



# TROAX: INTERIM REPORT JANUARY – JUNE 2016

Hillerstorp 11th of August 2016, 12.00 CET

## APRIL – JUNE 2016

- Order intake increased by 18 per cent, or 17 per cent adjusted for acquisition and currency.
- Sales increased 11 per cent to 28,3 (25,5) MEUR, or 10 per cent adjusted for acquisition and currency.
- Operating profit decreased to 5,1 (5,4) MEUR. Result has been influenced by cost for starting up the new paint line and increased market investments.
- Operating margin decreased to 18,0 (21,2) per cent.
- Profit after tax increased to 3,1 (3,0) MEUR.
- Earnings per share was 0,16 (0,15) EUR.

## JANUARY – JUNE 2016

- Order intake increased by 15 per cent, or 14 per cent adjusted for acquisition and currency.
- Sales increased 10 per cent to 55,1 (50,2) MEUR, or 9 per cent adjusted for acquisition and currency.
- Operating profit decreased to 9,8 (10,4) MEUR. Result has been influenced by cost for starting up the new paint line and increased market investments.
- Operating margin decreased to 17,8 (20,7) per cent.
- Profit after tax was 5,9 (5,9) MEUR.
- Earnings per share was 0,30 (0,30) EUR.

## CEO COMMENTS

During the second Quarter 2016, Troax showed an increased strength in the development of the orders received. This increased by 18 per cent (17 per cent excluding currency and acquisitions). This is considered to be above the market increase during the quarter. All regions have increased compared with the same quarter last year. The improvement is especially positive in New markets and can be derived from good progress in North America and China. Positive in that we now have the highest order book ever, thanks to the good order intake.

Sales invoiced increased in the quarter by 11 per cent, compared with the same period last year (excluding acquisition and currency the increase is 10 per cent). The progress was positive in all markets except for United Kingdom. Totally, the Group has increased to a turnover level of approximately 108 MEUR on a rolling 12 months' basis.

The result development has been slightly negative during the quarter compared with last year. The deviation is mainly explained by planned market investments in New Markets but also in extra costs connected with the implementation of the new paint line (0,4 MEUR in quarter two). We may conclude that the new line is running well. The extra costs are mainly explained by planned expenditure in connection with startup and corrective adjustments, during April and May.

We have not had any major currency effect in the result this quarter (+0,1) MEUR, last year the effect was +0,3 MEUR. The operating result therefore becomes 5,1 (5,4) MEUR, which corresponds to a profit margin of 18,0 per cent to be compared with 21,2 per cent last year.

The result per share, after the quarter is 0,30 euro to be compared with 0,30 euro last year.

The Working Capital has somewhat increased during the quarter, with a certain increase of the receivables due to the good invoicing level. We have also a greater amount than usual in work in progress (WIP), as we increase work on projects for customers, not yet ready for invoicing. We have continued with good cash generation during the quarter and the net debt is now 48,9 MEUR.

**Thomas Widstrand, President and CEO**

## PHONE CONFERENCE

Invitation to presentation of the second quarter result:

Thomas Widstrand, CEO presents the result on a phone conference on the 11th of August 2016 at 16:30 CET. The conference will be held in English.

For more information please refer to <http://www.troax.com/en/news>

*This information is information that Troax Group 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 person set out above, at 12:00 CET on 11th of August, 2016.*

**Thomas Widstrand**  
President and CEO  
Troax Group AB  
Box 89  
330 33 Hillerstorp  
Tel 46 (0)370-82831

<http://www.troax.com>  
[thomas.widstrand@troax.com](mailto:thomas.widstrand@troax.com)

#### **About Troax**

*Troax is the leading global supplier of indoor perimeter protection ("metal-based mesh panel solutions") for the market segments: Machine guarding, Warehouse partitioning and Property Protection. Troax develops high quality and innovative safety solutions to protect people, property and processes.*

*Troax Group AB (publ), Reg. No. 556916-4030, has a global organisation with an unparalleled sales force and efficient logistics setup, enabling local presence and short delivery times in 33 countries.*

*In 2015 Troax net sales amounted to 103 MEUR and the number of employees amounted to 440 persons. The Company's head office is located in Hillerstorp, Sweden.*

[www.troax.com](http://www.troax.com)