

Strong growth and improved profitability

In the second quarter, sales in local currencies rose by 19 percent compared with the corresponding period in 2014. Over the quarter, the adjusted consolidated operating loss improved to SEK 4 million. The second quarter was eventful for PartnerTech with Scanfil Oyj presenting a public takeover bid to PartnerTech's shareholders, offering to acquire all shares in the company. In this extraordinary situation, we are continuing to focus on improving our operations. During the quarter, we signed several new framework agreements and won orders from customers in the Oil&Gas and Defence segments. As a consequence of the new orders, the Metal Precision division has improved somewhat, with its utilization level already having risen by the end of the quarter. The Electronics division reported continued strong growth, while the ramp-up in China also affected profitability for this quarter. Systems Integration also reported strong growth and the division's profitability continues to improve.



Leif Thorwaldsson, President and CEO

Second quarter of 2015

- Net sales were SEK 678 million (540)
- Adjusted operating profit totaled SEK -4 million (-8)*
- Profit/Loss after tax was SEK -15 million (-28)
- Earnings per share after tax amounted to SEK -1.19 (-2.20)
- Cash flow after investments amounted to SEK -25 million (-28)

First half of 2015

- Net sales were SEK 1,304 million (1,087)
- Adjusted operating profit totaled SEK -3 million (-8)*
- Profit after tax was SEK -17 million (-30)
- Earnings per share after tax amounted to SEK -1.38 (-2.37)
- Cash flow after investments amounted to SEK -22 million (-43)
- The equity/assets ratio was 31% (37) on June 30

*Adjusted operating profit, defined as operating profit excluding comparison distortion items

PartnerTech AB may be obligated to make the disclosures in this report public pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for public disclosure at 8.30 am on July 16th, 2015.

PartnerTech is a global industrial partner offering customized solutions throughout the product lifecycle, from product development to manufacturing and aftermarket services, in a number of market areas such as MedTech and Oil&Gas. With approximately 1,400 employees at its plants in Sweden, Norway, Finland, Poland, the UK, the United States and China, PartnerTech reports annual sales of more than SEK 2.2 billion. PartnerTech AB, the parent company, has its head office in Malmö, Sweden, and is listed on the Nasdaq OMX Stockholm Exchange. For more information www.partnertech.com.

Key ratios			Jan - Jun	Jan - Jun	Jul 2014 -	Jan - Dec
Amounts in SEK million unless otherwise stated	Q2-15	Q2-14	2015	2014	Jun 2015	2014
Net sales	678	540	1,304	1,087	2,455	2,239
Operating profit	-9	-31	-8	-30	-22	-44
Operating margin	-1.4%	-5.7%	-0.6%	-2.8%		
Adjusted operating profit*	-4	-8	-3	-8	-7	-12
Adjusted operating margin*	-0.6%	-1.5%	-0.2%	-0.7%	-0.3%	-0.6%
Annual capital turnover ratio, times	4.0	3.3			3.6	3.4
Return on operating capital	-5.5%	-18.6%			-3.2%	-6.7%
Return on equity	-14.5%	-24.5%			-10.0%	-12.5%
Average operating capital	684	659			678	658
Average equity	415	454			424	438
Operating capital			679	663		677
Equity			400	441		418
Interest-bearing net debt			287	236		263
Equity/assets ratio			30.8%	36.7%		32.3%

*Adjusted operating profit, defined as operating profit excluding comparison distortion items

THE QUARTER AND FIRST HALF OF THE YEAR

Second quarter sales totaled SEK 678 million (540). This represented an increase of 26% from the same period in 2014. Sales were 19% higher for comparable units and in local currencies than the year-ago period. Sales for the first half of the year were SEK 1,304 million (1,087) which represented an increase of 20%. Sales were 12% higher for comparable units and in local currencies than the year-ago period

Adjusted operating profit for the second quarter was SEK -4 million (8). Including non-reoccurring transaction costs the operating profit was SEK -9 million (-31). Adjusted operating profit for January-June was SEK -3 million (-8).

Second quarter net financial expense totaled SEK -5 million (-1), including SEK -2 million (-2) in net interest expense. Unrealized exchange-rate effects in the quarter were negative. Net financial expense for the first half of the year was SEK -4 million (-2).

Second quarter effective tax was negatively affected by the fact that additional deferred tax assets were not taken into consideration for units with negative result.

Cash flow from operating activities after investments in the second quarter amounted to SEK -25 million (-28) and for the first half year SEK -22 million (-43).

Operating capital turnover rate has increased compared to the same period previous year, 4.0 times (3.3). Working capital came to SEK 382 million (344) at the end of the first quarter.

Interest-bearing net debt was SEK 287 million (236) on June 30.

Equity totaled SEK 400 million (441) at the end of the period. Translation effects on equity as the result of exchange-rate fluctuations totaled SEK -12 million (12) for the second quarter and SEK -1 million (10) for the first six months.

SOME SIGNIFICANT EVENTS DURING THE QUARTER

- On May 25th Scanfil Oyj announces a public offer to the shareholders of PartnerTech to tender all of their shares in PartnerTech to Scanfil for a consideration of 35 SEK in cash for each share. In a statement by the Board of Directors of PartnerTech in relation to Scanfil's public offer the Board unanimously recommends PartnerTech's shareholders to accept the offer.
- In May PartnerTech initiates a cooperation with Kongsberg Devotek.
- In May PartnerTech AB signs a framework agreement with Raymond Corporation in North America, a part of Toyota Material Handling North America (TMHNA), the number one material handling company in North America, covering production of electronics and electromechanical modules for forklifts.
- In May PartnerTech secures new orders in its Metal Precision division from customers in the Oil&Gas and Maritime segments.
- In May PartnerTech secures orders from the defense industry.
- On June 25th Scanfil Oyj declares the offer for PartnerTech unconditional.

EVENTS AFTER THE END OF THE PERIOD

- On July 3rd Scanfil initiates compulsory acquisition proceedings, PartnerTech files for de-listing and summons an extraordinary general meeting to elect a new board. PartnerTech's application for de-listing is approved and the last day of trade will be July 17th 2015.
- On July 13th Scanfil Oyj announces that it holds 98,6% of the shares in PartnerTech AB and does not further extend the acceptance period.
- In July PartnerTech is awarded a contract extension from one of its largest customers covering manufacturing, distribution and aftermarket services in North America.
- In July Åke Bengtsson announces that he will leave the position as CFO for PartnerTech AB to become CFO at Haldex AB. He will continue in his current role until latest year-end 2015.

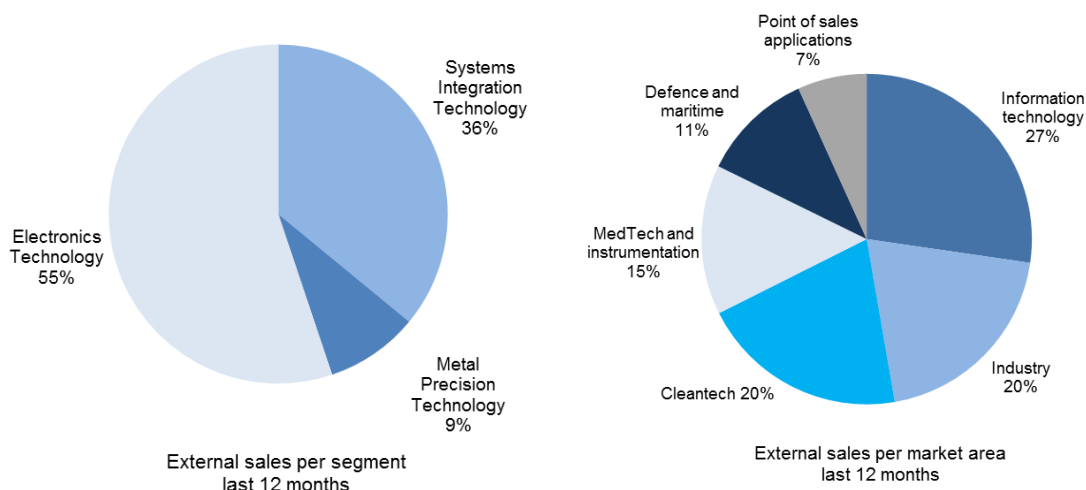
DIVISION REPORTING

PartnerTech's operating activities are broken down into three areas that reflect its core skills:

- *Electronics Technology*
- *Systems Integration Technology*
- *Metal Precision Technology*

The areas constitute PartnerTech's divisions. The idea is to focus even more on the core skills, as well as their specific challenges and opportunities, in order to better satisfy the technology, knowledge and quality needs of the customers. Each customer center and production unit is assigned to one of the three divisions. The divisions reflect the way that PartnerTech organizes, monitors and manages its activities.

PartnerTech's services target product owners in its six selected market areas: Information Technology, Industry, CleanTech, MedTech & Instrumentation, Defence & Maritime, and Point of Sale Applications. The company has specific applications expertise and is certified in accordance with quality standards that are often crucial to customers in these areas. For more information on our market areas, please see page 10 in this report.



ELECTRONICS TECHNOLOGY

PartnerTech manufactures printed circuit boards and encapsulated electronics (box build assembly) in this division. The company has the capacity and equipment to handle both small-scale and development projects near the market, as well as large-scale production in low-cost Eastern European and Asian countries. Electronic components are manufactured in Malmö (Sweden), Cambridge (UK), Sieradz (Poland), Atlanta (US), Dongguan and Guang Zhou (China). Most customers are in the IT, CleanTech, Industry and Defense & Maritime market areas. The division also sells within the group, given that electronics are integral to systems integration.

Key ratios			Jan - Jun	Jan - Jun	Jul 2014 -	Jan - Dec
Amounts in SEK million unless otherwise stated	Q2-15	Q2-14	2015	2014	Jun 2015	2014
Total sales	407	312	772	626	1,453	1,306
whereof external sales	386	289	724	572	1,354	1,202
Operating profit	15	17	31	33	60	61
Operating margin	3.7%	5.6%	4.1%	5.2%	4.1%	4.7%
Capital turnover ratio, times	4.2	3.8			4.0	3.9
Return on operating capital	15.6%	21.2%			16.3%	18.4%

- The division's sales for the quarter rose by 30 percent (19 percent in local currencies), primarily due to volume growth in the Point of Sale Applications and Industry market areas.
- Operating profit declined compared with the corresponding period last year, primarily due to the ramp-up of operations in China.

SYSTEMS INTEGRATION TECHNOLOGY

Systems integration involves the assembly of all or part of a customer's product, which includes electronics, plastic or metal components and software in addition to the actual enclosure. PartnerTech also manufactures enclosures in the form of sheet metal casings, cabinets and frames for various types of applications. Expertise when it comes to applications, product development and new product introduction, as well as certification for industry-specific requirements, is vital to the segment. Production takes place in Myslowice (Poland), Åtvidaberg (Sweden), Vantaa (Finland), Atlanta (US) and Dongguan (China). Most customers are in the MedTech, Point of Sale Applications, CleanTech or Industry market areas.

Key ratios			Jan - Jun	Jan - Jun	Jul 2014 -	Jan - Dec
Amounts in SEK million unless otherwise stated	Q2-15	Q2-14	2015	2014	Jun 2015	2014
Total sales	248	202	485	410	908	833
whereof external sales	239	199	470	403	883	816
Operating profit	2	1	7	4	13	10
Operating margin	1.0%	0.3%	1.5%	1.1%	1.4%	1.2%
Capital turnover ratio, times	4.7	3.5			3.9	3.5
Return on operating capital	4.5%	0.9%			5.4%	4.0%

- The division's sales for the quarter rose by 23 percent (21 percent in local currencies), primarily due to increased volumes in the Industry and MedTech market areas. The CleanTech market area continues to develop well, although volumes have partially shifted into the third quarter.
- Operating profit is affected positively by increased utilization of capacity in certain units.

METAL PRECISION TECHNOLOGY

The Metal Precision Technology division specializes in advanced processing of metals and other difficult materials, often with extreme properties. Production takes place with technologically advanced equipment and expertise, ranging from precision-machined complex components in small and large series to welded steel constructions and complete electromechanical and hydraulic systems. Production is located in Karlskoga (Sweden), Moss (Norway) and Myslowice (Poland) and customers come mainly from Offshore/Oil&Gas, Defense and Marine as well as advanced industry.

Key ratios			Jan - Jun	Jan - Jun	Jul 2014 -	Jan - Dec
Amounts in SEK million unless otherwise stated	Q2-15	Q2-14	2015	2014	Jun 2015	2014
Total sales	58	53	118	113	231	226
whereof external sales	53	52	110	112	218	220
Operating profit	-18	-21	-35	-38	-76	-80
Operating margin	-31.3%	-39.2%	-29.3%	-33.8%	-33.1%	-35.5%
Adjusted operating profit*					-67	-71
Adjusted operating margin*					-29.2%	-31.5%
Capital turnover ratio, times	2.2	1.8			2.0	1.8
Return on operating capital	-68.1%	-69.4%			-64.6%	-64.8%

*Adjusted operating profit, defined as operating profit excluding comparison distortion items

- The division's sales for the quarter rose by 8 percent (8 percent in local currencies), primarily due to an increase in the Industry market area.
- Operating profit for the quarter remained negative, however, the implemented cost reductions initiated an improvement in profit compared with last year.

OTHER

Other includes income and expense not assigned to the operating areas, primarily intra-group functions at the parent company as well as group-wide adjustments that cannot be allocated to the divisions. PartnerTech AB is the parent company in the PartnerTech Group. The company serves primarily as a holding company. The parent company's net sales are for billing of intra-group services.

Reconciliation of Result before tax, Group			Jan - Jun	Jan - Jun	Jul 2014 -	Jan - Dec
SEK million	Q2-15	Q2-14	2015	2014	Jun 2015	2014
Electronics Technology	15	17	31	33	60	61
Systems Integration Technology	2	1	7	4	13	10
Metal Precision Technology	-18	-21	-35	-38	-67	-71
Other	-4	-5	-7	-7	-12	-12
Comparison distortion items	-5	-22	-5	-22	-14	-31
Operating profit	-9	-31	-8	-30	-22	-44
Financial net	-5	-1	-4	-2	-11	-9
Result before tax, group	-14	-32	-12	-32	-32	-52

Comparison distortion items in the quarter regards to transaction costs from a public merger offer.

EMPLOYEES

The group had 985 (1,001) full-time equivalent employees on June 30. The reporting standard has been reformulated from the previous year with the purpose to exclude temporary employees and employees employed by a 3rd party.

TRANSACTIONS WITH RELATED PARTIES

There were no significant transactions with related parties during the period.

SIGNIFICANT RISKS AND UNCERTAINTIES

Events related to operating activities during 2015 are not deemed to represent any decisive change in terms of essential risks or uncertainties for the PartnerTech Group. A detailed description of PartnerTech's risks, uncertainties and how they are handled appears in the group's 2014 annual report.

ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. For the parent company, RFR 2, Accounting for Legal Entities, of the Swedish Financial Reporting Board has been followed.

No other new or amended standards or interpretations have had any impact on the group's financial reports for 2014.

The board and CEO hereby assure that this report for the first half of 2015 provides a true and fair view of the group's operations, financial position and performance. The disclosures that have been submitted are consistent with the facts, and nothing of material significance has been omitted that might affect the view of the group and parent company in the accounts.

PartnerTech AB, July 16, 2015

Bengt Engström
Chairman of the Board

Leif Thorwaldsson
President and CEO

Gösta Johannesson

Klas Theodorsson

Henrik Lange

Heléne Mellquist

Lennart Pettersson

Petter Stillström

Thomas Thuresson

The company's auditors have not examined this interim report.

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Income statement, in summary Group (SEK million)	2015 Q2	2014 Q2	2015 Jan-Jun	2014 Jan-Jun	2014 Jan-Dec
Net sales	678.2	539.6	1,304.1	1,087.2	2,238.5
Cost of goods and services sold*	-654.6	-519.5	-1,245.0	-1,042.5	-2,143.5
Gross profit	23.6	20.1	59.1	44.7	95.0
Gross margin	3.5%	3.7%	4.5%	4.1%	4.2%
Selling and administration costs	-31.6	-28.2	-59.6	-52.0	-106.8
Other operating income and costs, net	-1.4	-22.6	-7.3	-22.8	-32.0
Operating profit	-9.4	-30.7	-7.8	-30.1	-43.8
Operating margin	-1.4%	-5.7%	-0.6%	0.5%	-2.0%
Net financial income/expense	-4.5	-1.3	-4.3	-2.4	-8.7
Profit/Loss after financial items	-13.9	-32.0	-12.1	-32.5	-52.5
Profit margin	-2.1%	-5.9%	-0.9%	-0.4%	-2.3%
Taxes	-1.1	4.2	-5.3	2.5	-2.3
Profit/Loss for the period	-15.0	-27.8	-17.4	-30.0	-54.8
Net margin	-2.2%	-5.2%	-1.3%	-2.8%	-2.4%
Depreciation and write downs included in Operating profit	11.1	12.2	22.0	23.1	54.7
Earnings per share before dilution, SEK	-1.19	-2.20	-1.38	-2.37	-4.33
Earnings per share after dilution, SEK	-1.19	-2.20	-1.38	-2.37	-4.33

The Profit/loss for the period is 100% attributable to the parent company's shareholders.

Statement of comprehensive income Group (SEK million)	2015 Q2	2014 Q2	2015 Jan-Jun	2014 Jan-Jun	2014 Jan-Dec
Profit/Loss for the period	-15.0	-27.8	-17.4	-30.0	-54.8
Components to be reclassified to net profit:					
Exchange rate differences arising on translation of foreign operations	-12.0	11.7	-0.5	10.4	16.8
Actuarial gains/loses	-	-	-	-	-4.3
Other comprehensive income, net of tax	-12.0	11.7	-0.5	10.4	12.5
Total comprehensive income for the period	-27.0	-16.1	-17.9	-19.6	-42.3

The comprehensive income for the period is 100% attributable to the parent company's shareholders.

Changes in equity Group (SEK million)	2015 Q2	2014 Q2	2015 Jan-Jun	2014 Jan-Jun	2014 Jan-Dec
Opening balance	427.4	463.4	418.2	466.9	466.9
Changes in equity					
Dividend	-	-6.3	-	-6.3	-6.3
Comprehensive income for the period	-27.0	-16.1	-17.9	-19.6	-42.3
Closing balance	400.3	440.9	400.3	440.9	418.2
Number of shares at end of period (thousands)	12,665	12,665	12,665	12,665	12,665
Average number of shares in the period (thousands)	12,665	12,665	12,665	12,665	12,665
Equity per share, SEK	31.61	34.82	31.60	34.81	33.02

Equity is 100% attributable to the parent company's shareholders.

Balance sheet, in summary Group (SEK million)	2015 30 Jun	2014 30 Jun	2014 31 Dec
Assets			
Intangible assets	124.8	134.5	124.9
Tangible assets	172.3	184.9	176.9
Financial assets	0.2	0.2	0.2
Other non-current assets	29.8	28.8	25.2
Total non-current assets	327.1	348.4	327.2
Inventories	403.5	340.7	416.4
Accounts receivable	488.4	432.2	470.0
Other current receivables	67.0	64.7	57.5
Cash and bank balances	15.7	14.0	25.3
Total current assets	974.7	851.6	969.2
Total assets	1,301.8	1,200.0	1,296.4
Liabilities and shareholders' equity			
Shareholders' equity	400.3	440.9	418.2
Interest-bearing liabilities	11.4	19.1	12.9
Non interest-bearing liabilities	-	-	-
Other provisions	21.0	16.8	21.0
Total long-term liabilities	32.4	36.0	33.9
Interest-bearing liabilities	291.6	186.9	275.4
Accounts payable	417.4	336.1	433.3
Other current liabilities	158.9	199.0	134.5
Other provisions	1.1	1.1	1.1
Total current liabilities	869.0	723.1	844.3
Total liabilities and shareholders' equity	1,301.8	1,200.0	1,296.4

Equity is 100% attributable to the parent company's shareholders.

Cash flow statement, in summary Group (SEK million)	2015 Q2	2014 Q2	2015 Jan-Jun	2014 Jan-Jun	2014 Jan-Dec
Operating profit	-9.4	-30.7	-7.8	-30.1	-43.8
Items in operating profit not impacting cash flow as well as interests and taxes	-5.0	24.6	1.7	32.5	51.3
Change in funds tied up in operations	-5.6	-15.2	-0.9	-36.2	-54.8
Cash flow operating activities	-20.0	-21.3	-7.1	-33.8	-47.3
Cash flow investing activities	-4.9	-6.4	-14.7	-9.1	-22.1
Cash flow after investments	-24.9	-27.6	-21.8	-42.9	-69.5
Cash flow financing activities	24.3	11.8	12.2	-2.2	34.5
Translation differences in liquid assets	-0.6	0.5	0.1	0.4	1.5
Change in liquid assets	-1.2	-15.3	-9.6	-44.8	-33.4
Cash flow per share	-0.10	-1.21	-0.76	-3.53	-2.64

Income statement, in summary	2015	2014	2014
Parent company (SEK million)	Jan-Jun	Jan-Jun	Jan-Dec
Net sales	52.2	45.5	56.9
Cost of services sold	-	-	-
Gross profit	52.2	45.5	56.9
Selling and administration costs	-38.6	-31.7	-61.8
Other operating income and costs, net	0.0	-1.0	-0.3
Operating profit	13.6	12.8	-5.2
Net financial income/expense	-0.6	3.7	-46.7
Profit/Loss after financial items	13.0	16.5	-52.0
Appropriations	-	-	17.6
Taxes	-3.3	-3.2	-3.2
Profit/Loss for the period	9.7	13.3	-37.6

Statement of comprehensive income	2015	2014	2014
Parent company (SEK million)	Jan-Jun	Jan-Jun	Jan-Dec
Profit/Loss for the period	9.7	13.3	-37.6
Other comprehensive income, net of tax:			
Fair value reserve	-1.3	1.8	4.4
Total comprehensive income for the period	8.4	15.1	-33.2

Balance sheet, in summary	2015	2014	2014
Parent company (SEK million)	30 Jun	30 Jun	31 Dec
Assets			
Intangible assets	2.0	-	0.4
Tangible assets	0.1	0.2	0.1
Financial assets	535.1	533.4	536.7
Other non-current assets	0.0	0.0	0.0
Total non-current assets	537.2	533.6	537.3
Other current receivables	146.0	140.6	161.8
Cash and bank balances	0.0	1.5	6.3
Total current assets	146.0	142.0	168.1
Total assets	683.2	675.6	705.4
Liabilities and shareholders' equity			
Shareholders' equity	432.5	472.5	424.1
Interest-bearing liabilities	0.0	2.8	0.0
Total long-term liabilities	0.0	2.8	0.0
Interest-bearing liabilities	44.9	1.8	67.1
Accounts payable	15.8	8.7	7.5
Other current liabilities	189.9	189.9	206.7
Total current liabilities	250.7	200.4	281.2
Total liabilities and shareholders' equity	683.2	675.6	705.4

PartnerTech's Market Areas



INFORMATION TECHNOLOGY

Customers in this area are fueled by rapid technological progress, and PartnerTech often receives major orders for production of advanced, encapsulated electronics (box build assembly). The short life cycles that frequently characterize the products require short time-to-market and ramp-up to large-scale production, for which Poland or China are perfectly suited.



INDUSTRY

Customers in this area are linked to industry and are spread throughout a number of different sectors. PartnerTech's main assignments are products and subsystems for most industrial applications, such as operator panels and power & range control units. The company's established supply chain in Asia, Europe and the United States is well adapted to the growing need for final assembly at the regional level, along with the area's stringent requirements when it comes to durability, flexibility and cost-effectiveness.



CLEANTECH

The expanding CleanTech market area reflects the direction of public policy and regulations. Customers outsource both components and systems and are increasingly demanding regional production. PartnerTech's skills and experience in mechanics, electronics and systems integration provide a solid foundation for production, and customers often take advantage of the company's integrated expertise.



MEDTECH & INSTRUMENTATION

Customers in this area are subject to strict technical, regulatory and safety standards. PartnerTech, which possesses far-reaching skills in the development and production of medical devices and instruments, meets both basic standards and industry-specific requirements such as ISO 13485. The company has also delivered to the U.S. market for many years and is well acquainted with FDA requirements.



DEFENSE & MARITIME

The products of customers in this area, such as the oil industry and maritime applications, are often designed for inaccessible and demanding environments in which quality, safety and security are crucial. PartnerTech typically manufactures components and subsystems characterized by precise tolerance, quality and traceability requirements. Customer relationships tend to be long-term. PartnerTech meets AS 9100 and a number of other industry-specific standards.



POINT OF SALES APPLICATIONS

Strict technical requirements for product function represent a distinctive feature of this area. Users demand a high level of accessibility and cannot afford to lose bills, coins or other valuables due to equipment that is out of order. Thus, superior technical solutions and production quality are vital. PartnerTech has many years of experience and skills when it comes to developing and manufacturing products with large mechatronic content. Customers often outsource production of complete systems.

DEFINITIONS

Operating margin	Operating profit/loss as a percentage of net sales
Adjusted operating profit	Operating profit excluding comparison distortion items
Profit margin	Profit/loss after net financial income/expense, as a percentage of net sales
Return on operating capital	Operating profit/loss, as a percentage of average operating capital
Return on equity	Net profit/loss as a percentage of average equity
Working capital	Operating capital less intangible and tangible non-current assets
Operating capital	Total assets less financial assets, other non-current assets, current tax assets, financial derivatives and cash and cash equivalents, and less non-interest-bearing liabilities (excluding tax liabilities, financial derivatives and provisions)
Interest-bearing net debt	Interest-bearing liabilities less cash and cash equivalents
Annual capital turnover ratio	Net sales divided by average operating capital
Equity/assets ratio	Equity as a percentage of total assets
Earnings per share after tax	Net profit/loss divided by average number of shares