



Year-end  
Report  
January-December  
2015

” Bong has during the last year completely restructured the company and reduced the number of sites and personnel drastically in order to have a more lean and effective organization to be competitive in the tough envelope market. The rapid increase in paper prices from suppliers during the last year has successfully been passed on to the market to restore our margins. The turnaround is already seen in the figures and our goal to make profit on bottom line for 2016 is still valid, says Bong’s CEO Stéphane Hamelin. ”

### October – December 2015

- Net sales decreased with 9 percent to SEK 613 million (677)
- Adjusted EBIT amounted to SEK 13 million (37)
- Non-recurring items amounted to SEK -12 million (-90)
- EBIT improved to SEK 1 million (-53)
- Earnings after tax amounted to SEK -13 million (-48)
- Earnings per share amounted to SEK -0.08(-0.31)
- Cash flow after investing activities SEK 5 million (91)

### January – December 2015

- Net sales decreased with 7 percent to SEK 2,345 million (2,533)
- Adjusted EBIT amounted to SEK 31 million (21)
- Non-recurring items amounted to SEK -36 million (-144)
- EBIT improved to SEK -5 million (-123)
- Earnings after tax amounted to SEK -64 million (-150)
- Earnings per share amounted to SEK -0.41 (-0.96)
- Cash flow after investing activities SEK -75 million (94)

### Key Ratios

	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Net sales, MSEK	613	677	2,345	2,533
Adjusted EBIT, MSEK <sup>1)</sup>	13	37	31	21
Adjusted EBIT-margin, %	2.0%	5.5%	1.3%	0.8%
Non-recurring items, MSEK	-12 <sup>2)</sup>	-90 <sup>3)</sup>	-36 <sup>4)</sup>	-144 <sup>5)</sup>
EBIT, MSEK	1	-53	-5	-123
EBT, MSEK	-15	-67	-60	-178
Earnings after tax, MSEK	-13	-48	-64	-150
Earnings per share, SEK	-0.08	-0.31	-0.41	-0.96
Cash flow after investing activities, MSEK	5	91	-75	94
Equity/asset ratio, %	16.5%	19.2%	16.5%	19.2%

1) EBIT excluding non-recurring items

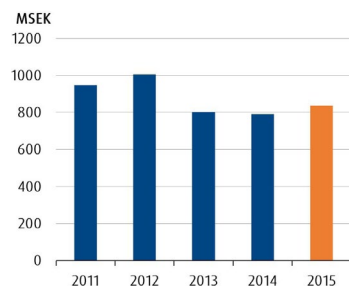
2) Restructuring cost SEK +1 million, capital loss building/land SEK -13 million

3) Restructuring cost SEK -45 million, capital loss building/land SEK -15 million and EU fine SEK -30 million

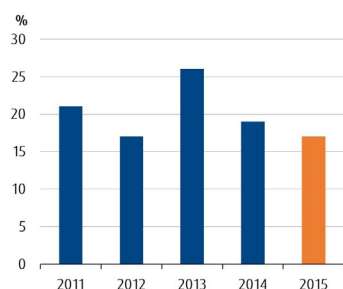
4) Restructuring cost SEK -20 million, capital loss building/land SEK -16 million

5) Restructuring cost SEK -105 million, capital gain building/land SEK +6 million, write down building SEK -15 million and EU fine SEK -30 million

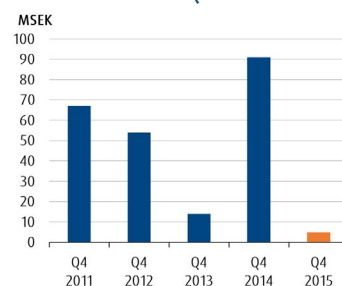
Net debt



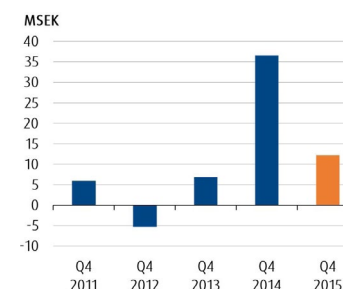
Equity ratio



Cash flow after investing activities - Q4

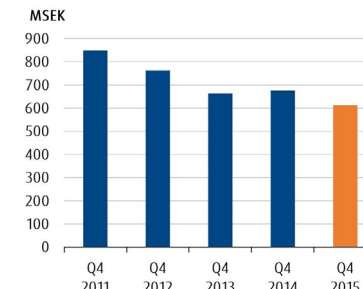


Operating profit/loss - Q4 <sup>1)</sup>



1) Operating profit/loss before restructuring costs and extraordinary items

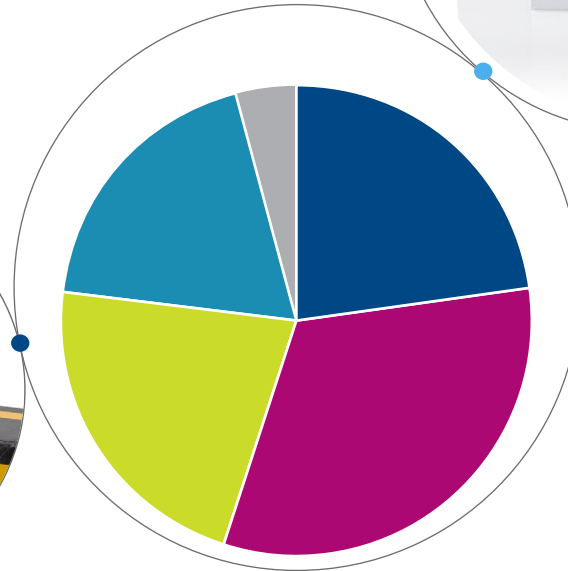
Net sales - Q4



# This is the Bong Group

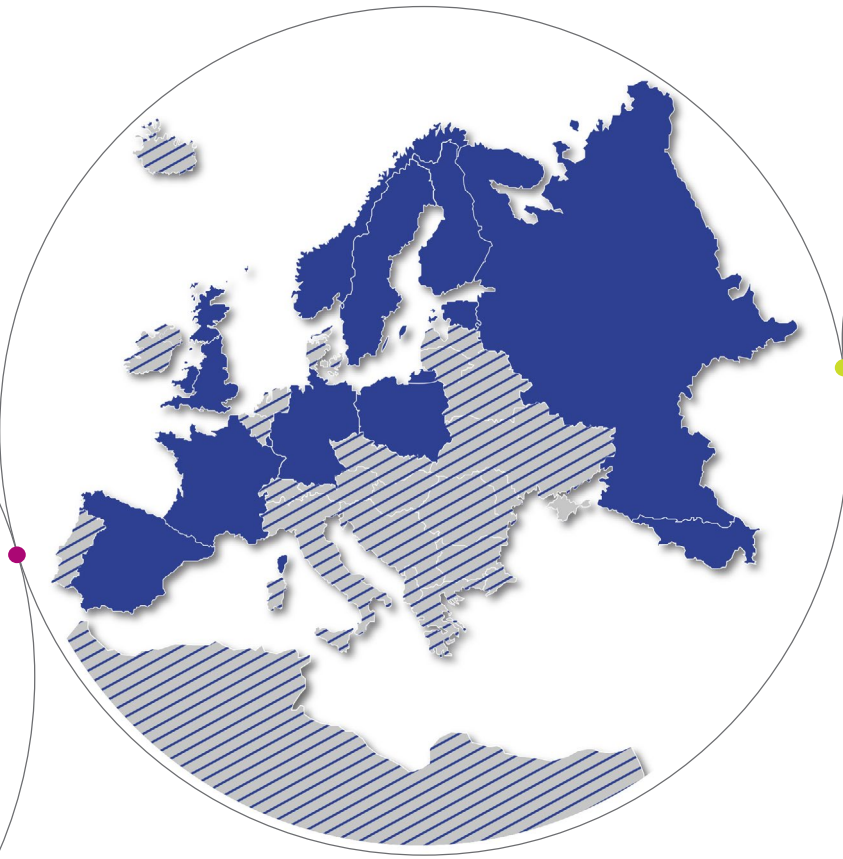
Bong is one of the leading providers of specialty packaging and envelope products in Europe and offers solutions for distribution and packaging of information, advertising materials and lightweight goods. Important growth areas in the Group are packaging within retail and e-commerce and the envelope market within Eastern Europe. The Group has annual sales of approximately SEK 2.3 billion and about 1,600 employees in 16 countries.

Bong has strong market positions in most of the important markets in Europe and the Group sees interesting possibilities for continued expansion and development. Bong is a public limited company and its shares are listed on Nasdaq Stockholm (Small Cap).



Sales to geographical areas YTD 2015

- Nordic/Baltics/Russia, 24%
- Central Europe, 31%
- France and Spain, 22%
- United Kingdom, 20%
- Others, 3%



- Production and sales
- ▨ Sales

## Market and industry

During the fourth quarter of 2015, the European envelope market volume decreased by approximately 5% compared to the same period previous year according to FEPE statistics. For the full year 2015 the market volumes declined by approximately 8% compared to 2014. According to FEPE the south eastern European countries are more stable and do not show the same level of decline.

Bongs assessment is that the decline in the market will continue in the same pace during 2016. Since the raw material prices are increased, due to decreased capacity, it has been necessary for Bong to increase sales prices to the market. Competitors on the European market are also increasing prices in order to cope with the raw material increases.

The restructuring process and the consolidation of the industry have been ongoing during 2015, but there is still a large overcapacity in the market. Deutsche papier has applied for administration process and the UK government has sold their remaining stake in Royal Mail. The Mail Solution Group has bought the plant and most of the machinery from Dobson and Crowther in UK, who went into administration in June. It is Bongs assessment that the consolidation and restructuring will continue during 2016.

The direct marketing segment, representing about one third of Bong sales, shows a strong recovery. The transactional segment, also representing about one third of Bong sales, still decreases due to the digitalization.

The special packaging market, where Bong is present, is still growing and is a large and fragmented market.

## Sales and profit

January - December 2015

Bong posted consolidated sales in the period of SEK 2,345 million (2,533). Exchange rate fluctuations had a positive impact on sales of SEK 76 million compared with 2014. The main reason for the drop in sales is the continued downturn in the envelope market, which resulted in both lower volumes and pricing pressures which had a negative impact on Bong's gross earnings.

Bong's total Packaging sales amounted to SEK 398 million (415). Currency fluctuations had a positive impact on Packaging sales of SEK 13 million compared with the corresponding period in 2014.

Operating profit was SEK -5 million (-123) including costs for restructuring program, mainly related to the Nordic countries and France, of SEK -20 million (-105). Paper suppliers have raised their prices in several steps since the second quarter this year, which has had a temporarily negative impact on Bong's gross margin. Bong has so far been successful to compensate for increased paper prices after some delay.

The lower sales volumes and the price pressure in the market has been more than offset by the lower cost base in the company resulting in improved result versus last year.

Net financial items for the period amounted to SEK -55 million (-55). Earnings before tax were SEK -60 million (-178) and reported earnings after tax were SEK -64 million (-150).

## Sales and profit

October - December 2015

Consolidated sales for the fourth quarter reached SEK 613 million (677). Exchange rate fluctuations had a positive impact on sales of SEK 14 million compared with 2014. The main reason for the drop in sales is the continued downturn in the envelope market, which resulted in both lower volumes and pricing pressures which had a negative impact on Bong's gross earnings.

Bong's total Packaging sales amounted to SEK 115 million (122). Currency fluctuations had a positive impact on Packaging sales of SEK 3 million compared with the corresponding period in 2014.

Operating profit was SEK 1 million (-53).

Net financial items for the period amounted to SEK -16 million (-13). Earnings before tax were SEK -15 million (-67) and reported earnings after tax were SEK -13 million (-48).

## Cash flow and investments

The cash flow after investing activities decreased to SEK -75 million (94). The cash flow was negatively affected by payments for the ongoing restructuring program of SEK -79 million (-38) and the payment for the previously communicated settlement with the European Commission of SEK -30 million. During the period buildings have been sold in Belgium, Germany and France. Working capital was negatively impacted by temporary restocking in connection with plant closures and relocation of plants in order to maintain a high level of service. The goal for 2016 is to decrease the stock level further given that all the movements of production capacity and stock have been finalized during 2015 and the service level restored.

## Financial position

Cash and cash equivalents at 31 December 2015 amounted to SEK 244 million (SEK 97 million at 31 December 2014), whereof SEK 180 million was held in an escrow account to be used to repay the banks according to the pending agreement which was decided at the extraordinary general meeting on January 25th 2016. The Group had unutilized credit facilities of SEK 28 million on the same date. Total available cash and cash equivalents thus amounted to SEK 92 million (158 million at 31 December 2014), net of the escrow account. Consolidated equity at the end of December 2015 was SEK 317 million (SEK 377 million at 31 December 2014). Translation of the net

asset value of foreign subsidiaries to Swedish krona and changes in the fair value of pension debt and derivative instruments decreased consolidated equity by SEK 3 million. The interest-bearing net loan debt increased during the period by SEK 47 million to SEK 837 million (SEK 790 million at 31 December 2014).

## Employees

The average number of employees during the period was 1,752 (1,873). The Group had 1,653 (1,833) employees at the end of December 2015. Bong is intensively working on improving productivity and adjusting staff to meet current demand and the reduction is the result of the implemented restructuring measures. Many employees are currently under notice period. When implemented measures are fully in place Bong will have around 1,600 employees.

## Parent Company

The Parent Company's business extends to management of operating subsidiaries and certain Group management functions. Sales were SEK 0.9 million (0.7) and earnings before tax for the period were SEK -72 million (-73).

## Events after the end of the period

Bong has completed the acquisition of its lending banks' claims. Bong announced in a press release on 29 January 2016 that the company had completed the acquisition of its lending bank's claims since all pre-requisites for the deal were fulfilled. Below is a summary of the various steps in the transaction which significantly reduces and changes the nature of Bong's indebtedness and the effects thereof.

### Acquisition of the bank facilities

- Bong has acquired the Banks' claims on the Company against a cash consideration in the total amount of SEK 195 million. The Banks have also received a total of 27,272,727 shares in Bong through a set-off issue against part of the claims.
- The Banks transfer the shares currently held by the Banks, approximately 23 million, to the investors of the bonds that were issued on 21 December 2015.
- The Banks are also entitled to subscribe for a total of 10 million shares in Bong through a directed issue at a subscription price of SEK 1.00 per share. The subscription may be made up until 28 April 2016.

### Convertible bonds

- All convertible bonds in series 2013/2018 have been converted at a conversion price of SEK 2.75 per share, which provides the convertible bondholders with a total of 27,272,727 shares in Bong.
- The conversion will be executed by Euroclear with 4 February 2016 as the record date. It is estimated that the distribution of shares will be made on 8 February 2016.

- The convertible bond holders are also entitled to subscribe for a total of 9,999,975 shares in Bong through a directed issue at a subscription price of SEK 1.00 per share. The subscription may be made up until 28 April 2016.

#### Bond issue

- Senior secured bonds in an amount of SEK 200 million were issued by the Company on 21 December 2015. The bonds have a three year tenor and a fixed annual interest rate of 10.0 percentage points. Each bond has a nominal amount of SEK 250,000 and the bonds are intended to be listed on the regulated market of Nasdaq Stockholm (Corporate Bonds List) within six months from issuance. Bong has undertaken not to declare any dividends during the life of the bonds.
- In accordance with the terms and conditions for the bonds, the bond investors will now receive 50,000 subscription warrants and 28,935 shares in Bong per bond. In total, 40 million subscription warrants (with a tenor of three years, which each entitles to subscribe for one share in Bong at a subscription price of SEK 1.15 per share) have been issued and in total approximately 23 million shares will be transferred to the bond investors.
- The proceeds from the bond issue have been used to purchase the Banks' claims.

#### Effects of the transactions

The completion of the Transaction has resulted in an increase of equity and a reduction of interest-bearing debt by approximately SEK 500 million, whereby a reasonable balance between indebtedness and operating profit is achieved. An additional positive effect of the measures is that the interest costs are decreased with approximately SEK 10 million per year as a result of the lower debt burden. If the directed share issues are subscribed for in full and full subscription of shares through exercise of the issued subscription warrants is made, an amount of approximately SEK 70 million will be added to the equity of the Company.

#### Risks and opportunities

Business risks for the Bong Group are primarily related to market development and various types of financial risks. For further information, please refer to Bong's annual report and website bong.com.

#### Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Application was consistent with the accounting principles outlined in the 2014 annual report and the interim report should be read along with those principles. Please refer to Bong's 2014 annual report for a specification of the new amendments, interpretations and standards that took effect 1 January 2015.

#### The board of directors' proposal for dividend

Bong's current priority continues to be to reduce the debt and improve profitability. Therefore, the board proposes that no dividend will be paid for 2015. No dividend was paid for 2014.

#### Annual General Meeting

The annual general meeting will be held on 18 May 2016 at 4 p.m. in Malmö. The January- March 2016 interim report will be published in connection with the AGM. The annual report will be available no later than 30 April 2016.

Kristianstad 18 February 2016

#### Stéphane Hamelin

Chief Executive Officer

#### Additional information

Håkan Gunnarsson, CFO for Bong AB. Tel +46 44-20 70 00 (switchboard)

#### Financial Calendar:

- Interim Report January-March 2016, 18 May 2016
- Annual General Meeting, Malmö, 18 May 2016
- Interim Report January-June 2016, 18 July 2016
- Interim Report January-September 2016, 17 November 2016
- Year-end Report 2016, 16 February 2017

# Income statement in summary

MSEK	Oct-Dec 2015 3 month	Oct-Dec 2014 3 month	Jan-Dec 2015 12 month	Jan-Dec 2014 12 month
Revenue	612.8	676.7	2,345.1	2,532.9
Cost of goods sold	-497.0	-541.6	-1,938.8	-2,066.3
Gross profit	115.9	135.1	406.3	466.6
Selling expenses	-51.4	-63.5	-217.9	-251.5
Administrative expenses	-50.3	-42.8	-172.6	-202.2
Other operating income and expenses	-13.7	-81.9	-20.8	-135.6
Operating profit	0.6	-53.1	-5.0	-122.8
Net financial items	-15.8	-13.4	-54.9	-55.5
Result before tax	-15.3	-66.5	-60.0	-178.3
Income tax	2.1	18.4	-4.3	28.4
<b>Net result</b>	<b>-13.2</b>	<b>-48.1</b>	<b>-64.3</b>	<b>-149.9</b>
Total comprehensive income attributable to:				
Share holders in Parent Company	-13.2	-48.1	-64.6	-149.9
Non-controlling interests	0.0	0.0	0.3	0.0
Basic earnings per share	-0.08	-0.31	-0.41	-0.96
Diluted earnings per share	-0.08	-0.31	-0.41	-0.96
Average number of shares, basic	156,659,604	156,659,604	156,659,604	156,659,604
Average number of shares, diluted	183,932,331	183,932,331	183,932,331	183,932,331

## STATEMENT OF COMPREHENSIVE INCOME

SEK M	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Net result for the year	-13.2	-48.1	-64.3	-149.9
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Actuarial loss on post employment benefit obligations <sup>1)</sup>	1.1	-39.0	13.9	-39.0
	1.1	-39.0	13.9	-39.0
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges <sup>2)</sup>	0.0	-0.4	2.8	-0.2
Hedging of net investments	10.8	-26.6	11.6	-61.3
Exchange rate differences	-19.7	28.7	-19.2	86.6
Income tax relating to components of other comprehensive income	-5.6	15.2	-6.1	22.4
	-14.4	16.9	-11.0	47.5
Other comprehensive income for the period, net of tax	-13.3	-22.1	2.9	8.6
<b>Total comprehensive income</b>	<b>-26.5</b>	<b>-70.2</b>	<b>-61.4</b>	<b>-141.3</b>
Total comprehensive income attributable to:				
Share holders in Parent Company	-26.5	-70.2	-61.7	-141.3
Non-controlling interests	0.0	0.0	0.3	0.0

## NOTES - STATEMENT OF COMPREHENSIVE INCOME

1) No actuarial gain/loss is deemed to have occurred during the period (2014) of post-employment benefits

	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
2) Cash flow hedges				
Interest rate swaps - cash flow hedges	0.1	0.2	0.7	0.8
Currency forwards - cash flow hedges	-0.1	-0.6	2.0	-1.0
Total cash flow hedges	0.0	-0.4	2.7	-0.2

# Balance sheet in summary

MSEK	31 Dec 2015	31 Dec 2014
<b>Assets</b>		
Intangible assets <sup>1)</sup>	581.5	604.2
Tangible assets	257.7	385.6
Financial assets <sup>5)</sup>	228.0	234.7
Inventories	211.8	253.8
Current receivables <sup>7)</sup>	393.6	387.6
Cash and cash equivalents <sup>6)</sup>	244.3	96.7
<b>Total assets</b>	<b>1,916.9</b>	<b>1,962.6</b>
<b>Equity and liabilities</b>		
Equity <sup>2)</sup>	317.1	377.3
Non-current liabilities <sup>3), 5)</sup>	895.1	745.2
Current liabilities <sup>4), 7)</sup>	704.7	840.1
<b>Total equity and liabilities</b>	<b>1,916.9</b>	<b>1,962.6</b>

## CHANGES IN EQUITY

MSEK	Jan-Dec 2015	Jan-Dec 2014
Opening balance for the period	377.3	521.8
Convertible loan	-2.5	-3.2
Non-controlling interests	3.7	-
Total comprehensive income	-61.4	-141.3
<b>Closing balance for the period</b>	<b>317.1</b>	<b>377.3</b>

## NOTES - BALANCE SHEET

	31 Dec 2015	31 Dec 2014
1) Of which goodwill, continued page 8	557.1	567.0
2) Of which non-controlling interests	7.7	-
3) Of which interest-bearing	861.7	715.4
4) Of which interest-bearing	220.0	171.4
5) Of which deferred tax	201.2	206.1
6) Of which escrow account	180.0	-

7) Financial assets and liabilities at fair value

The table shows the Group's financial assets and liabilities in the form of derivatives measured at fair value. All financial derivatives measured at fair value are in Category 2. These include interest rate swaps and foreign exchange contracts and the valuation is based on the forward interest rates derived from observable yield curves.

2015-12-31	Assets	Liabilities
Interest rate swaps - cash flow hedges	0.0	0.3
Currency forwards - cash flow hedges	1.3	-0.1
Currency forwards - held for trading	0.3	0.5
<b>Total</b>	<b>1.6</b>	<b>0.7*</b>

2014-12-31	Assets	Liabilities
Interest rate swaps - cash flow hedges	0.0	1.0
Currency forwards - cash flow hedges	0.0	0.8
Currency forwards - held for trading	2.0	0.7
<b>Total</b>	<b>2.0</b>	<b>2.5</b>

\* For the above contracts, the following amounts are found in the hedge reserve under Total comprehensive income; interest rate swaps - cash flow hedges SEK -0.3 million, currency forwards - cash flow hedges SEK +1.2 million.

### Other financial assets and liabilities

Fair value of the following financial assets and liabilities is estimated to be equal to book value:

- Trade receivables and other receivables
- Other current receivables
- Cash and cash equivalents
- Long-term and short-term loans
- Trade payables and other liabilities
- Other financial assets and liabilities

### Information about netting of financial assets and liabilities

The Group does not apply net recognition for any of its other significant assets and liabilities and has no netting agreements with financial counterparties.

## NOTES - BALANCE SHEET Contd.

### Impairment testing of Goodwill

For impairment testing purposes, the Group is regarded as a cash-generating unit (CGU), since the whole Group's operation is regarded as a single segment. The recoverable amount for a CGU is determined based on a calculation of value in use.

That calculation uses cash flow projections that are based on financial budgets for the business that are approved by management and cover a five-year period. Cash flows beyond the five-year period are extrapolated based on the assumption that the envelope market in Europe as a whole will have a limited growth. The cash flows are based on previous years' outcomes and management's projections of the market trend. Management has established the budgeted cash flows based on previous years' results, planned and completed efficiency-improving measures and projections of the market trend.

In calculating value in use, a discount rate of 10.3 per cent after tax (13.2 per cent before tax) has been assumed, along with a negative growth rate during the three first years of on average -4.3 per cent. The two last years have been assumed to result in a weak growth rate. A sustained growth rate of 0.5 per cent has been adopted. Previous year, a discount rate of 10.3 per cent (13.2 per cent before tax) and a development adjacent to this year's calculation was adopted but with a growth rate of 1 per cent at the end of the five year period.

The discount rate used is given after tax and reflects the market interest rates, risks and tax rates that apply to the different units. The average growth rate used is based on industry forecasts. Positive sales growth is expected above all in the packaging sector and in Eastern Europe.

The impairment test shows that a write-down of goodwill is not necessary.

### Sensitivity analysis

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are regarded as reasonable under the current circumstances. The Group subjects goodwill to impairment testing every year, in accordance with the accounting policy described among the accounting policies above. The recoverable amount has been determined by calculation of the value in use. Certain estimates must be made for these calculations. Management has determined the forecast based on previous earnings and their expectations of the future market trend as well as external information about market trends. A sustainable growth rate of 0.5 per cent has been used to extrapolate cash flows beyond the budget period. This growth rate is judged to be a conservative estimate. Furthermore, an average discount rate after tax of 10.3 per cent has been used (13.2 per cent before tax), which is the same as the previous year. A sensitivity analysis has been performed for the Group as a cash-generating unit. The results of the analysis are summarised below.

- If the assumption regarding the estimated growth rate beyond the budget period had been 1.52 per cent lower, i.e a slightly negative growth, then the assumption used as the recoverable amount had been the same as the book value of the cash-generating unit. Furthermore, the adoption of growth after the budget period had been 0.5 per cent lower, it would mean a write-down of SEK 35 million.
- If the assumption regarding growth during the forecast period had been 0.37 per cent lower then the assumption used the recoverable amount would be the same as the book value of the cash-generating unit. Furthermore, if the assumption regarding growth during the forecast period had been 0.5 per cent lower, it would mean a write-down of SEK 164 million. If the assumption regarding growth during the forecast period had been 1 per cent lower, it would mean a write-down of SEK 324 million.
- If the assumption regarding fixed costs had been 0.42 per cent higher than the assumption used the recoverable amount would be the same as the book value of the cash-generating unit. Furthermore, if the assumption regarding fixed costs had been 1 per cent higher, it would mean a write-down of SEK 292 million.
- If the assumption regarding gross margin had been 0.7 per cent lower than the assumption used the recoverable amount would be the same as the book value of the cash-generating unit. Furthermore, if the assumption regarding gross margin had been 1 per cent lower, it would mean a write-down of SEK 172 million.
- If the assumption regarding the estimated weighted cost of capital had been 1.3 per cent higher than the assumption used the recoverable amount would be the same as the book value of the cash-generating unit. Furthermore, if the assumption regarding the estimated weighted cost of capital had been 0.5 per cent higher, it would mean a write-down of SEK 51 million.

These calculations are hypothetical and should not be regarded as an indication that these factors are more or less likely to change. The sensitivity analysis should therefore be interpreted with caution. The estimated recoverable amount exceeds the book value by SEK 121 million.



# Cash flow statement

	Oct-Dec 2015 3 month	Oct-Dec 2014 3 month	Jan -Dec 2015 12 month	Jan-Dec 2014 12 month
MSEK				
Operating activities				
Operating profit	0.6	-53.1	-5.0	-122.8
Depreciation amortisation and impairment	24.0	38.1	75.4	100.6
Financial items	-15.8	-13.4	-54.9	-55.5
Tax paid	1.8	0.1	-6.1	0.9
Other non-cash items	-31.1	22.5	-79.4	52.8
Cash flow from operating activities before changes in working capital	-20.6	-5.9	-70.1	-23.9
Changes in working capital	-7.0	95.0	-79.1	120.7
Cash flow from operating activities	-27.6	89.2	-149.2	96.9
Cash flow from investing activities	32.5	1.8	73.9	-2.7
Cash flow after investing activities	4.9	91.0	-75.3	94.2
Cash flow from financing activities	196.5	-50.0	224.4	-82.0
Cash flow for the period	201.4	41.0	149.1	12.2
Cash and cash equivalents at beginning of period	44.8	54.4	96.7	81.6
Exchange rate difference in cash and cash equivalents	-1.8	1.3	-1.5	2.9
Cash and cash equivalents at end of period	244.3	96.7	244.3	96.7

## QUARTERLY DATA. GROUP

MSEK	4/2015	3/2015	2/2015	1/2015	4/2014	3/2014	2/2014	1/2014	4/2013	3/2013	2/2013	1/2013	4/2012	3/2012	2/2012	1/2012
Net Revenue	612.8	560.2	532.7	639.3	676.7	600.6	593.6	662.0	664.2	594.6	627.9	676.8	762.3	655.6	711.7	816.3
Operating expenses	-612.3	-557.4	-539.0	-641.5	-729.8	-610.0	-610.2	-705.7	-677.9	-622.9	-648.1	-724.0	-784.7	-629.6	-730.7	-786.1
Operating profit	0.6	2.9	-6.2	-2.2	-53.1	-9.4	-16.6	-43.7	-13.7	-28.3	-20.3	-47.2	-22.3	26.0	-19.1	30.3
Net financial items	-15.8	-12.1	-13.5	-13.6	-13.4	-13.3	-13.0	-15.8	-18.7	-15.0	-16.7	-16.3	-19.4	-17.4	-17.3	-17.2
Profit before tax	-15.3	-9.2	-19.7	-15.8	-66.5	-22.6	-29.6	-59.5	-32.4	-43.3	-37.0	-63.5	-41.7	8.7	-36.4	13.1

## KEY RATIOS

	Jan-Dec 2015	Jan-Dec 2014
Operating profit, %	-0.2	-4.8
Profit margin, %	-2.6	-7.0
Return on equity, %	neg	neg
Return on capital employed, %	neg	neg
Equity/assets ratio, %	16.5	19.2
Gearing ratio times	2.64	2.09
Net loan debt/EBITDA	11.90	neg
Capital employed, SEK M	1,398.8	1,264.1
Interest-bearing net loan debt, SEK M	837.4	790.0

## DATA PER SHARE

	Jan-Dec 2015	Jan-Dec 2014
Basic earnings per share, SEK	-0.41	-0.96
Diluted earnings per share, SEK <sup>1)</sup>	-0.41	-0.96
Basic equity per share, SEK	2.02	2.41
Diluted equity per share, SEK	1.95	2.27
Basic number of shares outstanding at end of period	156,659,604	156,659,604
Diluted number of shares outstanding at end of period	183,932,331	183,932,331
Average number of shares basic	156,659,604	156,659,604
Average number of shares diluted	183,932,331	183,932,331

1) The dilution effect is not taken into account when it leads to a better result.

# Five-year summary

Key ratios	2015	2014	2013	2012	2011
Net sales, MSEK	2,345	2,533	2,564	2,946	3,203
Operating profit/loss, MSEK	-5	-123	-109	15	40
Profit after tax, MSEK	-64	-150	-141	-55	-16
Cash flow after investing activities, MSEK	-75	94	-91	-38	137
Operating margin, %	-0.2	-4.8	-4.3	0.5	1.3
Profit margin, %	-2.6	-7.0	-6.9	-1.9	-0.7
Capital turnover rate, times	1.2	1.3	1.2	1.3	1.3
Return on equity, %	neg	neg	neg	neg	neg
Return on capital employed, %	neg	neg	neg	1.0	2.6
Equity ratio, %	17	19	26	17	21
Net loan debt, MSEK	837	790	802	1,005	947
Net debt/equity ratio, times	2.64	2.09	1.54	2.70	1.91
Net loan debt/EBITDA, times	11.9	neg	neg	8.6	6.3
EBITDA/net financial items, times	1.4	neg	neg	1.7	2.4
Average number of employees	1,752	1,873	2,051	2,271	2,431
<b>Number of shares</b>					
Basic number of shares outstanding at end of period	156,659,604	156,659,604	156,659,604	17,480,995	17,480,995
Diluted number of shares outstanding at end of period	183,932,331	183,932,331	183,932,331	18,727,855	18,727,855
Average basic number of shares	156,659,604	156,659,604	63,873,865	17,480,995	17,480,995
Average diluted number of shares	183,932,331	183,932,331	73,796,014	18,727,855	18,727,855
<b>Earnings per share</b>					
Basic, SEK	-0.41	-0.96	-2.20	-3.20	-1.04
Diluted, SEK	-0.41	-0.96	-2.20	-3.20	-1.04
<b>Equity per share</b>					
Basic, SEK	2.02	2.41	3.33	21.25	28.37
Diluted, SEK	1.95	2.27	3.06	20.50	26.48
<b>Cash flow from operating activities per share</b>					
Basic, SEK	-0.95	0.62	-0.40	-0.10	8.53
Diluted, SEK	-0.81	0.53	-0.34	-0.09	7.96
<b>Other data per share</b>					
Dividend, SEK	0.00	0.00	0.00	0.00	0.00
Quoted market price on the balance sheet date, SEK	1.3	1.1	1.5	9.7	17.9
P/E ratio, times	neg	neg	neg	neg	neg
Price/book value after dilution, %	62	46	45	45	63
Price/equity after dilution, %	65	49	49	47	68

# Parent company

## INCOME STATEMENT IN SUMMARY

MSEK	Jan-Dec 2015	Jan-Dec 2014
Revenue	0.9	0.7
Gross profit	0.9	0.7
Administrative expenses	-68.6	-32.7
Operating profit/loss	-72.0	-72.6
Net financial items	-68.6	-32.7
Result	-72.0	-72.6
Income tax	0.0	0.0
<b>Net result</b>	<b>-72.0</b>	<b>-72.6</b>

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	Jan-Dec 2015	Jan-Dec 2014
Net Result for the year	-72.0	-72.6
Other comprehensive income		
Net financial items reported directly in consolidated equity:		
Cash flow hedges	0.0	0.0
Income tax relating to components of other comprehensive income	0.0	0.0
Net result, Other comprehensive income	0.0	0.0
<b>Total comprehensive income</b>	<b>-72.0</b>	<b>-72.6</b>

## BALANCE SHEET IN SUMMARY

MSEK	31 Dec 2015	31 Dec 2014
Assets		
Financial assets	1,324.0	1,414.8
Current receivables	20.2	8.1
Cash and cash equivalents	180.3	0.2
<b>Total Assets</b>	<b>1,524.5</b>	<b>1,423.0</b>
Equity and liabilities		
Equity	824.2	898.7
Non-current liabilities	553.9	382.5
Current liabilities	146.5	141.9
<b>Total equity and liabilities</b>	<b>1,524.5</b>	<b>1,423.0</b>