ling interests	Non- control- ling interests	Total equity	Equity excl. non- control- ling interests	Non- control- ling interests	Total equity	Equity excl. non- control- ling interests	Non- control- ling 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
Exercised, issued and repurchased options	-6	-	-6	15	-	15	61	-	61
Repurchase of treasury shares	-	-	-	-	-	-	-45	-	-45
Dividend, ordinary	-	-	-	-	-3	-3	-219	-8	-227
Change non-controlling interests	-	2	2	-	0	0	-54	53	-1
Option debt, acquisition	-9	-	-9	-	-	-	-	-	-
Distribution of AddLife	-	-	-	-	-	-	-1,927	-63	-1,990
Total comprehensive income	146	3	149	84	1	85	1,925	18	1,943
Amount at end of period	1,610	40	1,650	1,603	33	1,636	1,479	35	1,514

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED

SEKm	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Profit after financial items	145	107	461	423
Profit from discontinued operations after financial items	-	30	1,628	1,658
Adjustment for items not included in cash flow*	49	38	-1,402	-1,413
Income tax paid	-29	-21	-168	-160
Changes in working capital	-61	-90	-5	-34
Cash flow from operating activities	104	64	514	474
Net investments in non-current assets	-6	-17	-55	-66
Acquisitions and disposals	-75	-45	-653	-623
Discontinued operations, Net affecting liquidity	-	-	337	337
Cash flow from investing activities	-81	-62	-371	-352
Dividend paid to shareholders	-	-	-217	-217
Repurchase of own shares/options	-6	-	-51	-45
Other financing activities	21	1	230	210
Cash flow from financing activities	15	1	-38	-52
Cash flow for the period	38	3	105	70
Cash and cash equivalents at beginning of period	140	83	81	83
Exchange differences on cash and cash equivalents	6	-5	-2	-13
Cash and cash equivalents at end of period	184	81	184	140

* Includes discontinued operations for comparative periods

FAIR VALUES ON FINANCIAL INSTRUMENTS

SEKm	30 Jun 16			31 Mar 16		
	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	3	3	-	2	2	-
Total financial assets at fair value per level	5	5	-	3	3	-
Derivatives used in hedge accounting	3	3	-	3	3	-
Derivatives held for trading purposes	7	7	-	2	2	-
Contingent considerations	65	-	65	55	-	55
Total financial liabilities at fair value per level	75	10	65	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.

Contingent considerations	12 months ending	
	30 Jun 16	31 Mar 16
Carrying amount, opening balance	55	31
Acquisitions during the year	20	54
Reversed through profit or loss	-5	-10
Consideration paid	-6	-21
Interest expenses	1	2
Exchange differences	0	-1
Carrying amount, closing balance	65	55

KEY FINANCIAL INDICATORS **

	12 months ending				
	30 Jun 16	31 Mar 16	30 Jun 15	31 Mar 15	31 Mar 14
Net sales, SEKm	6,443	6,155	5,916	5,719	6,089
EBITDA, SEKm	620	570	562	542	623
EBITA, SEKm	585	536	530	510	582
EBITA-margin, SEKm	9.1	8.7	9.0	8.9	9.6
Operating profit, SEKm	487	443	447	431	501
Operating margin, %	7.6	7.2	7.6	7.5	8.2
Profit after financial items, SEKm	461	423	432	408	475
Profit for the period, SEKm	363	333	338	321	369
Equity ratio, %	40	40	42	40	39
Return on equity, %	22	20	28	28	30
Return on working capital (P/WC), % *	47	38	44	44	47
Return on capital employed, %	17	16	23	23	24
Net debt, incl pensions, SEKm	852	822	785	828	776
Net debt, incl pensions / equity ratio, multiple	0.5	0.6	0.5	0.6	0.6
Net debt, incl pensions / EBITDA, multiple	1.4	1.4	1.1	1.2	1.2
Net debt excl. pensions, SEKm	652	623	466	510	524
Net debt, excl pensions / equity ratio, multiple	0.4	0.4	0.3	0.3	0.4
Interest coverage ratio, multiple	20.8	20.3	24.1	21.9	17.5
Average number of employees	2,063	2,386	2,252	2,224	2,100
Number of employees at end of the period	2,128	2,076	2,268	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.

KEY FINANCIAL INDICATORS PER SHARE **

	12 months ending				
	30 Jun 16	31 Mar 16	30 Jun 15	31 Mar 15	31 Mar 14
Earnings per share (EPS), SEK	5.30	4.85	4.95	4.70	5.50
Diluted EPS, SEK	5.30	4.85	4.95	4.70	5.45
Cash flow per share, SEK	7.70	7.10	7.95	8.40	7.25
Shareholders' equity per share, SEK	24.05	22.10	24.00	22.60	20.10
Last price paid per share, SEK	106.00	112.00	126.25	115.75	101.75
Average number of shares after repurchases, '000s	66,800	66,703	66,350	66,288	66,003
Average number of shares adjusted for repurchases and dilution, '000s	67,011	66,809	66,585	66,615	66,457
Number of shares outstanding at end of the period, '000s	66,958	66,958	66,708	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
RECAP 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

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

PARENT COMPANY INCOME STATEMENT

SEKm	3 months ending		12 months ending	
	30 Jun 16	30 Jun 15	30 Jun 16	31 Mar 16
Net sales	13	15	56	58
Administrative expenses	-16	-18	-67	-69
Operating profit/loss	-3	-3	-11	-11
Profit from interests in Group companies	-	-	190	190
Interest income and expenses and similar items	-2	9	10	21
Profit after financial items	-5	6	189	200
Appropriations	-	-	-20	-20
Profit before taxes	-5	6	169	180
Income tax expense	1	-2	-35	-38
Profit for the period	-4	4	134	142
Total comprehensive income	-4	4	134	142

PARENT COMPANY BALANCE SHEET

SEKm	30 Jun 16	31 Mar 16	30 Jun 15
Intangible non-current assets	0	0	0
Property, plant and equipment	4	4	4
Non-current financial assets	2,636	2,446	2,579
Total non-current assets	2,640	2,450	2,583
Current receivables	66	304	106
Cash and bank balances	-	-	-
Total current assets	66	304	106
Total assets	2,706	2,754	2,689
Equity	825	836	993
Untaxed reserves	375	375	355
Provisions	16	16	16
Non-current liabilities	312	390	392
Current liabilities	1,178	1,137	933
Total equity and liabilities	2,706	2,754	2,689
Pledged assets	-	-	-
Contingent liabilities	119	119	157

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 1.00 p.m CET on 15 July 2016.

Future information

2016-08-31 Annual General Meeting 2015/2016
2016-10-26 Interim report April - September 2016
2017-02-02 Interim report April - December 2016
2017-05-11 Year-end report April 2016 - Mars 2017

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DEFINITIONS

Return on equity²

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 ratio²

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 ratio²

Equity as a percentage of total assets.

Debt/equity ratio²

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), diluted²

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.

¹The performance measure is operational and is not considered to be an alternative performance measure according to ESMA's guidelines.

²Minority interest is included in equity when the performance measures are calculated.