

Studsvik

Interim Report
January-June 2016



- In April 2016 Studsvik signed an agreement to sell the company’s operations in the Waste Treatment business area in Sweden and the United Kingdom.
- Sales in the quarter were by and large unchanged at SEK 176.3 (177.7) million. In local currencies sales increased by 0.2 per cent.
- The operating profit for the quarter amounted to SEK –1.2 (0.8) million. Items affecting comparability impact earnings by SEK –5.0 (0) million.
- The free cash flow was SEK –29.2 (–38.9) million.

	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Sales, SEK million	176.3	177.7	347.9	334.5	721.2
Operating profit, SEK million	–1.2	0.8	9.5	–0.9	36.6
Profit after tax, SEK million	1.7	–4.9	7.6	–7.3	14.6
Free cash flow, SEK million*	–29.2	–38.9	–31.3	–43.7	–29.8
Net debt, SEK million*	165.9	148.5	165.9	148.5	134.3
Net debt/equity ratio, %*	61.9	49.2	61.9	49.2	45.0
Profit per share after tax, SEK	0.20	–0.60	0.92	–0.89	1.78
Equity per share, SEK*	32.62	36.70	32.62	36.70	36.30

*Refers to total operations

Unless otherwise stated the information in text and figures refers to operations excluding operations held for sale. Comparative figures for sales and earnings exclude operations held for sale.



Fuel & Materials Technology



Consultancy Services

Sales

Sales in the quarter were by and large unchanged at SEK 176.3 (177.7) million. Sales for the half year were SEK 347.9 (334.5) million. In local currencies the increase was 0.2 per cent for the quarter, while for the half year the increase was 5.1 per cent. Sales in the Consulting Services and Fuel and Materials Technology business areas developed positively. We have continued delays of export licenses from the USA for orders signed for software.

Profit

Operating profit for the quarter decreased to SEK –1.2 (0.8) million and increased during the half year to SEK 9.5 (–0.9) million. Items affecting comparability referring to staff cutbacks in the consulting operations and in administration reduced earnings in the second quarter and the half year by SEK –5.0 (0) million. Adjusted for items affecting comparability, the operating margin for the second quarter improved to 2.1 (0.5) per cent and for the half year to 4.2 (–0.3) per cent. Net financial income for the quarter was SEK –1.7 (–4.4) million and SEK –10.4 (–6.3) million for the half year. Profit after tax was SEK 1.7 (–4.9) million for the quarter and SEK 7.6 (–7.3) million for the half year.

Fuel and Materials Technology

Sales increased in the second quarter by 4.5 per cent to SEK 70.2 (67.2) million and in the half year by 1.4 per cent to SEK 128.3 (126.5) million. In local currencies the increase was 3.7 per cent for the quarter and 1.1 per cent for the half year.

The operating profit for the second quarter amounted to SEK 5.6 (5.8) million and SEK 11.0 (9.6) million for the half year. The operating margin for the quarter was 7.9 (8.6) per cent and for the half year 8.6 (7.6) per cent.

Increased sales in Materials Technology (+11 per cent) compensate for delays in export licenses for software from the USA in Studsvik Scandpower.

Consultancy Services

Sales increased in the second quarter by 2.5 per cent to SEK 105.6 (103.0) million and in the half year by 10.9 per cent to SEK 215.2 (194.0) million. In local currencies the increase was 4.0 per cent for the quarter, while for the half year the increase was 12.4 per cent.

The operating profit for the second quarter amounted to SEK –0.9 (4.9) million and SEK 11.5 (6.5) million for the half year. Items affecting comparability referring to staff cutbacks in Germany reduced the second quarter and half year profit by SEK 3.6 (0) million. Adjusted for these, the operating margin for the second quarter was 2.6 (4.7) per cent and 7.0 (3.3) per cent for the half year.

The business area's sales of consulting services in Waste Treatment and Engineering Services improved, while sales in Germany of consulting services in Industrial Services continue to be weak.

Waste Treatment

The business area is accounted for as operations held for sale. Sales in the second quarter decreased to SEK 32.3 (57.6) million and in the first half year to SEK 69.7 (102.3) million. In local currencies the decrease was 42.3 per cent for the quarter and 30.6 per cent for the half year.

The operating profit for the quarter deteriorated to SEK –18.2 (10.5) million and SEK –30.9 (7.3) million for the half year. Profit for the quarter was reduced by costs of SEK 6.2 million and for the half year by SEK 14.2 million related to the completed sale of the business area.

Investments

Investments for the continuing operations in the second quarter were SEK 1.6 (3.0) million and in the first half year SEK 7.0 (5.7) million. Investments in Waste Treatment were SEK –0.6 (6.2) million and SEK 3.0 (9.9) million respectively.

Cash flow

Working capital for total operations increased during the quarter by SEK 13.3 (53.3) million and SEK 6.6 (40.4) million in the half year. After this increase in working capital, cash flow from operating activities was SEK –31.2 (–35.4) million for the quarter and SEK –29.5 (–34.6) million for the half year. The free cash flow amounted to SEK –29.2 (–38.9) million for the quarter and for the half year to SEK –31.3 (–43.7) million. The free cash flow from the divested operations was SEK –12.7 (2.5) million and SEK –14.0 (–15.6) million respectively.

Financial position and liquidity

Cash and cash equivalents for the total operations at the close of the quarter were SEK 133.4 (81.0) million. Net interest-bearing debt was SEK 165.9 (148.5) million, which means that the net debt/equity ratio was 61.9 (49.2) per cent. At the close of 2015 the net debt/equity ratio was 45.0 per cent.

Personnel

The average number of employees as at 30 June was 707 (696). The number of qualified consultants has increased somewhat, while the number of employees in administration has continued to decrease. At the start of the year the number of employees was 708.

Transactions with related parties

During the quarter a dividend of SEK 4.0 (7.0) million was received from UK Nuclear Waste Management Ltd.

Parent company

Operations in the parent company consist of coordination of the Group. Parent company sales in the quarter amounted to SEK 4.2 (2.6) million and to SEK 8.9 (5.6) million in the half year. The operating profit for the quarter amounted to SEK –4.7 (–8.0) million and SEK –11.0 (–16.9) million for the half year. Loss after financial items in the quarter was SEK –3.2 (–8.3) million and for the half year SEK –15.2 (–17.5) million.

Cash and cash equivalents, including current investments, amounted to SEK 24.7 (24.1) million and interest-bearing debt to SEK 300.0 (200.0) million.

Risks and uncertainties

An overall analysis of the Group's risks and how they are dealt with is given in the Annual Report, which is available on the company's website. Apart from these risks, no further significant risks are deemed to have arisen.

Accounting policies

The half-yearly report has been prepared in accordance with IAS 34 and the Annual Accounts Act. The consolidated accounts for the Studsvik Group have been prepared in accordance with the Annual Accounts Act, the Swedish Financial Reporting Board recommendation RFR 1, Supplementary accounting rules for groups, International Financial Reporting Standards (IFRS) and interpretations by the IFRS Interpretations Committee (IFRIC) as adopted by the EU. There is a description of these accounting policies in the annual report. The consolidated accounts have been prepared in accordance with the historical cost method except as regards financial assets and liabilities carried at fair value through profit or loss.

The interim report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for legal entities.

The interim financial information on pages 5-12 forms an integral part of this financial report.

The interim report provides a fair review of the Group's and the Parent Company's operations, financial position and performance and describes significant risks and uncertainties faced by the Parent Company and the companies that are part of the Group. No significant events have occurred after the balance sheet date.

Stockholm, July 22, 2016

Anders Ullberg
Chairman

Anna Karinen
Vice Chairman

Jan Barchan
Board Member

Peter Gossas
Board Member

Alf Lindfors
Board Member

Agneta Nestenborg
Board Member

Lena Sivars Becker
Board Member
Employee Representative

Roger Lundström
Board Member
Employee Representative

Michael Mononen
President

Report of the auditors concerning review of condensed interim financial information (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Annual Accounts Act

Introduction

We have reviewed the condensed interim financial information (interim report) for Studsvik AB as at June 30 2016 and the six-month period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Emphasis and scope of the review

We conducted our 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 making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing standards. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion that is expressed on the basis of a review does not give the same level of assurance as a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim report does not, in all material respects, accord with IAS 34 and the Annual Accounts Act and, for the parent company, with the Annual Accounts Act.

Stockholm, July 22, 2016
PricewaterhouseCoopers

Martin Johansson
Authorized Public Accountant

Time Schedule for Financial Information

Interim Report January–September 2016	October 21, 2016
Year-end Report January–December 2016	February 2017

For further information, please contact

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Pål Jarness, Chief Financial Officer, +46 155 22 10 09.

The interim report will be presented at a conference call to be held in English, on July 22 at 1:30 pm CET. Further information for those interested in participating is available at www.studsvik.com.

Consolidated statement of profit or loss and other comprehensive income

Amounts in SEK million

	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Net sales	176.3	177.7	347.9	334.5	721.2
Cost of services sold	126.0	-135.3	-242.8	-251.3	-519.6
Gross profit	50.3	42.4	105.1	83.2	201.6
Selling and marketing expenses	-11.8	-12.9	-21.6	-21.3	-41.3
Administrative expenses	-32.1	-26.1	-61.9	-55.6	-106.8
Research and development costs	-7.3	-5.8	-13.3	-11.4	-25.0
Share in earnings from associated companies	2.0	3.2	5.3	6.3	11.6
Other operating income	4.5	4.5	5.8	5.4	6.9
Other operating expenses	-6.8	-4.5	-9.9	-7.5	-10.3
Operating profit	-1.2	0.8	9.5	-0.9	36.6
Financial income	0.0	0.0	0.0	0.0	0.2
Financial expenses	-6.2	-3.0	-10.4	-6.0	-13.6
Fair value gain/loss (realized and unrealized)	4.5	-1.4	0.0	-0.3	-4.3
Profit/loss before tax	-2.9	-3.6	-0.9	-7.2	18.9
Income tax	4.6	-1.3	8.5	-0.1	-4.3
Profit/loss for the period from continuing operations	1.7	-4.9	7.6	-7.3	14.6
Operations held for sale	Note 1				
Profit/loss for the period from operations held for sale	-18.6	10.6	-31.1	7.3	-12.2
NET PROFIT/LOSS FOR THE PERIOD	-16.9	5.7	-23.5	0.0	2.4
Other comprehensive income					
Items that may later be reversed in the income statement					
Translation differences on foreign subsidiaries	0.1	4.8	-8.5	9.5	2.6
Cash flow hedging	-0.5	5.0	2.3	-0.7	0.5
Income tax on items recognized in other comprehensive income	0.1	-1.1	-0.5	0.2	-0.1
Other comprehensive income for the period, net after tax	-0.3	8.7	-6.7	9.0	3.0
Total profit/loss and other comprehensive income for the period	-17.2	14.4	-30.2	9.0	5.4
Income for the period attributable to					
Parent company's shareholders	-16.9	5.7	-23.5	0.0	2.4
Non-controlling interests	-	-	-	-	0.0
Total comprehensive income attributable to					
Parent company's shareholders	-17.2	14.4	-30.2	9.0	5.3
Non-controlling interests	-	-	-	-	0.1
Earnings per share calculated on income attributable to the parent company's shareholders during the period, SEK					
Earnings per share (There is no dilution effect)					
Profit/loss from continuing operations	0.20	-0.60	0.92	-0.89	1.78
Profit/loss from operations for sale	-2.26	1.29	-3.78	0.89	-1.49
NET PROFIT/LOSS FOR THE PERIOD	-2.06	0.69	-2.86	0.0	0.29

Group statement of financial position

Amounts in SEK million

	June 2016	June 2015	December 2015
ASSETS			
Intangible assets	174.9	177.9	181.4
Property, plant and equipment	113.0	357.4	344.8
Other non-current assets	110.8	143.9	127.7
Total non-current assets	398.7	679.2	653.9
Inventories	2.5	2.7	2.4
Trade receivables	129.0	153.7	196.6
Other current receivables	76.4	106.5	65.7
Cash and cash equivalents	123.2	81.0	74.9
Total current assets	331.1	343.9	339.6
Assets in disposal group held for sale	Note 1	291.3	–
TOTAL ASSETS	1,021.1	1,023.0	993.5
EQUITY AND LIABILITIES			
Equity attributable to parent company's shareholders	267.7	301.6	297.9
Non-controlling interests	0.3	0.3	0.3
Borrowing	297.5	1.8	1.0
Provisions and other non-current liabilities	129.9	246.0	238.0
Total non-current liabilities	427.4	247.8	239.0
Trade and other payables	127.9	245.7	248.1
Borrowing	0.0	227.6	208.2
Total current liabilities	127.9	473.3	456.3
Liabilities in disposal group held for sale	Note 1	197.8	–
TOTAL EQUITY AND LIABILITIES	1,021.1	1,023.0	993.5
Pledged assets	148.9	148.9	148.9
Contingent liabilities	84.3	58.3	52.1

Changes in equity

Amounts in SEK million

	Share capital	Other contributed capital	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
Equity at December 31, 2014	8.2	225.3	12.6	46.5	292.6	0.3	292.9
Changes January 1 – June 30, 2015							
Comprehensive income for the period	–	–	9.0	0.0	9.0	–	9.0
Equity at June 30, 2015	8.2	225.3	21.6	46.5	301.6	0.3	301.9
Changes July– December 31, 2015							
Comprehensive income for the period	–	–	–6.1	2.5	–3.6	–	–3.6
Equity at December 31, 2015	8.2	225.3	15.5	49.0	297.9	0.3	298.3
Changes January 1 – June 30, 2016							
Comprehensive income for the period	–	–	–6.7	–23.5	–30.2	–	–30.2
Equity at June 31 2016	8.2	225.3	8.8	25.5	267.7	0.3	268.0

Group statement of cash flow

Amounts in SEK million

Total operations	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Cash flow from operating activities					
Operating profit	-19.9	11.4	-21.6	6.4	24.4
Adjustment for non-cash items	9.0	16.8	15.1	15.2	28.7
Financial items, net	-6.1	-3.0	-10.4	-6.0	-11.5
Income tax paid	-0.9	-7.3	-6.0	-9.8	-6.9
Cash flow from operating activities before change in working capital	-17.9	17.9	-22.9	5.8	34.7
Change in working capital	-13.3	-53.3	-6.6	-40.4	-41.3
Cash flow from operating activities	-31.2	-35.4	-29.5	-34.6	-6.6
Investing activities					
Acquisition of property, plant and equipment	-2.2	-10.5	-10.0	-16.9	-33.5
Divestment of subsidiaries	-	-	-	-	-
Dividend from associated companies	4.0	7.0	7.0	7.8	12.7
Other cash flow from investing activities	0.2	-	1.2	-	-2.4
Cash flow from investment activities	2.0	-3.5	-1.8	-9.1	-23.2
Free cash flow	-29.2	-38.9	-31.3	-43.7	-29.8
Financing activities					
Change in borrowing	-	-2.0	89.3	2.0	-16.7
Dividend to shareholders	-	-	-	-	-
Cash flow from financing activities	-	-2.0	89.3	2.0	-16.7
Changes in cash and cash equivalents	-29.2	-40.9	58.0	-41.7	-46.5
Cash and cash equivalents at the beginning of the period	161.7	122.8	74.9	120.1	120.1
Translation difference	0.9	-0.9	0.5	2.6	1.3
Cash and cash equivalents at the end of the period	133.4	81.0	133.4	81.0	74.9

Financial ratios for the Group

Amounts in SEK million

	January-June 2016	January-June 2015	Full year 2015
Margins			
Operating margin, %	2.7	-0.3	5.1
Profit margin, %	-0.3	-2.1	2.6
Return on investment*			
Return on capital employed, %	2.2	-0.4	12.0
Return on equity, %	-8.3	-	-0.8
Capital structure**			
Capital employed	567.4	531.4	507.5
Equity	268.0	301.9	298.3
Net debt	165.9	148.5	134.3
Net debt/equity ratio, %	61.9	49.2	45.0
Equity/assets ratio, %	26.2	29.5	30.0
Employees			
Average number of employees	707	696	708
Net sales per employee	1.0	1.0	1.0

*Calculation based on closing balance

**Refers to total operations

Data per share

	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Number of shares at the end of the period	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Average number of shares	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Earnings per share before and after dilution					
Profit/loss from continuing operations	0.20	-0.60	0.92	-0.89	1.78
Profit/loss from operations held for sale	-2.26	1.29	-3.78	0.89	-1.49
Profit/loss for the period	-2.06	0.69	-2.86	-	0.29
Equity per share, SEK	32.62	36.70	32.62	36.70	36.30

Net sales per geographical area

Amounts in SEK million

	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Sweden - from continuing operations	45.9	32.7	76.0	67.2	144.7
Europe, excluding Sweden - from continuing operations	107.8	114.1	207.1	205.0	438.5
North America	18.9	22.1	56.7	51.4	105.0
Asia	3.7	8.8	8.1	10.9	26.8
Other	-	-	-	-	6.1
Total	176.3	177.7	347.9	334.5	721.2
Sweden - operations held for sale	6.6	7.6	17.3	20.3	33.3
Europe - excluding Sweden - from operations to sale	22.6	49.5	49.0	81.1	140.9
Total operations	205.5	234.8	414.2	435.9	895.4

Quarterly review

Amounts in SEK million

	2014				2015				2016	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Net sales	152.9	156.8	171.9	187.8	156.8	177.7	189.8	197.0	171.6	176.3
Operating expenses	-156.7	-158.6	-160.9	-165.4	-158.5	-176.9	-164.1	-185.3	-160.9	-177.5
Operating profit	-3.8	-1.8	11.0	22.4	-1.7	0.8	25.7	11.7	10.7	-1.2
Financial items, net	-6.6	-4.1	-4.9	-3.3	-1.9	-4.4	-5.4	-5.9	-8.7	-1.7
Profit/loss after financial items	-10.3	-5.9	6.1	19.1	-3.6	-3.6	20.3	5.8	2.1	-2.9

Financial data per segment

Amounts in SEK million

Total operations

April-June 2016	Waste Treatment*	Consultancy Services	Fuel and Materials Technology	Other	Elimination	Group
External sales revenue	29.2	101.0	69.4	5.9	–	205.5
Revenue from segment	3.1	4.6	0.8	10.2	–18.7	–
Operating profit	–18.2	–0.9	5.6	–6.4	–	–19.9
Assets	267.5	411.1	261.9	382.5	–301.9	1,021.1
Liabilities	182.6	336.7	116.3	419.3	–301.9	753.0
Investments	–0.6	0.3	2.4	0.1	–	2.2
Depreciation/amortization	0.0	0.7	1.9	1.5	–	4.1
Average number of employees	107	524	125	52	–	808

April-June 2015	Waste Treatment*	Consultancy Services	Fuel and Materials Technology	Other	Elimination	Group
External sales revenue**	57.2	102.4	67.2	8.0	–	234.8
Revenue from segment**	0.4	0.6	0.0	2.8	–3.8	–
Operating profit**	10.5	4.9	5.8	–9.8	–	11.4
Assets	330.1	363.9	214.3	406.0	–291.2	1,023.0
Liabilities	248.6	306.5	102.3	355.0	–291.2	721.1
Investments	6.2	0.1	1.7	1.2	–	9.2
Depreciation/amortization	3.6	0.3	2.2	2.1	–	8.2
Average number of employees**	127	508	130	50	–	815

January-June 2016	Waste Treatment*	Consultancy Services	Fuel and Materials Technology	Other	Elimination	Group
External sales revenue**	66.3	207.6	126.9	13.4	–	414.2
Revenue from segment**	3.4	7.6	1.4	14.9	–27.3	–
Operating profit**	–30.9	11.5	11.0	–13.2	–	–21.6
Assets	267.5	411.1	261.9	382.5	–301.9	1,021.1
Liabilities	182.6	336.7	116.3	419.4	–301.9	753.0
Investments	3.0	1.3	5.0	0.7	–	10.0
Depreciation/amortization	3.2	1.3	3.9	3.5	–	11.9
Average number of employees**	105	525	126	55	–	811

January-June 2015	Waste Treatment*	Consultancy Services	Fuel and Materials Technology	Other	Elimination	Group
External sales revenue**	101.5	193.2	126.2	15.0	–	435.9
Revenue from segment**	0.8	0.8	0.3	5.5	–7.4	–
Operating profit**	7.3	6.5	9.6	–17.0	–	6.4
Assets	330.1	363.9	214.3	406.0	–291.2	1,023.0
Liabilities	248.6	306.5	102.3	355.0	–291.2	721.1
Investments	9.9	0.5	3.4	1.8	–	15.6
Depreciation/amortization	7.2	0.8	4.4	3.9	–	16.3
Average number of employees**	126	508	129	58	–	821

Full year 2015	Waste Treatment*	Consultancy Services	Fuel and Materials Technology	Other	Elimination	Group
External sales revenue**	174.2	416.1	276.1	29.0	0.0	895.4
Revenue from segment**	1.2	1.4	0.4	11.0	–14.0	0.0
Operating profit**	–11.8	23.8	40.9	–28.4	0.0	24.4
Assets	320.9	394.8	234.1	344.2	–300.5	993.5
Liabilities	226.8	319.3	98.3	351.2	–300.5	695.2
Investments	18.9	1.2	5.9	7.5	0.0	33.5
Depreciation/amortization	14.9	2.2	9.0	7.4	0.0	33.6
Average number of employees**	122	522	128	57	0	829

*Operations held for sale. For more information, please see Note 1.

**Reclassification of income, earnings and employees was made between segments for the comparison year to achieve comparability with 2016.

Parent company income statement

Amounts in SEK million	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Full year 2015
Net sales	4.2	2.6	8.9	5.6	10.6
Cost of services sold	-0.7	-0.9	-1.4	-1.2	-2.9
Gross profit	3.5	1.7	7.5	4.4	7.7
Other operating income and costs	-8.2	-9.7	-18.5	-21.3	-36.6
Operating profit	-4.7	-8.0	-11.0	-16.9	-28.9
Result from participations in Group companies		-	-	-	45.1
Net financial items	1.5	-0.3	-4.2	-0.6	-8.2
Profit/loss before tax	-3.2	-8.3	-15.2	-17.5	8.0
Income tax	0.7	1.9	3.4	3.9	-1.2
NET PROFIT/LOSS FOR THE PERIOD	-2.5	-6.4	-11.8	-13.6	6.8

Parent company balance sheet

Amounts in SEK million

	June 2016	June 2015	December 2015
ASSETS			
Intangible assets	2.9	-	3.3
Property, plant and equipment	0.0	1.1	0.0
Financial non-current assets	626.3	622.2	607.3
Total non-current assets	629.2	623.3	610.6
Current assets	61.5	62.8	51.8
Cash and cash equivalents	24.7	24.1	14.5
Total current assets	86.2	86.9	66.3
TOTAL ASSETS	715.4	710.2	676.9
EQUITY AND LIABILITIES			
Equity	279.1	270.5	290.9
Provisions	-	-	-
Non-current liabilities	382.1	96.7	106.7
Current liabilities	54.2	343.0	279.3
Total liabilities	436.3	439.7	386.0
TOTAL EQUITY AND LIABILITIES	715.4	710.2	676.9
Pledged assets	133.9	133.9	133.9
Contingent liabilities	5.3	5.4	5.3

Note 1 Operations held for sale

Assets and liabilities referring to the Waste Treatment business area have been accounted for as held for sale.

Amounts in SEK million

	April-June 2016	April-June 2015	January- June 2016	January-June 2015	Full year 2015
Cash flow from operating activities	-12.8	9.2	-9.9	-5.0	5.6
Cash flow from investing activities	0.6	-6.2	-3.0	-9.9	-18.9
Cash flow from financing activities	-0.5	-0.5	-1.1	-0.7	-1.8
Total cash flow	-12.7	2.5	-14.0	-15.6	-15.1
Assets in operations held for sale					
Property, plant and equipment			220.3	-	-
Intangible assets			7.2	-	-
Financial assets			17.9	-	-
Current assets			45.9	-	-
Total assets			291.3	-	-
Liabilities in operations held for sale					
Trade and other payables			84.2	-	-
Non-current liabilities			23.1	-	-
Provisions			90.5	-	-
Total liabilities			197.8	-	-
Analysis of profit/loss from operations held for sale					
Income	29.2	57.2	66.3	101.4	174.2
Costs	-47.9	-46.6	-97.4	-94.1	-186.4
Profit/loss from operations held for sale – before tax	-18.7	10.6	-31.1	7.3	-12.2
Income tax	-	-	-	-	-
Profit/loss from operations held for sale – after tax	-18.7	10.6	-31.1	7.3	-12.2
Income tax	-	-	-	-	-
Profit/loss from operations held for sale for the period - after tax	-18.7	10.6	-31.1	7.3	-12.2

Note 2 Fair value estimation

The tables below show financial instruments at fair value on the basis of their classification in the fair value hierarchy. The definition of the various levels can be found in the Annual Report, Note 2.3. The tables below refer to total operations.

The Group's assets and liabilities measured at fair value as at June 30, 2016 (MSEK)	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit or loss		23.8	11.7
Derivatives used for hedging		2.7	
Liabilities			
Derivatives used for hedging		5.4	
The Group's assets and liabilities measured at fair value as at December 31, 2015 (MSEK)			
Assets			
Financial assets at fair value through profit or loss	-	22.5	11.3
Derivatives used for hedging	-	2.5	-
Liabilities			
Derivatives used for hedging	-	6.8	-
Fair value of the Group's borrowings (MSEK)			
	June 30, 2016	December 31, 2015	
Non-current loans	297.5		1.0
Current loans	1.8		208.2
Total loans	299.3		208.2

Reconciliations of key ratio

Return on capital employed

	January-June 2016	January-June 2015	Full year 2015
Amounts in SEK million			
Profit/loss after financial items	-0.9	-7.2	18.9
Financial costs according to the income statement	10.4	6.0	13.6
Fair value - foreign exchange losses	0.0	-0.3	13.4
Total	9.5	-1.5	45.9
Balance sheet total	711.6		
Provisions and other long-term liabilities	-84.0		
Trade and other payables	-221.9		
Opening capital employed	405.7		
Balans sheet total	729.8	711.6	686.6
Provisions and other long-term liabilities	-129.9	-84.0	-80.6
Trade and other payables	-127.8	-221.9	-224.3
Closing capital employed	472.0	405.7	381.7
Average capital employed	438.9	405.7	381.7
Return on capital employed	2.2	-0.4	12.0

Return on equity

	January-June 2016	January-June 2015	Full year 2015
Amounts in SEK million			
Net profit/loss for the year	-23.5	0.0	2.4
Total	-23.5	0.0	2.4
Opening equity	298.3	292.9	292.9
Closing equity	268.0	301.9	298.3
Return on equity	-8.3	-	0.8

Net debt

	January-June 2016	January-June 2015	Full year 2015
Amounts in SEK million			
Current borrowing	1.8	227.6	208.2
Non-current borrowing	297.5	1.8	1.0
Total liabilities	299.3	229.5	209.2
Cash and cash equivalents	133.4	81.0	74.9
Net debt	165.9	148.5	134.3

Definitions of key figures and ratios

Some key figures and ratios used by company management and analysts to assess the Group's development have not been prepared in accordance with IFRS (International Financial Reporting Standards). The company management considers that these key figures and ratios make it easier for investors to analyze the Group's development.

Equity

The total of non-restricted and restricted equity at the end of the year. Average equity capital has been calculated as opening balance plus closing balance of equity capital, divided by two.

Equity per share

Equity divided by the number of shares at the end of the period.

Free cash flow

Cash flow from operating activities (after change in operating profit) minus cash flow from investing activities.

Sales revenue per employee

The year's net sales divided by the average number of employees.

Investments

Total of the acquisition of business/subsidiaries and acquisition of intangible asset and property, plant and equipment.

Average number of employees

Average number of employees at the end of each month.

Net debt

Total long-term and short-term borrowing less cash and cash equivalents.

Net debt-equity ratio

Interest-bearing net debt divided by equity including non-controlling interests.

Earnings per share

Profit for the year divided by the average number of shares. The average number of shares has been calculated as a weighted average of all shares in issue for the year.

Return on equity

Profit for the year as a percentage of average equity.

Return on capital employed

Profit/loss after financial items with financial expenses, fair value losses and foreign exchange losses added back, as a percentage of average capital employed. For the comparison year, capital employed has been adjusted by estimated values for operations held for sale, and only calculated on the closing balance.

Interest coverage ratio

Profit after financial income divided by the financial expenses.

Operating margin

Operating result after amortization as a percentage of net sales.

Equity/assets ratio

Equity including non-controlling interests as a percentage of the balance sheet total.

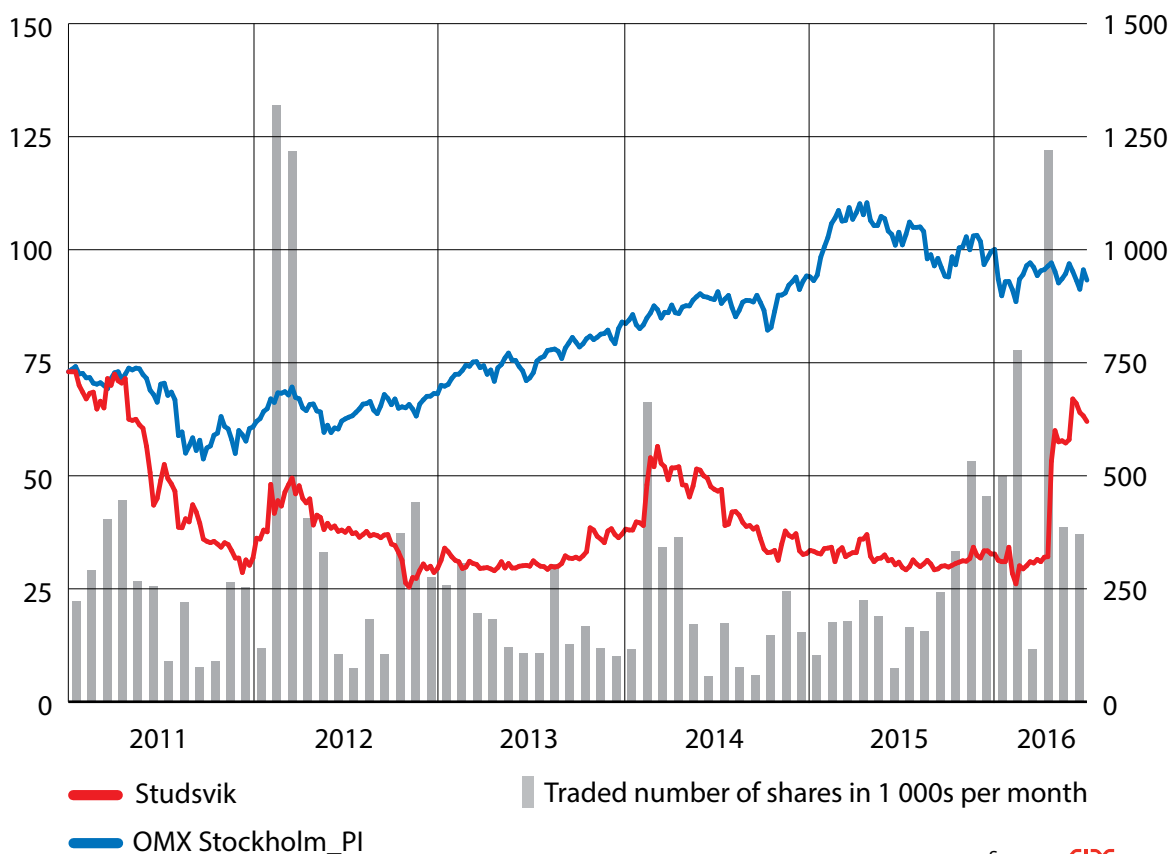
Capital employed

Balance sheet total less non-interest-bearing liabilities. Average capital employed has been calculated as opening balance plus closing balance of capital employed, divided by two.

Major shareholders, June 30, 2016

	Number of shares	Share, %
The Karinen Family	1,769,552	21.5
Briban Invest AB	1,283,492	15.6
Peter Gyllenhammar AB	700,000	8.5
Avanza Pensionsförsäkring AB	474,458	5.8
Credit Agricole Suisse SA	363,879	4.4
Malte Edenius	250,000	3.0
Invus Investment AB	216,594	2.6
Leif Lundin	188,688	2.3
Nordnet Pensionsförsäkring AB	160,482	2.0
Unionen	152,709	1.9
Total ten largest shareholders – holdings	5,559,854	67.6
Other shareholders	2,658,757	32.4
Total	8,218,611	100.0

The Studsvik share



Facts about Studsvik

Studsvik offers a range of advanced technical services to the international nuclear power industry in such areas as consultancy services and fuel and materials technology. The company has over 65 years' experience of nuclear technology and radiological services. Studsvik has 700 employees in 7 countries and the company's shares are listed on the Nasdaq Stockholm.

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