



Press release

(Interim Report January - March 2017 distributed as an appendix to this press release)

Strong development in operations and a promising acquisition

- Net sales increased 21% to MSEK 181.6 (149.6).
- EBIT rose 54% to MSEK 23.6 (15.3*).
- EBIT margin amounted to 13.0% (10.2*).
- Net income was MSEK 18.5 (12.1*).
- Earnings per share amounted to SEK 1.85 (1.21*).
- The equity ratio was 50.8% (45.2).
- GARO Montage AB acquired Emedius AB
- Significant event after the close of the period: New president and CEO appointed

**) Adjusted for items affecting comparability of MSEK -12.6 in EBIT and MSEK -9.8 in net income related to the IPO in March 2016.*

Stefan Jonsson, President and CEO:

The year has started well for GARO with a strong development of operations and an acquisition to increase our capacity in our project business. During the period, net sales increased 21% to MSEK 181.6 (149.6) driven by strong growth in GARO *Sweden* and a healthy development of construction-related product areas in GARO *Other markets*.

EBIT rose 54% to MSEK 23.6 (15.3 adjusted for items affecting comparability) and the EBIT margin grew to 13.0% (10.2). A sharp increase in volumes in combination with the implementation of productivity-enhancing programs contributed to higher gross margins and lower expenses in relation to sales.

In the market for charger products, we see a continuing strong development in the underlying market for electric cars, which is strongly linked to the expansion of charging infrastructure. Overall, we expect continuing strong demand generally in the construction market in Sweden and Ireland and healthy demand in Norway and Finland. All in all, we have a positive view on the development in 2017.

Gnosjö, 4 May, 2017

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This information is such information that GARO aktiebolag is obligated to publish in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was published by the abovementioned contact persons on 4 May, 2017, at 3.00 p.m.

GARO develops, manufactures and supplies innovative products and systems for the electrical installations industry under its own brand. The company has operations in Sweden, Norway, Finland, Ireland and Poland and the Group is organized in two business segments GARO Sweden and GARO Other markets. GARO has a broad product assortment and is a market leader within several product areas. The Group had sales of MSEK 658 in 2016 and has approximately 321 employees. Its head office is located in Gnosjö.

The business concept is "with a focus on innovation, sustainability and design, GARO provides profitable complete solutions for the electrical industry".