

11 August 2016

Polygon AB (publ) - Interim report 1 January – 30 June 2016

The combination of an average weather pattern, effects from last year's restructuring and good underlying growth has manifested itself during 2016 in improved earnings.

SECOND QUARTER 2016

- Sales in the quarter were up 8% compared to the same period of last year driven by continental Europe. Comparable business in the US after the closing of the PDR activity last year, increased by double digits.
- Order intake for the quarter was strong following the heavy rains in central Europe that took place in late May and early June.
- Adjusted EBITA amounted to EUR 6.3 million (3.4), an increase with 85% compared to the previous year. The main earnings improvement came from continental Europe and was driven by Germany which, along with the US, is continuing to perform well following the restructuring activities last year.
- Operating profit before amortization (EBITA) was EUR 6.2 million (loss 1.1). EUR 4.5 million was booked last year for restructuring in Germany and the US.
- A first pilot of the new field force system was implemented in mid-June.
- On 29 June Polygon received permission from the bondholder to reorganize the internal debt structure.

JANUARY - JUNE 2016

- Strong sales in several markets compensated for the effects of the closed activity in the US during 2015. Underlying organic growth adjusted for restructuring in the US and currency effects was positive at 7.1%. Reported sales increased by 3.3% compared to the same period of last year. Polygon gained large contracts during the period (UK, Germany and Norway), strengthening the market position.
- Adjusted EBITA amounted to EUR 12.5 million (7.8), an increase of 60% compared to the previous year. Ten countries out of 13 improved their earnings. A large part of the improvement has come from Germany and the US following the restructuring in 2015.
- Operating profit before amortization (EBITA) was EUR 12.1 million (3.3). Items affecting comparability have decreased substantially in 2016.
- Cash flow from operating activities of EUR 7.3 million followed the seasonal pattern with build-up of working capital. Net debt was EUR 99.8 million (107.3).
- The Board of Directors was strengthened in January 2016 with the addition of Ole Skov.

This information is information that Polygon 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 below, at 08.00 CET on 11 August 2016.