



*Rejlers is one of the Nordic region's largest technical consultants. 2,000 experts work on projects in construction and property, energy, industry and infrastructure. We have specialist engineers with both broad and specific expertise, coupled with energy that creates results. We are continuing to expand rapidly, and currently have offices in 80 locations throughout Sweden, Finland and Norway. In 2015, Rejlers' turnover was SEK 1.9 billion and its Class B shares are listed on the Stockholm NASDAQ.*

19 July 2016

# Interim Report Rejlers AB January – June 2016



# Platform for increased profitability

## Second quarter

- » Sales increased by 33 percent to SEK 608.2 million (456.5)
- » Operating profit/loss was SEK 22.6 million (20.1), which corresponds to an operating margin of 3.7 percent (4.4)
- » Operating profit/loss adjusted for restructuring costs was SEK 26.2 million, which corresponds to an operating margin of 4.3 percent
- » The profit/loss after tax was SEK 18.4 million (14.9)
- » Cash flow from operating activities totalled SEK 10.7 million (33.8)
- » Earnings per share amounted to SEK 1.39 (1.21)

## First half

- » Sales increased by 28 percent to SEK 1,167.4 million (908.7)
- » Operating profit/loss was SEK 16.6 million (43.0), which corresponds to an operating margin of 1.4 percent (4.7)
- » Operating profit/loss adjusted for restructuring costs was SEK 26.3 million, which corresponds to an operating margin of 2.3 percent
- » The profit/loss after tax was SEK 12.9 million (32.1)
- » Cash flow from operating activities totalled SEK -2.6 million (44.7)
- » Earnings per share amounted to SEK 0.93 (2.61)

## Comments from President and CEO, Peter Rejler

During the quarter, we have created a platform for continuing positive development, where we also see an improvement in the billable hours ratio for Sweden, Finland and Norway compared with the previous quarter. The reorganisation of the business, in which we are disposing of unprofitable areas and primarily growing in digitalisation of processes and IT solutions, is beginning to have an effect.

Growth has continued well with an increase in sales in the group of 33 percent, 5 percent of which is organic.

The operating profit for the second quarter of SEK 22.6 million is somewhat better than last year and has been affected positively by the improved billable hours ratio compared with the first quarter, as well as a positive calendar effect.

Rejlers Sweden's action programme is proceeding according to plan and the restructuring costs amounted to SEK 3.6 million during the quarter and SEK 9.7 million during the first half.

Rejlers Finland has adapted its activities in order to meet market expectations and now also offers services in production efficiency, process design, security and digitising processes.

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Rejlers Norway continues to streamline the organisation and is implementing a number of cost savings to improve profitability. The business showed organic growth of 30 percent in the quarter.

For IT Solutions, the second quarter has been marked by strong growth for our IT solutions in the energy sector. We are gathering all competence in IT Solutions under the Rejlers Embriq brand, which will create economies of scale for our digital offering and Smart Metering Operations.

We have noted a positive trend in demand for our services in all segments during the quarter. About 1,100 of Sweden's largest companies are now required by law to map their energy consumption and propose measures to reduce energy use. Rejlers is one of the first in Sweden to have certified energy mappers and during the quarter we have signed major agreements with Statnett, Hafslund, Scania and the Swedish Transport Administration, among others.

We are strengthening our position in the market and continuing our reorganisation into a more effective organisation and business. The goal is to improve the operating margin to 8 percent over time and to reach our growth objectives of 2020-3030-4040.

# Sales and financial results

	Sales, SEK million					Operating profit, SEK million					Operating margin, SEK million				
	Apr- Jun	Apr- Jun	Jan- Jun	Jan- Jun	Full year	Apr- Jun	Apr- Jun	Jan- Jun	Jan- Jun	Full year	Apr- Jun	Apr- Jun	Jan- Jun	Jan- Jun	Full year
	2016	2015	2016	2015	2015	2016	2015	2016	2015	2015	2016	2015	2016	2015	2015
Rejlers Sweden	329.9	276.7	639.1	543.9	1,099.0	17.8	15.6	16.4	30.1	51.4	5.4	5.6	2.6	5.5	4.7
Rejlers Finland	97.5	86.1	189.1	169.6	336.4	3.1	4.7	3.4	9.3	18.9	3.2	5.5	1.8	5.5	5.6
Rejlers Norway	99.1	80.1	172.7	161.1	298.5	2.1	0.2	-5.7	0.5	3.5	2.1	0.2	-3.3	0.3	1.2
IT Solutions	85.9	16.4	173.7	36.3	151.3	5.0	2.2	10.8	6.4	9.3	5.8	13.4	6.2	17.6	6.1
Group-wide	5.5	6.5	11.2	14.7	27.1	-5.4	-2.6	-8.3	-3.3	-12.1	-	-	-	-	-
Eliminations	-9.7	-9.3	-18.4	-16.9	-36.8	-	-	-	-	-	-	-	-	-	-
<b>Consolidated total</b>	<b>608.2</b>	<b>456.5</b>	<b>1,167.4</b>	<b>908.7</b>	<b>1,875.5</b>	<b>22.6</b>	<b>20.1</b>	<b>16.6</b>	<b>43.0</b>	<b>71.0</b>	<b>3.7</b>	<b>4.4</b>	<b>1.4</b>	<b>4.7</b>	<b>3.8</b>

## April - June 2016

Sales amounted to SEK 608.2 million (456.5), which represents an increase of 33 per cent compared to the same period in the previous year. 5 percentage points of the growth is organic and 28 percentage points is through acquisition.

Operating profit for the second quarter amounted to SEK 22.6 million (20.1). The restructuring costs in Sweden were SEK 3.6 million. In Sweden, the quarter had two more working days than the same quarter the previous year. In Finland and Norway, the quarter had three more working days than the same quarter the previous year.

The billable hours ratio was 73.1 per cent (76.3).

## January - June 2016

Sales amounted to SEK 1,167.4 million (908.7), which represents an increase of 28 per cent compared to the same period in the previous year. Growth was entirely through acquisition.

Operating profit for the half amounted to SEK 16.6 million (43.0). The restructuring costs in Sweden were SEK 9.7 million. Significant start-up costs of projects in Norway and poor employee utilisation the first half year compared with the first half of 2015 had a negative effect on operating profit. The calendar effect, by contrast, had a positive effect on operating profit. The half had one more working day in Sweden and Norway and two more working days in Finland, compared with the previous year.

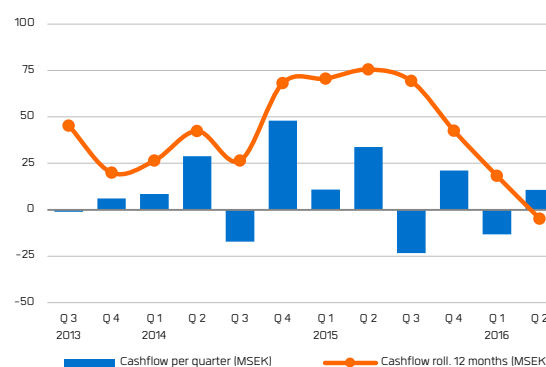
The billable hours ratio was 72.7 per cent (75.0).

## Cash flow and financial position

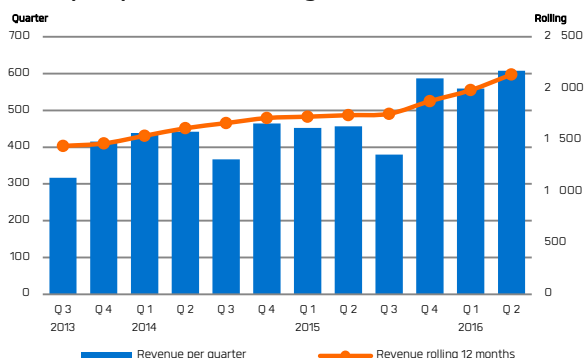
Cash flow from operating activities totalled SEK -2.6 million (44.7) for the half and SEK 10.7 million (33.8) for the quarter. Consolidated cash and cash equivalents at the end of the quarter amounted to SEK 35.5 million compared to SEK 108.8 million on 31 December 2015. The change in cash and cash equivalents was affected by a dividend of SEK 25.8 million (24.6), investments in fixed assets of SEK 22.2 million (4.9) and amortisation of SEK 38.4 million (19.4).

Interest bearing liabilities decreased from SEK 20.1 million from 31 December 2015 to SEK 260.6 million at the end of the period. Net indebtedness amounted to SEK 251.4 million compared to SEK 196.9 million as of 31 December 2015. The equity/assets ratio at the end of the period amounted to 40.1 per cent compared to 41.7 per cent as of 31 December 2015. Equity per share was SEK 40.12 at the end of the period compared to SEK 39.97 as of 31 December 2015. SEK 12.4 million (0) of the Group's overdraft facilities of SEK 50 million (50) have been used.

## Cash flow from operating activities



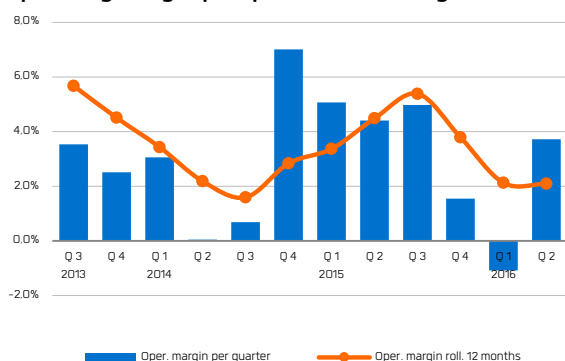
### Sales per quarter and rolling 12 months



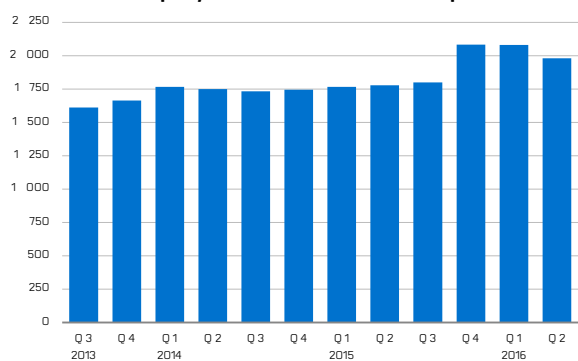
### Operating profit per quarter and rolling 12 months



### Operating margin per quarter and rolling 12 months



### Number of employees at the end of the quarter



## Investments

Investments in property, plant and equipment during the half amounted to SEK 5.1 million (4.6) and investments in intangible assets totalled SEK 17.1 million (0.3). Investments in subsidiaries and operations amounted to SEK 1.2 million (2.5). Further information about investments in subsidiaries and operations is available on page 12. Depreciations and impairment charges amounted to SEK 20.4 million (14.5).

## Employees

The number of employees at the end of the period was 1980 (1,778). The number of full-year employees totalled 1,963 (1,710).

A total of 19 employees (7) in Finland and 4 (4) in Norway were laid off at the end of the period.

## Parent company

Net sales in the parent company during the period amounted to SEK 11.2 million (12.7) and earnings before tax totalled SEK -4.3 million (-5.7).

## Significant events during the second quarter and after the end of the period

On 1 July, Thomas Rebermark took up the position of marketing manager of Rejlers AB. Thomas Rebermark is a member of Rejlers group management, with responsibility for market and communications matters. The coordination and development of Rejlers' position and profiling in new and existing markets will be a priority area.

Rejlers Embriq, together with others in the industry, has received research funding from the Research Council of Norway for research into smart energy systems of the future. The applications are handled by the research centres for environmentally-friendly energy and have a total ceiling of NOK 400 million over a total period of 8 years. This provides a particularly good basis for developing effective new solutions for the energy sector in direct collaboration with energy companies, research institutions and other participants.

# Segment Rejlers Sweden

Rejlers Sweden has offices in around 40 locations. Our range of services includes such things as automation, electrical power, installation, railways, mechanical engineering, processes and installations plus telecommunications. Segment Sweden accounts for around 54 per cent of Rejlers total sales.

**Rejlers Sweden increased sales by 19 per cent during the second quarter to 329.9 MSEK. 2 percentage points of the growth is organic and 17 percentage points is through acquisition. The operating profit for the quarter amounted to SEK 17.8 million (15.6) including the restructuring reserve of SEK 3.6 million, which represents an operating margin of 5.4 percent (5.6). Profits have been affected by restructuring costs and a lower level of employee utilisation compared with the previous year. The quarter had two more working days than the same quarter the previous year.**

The action programme, which resulted in cuts in the Technology business area in the first quarter, is being developed according to plan.

Reduced demand in some parts of the industry has led to a restructuring of Rejlers' industry activities. We are closing down unprofitable parts of the business and growing in areas such as industrial IT and also automation and digitalisation of manufacturing processes (Industry 4.0).

Our growth markets of energy and infrastructure are developing positively. There is great demand for digital services in all business areas. The new energy agreement that was presented by the government in June means that by 2040 all energy production must be renewable, but this does not involve a finishing date for nuclear energy or a closure of nuclear power plants by political decision. For Rejlers, this means a clear focus on services in sustainable electricity production, modernisation of regional and distribution grids and continued assignments in the nuclear power industry for the purpose of finding smart and safe

new technical solutions. Customers in the electrical distribution sector also demand smart grid solutions, which is leading to more assignments.

Telecommunications operations are growing and there is a great need for telecommunications engineers, especially in information and IT security. Demand is also increasing for assignments aimed at improving capacity and quality in the mobile phone network.

The road and rail markets are expected to grow strongly in the period up to 2024. Rejlers is currently involved in a number of major assignments for the Swedish Transport Administration, such as the evaluation of high speed railways in Sweden and expanding the main line in Skåne.

New construction investments for homes and premises are increasing demand for Rejlers' skills and the number of building and property assignments continues to increase.

## Assignments in the second quarter

- » Rejlers has been awarded a turnkey project for a new workstation for Scania. The assignment will involve designing and installing a new work station for the truck manufacturer's primer coating line in the Oskarshamn plant.
- » Rejlers has signed a framework agreement with the new Railway Training Centre [Trafikverksskolan] in Ängelholm, regarding hiring out the company's consultants as lecturers at the centre.
- » Rejlers is one of the first in Sweden to have certified energy mappers. According to the Swedish Energy Agency, about 1,100 of Sweden's largest companies are now required by law to map their energy consumption and propose measures to reduce energy use.

## Key figures – Rejlers Sweden

	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Sales, SEK million	329.9	276.7	639.1	543.9	1,099.0
Operating profit	17.8	15.6	16.4	30.1	51.4
Operating margin, %	5.4	5.6	2.6	5.5	4.7
Number of employees	1,082	1,018	1,082	1,018	1,173





Rejlers operates at 18 locations in Finland. Rejlers in Finland offers consultancy services within architecture, automation, energy, mechanical engineering, environmental technology, water and sewerage, and turnkey deliveries to customers in the construction and buildings, energy, industry and infrastructure sectors. Segment Finland accounts for around 16 per cent of Rejlers' total sales.

**Rejlers Finland increased sales in the second quarter by 13 percent to 97.5 MSEK. Adjusted for currency effects, growth was 7 percent. 4 percentage points of the growth is organic and 9 percentage points is through acquisition. The operating profit for the quarter amounted to SEK 3.1 million (4.7), which represents an operating margin of 3.2 percent (5.5). The reduced profit is due to continuing poor employee utilisation in the industrial sector. The quarter had three more working days than the same quarter the previous year.**

The efficiency programme, which was initiated in the first quarter, has had an effect on profitability compared with the previous quarter. Rejlers Finland has adapted its services in order to meet market expectations and now also offers services in production efficiency, process design, security and digitising processes.

The acquisition of JS-Verkot Oy and Caruna in the telecommunications and power grid sectors has brought new expertise and contributed to a great deal of business during the quarter.

The government's climate-adapted energy plan means increased demand for Rejlers services in renewable energy production, energy management and energy-efficient solutions.

Rejlers is in an advantageous market position in the power grid sector, particularly for project management ser-

vices and new IT solutions for the power grid in Finland. Demand for Rejlers energy metering services continues to be good.

There are plans for significant infrastructure investments in Finland, and several major railway projects will be undertaken in the next few years. Rejlers assignments in network planning and network design for both fixed and mobile networks cover the entire Nordic region. Telia's outsourcing strategy means that contracts are being offered for new services, which is good for Rejlers.

The building market continues to develop strongly and major building projects aimed at urban extension have begun. Rejlers has been awarded a number of new assignments in these projects.

#### Assignments in the second quarter

- » Rejlers is helping the city of Vasa to become CO<sub>2</sub> – neutral by means of energy audits. Energy audits in cities and municipalities can often lead to considerable savings in energy consumption.
- » Rejlers is responsible for electrical, telecommunications and security planning for the new gallery in the Vanda Aviapolis area outside Helsinki. The customer is Skanska Talonrakennus Oy.
- » Rejlers has been appointed to extend the telecommunications network, coordinate security and monitor quality for MPY Palvelut Oy's broadband project in Varkaus.

#### Key figures – Rejlers Finland

	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Sales, SEK million	97.5	86.1	189.1	169.6	336.4
Operating profit	3.1	4.7	3.4	9.3	18.9
Operating margin, %	3.2	5.5	1.8	5.5	5.6
Number of employees	501	483	501	483	482

# Segment Rejlers Norway

In Norway, Rejlers offers expertise in the areas of electrical power, electrical safety, energy certification, installation, railways and telecommunications. There are operations at 10 locations in the country. Rejlers Norway accounts for around 15 percent of Rejlers' total sales.

**Sales in Rejlers Norway for the quarter increased by 24 percent to 99.1 MSEK. Adjusted for currency effects, growth was 30 percent. The entire growth is organic. Norway reports a profit in the second quarter of SEK 2.1 million (0.2). The increase in profits is mainly due to major new assignments. The quarter had three more working days than the same quarter the previous year.**

Rejlers Norway is streamlining the organisation and making a number of cost savings, so as to improve profitability. The Norwegian business showed organic growth of 30 per cent in the quarter. Profit was also considerably improved in the quarter, due to the improved billable hours ratio and having three more working days in the quarter.

Rejlers Norway is in a development phase for services relating to digitalisation of processes for the infrastructure, energy and construction markets. Rejlers is actively participating in the development of the present communications network and we have digitalised processes for electrical safety inspections. Major contracts with Norkring, Telia and Agder Energi are expected to give good employee utilisation.

ROC (Rejlers Operation Center for telecommunications) enables us, as the only company in Norway, to monitor operations and maintenance of communications networks for several customers at the same time from one operations centre in Trondheim. This investment included programming new processors and systems.

The most important markets for Rejlers are energy, transport, railways and telecommunications, which are growing and undergoing comprehensive modernisation of technology and infrastructure. The Norwegian railway sector is planning to invest several billion NOK to upgrade and digitise large volumes of systems and technical documentation.

Demand for Rejlers services is increasing in all of the company's markets, especially in the construction and property segment and for assignments that aim to achieve more efficient, sustainable energy use.

## Assignments in the second quarter

- » Rejlers Norway has won an exciting and multi-faceted assignment for the Norwegian Railway Museum in Hamar. The assignment covers electrical design and energy consultancy.
- » Rejlers has won a framework agreement for project planning and design services for Statnett's transformer stations. The framework agreement covers upgrading and adaptation of the voltage levels in existing transformer stations, as well as establishing a number of new stations. The aim of the project is to increase safety in the Norwegian power system.
- » Rejlers has signed an agreement with Nordland County Council to perform a feasibility study for the railway line Trofors - Mosjøen - Mo i Rana. The purpose is to improve public transport in the region and increase speeds on the line.

## Key figures – Rejlers Norway

	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Sales, SEK million	99.1	80.1	172.7	161.1	298.5
Operating profit	2.1	0.2	-5.7	0.5	3.5
Operating margin, %	2.1	0.2	-3.3	0.3	1.2
Number of employees	240	230	240	230	239

# Segment IT Solutions

Rejlers IT Solutions segment offers IT services and products in the energy and infrastructure sectors. IT Solutions is also home to conventional IT services, cloud services and an advanced, modern centre for running customer IT environments. There are operations at 10 locations in Norway, Sweden and Finland. IT Solutions accounts for around 15 percent of Rejlers total sales.

**IT Solutions demonstrated strong growth during the second quarter. Sales amounted to SEK 85.9 million (16.4) and profits to SEK 5.0 million (2.2). Profits continue to be stable.**

The IT Solutions base is made up of operations in Rejlers Embriq, which designs, develops and manages IT solutions. We are gathering everything into one segment under the Rejlers Embriq brand, which is expected to provide great benefits for our digital offering and Smart Metering Operations. The second quarter was marked by strong growth for IT solutions in the energy sector, including smart metering projects.

The EU climate directive and increasing efficiency requirements are leading to increased demand for advanced IT systems and ongoing services. The market for the digitalisation of physical infrastructure is growing rapidly as sensors and connected equipment (the Internet of Things) become steadily more widespread and available.

With strong growth on top of a large existing market share in Norway, Rejlers Embriq has a good basis for further development in the Nordic countries. Existing service platforms that support future needs for digitalisation, in combination with knowledge of the area, form the basis for such an expansion.

Rejlers Embriq, together with others in the industry, has received research funding from the Research Council of Norway for research into smart energy systems of the future.

More and more energy companies are choosing Embriq's smart-grid platform Quant, delivered in the form of an ongoing service (software as a service). New IT Operations assignments have begun during the quarter and many of our existing customers have renewed their agreements.

Rejlers' energy services cooperate with Rejlers Embriq on the Swedish market to further strengthen the range of services offered as a system provider. As a central Swedish Elhub is developed over the next few years, the development for Rejlers' initiatives in this sector looks very positive.

The market for energy metering services is expected to grow over the coming years, as many of the remote reading meters in the Nordic countries are replaced.

## Assignments in the second quarter

- » Rejlers Embriq, in partnership with Rejlers Norway and Computas, has been awarded a framework agreement for consultancy services in many different technical areas for the Hafslund energy group.
- » Rejlers Embriq has signed a new 3-year agreement with Synoptik. Synoptik is a chain of opticians with branches in many parts of Norway. We have worked with them for a number of years in providing a wide range of IT services.

## Key figures – Rejlers IT Solutions

	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Sales, SEK million	85.9	16.4	173.7	36.3	151.3
Operating profit	5.0	2.2	10.8	6.4	9.3
Operating margin, %	5.8	13.4	6.2	17.6	6.1
Number of employees	147	38	147	38	179



# Group

## Income Statement in summary

SEK million	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Net sales	608.2	456.5	1,167.4	908.7	1,875.5
Personnel expenses	-379.1	-321.8	-754.0	-638.7	-1,280.1
Other external expenses	-196.2	-107.4	-376.5	-212.9	-493.1
Depreciations and impairments	-10.3	-7.3	-20.4	-14.5	-32.2
Shares in associated companies	0.0	0.1	0.1	0.4	0.8
<b>Operating profit</b>	<b>22.6</b>	<b>20.1</b>	<b>16.6</b>	<b>43.0</b>	<b>71.0</b>
Net financial income/expense	2.8	-0.5	2.2	-0.9	0.8
<b>Profit after net financial income expense</b>	<b>25.4</b>	<b>19.6</b>	<b>18.8</b>	<b>42.1</b>	<b>71.8</b>
Tax	-7.0	-4.7	-5.9	-10.0	-20.6
<b>Profit for the period</b>	<b>18.4</b>	<b>14.9</b>	<b>12.9</b>	<b>32.1</b>	<b>51.2</b>
<i>Attributed to:</i>					
Parent Company's shareholders	18.0	14.9	12.1	32.1	51.2
Shareholders without a controlling influence	0.4	0.0	0.8	0.0	-0.1
Average number of shares	12,921,721	12,321,721	12,921,321	12,321,721	12,346,379
Earnings per share, SEK	1.39	1.21	0.93	2.61	3.96

## Report on total profit/loss in summary

SEK million	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Profit for the period	18.4	14.9	12.9	32.1	51.2
<i>Items that may be reclassified to the income statement</i>					
Translation differences of foreign operations, net after-tax	8.9	-3.9	15.8	-4.9	-22.4
<i>Items that will not be reclassified to the income statement</i>					
Revaluation of net pension liability	-	-	-	-	12.1
Total other comprehensive income	8.9	-3.9	15.8	-4.9	-10.3
<b>Comprehensive income for the period</b>	<b>27.3</b>	<b>11.0</b>	<b>28.7</b>	<b>27.2</b>	<b>40.9</b>

## Balance sheet in summary

SEK million	30 June 2016	30 June 2015	31 Dec 2015
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	400.6	261.3	395.4
Other intangible assets	108.3	58.9	99.8
Tangible assets	38.7	37.1	36.2
Other fixed assets	51.3	22.1	48.7
<b>Total assets</b>	<b>598.9</b>	<b>379.4</b>	<b>580.1</b>
<b>Current assets</b>			
Current receivables	680.7	494.3	569.0
Cash and cash equivalents	35.5	83.5	108.8
<b>Total current assets</b>	<b>716.2</b>	<b>577.8</b>	<b>677.8</b>
<b>Total Assets</b>	<b>1,315.1</b>	<b>957.2</b>	<b>1,257.9</b>
<b>Equity and liabilities</b>			
Equity attributable to shareholders in the parent company	518.4	444.0	516.5
Holdings without a controlling influence	8.9	0.1	8.3
<b>Total equity</b>	<b>527.3</b>	<b>444.1</b>	<b>524.8</b>
<b>Non-current liabilities</b>			
Provision for pensions	26.3	43.2	25.0
Other non-current liabilities	217.1	101.9	325.6
<b>Total non-current liabilities</b>	<b>243.4</b>	<b>145.1</b>	<b>350.6</b>
<b>Current liabilities</b>	<b>544.4</b>	<b>368.0</b>	<b>382.5</b>
<b>Total liabilities and equity</b>	<b>1,315.1</b>	<b>957.2</b>	<b>1,257.9</b>
Of which interest-bearing liabilities	260.6	91.8	280.7
Pledged assets and contingent liabilities	156.7	214.5	211.3

## Changes in equity in summary

SEK million	30 June 2016	30 June 2015	31 Dec 2015
Equity at start of period	524.8	441.6	441.6
Comprehensive income for the period	28.7	27.2	40.9
Acquisition of holdings without a controlling influence	-	-	-0.4
The minority's share of the acquired company	-	-	8.3
<b>Changes attributable to transactions with the owners</b>			
New share issue	-	-	59.0
Dividends	-26.2	-24.6	-24.6
Total changes attributable to transactions with the owners	-26.2	-24.6	34.5
<b>Equity at end of period</b>	<b>527.3</b>	<b>444.1</b>	<b>524.8</b>
<b>Attributed to:</b>			
Parent Company's shareholders	518.4	440.0	516.5
Holdings without a controlling influence	8.9	0.1	8.3
<b>Total</b>	<b>527.3</b>	<b>440.1</b>	<b>524.8</b>

## Cash flow analysis in summary

SEK million	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Cash flow from operating activities before change in operating capital and tax paid	33.6	18.4	37.3	49.9	83.0
Tax paid	-12.6	-4.7	-25.2	-9.9	-9.6
Change in working capital	-10.3	20.1	-14.7	4.7	-30.9
<b>Cash flow from operating activities</b>	<b>10.7</b>	<b>33.8</b>	<b>-2.6</b>	<b>44.7</b>	<b>42.5</b>
Cash flow from investment activities	-14.7	-3.6	-22.0	-7.1	-240.2
Cash flow from financing activities	-25.7	-34.9	-52.2	-44.0	221.9
<b>Cash flow for the period</b>	<b>-29.7</b>	<b>-4.7</b>	<b>-76.8</b>	<b>-6.4</b>	<b>24.2</b>
Cash and cash equivalent at beginning of the period	63.3	88.2	108.8	89.8	89.8
Exchange rate differences in cash and cash equivalents	1.9	0.0	3.5	0.1	-5.2
<b>Cash and cash equivalent at end of the period</b>	<b>35.5</b>	<b>83.5</b>	<b>35.5</b>	<b>83.5</b>	<b>108.8</b>

## Net indebtedness

SEK million	30 june 2016	30 june 2015	31 dec 2015
Loans and credit facilities	260.6	91.8	280.7
Pension provisions	26.3	43.2	25.0
Cash and cash equivalents	-35.5	-83.5	-108.8
<b>Total</b>	<b>251.4</b>	<b>51.5</b>	<b>196.9</b>

## Acquisition of subsidiary and operations

On 1 January, Rejlers acquired assets in Insplacon Oy. On 1 May, all shares in JS-Verkot Oy were acquired.

So far this year, the acquisitions have contributed SEK 2.7 million to sales and SEK 0.2 million to operating profit. If the companies and operations had been owned since 1 January they would have contributed sales of SEK 6.8 million and operating profit of SEK 0.4 million.

### Acquired company's net assets at the time of acquisition

SEK million	Jan-Jun
	Total
Non-current assets	0.4
Current assets	1.2
Cash and cash equivalents	3.0
Non-current liabilities	-
Other current liabilities	-1.9
<b>Net identifiable assets and liabilities</b>	<b>2.7</b>
Goodwill	0.4
Customer values	0.2
Deferred tax on intangible assets	-0.0
<b>Purchase price, cash</b>	<b>3.2</b>
<i>Less:</i>	
Cash and cash equivalents in acquired businesses	-3.0
Unadjusted purchase price previously paid	1.0
<b>Net cash outflow during the period</b>	<b>1.2</b>

Acquisition analyses for the acquired operations are preliminary because the assets have not been fully analysed. The goodwill value, which is not tax-deductible, includes the technical skills of staff, acquired customer relationships that are not separable and synergies. Otherwise, the fair value of the assets and liabilities at the time of acquisition corresponds to the carrying amount in the acquired companies. There are no uncertain receivables among the acquired assets. Acquisition related costs were expensed as other external expenses when they were incurred.



## Key ratios

SEK million	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
IFRS key figures					
Earnings per share, SEK	1.39	1.21	0.93	2.61	4.15
Average number of shares	12,921,721	12,321,721	12,921,721	12,321,721	12,346,379
Alternative key figures					
Operating margin, %	3.7	4.4	1.4	4.7	3.8
Billable hours ratio, %	73.2	76.3	72.7	75.0	75.0
Sales per full-time employee, SEK thousand	311	267	595	531	1,046
Operating income per full-time employee, SEK thousand	12	12	8	25	40
Equity/assets ratio, %	40.1	46.4	40.1	46.4	41.7
Equity per share at the end of the period	40.1	36.0	40.1	36.0	40.0
Net indebtedness, SEK million	251.4	51.5	251.4	51.5	196.9
Net liabilities/adjusted EBITDA rolling 12 times	2.8	0.5	2.8	0.5	1.9
Operational key figures					
Number of shares at the end of the period	12,921,721	12,321,721	12,921,721	12,321,721	12,921,721
Number of working days	61	59	121	120	249
Number of full-time employees	1,958	1,710	1,963	1,710	1,793
Number of employees at the end of the period	1,980	1,778	1,980	1,778	2,082

Definitions for key figures may be found in the company's latest annual report and on page 14.

## Quarterly overview

SEK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	Q1 2016	Q2 2016
Sales												
Sweden	278.5	277.3	217.8	285.8	1,059.4	267.2	276.7	233.9	321.2	1,099.0	309.2	329.9
Finland	68.8	80.3	64.7	79.4	293.2	83.5	86.1	70.5	96.3	336.4	91.6	97.5
Norway	75.4	73.0	69.7	87.4	305.5	81.0	80.1	64.2	73.2	298.5	73.6	99.1
IT Solutions	18.0	17.0	17.4	18.4	70.8	19.9	16.4	14.8	100.2	151.3	87.8	85.9
Group-wide etc.	-1.8	-5.6	-3.1	-6.9	-17.4	0.6	-2.8	-3.3	-4.2	-9.7	-3.0	-4.2
<b>Total</b>	<b>438.9</b>	<b>442.0</b>	<b>366.5</b>	<b>464.1</b>	<b>1,711.5</b>	<b>452.2</b>	<b>456.5</b>	<b>380.1</b>	<b>586.7</b>	<b>1,875.5</b>	<b>559.2</b>	<b>608.2</b>
Operating profit												
Sweden	24.8	7.6	5.8	21.7	59.9	14.5	15.6	14.1	7.2	51.4	-1.4	17.8
Finland	0.3	3.1	4.6	6.2	14.2	4.6	4.7	2.0	7.6	18.9	0.3	3.1
Norway	-3.8	-11.9	-12.6	2.7	-25.6	0.3	0.2	4.5	-1.5	3.5	-7.8	2.1
IT Solutions	3.6	2.6	5.8	3.3	15.3	4.2	2.2	1.2	1.7	9.3	5.8	5.0
Group-wide etc.	-11.5	-1.2	-1.1	-0.6	-15.2	-0.7	-2.5	-2.7	-3.7	-12.1	-2.9	-5.4
<b>Total</b>	<b>13.4</b>	<b>0.2</b>	<b>2.5</b>	<b>32.5</b>	<b>48.6</b>	<b>22.9</b>	<b>20.1</b>	<b>18.9</b>	<b>9.1</b>	<b>71.0</b>	<b>-6.0</b>	<b>22.6</b>
Operating margin												
Sweden	8.9	2.7	2.7	7.6	5.7	5.4	5.6	6.0	2.2	4.7	-0.5	5.4
Finland	0.4	3.9	7.1	7.8	4.8	5.5	5.5	2.8	7.9	5.6	0.3	3.2
Norway	-5.0	-16.3	-18.1	3.1	-8.4	0.4	0.2	7.0	-2.0	1.2	-10.6	2.1
IT Solutions	20.0	15.3	33.3	17.9	21.6	21.1	13.4	8.1	1.7	6.1	6.6	5.8
Group-wide etc.	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3.1</b>	<b>0.0</b>	<b>0.7</b>	<b>7.0</b>	<b>2.8</b>	<b>5.1</b>	<b>4.4</b>	<b>5.0</b>	<b>1.6</b>	<b>3.8</b>	<b>-1.1</b>	<b>3.7</b>
Number of employees												
Sweden	1,020	1,011	997	998	998	1,016	1,018	1,022	1,173	1,173	1,163	1,082
Finland	452	447	431	434	434	447	464	482	482	482	500	501
Norway	239	236	241	247	247	236	230	231	239	239	249	240
IT Solutions	55	55	53	55	55	57	57	56	179	179	155	147
Group-wide etc.	12	11	11	8	8	8	9	9	9	9	10	10
<b>Total</b>	<b>1,778</b>	<b>1,760</b>	<b>1,733</b>	<b>1,742</b>	<b>1,742</b>	<b>1,764</b>	<b>1,778</b>	<b>1,800</b>	<b>2,082</b>	<b>2,082</b>	<b>2,077</b>	<b>1,980</b>

# Parent company

## Income Statement in summary

SEK million	Apr-Jun 2016	Apr-Jun 2015	Jan-Jun 2016	Jan-Jun 2015	Full year 2015
Sales	5.5	6.5	11.2	12.7	25.1
Personnel expenses	-3.9	-3.3	-7.5	-8.0	-15.5
Other external expenses	-6.4	-5.3	-10.8	-9.1	-19.9
Depreciations	-0.2	-0.3	-0.5	-0.5	-1.1
<b>Operating profit</b>	<b>-5.0</b>	<b>-2.4</b>	<b>-7.6</b>	<b>-4.9</b>	<b>-11.4</b>
Net financial income/expense	-0.2	-0.3	3.3	-0.8	39.7
<b>Profit after net financial income expense</b>	<b>-5.2</b>	<b>-2.7</b>	<b>-4.3</b>	<b>-5.7</b>	<b>28.3</b>
Appropriations	-	-	-	-	-6.1
Tax	-0.1	-	-0.1	-	-4.2
<b>Profit after tax</b>	<b>-5.3</b>	<b>-2.7</b>	<b>-4.4</b>	<b>-5.7</b>	<b>18.0</b>

The parent company has no items to report in other total income so this report is not included.

## Balance sheet in summary

SEK million	30 June 2016	30 June 2015	31 Dec 2015
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	0.0	0.8	0.4
Tangible assets	0.5	0.7	0.6
Financial assets	400.3	303.7	396.0
<b>Total assets</b>	<b>400.8</b>	<b>305.2</b>	<b>397.0</b>
<b>Current assets</b>			
Current receivables	171.3	22.5	197.3
Cash and cash equivalents	-	35.3	36.5
<b>Total current assets</b>	<b>171.3</b>	<b>57.8</b>	<b>233.8</b>
<b>Total Assets</b>	<b>572.1</b>	<b>363.0</b>	<b>630.8</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>214.1</b>	<b>161.5</b>	<b>244.3</b>
Untaxed reserves	37.0	30.9	37.0
<b>Non-current liabilities</b>	<b>158.6</b>	<b>30.9</b>	<b>265.5</b>
<b>Current liabilities</b>	<b>162.4</b>	<b>139.7</b>	<b>84.0</b>
<b>Total liabilities and equity</b>	<b>572.1</b>	<b>363.0</b>	<b>630.8</b>

## Rejlers' shares

The most recent share price for Rejlers Class B on 30 June 2016 was SEK 87.75 per share, a reduction of 25 percent compared to 30 December 2015. On 18 July 2016, the most recent share price for Rejlers share in Class B was SEK 99.00 per share. The Rejlers share is listed on Nasdaq Stockholm.

## Accounting policies

This interim report has been prepared for the Group in accordance with IAS 34 Interim Reporting and RFR 1, Supplementary Accounting Rules for Groups. The same accounting policies have been applied as in the most recent annual report for both the Group and the parent company. A number of changes in the standards have come into effect in 2016. None of these has a significant influence on the Group's accounts and reporting.

The parent company's reports are prepared in accordance with the Annual Accounts Act (ÅRL) and RFR 2. Accounting for Legal Entities.

Please refer to the Annual Accounts for 2015 for detailed information regarding the significant risks, uncertainties and accounting policies of the company.

ESMA's guidelines for Alternative Performance Measurements are applied with effect from this interim report.

## Financial Calendar

Interim report January–September 2016 25 October 2016

## Definitions

The company presents certain financial measurements in the interim reports that are not defined according to IFRS. The company considers that these measurements provide valuable supplementary information for investors and company management, since they permit an assessment of the company's performance. Since not all companies calculate financial measurements in the same way, these are not always comparable with measurements that are used by other companies. These financial measurements must not therefore be seen as a replacement for measurements that are defined according to IFRS.

The definition of the key figure Net liabilities/adjusted EBITDA rolling 12 is net liabilities in relation to operating profit before depreciation and impairment including acquired operations for the last 12-month period.

## Other information

The carrying value for financial instruments reported at the accrued acquisition value corresponds to the fair value.

Transactions with related parties took place on market terms and have not significantly affected the Group's results.

Stockholm 19 July 2016

Rejlers AB (publ)

Ivar Verner  
Chairman

Annika Steiber  
Board Member

Helena Nordman-Knutson  
Board Member

Jan Samuelsson  
Board Member

Thord Wilkne  
Board Member

Björn Lauber  
Employee Representative

Sten Pettersson  
Employee Representative

Peter Rejler  
Board Member, President and CEO

This information is information that Rejlers 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, on 19 July 2016 at 08.00 CET. This report is also available in Swedish. This English report is a translation from Swedish. If there are any differences, the Swedish language report shall prevail.