

INTERIM REPORT 1 JANUARY – 31 MARCH 2018

”Growth continues”

1 JANUARY – 31 MARCH 2018 (3 MONTHS)

- Net sales rose by 4 percent to SEK 597 million (576).
- EBITA rose by 7 percent to SEK 57 million (54), corresponding to an EBITA-margin of 9.6 percent (9.3).
- Profit after tax amounted to SEK 26 million (29).
- Cash flow from operating activities amounted to SEK 39 million (47).
- Earnings per share amounted to SEK 1.09 (1.18). For the 12-month period, earnings per share amounted to SEK 4.86 (5.05).
- The equity ratio amounted to 42 percent (40).
- Return on working capital (P/WC) amounted to 64 percent (65).
- Two acquisitions have been carried out during the quarter with a combined annual sale of about SEK 30 million.

SEKm	3 months ending			12 months ending	
	31 Mar 18	31 Mar 17	change	31 Mar 18	31 Dec 17
Net sales	597	576	4 %	2,354	2,333
EBITA	57	54	7 %	237	234
<i>EBITA-margin, %</i>	9.6	9.3		10.1	10.0
Profit before tax	34	38	-10 %	154	158
Profit for the period	26	29	-9 %	117	120
Earnings per share, SEK	1.09	1.18	-8 %	4.86	4.95
Earnings per share after dilution, SEK	1.08	1.18	-8 %	4.84	4.94

AddLife in brief

AddLife is an independent provider in Life Science that offers high-quality products, services and advice to both the private and public sector, mainly in the Nordic region. The Group is divided into two business areas: Labtech and Medtech. The Group comprises 34 operating subsidiaries that provide equipment, instruments, medical devices and reagents, as well as advice and technical support to customers primarily in healthcare, research and academia, along with the food and pharmaceutical industries. The Company is mainly active in the Nordic countries and is also represented by smaller businesses in Germany, the Benelux countries, Estonia, Italy, UK, China and USA. AddLife is the market leader in the Nordic region in several well-defined niches in the market areas of diagnostics, medical devices, biomedical research and laboratory analysis.

Comments by the CEO

During the quarter we strengthened our EBITA by 7 percent to SEK 57 million (54) and the EBITA margin increased to 9.6 percent (9.3). The improved performance comes from our diagnostics business, especially the sale of influenza tests this quarter. Flu season varies both in scope and time from year to year. The season was weak in the fourth quarter of 2017, but intensified during the first quarter of the year. Sales growth for the quarter was 4 percent (27). Our comparative quarter in 2017 was extremely strong, with total growth of 27 percent, driven by our new acquisitions and strong organic growth of 12 percent. Our customers were less active in March this year, which is typical around Easter and also affects sales. In 2017 Easter was in April. Organically, sales decreased in the quarter by 4 percent, which besides the Easter-related seasonal fluctuations, is attributable to weaker sales on the Finnish market in the Medtech business area.

Markets

Business conditions remain unchanged in the Nordic markets and the current trend in society, with a growing and aging population that require more care, is clear in all countries. All of the Nordic countries are focusing on Life Science in various ways to meet the healthcare challenges that lie ahead, as well as to strengthen their respective competitiveness in the field of research.

The market in Sweden continues to be favourable for our business areas, with both health services and the laboratories continuing their investments. The Swedish Government further consolidated its ambition for Sweden to become a leading Life Science nation in February by opening a permanent office for Life Science issues in the Ministry of Enterprise and Innovation.

Activity is also high in Denmark, with public investments in new hospitals. Cutbacks in public funding for Life Science research in recent years have led to increased dependence on various private funding sources. Our sales to the pharmaceutical industry in Denmark have been stable for the quarter.

The market situation in Norway is favourable, with continued government initiatives in both health care and research. A new research laboratory in Oslo celebrated its grand opening in March to promote collaboration between research and the business community, with the aim of increasing the share of Life Science companies in Norway, as well as increasing Norwegian exports in the field. Demand is robust for our point-of-care products, which are mainly used in primary care and home care.

The uncertainty in Finland related to postponement of the comprehensive healthcare and social services reform until 2020 remains. Nevertheless, the investment climate remains favourable for research and diagnostics and our Finnish Labtech companies had strong growth in the quarter. However, we saw a weak trend for sales to health services in the Medtech business area.

The trend for exports of our own healthcare products outside of the Nordic countries was favourable, especially in the Benelux countries, where we have experienced good growth for a long time. The sales trend for our own instruments outside of the Nordic countries was stable during the quarter and the US market has recovered somewhat.

Acquisitions

We are constantly looking for new acquisition candidates and suppliers with Nordic potential, companies that drive the Life Science market. During the first quarter we completed two small acquisitions, Ossano Scandinavia and Food Diagnostics. Ossano Scandinavia is a niche supplier in back and hip surgery, while Food Diagnostics is a niche supplier of analyses for the food industry. The two acquisitions are expected to add about SEK 30 million in annual sales. Both companies will be integrated into existing operations during the year.

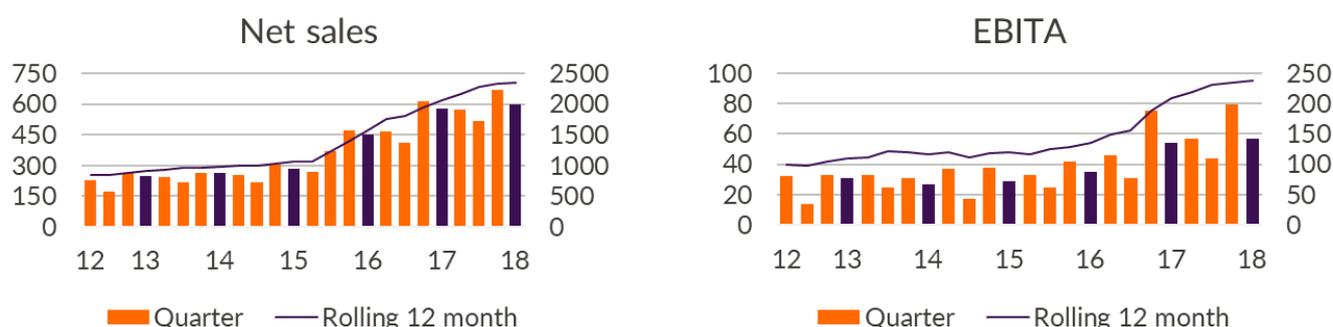
Kristina Willgård
President and CEO



Group development in the quarter

Net sales in the first quarter increased by 4 percent to SEK 597 million (576). Organic sales decreased 4 percent and acquired growth totalled 6 percent. Exchange rate changes had a positive effect on net sales of 2 percent, corresponding to SEK 10 million.

EBITA increased by 7 percent to SEK 57 million (54) and EBITA-margin amounted to 9.6 percent (9.3). The increase in profit comes from our diagnostics business. Exchange rate changes had a positive effect on EBITA of 2 percent, corresponding to SEK 1 million. Net financial items amounted to SEK -5 million (-2), with the increase attributable to exchange rate changes. Profit after financial items reached SEK 34 million (38). Profit after tax for the quarter amounted to SEK 26 million (29) and the effective tax rate was 22 percent (23).



Development in the business areas

Labtech

The Labtech business area consists of 19 companies active in the market areas diagnostics, biomedical research and laboratory equipment.

SEKm	3 months ending			12 months ending	
	31 Mar 18	31 Mar 17	change	31 Mar 18	31 Dec 17
Net sales	352	343	3 %	1,402	1,393
EBITA	39	35	11 %	155	151
EBITA-margin, %	11.2	10.3		11.0	10.8

Labtechs net sales increased in the first quarter by 3 percent to SEK 352 million (343), which is organic growth. EBITA increased by 11 percent to SEK 39 million (35), corresponding to an EBITA-margin of 11.2 percent (10.3).

The Nordic markets continue to perform well and Life Science is a prioritised field in all of the Nordic countries. March was weaker, however, because our customers were less active due to the Easter holiday. Growth was robust in diagnostics within several product segments, especially solutions in molecular biology and microbiology. We can meet customer demand with interesting new technology from several different suppliers in all of the Nordic countries. Flu season started during the quarter with high reagent sales to diagnostic laboratories. The continued improvement in the Finnish market for both research and diagnostics entailed stronger sales for the quarter.

Instrument sales to diagnostic laboratories were high in Sweden for the quarter, but slightly lower in other countries, while consumable sales for previously delivered instruments were stable in all markets. Demand has been steady for advanced microscopes in particular for academic research, but also for industry. Our sales to the pharmaceutical industry in Denmark have been stable for the quarter. Startup of our new operation in the Baltic region is proceeding according to plan.

The sales trend for our own instruments outside of the Nordic countries was stable during the quarter and the US market has recovered somewhat. We signed a contract with a distributor in the US that will take over our own sales operation during the second quarter. The change is expected to entail increased sales in the long term through our distributor, as well as lower expenses for our operation.

One small acquisition was completed in the quarter, Food Diagnostics, which will be integrated into existing diagnostics operations in Sweden. The acquisition is part of our initiative to expand our business to include more customer segments, including the food industry.

Medtech

The Medtech business area consists of 15 companies that provide medical device products within the medtech market, with a focus on surgery, thoracic medicine, neurology, wound care, anaesthesia, intensive care, ear, nose and throat, ostomies, and home healthcare.

SEKm	3 months ending			12 months ending	
	31 Mar 18	31 Mar 17	change	31 Mar 18	31 Dec 17
Net sales	245	233	5 %	952	940
EBITA	21	21	0 %	93	93
EBITA-margin, %	8.4	8.8		9.8	9.9

In the first quarter Medtech's net sales increased by 5 percent to SEK 245 million (233), of which organic decreased 11 percent and acquired growth totalled 15 percent. EBITA amounted to SEK 21 million (21), corresponding to an EBITA-margin of 8.4 percent (8.8).

Sales growth during the quarter continues to come from our businesses in the home care segment in Sweden and Norway. March was weaker in all markets because our customers were less active around Easter. Weaker sales to health services in the Finnish market contributed to the negative organic sales growth. The trend in Finland continues from previous quarters, but we expect stabilisation later this year. Sweden and the Benelux countries report good sales growth to health services for the quarter, while growth in the other countries is more stable. Our product mix this quarter has been favourable and the percentage of our own products is steadily increasing. Growth in the markets in Sweden, Norway and Denmark is stable, with large and intensely competitive calls for tender and higher demands from health services regarding not only price, but also sustainability and reliable delivery. Our methodological approach to building our pan-Nordic product portfolio, with both its own products and products from strong suppliers continues.

The home care market is constantly growing and there is a large need for various assistive devices in the home. Given the right assistive devices, people can remain at home longer, resulting not only in patient benefit, but also in savings for society. We continued to invest in sales resources and product development in order to further expand our offering. We are experiencing greater competition in the large nationwide calls for tender within home care in Norway.

One minor acquisition was completed in the quarter, Ossano Scandinavia, which is a niche supplier in back and hip surgery, which complements the existing surgery business in Sweden. Ossano Scandinavia will be integrated into existing operations in Sweden.

Financial position and cash flow

At the end of the interim period the equity ratio stood at 42 percent (40) and equity per share totalled SEK 33.30 (30.23). The return on equity at the end of the period was 16 percent (19). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 64 percent (65).

The Group's interest-bearing net debt at the end of the period stood at SEK 562 million (596), including pension liabilities of SEK 67 million (60). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions, totalled 0.7, compared to 0.8 at the beginning of the financial year.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 263 million on 31 March 2018.

Cash flow from operating activities reached SEK 39 million (47) during the interim period. The change in tax paid of SEK 14 million is mainly attributable to the payment of tax for 2017 in Norway and Finland. Corresponding payments for the previous year were made in later quarters. Acquisitions of companies amounted to SEK 19 million (249). Investments in non-current assets during the interim period amounted to SEK 10 million (8). Disposals of non-current assets totalled SEK 3 million (0).

Employees

At the end of the interim period, the number of employees was 601, compared to 592 at the beginning of the financial year. During the interim period, implemented acquisitions led to an increase of 8 in the number of employees. The average number of employees during the latest 12-month period was 591 (482).

Acquisitions

Acquisitions completed from the 2017 financial year are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
TM Techno Medica AB, Sweden	January, 2017	30	5	Medtech
Hepro AS, Norway	March, 2017	165	40	Medtech
Krabat AS, Norway	July, 2017	30	13	Medtech
Ossano Scandinavia AB, Sweden	February 2018	20	5	Medtech
Food Diagnostics FDAB AB, Sweden	March, 2018	10	3	Labtech

* Refers to conditions at the time of acquisition on a full-year basis.

During the interim period, two company acquisitions have been completed;

On 23 February 2018, all shares in Ossano Scandinavia AB were acquired to the business area Medtech. The company has five employees and net sales of approximately SEK 22 million. The acquisition represents an expansion in the area of orthopaedics. After the takeover, the business will be integrated in Medioplast AB.

On 2 March 2018, all shares in Food Diagnostics FDAB AB were acquired to the Labtech business area. The company has three employees and net sales of around SEK 8 million. The acquisition entails an entry into the field of food diagnostics. After the takeover, the business will be integrated into the diagnostics company Triolab AB.

The combined effect of the acquisitions on the AddLife Group's net sales was SEK 6 million, on EBITA SEK 1 million, on operating profit SEK 0 million and on profit after tax for the period SEK 0 million. Had the acquisitions been completed on 1 January 2018, their impact would have been approximately SEK 8 million on consolidated net sales, on EBITA about SEK 1 million and on operating profit about SEK 0.8 million and SEK 1 million on profit after tax for the interim period.

The fair value of not yet paid contingent consideration for acquisitions made during the interim period is calculated to SEK 1 million, which is approximately 34 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the financial year 2018 were as follows:

	Fair value
Intangible non-current assets	17
Other non-current assets	0
Inventories	2
Other current assets	15
Deferred tax liability/tax asset	-5
Other liabilities	-5
Acquired net assets	24
Goodwill	-
Consideration 1)	24
Less: cash and cash equivalents in acquired businesses	-11
Less: acquired debt to acquired companies	-
Contingent consideration not yet paid	-1
Effect on the Group's cash and cash equivalents	12

1) The consideration is stated excluding acquisition expenses.

Transaction costs for the acquisitions totalled SEK 0 million and are recognized as selling expenses.

During the interim period, SEK 1 million has been recognized as other operating income due to estimated contingent considerations, relating to previous acquisitions, deviated from the actual outcome.

Shares structure

The share capital at the end of the period stood at SEK 50 million.

Share class	Number of shares
Class A shares	1,011,766
Class B shares	23,605,327
Total number of shares before repurchases	24,617,093
Of which repurchased class B shares	-445,000
Total number of shares after repurchases	24,172,093

The own holding of 445,000 Class B shares corresponds to 1.8 percent of the total number of shares and 1.3 percent of the votes. The treasury shares cover the company's undertaking in outstanding call options program from 2016 and 2017. The average purchase price for shares held in treasury amounts to SEK 158.53 per share. The average number of treasury shares held during the period was 445,000 (230,000). The share price at 29 March 2018 was SEK 159.00 and the most recent price paid for the AddLife share on 26 April 2018 was SEK 179.50.

Issued call options for treasury shares have resulted in a calculated dilution effect based on average share price for the period of approximately 0.1 percent (0.05) during the interim period.

Parent company

The Parent Company's net sales for the interim period amounted to SEK 8 million (7) and profit after financial items for the interim period amounted to SEK -3 million (-3). At the end of the interim period, the Parent Company's net financial debt stood at SEK 510 million (523). The share capital at the end of the interim period was SEK 50 million (50).

Accounting policies

This interim report was prepared as per IFRSs and IAS 34 Interim Financial Reporting. Information in accordance with IAS 34. 16A exist, except in the financial statements and the related notes also in other parts of the interim report. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528) in compliance with recommendation RFR 2 Accounting for Legal Entities, of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the 2017 annual report for AddLife AB were also used here except for the revised accounting policies described below.

IFRS 9 entered into force on 1 January 2018. In 2017 AddLife analysed possible effects of the introduction of IFRS 9. The conclusion of the analysis is that the introduction of IFRS 9 and a forward-looking impairment model based on expected future losses has not any effect on the Group's financial reports.

IFRS 15 entered into force on 1 January 2018. An analysis of the impact of IFRS 15 on the Group was carried out in 2017. The conclusion of the analysis is that IFRS 15 has not any effect on the accrual of the Group's revenues. IFRS 15 results in increased disclosures, see table net sales by revenue type.

At the end of the interim period, the Group determined that there are no changes in the analysis regarding IFRS 9 and IFRS 15, as disclosed in the Group's Annual Report for 2017.

Alternative performance measures

AddLife presents certain financial measures in the year-end report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other

companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures.

Transactions with related parties

No transactions with related parties that materially affected the Group's position and earnings took place during the interim period.

Events after the end of the interim period

No other events of significance to the Group occurred after the end of the interim period.

Risks and uncertainties

AddLife's earnings and financial position, as well as its strategic position, are affected by various internal factors within AddLife's control and various external factors over which AddLife has limited influence. AddLife's most significant external risks are the state of the economy and market trends combined with public sector contracts and policy decisions, as well as competition. The risks and uncertainties are the same as in previous periods. For more information, see the section "Risks and uncertainties" in the administration report (page 44-48), in AddLife's annual report 2017. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Stockholm, 27 April 2018

Kristina Willgård
President and CEO

This report has not been subject to review by the company's auditor.

Financial calendar

The Annual General Meeting (AGM) of AddLife AB (publ) will be held at 4.00 p.m. on Thursday, 31 May 2018 at Näringslivets Hus, Storgatan 19, Stockholm.

The interim report for the period 1 January - 30 June 2018 will be published on 13 July 2018.

The interim report for the period 1 January - 30 September 2018 will be published on 7 November 2018.

The year-end report for 1 January - 31 December 2018 will be published on 5 February 2019.

Teleconference

Investors, analysts and the media are invited to a teleconference at which CEO Kristina Willgård and CFO Martin Almgren will present the interim report. The presentation will be given in English and takes about 20 minutes, after which there will be an opportunity to ask questions.

The teleconference will be at 10:00 a.m. on 27 April 2018.

The presentation will be available via the following link: <https://5569958126.globalmeet.com/MartinAlmgren>

Please call on: +46 8 22 90 90 code: 113242

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Business areas

Net sales by business area	2018				2017
Quarterly data, SEKm	Q1	Q4	Q3	Q2	Q1
Labtech	352	415	299	336	343
Medtech	245	253	218	236	233
Parent Company and Group items	-	-	-	-	-
AddLife Group	597	668	517	572	576

EBITA by business area	2018				2017
Quarterly data, SEKm	Q1	Q4	Q3	Q2	Q1
Labtech	39	52	25	39	35
Medtech	21	29	22	21	21
Parent Company and Group items	-3	-2	-3	-3	-2
EBITA	57	79	44	57	54
Depreciation intangible assets	-18	-19	-18	-17	-14
Operating profit	39	60	26	40	40
Finance income and expenses	-5	-3	-1	-2	-2
Profit after financial items	34	57	25	38	38

Net sales by revenue type	3 months ending			3 months ending		
	31 Mar 18			31 Mar 17		
SEKm	Labtech	Medtech	The Group	Labtech	Medtech	The Group
Products	229	221	450	223	210	433
Instruments	95	24	119	93	23	116
Service	28	0	28	27	0	27
Net Sales	352	245	597	343	233	576

Net sales by business area	3 months ending		12 months ending	
SEKm	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
Labtech	352	343	1,402	1,393
Medtech	245	233	952	940
Parent Company and Group items	-	-	-	-
AddLife Group	597	576	2,354	2,333

EBITA and EBITA-margin by business area and operating profit for the Group									
SEKm	3 months ending				12 months ending				
	31 Mar 18	%	31 Mar 17	%	31 Mar 18	%	31 Dec 17	%	
Labtech	39	11.2	35	10.3	155	11.0	151	10.8	
Medtech	21	8.4	21	8.8	93	9.8	93	9.9	
Parent Company and Group items	-3		-2		-11		-10		
EBITA	57	9.6	54	9.3	237	10.1	234	10.0	
Depreciations of intangible non-current assets	-18		-14		-72		-68		
Operating profit	39	6.4	40	6.9	165	7.0	166	7.1	
Financial income and expenses	-5		-2		-11		-8		
Profit after financial items	34		38		154		158		

Group summary

Income statement	3 months ending		12 months ending	
	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
SEKm				
Net sales	597	576	2,354	2,333
Cost of sales	-381	-371	-1,502	-1,492
Gross profit	216	205	852	841
Selling expenses	-136	-126	-534	-524
Administrative expenses	-39	-37	-145	-143
Research and Development	-4	-4	-18	-18
Other operating income and expenses	2	2	10	10
Operating profit	39	40	165	166
Financial income and expenses	-5	-2	-11	-8
Profit after financial items	34	38	154	158
Tax	-8	-9	-37	-38
Profit for the period	26	29	117	120
<i>Attributable to:</i>				
Equity holders of the Parent Company	26	29	117	120
Non-controlling interest	-	-	-	-
Earnings per share (EPS), SEK*	1.09	1.18	4.86	4.95
Diluted EPS, SEK*	1.08	1.18	4.84	4.94
Average number of shares '000s	24,172	24,387	24,268	24,347
Number of shares at end of the period, '000	24,172	24,387	24,172	24,172

EBITA	57	54	237	234
Depreciations included in operating expenses				
- property, plant and equipment	-5	-5	-20	-20
- intangible non-current assets from acquisitions	-15	-12	-60	-57
- other intangible non-current assets	-3	-2	-12	-11

Statement of comprehensive income	3 months ending		12 months ending	
	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
SEKm				
Profit for the period	26	29	117	120
<i>Components that will be reclassified to profit for the year</i>				
Foreign currency translation differences for the period	31	-9	28	-12
<i>Components that will not be reclassified to profit for the year</i>				
Revaluations of defined benefit pension plans	-	-	-7	-7
Tax attributable to items not to be reversed in profit or loss	-	-	1	1
Other comprehensive income	31	-9	22	-18
Total comprehensive income	57	20	139	102
<i>Attributable to:</i>				
Equity holders of the Parent Company	57	20	139	102
Non-controlling interests	-	-	-	-

Balance sheet, SEKm	31 Mar 18	31 Dec 17	31 Mar 17
Goodwill	653	646	630
Other intangible non-current assets	519	507	517
Property, plant and equipment	77	75	68
Financial non-current assets	13	13	13
Total non-current assets	1,262	1,241	1,228
Inventories	284	271	278
Current receivables	337	368	333
Cash and cash equivalents	23	11	22
Total current assets	644	650	633
Total assets	1,906	1,891	1,861
Total equity	805	748	737
Interest-bearing provisions	67	67	60
Non-interest-bearing provisions	81	76	78
Non-current interest-bearing liabilities	0	4	31
Non-current non-interest-bearing liabilities	0	0	1
Total non-current liabilities	148	147	170
Non-interest-bearing provisions	3	3	6
Current interest-bearing liabilities	518	529	528
Current non-interest-bearing liabilities	432	464	420
Total current liabilities	953	996	954
Total equity and liabilities	1,906	1,891	1,861

Statement of change in Group equity, SEKm	1 Jan 18 – 31 Mar 18		1 Jan 17 – 31 Dec 17		1 Jan 17 – 31 Mar 17	
	Equity excl. non-controlling interests	Total equity	Equity excl. non-controlling interests	Total equity	Equity excl. non-controlling interests	Total equity
Amount at beginning of period	748	748	717	717	717	717
Call options issued	-	-	3	3	-	-
Repurchase of treasury shares	-	-	-37	-37	-	-
Dividend	-	-	-37	-37	-	-
Total comprehensive income	57	57	102	102	20	20
Amount at the end of the period	805	805	748	748	737	737

Cash flow statement	3 months ending		12 months ending	
SEKm	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
Profit after financial items	34	38	154	158
Adjustment for items not included in cash flow	22	21	79	78
Income tax paid	-23	-9	-56	-42
Changes in working capital	6	-3	23	14
Cash flow from operating activities	39	47	200	208
Net investments in non-current assets	-7	-8	-41	-42
Acquisitions and disposals	-19	-249	-66	-296
Cash flow from investing activities	-26	-257	-107	-338
Dividend paid to shareholders	-	-	-37	-37
Call options issued	-	-	3	3
Repurchase of treasury shares	-	-	-37	-37
Other financing activities	-8	219	-31	196
Cash flow from financing activities	-8	219	-102	125
Cash flow for the period	5	9	-9	-5
Cash and cash equivalents at beginning of period	11	15	11	15
Exchange differences on cash and cash equivalents	7	-2	10	1
Cash and cash equivalents at end of the period	23	22	12	11

Fair values on financial instruments SEKm	31 Mar 18			31 Dec 2017		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives held for trading purposes	2	2	-	-	-	-
Total financial assets at fair value per level	2	2	-	-	-	-
Derivatives held for trading purposes	-	-	-	0	0	-
Contingent considerations	8	-	8	14	-	14
Total financial liabilities at fair value per level	8	-	8	14	0	14

The fair value and carrying amount are recognized in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1.

For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.

For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations SEKm	3 months ending		12 months ending	
	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
Carrying amount, opening balance	14	13	13	13
Acquisitions during the year	1	13	14	13
Consideration paid	-6	-	-6	-
Reversed through profit or loss	-1	-	-14	-13
Interest expenses	0	0	1	1
Exchange differences	0	-0	0	0
Carrying amount, closing balance	8	26	8	14

Key financial indicators	12 months ending				
	31 Mar 18	31 Dec 17	31 Mar 17	31 Dec 16	31 Mar 16
Net sales, SEKm	2,354	2,333	2,061	1,938	1,562
EBITA, SEKm	237	234	208	189	135
EBITA margin, %	10.1	10.0	10.1	9.7	8.7
Profit growth, EBITA, %	14	24	53	47	13
Return on working capital (P/WC), %	64	63	65	62	64
Profit for the period, SEKm	117	120	122	112	78
Return on equity, %*	16	17	19	21	25
Financial net liabilities, SEKm	562	588	596	366	538
Financial net liabilities/EBITDA, multiple	2.2	2.3	2.6	1.8	3.6
Net debt/equity ratio, multiple*	0.7	0.8	0.8	0.5	1.6
Equity ratio, %*	42	40	40	45	27
Average number of employees	591	579	482	452	370
Number of employees at end of the period	601	592	586	545	427

* Key financial indicators are calculated based on equity that includes non-controlling interests. For definitions of key financial indicators, see below.

Key financial indicators per share	12 months ending				
	31 Mar 18	31 Dec 17	31 Mar 17	31 Dec 16	31 Mar 16
Earnings per share (EPS), SEK	4.86	4.95	5.05	4.87	4.15
Diluted EPS, SEK	4.84	4.94	5.05	4.87	-
Cash flow per share, SEK	8.24	8.55	6.83	5.79	6.27
Shareholders' equity per share, SEK*	33.30	30.95	30.23	29.40	17.60
Average number of shares after repurchases, '000s	24,268	24,321	24,116	22,950	18,749
Average number of shares adjusted for repurchases and dilution, '000s	24,299	24,347	24,116	22,950	-
Number of shares outstanding at end of the period, '000s	24,172	24,172	24,387	24,387	19,694

* Calculations based on proportion of equity attributable to the equity holders.

In calculating the average number of shares outstanding it was assumed that the 500,000 shares at the time of AddLife AB's formation were present throughout the reporting periods. Subsequently, the bonus element of the bonus issue carried out in July 2015 was adjusted retroactively. Since there is no listed share price for AddLife during the historical financial years, the bonus issue element was calculated based on a value per share used in the time around the non-cash issue that occurred in connection with the acquisition of Medioplast. The non-cash issue itself, carried out after the three historical financial periods, is assumed in the calculation of earnings per share to have been made at fair value and therefore does not affect earnings per share for the three periods.

Parent company summary

Income statement	3 months ending		12 months ending	
	31 Mar 18	31 Mar 17	31 Mar 18	31 Dec 17
SEKm				
Net sales	8	7	32	31
Administrative expenses	-12	-11	-49	-48
Operating profit/loss	-4	-4	-17	-17
Interest income/expenses and similar items	1	1	3	3
Profit/loss after financial items	-3	-3	-14	-14
Appropriations	-	-	46	46
Profit/loss before taxes	-3	-3	32	32
Income tax expense	1	1	-8	-8
Profit/loss for the period	-2	-2	24	24

Balance sheet, SEKm	31 Mar 18	31 Dec 17	31 Mar 17
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	1,570	1,521	1,397
Total non-current assets	1,570	1,521	1,397
Current receivables	6	89	157
Total current assets	6	89	157
Total assets	1,576	1,610	1,554
Equity	640	641	686
Untaxed reserves	30	30	19
Interest-bearing long-term liabilities	155	157	65
Non-interest-bearing long-term liabilities	1	1	0
Total long-term liabilities	156	158	65
Interest-bearing short-term liabilities	725	734	754
Non-interest-bearing short-term liabilities	25	47	30
Total short-term liabilities	750	781	784
Total equity and liabilities	1,576	1,610	1,554

Note. Pledged assets and contingent liabilities for parent company

SEKm	31 Mar 18	31 Dec 17	31 Mar 17
Pledged assets	-	-	-
Contingent liabilities	41	41	40

Definitions

Return on equity

Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.

	2018-03-31	2017-12-31	2017-03-31
Profit/loss for the period	117	120	122
Average equity	745	728	628
Return on equity	117/745 = 16%	120/728 = 17%	122/628 = 19%

Return on working capital (P/WC)

EBITA in relation to average working capital.

	2018-03-31	2017-12-31	2017-03-31
Operating profit before amortization of intangible assets	237	234	208
EBITA, (P)			
Average working capital (WC)	373	369	319
P/WC	237/373 = 64%	234/369 = 63%	208/319 = 65%

EBITA

Operating profit before amortization of intangible assets.

	2018-03-31	2017-12-31	2017-03-31
Operating profit	165	166	162
Depreciation of intangible assets	72	68	46
Operating profit before amortization of intangible assets	237	234	208

EBITA margin

EBITA in percentage of net sales.

	2018-03-31	2017-12-31	2017-03-31
Operating profit before amortization of intangible assets	237	234	208
Net sales	2,354	2,333	2,061
EBITA margin	237/2,354 = 10.1%	234/2,333 = 10.0%	208/2,061 = 10.1%

EBITDA

Operating profit before depreciation and amortization of intangible assets and property, plant and equipment.

Equity per share

Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period.

Cash flow per share

Cash flow from operating activities, divided by the average number of shares.

Net debt/equity ratio

Financial net liabilities in relation to shareholders' equity.

Earnings per share (EPS)

Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding.

Profit growth EBITA

This year's EBITA decreased by previous year's EBITA divided by previous year's EBITA.

Financial net liabilities

Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.

Financial net liabilities/EBITDA

Financial net liabilities divided by EBITDA.

Equity ratio

Equity as a percentage of total assets.

The key figures presented above are central in order to understand and evaluate AddLifes business and financial position. The key figures are presented in the "Key financial indicators" table on page 11 and they are commented on pages 1-4.

This information is information that AddLife AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 a.m. CET on April 27, 2018.



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