



Year-end report January - December 2016

Favorable growth and strong EBIT – the expansion will continue in 2017

Fourth quarter of 2016:

- Net sales increased 20% to MSEK 200.9 (167.4)
- EBIT rose 85% to MSEK 30.3 (16.4)
- EBIT margin amounted to 15.1% (9.8)
- Net income was MSEK 21.7 (11.0)
- Earnings per share amounted to SEK 2.17 (1.10)

Full-year 2016

- Net sales increased 19% to MSEK 657.8 (554.1)
- Adjusted EBIT* rose 38% to MSEK 86.4 (62.4)
- Adjusted EBIT margin* amounted to 13.1% (11.3)
- Adjusted net income* was MSEK 66.8 (45.8)
- Adjusted earnings per share* amounted to SEK 6.68 (4.58)
- Earnings per share amounted to SEK 5.70 (4.58)
- The equity ratio was 52.0% (49.8)
- The Board proposes a dividend for 2016 of SEK 2.85 per share

MSEK	Oct-Dec 2016	Oct-Dec 2015	Change	2016	2015	Change
Net sales	200.9	167.4	20%	657.8	554.1	19%
EBIT	30.3	16.4	85%	73.8	62.4	18%
Net income	21.7	11.0	97%	57.0	45.8	24%
Earnings per share	2.17	1.10	97%	5.70	4.58	24%
Adjusted EBIT	-	-	-	86.4	62.4	38%
Adjusted EBIT margin	-	-	-	13.1%	11.3%	-
Adjusted net income	-	-	-	66.8	45.8	46%
Adjusted earnings per share, SEK	-	-	-	6.68	4.58	46%

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

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 approximately MSEK 658 in 2016 and has approximately 274 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”.



CEO comments on the quarter and 2016

Favorable growth and strong EBIT – the expansion will continue in 2017

In many ways, 2016 was a good year for GARO. The company performed well in all the product areas with a strong increase in sales and earnings.

During the year, net sales increased 19 percent to MSEK 657.8 (554.1) with a strong end to year. Growth was positive in GARO *Sweden* and GARO *Other markets* due to successful product launches in the last few years and a strong construction market in general.

EBIT for the full year (adjusted for non-recurring costs) increased 38% percent and the EBIT margin improved to 13.1% (11.3). Strong volume growth in combination with a productivity program in production has led to improved gross margins and, although we have expanded heavily in recent years, general expenses have decreased in relation to sales.

GARO *Sweden* has enjoyed a continued strong trend and all the construction-related product areas grew more than twice as fast as the underlying market, both for the full year as well as in the fourth quarter. The construction market remained strong and is deemed to stay this way over the coming years as a result of the pent-up demand for new apartments and single-family homes.

The expansion of charging infrastructure networks continues unabated. With the aim of making the most of the major opportunities we see in this product area, a new, cohesive organisation for charging infrastructure was created for electric vehicles with the aim of coordinating the market activities in the group.

GARO *Other markets* enjoyed favorable development in construction-related products, in Ireland and Norway in particular, while sales of charger products decreased during the second half of the year due to a particularly strong comparative period in Norway. GARO foresees major expansion possibilities in Poland and other countries outside the Nordic region. Expansion will be carried out selectively in the product areas where we can identify that there is a demand and where we believe GARO has something unique to offer.

The positive earnings trend and cash flow during recent years has also provided the company with good liquidity and a solid financial position. Against this backdrop, the Board has recommended the Annual General meeting to propose a dividend of SEK 2.85 per share, which is in line with the company's dividend policy of distributing approximately 50 percent of net income.

Market growth in Sweden, Ireland and Norway is expected to remain favorable as a result of a solid construction market, while we see positive signs in Finland regarding the construction market in the big cities. In the product area *EV charging*, growth is expected to follow the rapid commercialization of chargeable vehicles in Sweden, although we see challenging comparative figures for this in Norway in the first half of 2017.

We continue to strengthen our position in a growing market. The expansion will continue in 2017.

Stefan Jonsson,
President and CEO

Group

Net sales

The Group's net sales for the fourth quarter of 2016 increased 20% to MSEK 200.9 (167.4) as a result of organic growth of 18% and a positive currency effect of 2% due to a stronger NOK rate.

The Group's net sales for full-year 2016 increased 19% to MSEK 657.8 (554.1), with strong growth in all product areas.

Analysis of change from net sales	Oct-Dec 2016 (%)	Oct-Dec 2016 (MSEK)	Oct-Dec 2015 (%)	Oct-Dec 2015 (MSEK)
Year-earlier period	-	167.4	-	130.2
Organic growth	18%	29.8	32%	41.2
Acquisitions and structural changes	-	-	-	-
Exchange-rate effects	2%	3.7	-3%	-4.0
Current period	20%	200.9	29%	167.4

Analysis of change from net sales	Jan-Dec 2016 (%)	Jan-Dec 2016 (MSEK)	Jan-Dec 2015 (%)	Jan-Dec 2015 (MSEK)
Year-earlier period	-	554.1	-	441.7
Organic growth	19%	106.6	26%	115.6
Acquisitions and structural changes	-	-	-	-
Exchange-rate effects	-	-2.9	-1%	-3.2
Current period	19%	657.8	25%	554.1

The market remained strong in Sweden and Ireland. In addition, the Norwegian construction market was solid while the oil industry was still operating at a low level. Growth in Finland has picked up in the big cities however, generally seen was relatively weak. Growth in all product areas was significantly higher than the average market growth, both in the fourth quarter and for the full year. Growth in *EV charging* has, during the second half of the year, been driven by strong performance in Sweden, while performance in Norway and Finland was worse due to very solid growth in the year-earlier period.

EBIT

EBIT rose 85% to MSEK 30.3 (16.4) in the fourth quarter and the EBIT margin grew to 15.1% (9.8). The growth in earnings was mainly due to volume increases, which in combination with a successful program to boost productivity, led to improved gross margins and stable expenses relative to sales.

Adjusted EBIT for the year rose 38% to MSEK 86.4 (62.4) and the adjusted EBIT margin grew to 13.1% (11.3). EBIT was adjusted for non-recurring items of MSEK 12.6 for the IPO in the first quarter.

GARO Group		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Key figures		2016	2015	2016	2015
Net sales	MSEK	200.9	167.4	657.8	554.1
Growth	%	20%	29%	19%	25%
EBIT	MSEK	30.3	16.4	73.8	62.4
EBIT margin	%:	15.1%	9.8%	11.2%	11.3%
Adjusted EBIT		30.3	16.4	86.4*	62.4
Adjusted EBIT margin		15.1%	9.8%	13.1%*	11.3%
Investments	MSEK	4.8	5.1	12.8	13.8
Depreciation & Amortization	MSEK	2.7	4.1	11.0	11.9
Return on equity	%	32.4%	31.8%	32.4%	31.3%
Equity ratio	%	52.0%	49.8%	52.0%	49.8%
Number of employees		274	254	274	254

*) Adjusted for items affecting comparability of a negative MSEK 12.6 in the first quarter of 2016 related to the IPO.

Net income

Net income for the fourth quarter amounted to MSEK 21.7 (11.0) and earnings per share amounted to MSEK 2.17 (1.10). Adjusted net income for full-year 2016 increased to MSEK 66.8 (45.8) and adjusted earnings per share amounted to MSEK 6.68 (4.58). The increase was primarily attributable to improved EBIT, but also to improved net financial items. Tax for full-year 2016 was MSEK 15.8 (13.5) and the average effective tax rate for the Group was 21.7% (22.8).

Cash flow and investments

Cash flow from operating activities in the fourth quarter amounted to MSEK 33.3 (33.7), as a result of a stronger EBIT. Cash flow was also affected by an MSEK 3.7 decrease in working capital compared with an MSEK 16.0 decline in the year-earlier period. Investments during the quarter amounted to MSEK 4.8 (5.1), mainly related to investments in production equipment and product development.

Liquidity and financial position

The Group had a net cash position at the end of the period amounting to MSEK 17.3 compared with MSEK 0.4 at the end of 2015. Available liquidity in the Group, including unutilized overdraft facilities, amounted to MSEK 109.7 (73.0) and the equity ratio was 52.0% (49.8).

Dividend

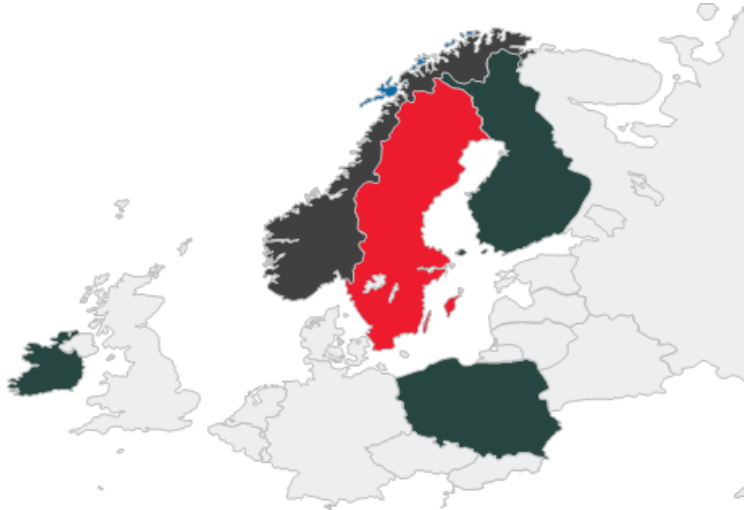
The Board proposes a dividend for 2016 of SEK 2.85 per share, corresponding to a total dividend of MSEK 28.5. The proposed dividend corresponds to 50% of net income for the period. The company's dividend policy is to distribute approximately 50% of earnings after tax. The dividend proposal must take into account GARO's long-term dividend potential and the Group's general investment and consolidation requirements.

Parent Company

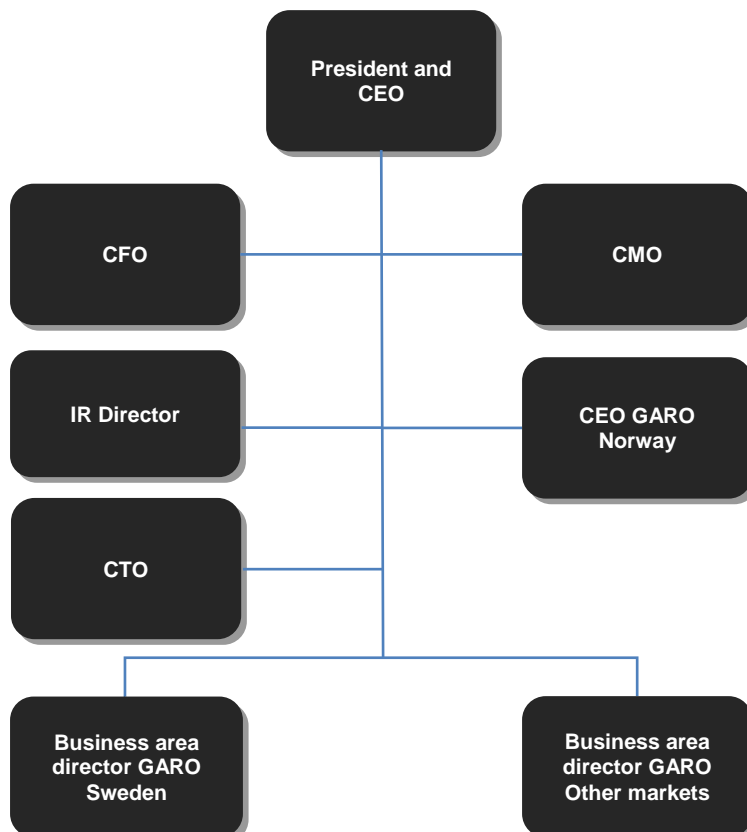
The Parent Company's operations encompass a significant part of the Swedish operations and Group Management, as well as certain Group-wide functions and the Group's Finance function. Net sales for the Parent Company in the fourth quarter amounted to MSEK 112.4 (88.9), up 26%. Of this amount, MSEK 28.9 (25.2) comprised internal sales to other Group companies. EBIT amounted to MSEK 10.4 (4.1).

Operations and segments

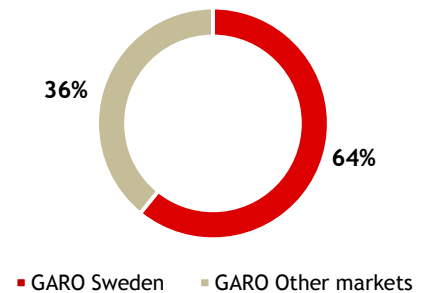
GARO divides its operations into two operating segments based on how the Group is organized: *GARO Sweden* and *GARO Other markets*. *GARO Other markets* includes operations in Norway, Finland, Ireland and Poland.



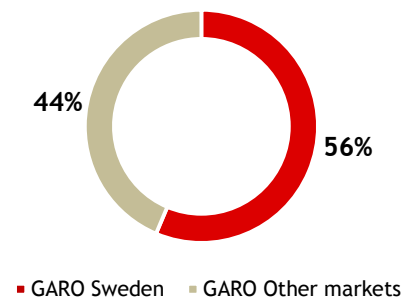
Group Management comprises seven individuals and the functions President and CEO, CFO, IR Director, CMO, CTO, CEO GARO Norway and two business area directors who are responsible for their respective business areas/segment.



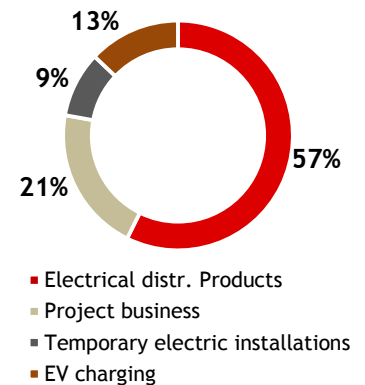
Allocation of net sales by segment, 2016



Allocation of EBIT per segment adjusted for items affecting comparability 2016



Allocation of net sales per product area 2016



GARO Sweden

Net sales and earnings

Net sales for *GARO Sweden* increased 29% to MSEK 135.9 (105.3) during the fourth quarter of 2016, with continued strong volume growth in all product segments. EBIT amounted to MSEK 19.3 (8.2) and the EBIT margin improved to 14.2% (7.8) primarily as a result of higher volumes and gross margins and lower expenses relative to sales.

Net sales for full-year 2016 increased 20% to MSEK 419.0 (349.9) and adjusted EBIT rose 42% to MSEK 48.7 (34.2).

Product areas

The market for electrical distribution products, in which GARO is represented among all major wholesalers, is estimated to have grown by approximately 6% during the quarter. The market is expected to remain favorable albeit with quarterly variations. All construction-related product areas have enjoyed growth that has been significantly higher than the underlying markets.

The *EV charging* product area is growing significantly. GARO is a market leader in safe solutions for charging electric cars. Due to increased sales of electric cars, the network of charging stations is being expanded, which benefits GARO. From January 1, 2017 and onwards, a new unified organisation for EV charging has been formed. At the end of the period, the company reported that Swedavia, which owns and runs a network of ten Swedish airports, had signed an agreement with the electrical wholesale group Rexel regarding a delivery of 500 – 600 chargers from GARO up until 2020.

Operations

The focus of operations has been on meeting increased demand by expanding production capacity in all product areas, while maintaining short delivery times.

GARO Sweden		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Key figures		2016	2015	2016	2015
Net sales	MSEK	135.9	105.3	419.0	349.9
Growth	%	29%	20%	20%	19%
EBIT	MSEK	19.3	8.2	36.1	34.2
EBIT margin	%	14.2%	7.8%	8.6%	9.8%
Adjusted EBIT*	MSEK	19.3	8.2	48.7	34.2
Adjusted EBIT margin*	%	14.2%	7.8%	11.6%	9.8%
Investments	MSEK	4.0	3.9	10.3	11.6
Depreciation & Amortization	MSEK	2.4	3.3	8.8	9.6
Number of employees		181	170	181	170

*) Adjusted for IPO expenses of MSEK -12.6 in the first quarter of 2016.

GARO Other markets

Net sales and earnings

Net sales in GARO *Other markets* rose 5% to MSEK 65.0 (62.1). Volume growth in construction-related product areas was favorable while sales in *EV charging* was in line with the preceding year. EBIT increased 34% to MSEK 11.0 (8.2) and the EBIT margin improved to 16.9% (13.2) as a result of higher volumes and stable expenses relative to sales.

Net sales for full-year 2016 increased 17% to MSEK 238.8 (204.2) and EBIT rose 34% to MSEK 37.7 (28.2).

GARO Norway has shown positive development in construction-related products, but has seen weaker performance in *EV charging*. Growth in electric cars continues, however GARO had particularly strong growth in this area in the second half of 2015.

GARO Ireland continued to report healthy growth and is following the positive trend in construction and Garo Finland showed a positive trend in construction-related products.

Operations

During 2016, focus was on meeting increased demand and product launches.

GARO Other markets		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Key figures		2016	2015	2016	2015
Net sales	MSEK	65.0	62.1	238.8	204.2
Growth	%	5%	46%	17%	38%
EBIT	MSEK	11.0	8.2	37.7	28.2
EBIT margin	%	16.9%	13.2%	15.8%	13.8%
Investments	MSEK	0.8	1.2	2.5	2.2
Depreciation & Amortization	MSEK	0.3	0.8	2.2	2.3
Number of employees		93	84	93	84

Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with Chapter 9 of the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.

The accounting policies applied correspond with the accounting policies and valuation principles presented in the 2015 Annual Report. The 2015 Annual Report is available at www.garo.se in Swedish.

Performance measures together with the definitions of performance measures in this report are deemed to be sufficient to comply with the new guidelines. The performance measures in this report take into account the nature of the operations and are deemed to provide relevant information to shareholders and other stakeholders and also enable comparability with other companies.

Risks and uncertainties

GARO's risks and uncertainties are described on pages 10-15 of the prospectus for the IPO. The prospectus is available at www.garo.se in Swedish. No significant changes have arisen that alter the view of risks and uncertainties.

Related-party transactions

Related-party transactions took place at the same extent as previously, by applying the same principles as those described in the most recent annual report and prospectus.

Annual General Meeting

The Annual General Meeting for 2017 will take place on May 4, at 5:00 pm in Gnosjö. More information about the AGM will be published on the company's website at the following address <http://corporate.garo.se/en/corporate-governance/general-meeting>.

Gnosjö, February 22, 2017

Anders Pålsson
Chairman

Sofia Axelsson
Board member

Rickard Blomqvist
Board member

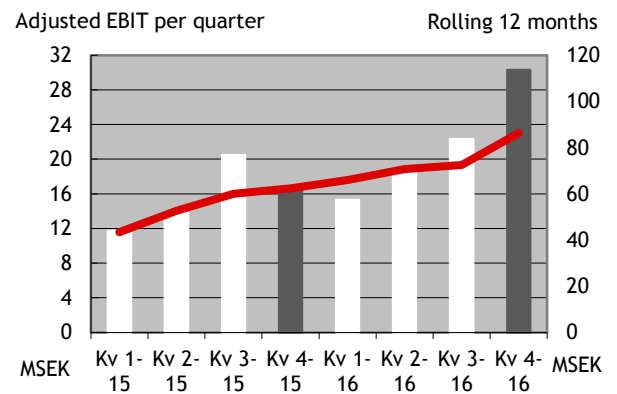
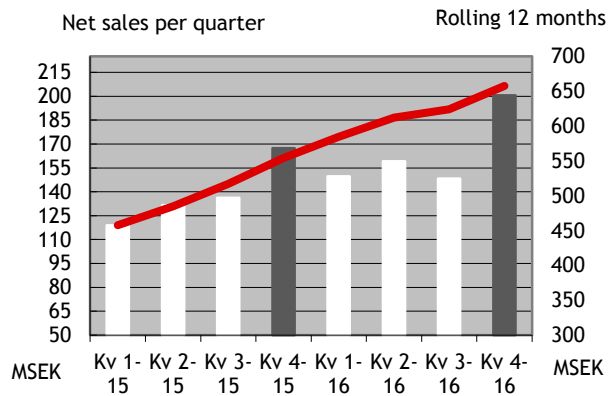
Per Holmstedt
Board member

Lars Svensson
Board member

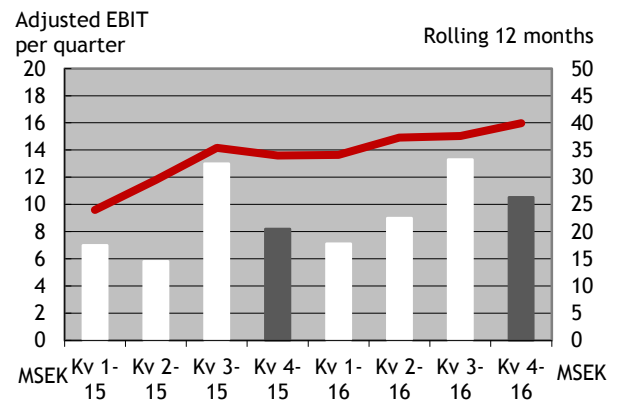
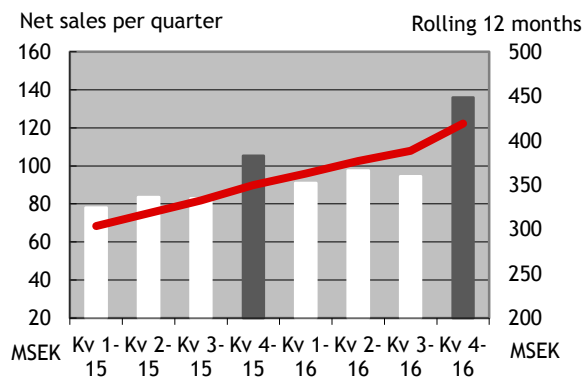
Stefan Jonsson
President and CEO

The information in this interim report is unaudited.

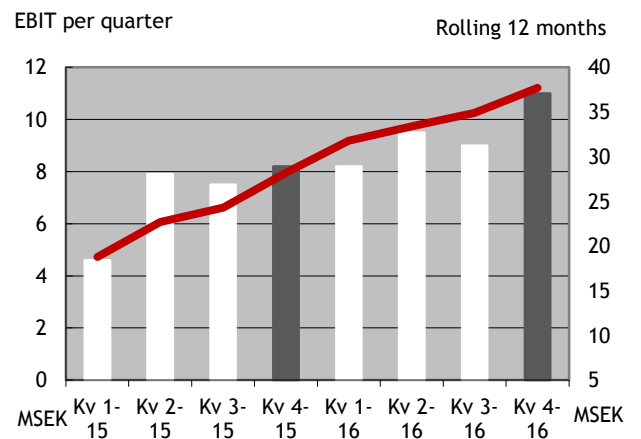
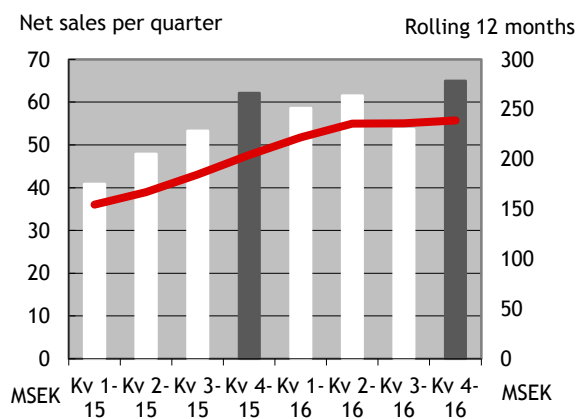
GARO Group



GARO Sweden



GARO Other markets



Group income statement

<i>Amount in MSEK</i>	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	200.9	167.4	657.8	554.1
Other operating income	0.4	2.8	2.0	3.2
Total income	201.3	170.2	659.8	557.3
Operating expenses				
Raw materials and consumables	-100.3	-90.1	-341.0	-292.8
Other external expenses	-28.0	-25.2	-81.8	-68.3
Personnel expenses	-40.0	-33.6	-139.6	-121.1
Depreciation of tangible and intangible assets	-2.7	-4.1	-11.0	-11.9
Other operating expenses	-	-0.8	-12.6	-0.8
EBIT	30.3	16.4	73.8	62.4
Result from financial items				
Net financial income/expenses	-2.2	-1.5	-1.0	-3.1
Profit before tax	28.1	14.9	72.8	59.3
Taxes	-6.4	-3.9	-15.8	-13.5
Net income	21.7	11.0	57.0	45.8
Other comprehensive income: Items that may be reclassified to the income statement				
Translation differences	-0.6	-3.2	1.6	-3.2
Other net comprehensive income	-0.6	-3.2	58.6	-3.2
Total comprehensive income for the period	21.1	7.8	58.6	42.6
Net income and total comprehensive income for the period is attributable to shareholders of the Parent company				
Key ratios per share				
Average number of shares	10,000,000	10,000,000	10,000,000	10,000,000
Earnings per share, SEK	2.17	1.10	5.70	4.58

Group balance sheet

<i>Amount in MSEK</i>	Dec 31, 2016	Dec 31, 2015
ASSETS		
Fixed assets		
Intangible assets	8.6	8.5
Tangible assets	58.8	57.4
Financial assets	-	-
Total fixed assets	67.4	65.9
Current assets		
Inventories	97.3	92.3
Accounts receivable	163.5	127.7
Other short-term assets	4.2	5.8
Cash and cash equivalents	41.6	23.2
Total current assets	306.6	249.0
TOTAL ASSETS	374.0	314.9
EQUITY AND LIABILITIES		
Equity		
Share capital	20.0	14.0
Other reserves	-0.1	-1.7
Other equity including net income for the period	174.5	144.6
Total equity	194.4	156.9
Long-term liabilities		
Interest-bearing liabilities	10.5	12.4
Other provisions	1.6	0.7
Deferred tax liabilities	4.6	6.0
Total long-term liabilities	16.7	19.1
Short-term liabilities		
Interest-bearing liabilities	13.8	10.4
Accounts payable	67.4	60.5
Other short-term liabilities	81.7	68.0
Total short-term liabilities	162.9	138.9
TOTAL EQUITY AND LIABILITIES	374.0	314.9
Key figures		
Net debt	-17.3	-0.4
Equity ratio	52.0%	49.8%
Equity per share, SEK	19.4	15.7
Outstanding number of shares, '000	10,000.0	10,000.0

Changes in group equity

Equity attributable to shareholders in the parent company <i>Amount in MSEK</i>	Share capital	Reserves	Retained profit	Total equity
Equity at January 1, 2015	14.0	1.5	120.2	135.7
Net income for the period	-	-	45.8	45.8
Other comprehensive income for the period	-	-3.2	-	-3.2
Dividend to shareholders	-	-	-20.0	-20.0
Change in valuation to put option	-	-	-1.4	-1.4
Closing equity, December 31, 2015	14.0	-1.7	144.6	156.9
Equity at January 1, 2016	14.0	-1.7	144.6	156.9
Net income for the period	-	-	57.0	57.0
Other comprehensive income for the period	-	1.6	-	1.6
Stock dividend per January 12, 2016	6.0	-	-6.0	-
Dividend to shareholders	-	-	-20.3	-20.3
Change in valuation to put option	-	-	-0.8	-0.8
Closing equity, December 31, 2016	20.0	-0.1	174.5	194.4

Group cash flow statement in summary

<i>Amount in MSEK</i>	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Operating activities				
Cash flow from operating activities before changes in working capital	29.6	17.7	64.8	59.2
Cash flow from changes in working capital	3.7	16.0	-16.4	-5.2
Cash flow from operating activities	33.3	33.7	48.4	54.0
Investing activities				
Investments in intangible assets	-1.6	-2.7	-3.6	-3.4
Investments in tangible assets	-3.2	-2.4	-9.2	-10.4
Disposal of tangible assets	0.6	0.3	1.1	0.7
Cash flow from investing activities	-4.2	-4.8	-11.7	-13.1
Financing activities				
Net borrowing/amortization of loans	-3.0	-18.1	0.3	-18.5
Dividend paid to shareholders	-0.3	-	-20.3	-20.0
Cash flow from financing activities	-3.3	-18.1	-20.0	-38.5
Cash flow for the period	25.8	10.8	16.7	2.4
Currency effect in cash and cash equivalents	1.2	-1.2	1.7	-1.2
Cash and cash equivalents, start of the period	14.6	13.6	23.2	22.0
Cash and cash equivalents, end of the period	41.6	23.2	41.6	23.2

Parent company income statement

<i>Amount in MSEK</i>	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net sales	112.4	88.9	357.3	300.3
Other operating income	1.7	4.1	7.2	8.1
Total income	114.1	93.0	364.5	308.4
Operating expenses				
Raw materials and consumables	-63.4	-53.9	-210.1	-180.7
Other external expenses	-17.1	-15.8	-43.7	-36.0
Personnel expenses	-21.0	-16.4	-73.5	-63.0
Depreciation of tangible and intangible assets	-2.2	-2.0	-8.3	-8.0
Other operating expenses	-	-0.8	-12.6	-0.8
EBIT	10.4	4.1	16.3	19.9
Result from financial items				
Share of associates from Group companies	16.9	19.5	16.9	19.5
Net interest income and similar items	0.3	0.2	1.0	0.5
Net interest expenses and similar items	-1.7	-1.2	-0.8	-1.7
Income after financial items	25.9	22.6	33.4	38.2
Appropriations	14.4	12.4	14.4	12.4
Taxes	-5.6	-4.1	-7.0	-7.5
Net income	34.7	30.9	40.8	43.1

Parent company balance sheet

<i>Amount in MSEK</i>	Dec 31, 2016	Dec 31, 2015
ASSETS		
Intangible assets	7.4	7.4
Tangible assets	35.8	34.9
Share of associates in Group companies	12.8	12.8
Other financial assets	8.0	9.4
Total fixed assets	64.0	64.5
Current assets		
Inventories	44.2	46.0
Accounts receivable	78.3	60.1
Other receivables	49.4	57.0
Cash and cash equivalents	18.2	6.1
Total current assets	190.1	169.2
TOTAL ASSETS	254.1	233.7
EQUITY AND LIABILITIES		
Share capital	20.0	14.0
Fund for internal development expenses	0.8	-
Statutory reserve	2.6	2.6
Unrestricted equity including net income for the period	128.1	114.0
Total equity	151.5	130.6
Untaxed reserves	6.2	10.6
Provisions	4.9	4.4
Liabilities		
Long-term interest bearing liabilities	7.8	9.4
Short-term interest bearing liabilities	1.8	1.8
Short-term non-interest bearing liabilities	81.9	76.9
Total liabilities	91.5	88.1
TOTAL EQUITY AND LIABILITIES	254.1	233.7

Sales and EBIT by segment

Information segment	Sweden		Other markets		Elimination		Group	
	Oct-Dec 2016	Oct-Dec 2015	Oct-Dec 2016	Oct-Dec 2015	Oct-Dec 2016	Oct-Dec 2015	Oct-Dec 2016	Oct-Dec 2015
Sales								
Total net sales	166.6	131.8	89.6	81.5	-55.3	-45.9	200.9	167.4
Internal net sales	-30.7	-26.5	-24.6	-19.4	55.3	45.9	-	-
External net sales	135.9	105.3	65.0	62.1	-	-	200.9	167.4
EBIT	19.3	8.2	11.0	8.2	-	-	30.3	16.4
Net financial income/expenses	-	-	-	-	-	-	-2.2	-1.5
Taxes for the period	-	-	-	-	-	-	-6.4	-3.9
Net income for the period	-	-	-	-	-	-	21.7	11.0

Information segment	Sweden		Other markets		Elimination		Group	
	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Sales								
Total net sales	523.2	440.5	308.8	265.2	-174.2	-151.5	657.8	554.1
Internal net sales	-104.2	-90.6	-70.0	-60.9	174.2	151.5	-	-
External net sales	419.0	349.9	238.8	204.2	-	-	657.8	554.1
EBIT	36.1	34.2	37.7	28.2	-	-	73.8	62.4
Net financial income/expenses	-	-	-	-	-	-	-1.0	-3.1
Taxes for the period	-	-	-	-	-	-	-15.8	-13.5
Net income for the period	-	-	-	-	-	-	57.0	45.8

GARO Group		Oct-Dec	Oct-Dec	Full year	full year	full year	full year	full year
Multi-year overview and key ratios		2016	2015	2016	2015	2014	2013	2012
Net sales	MSEK	200.9	167.4	657.8	554.1	441.7	383.1	378.2
Growth	%	20%	29%	19%	25%	15%	1%	-5%
EBITDA	MSEK	33.0	20.5	84.8	74.3	50.6	34.8	34.3
EBITDA margin	%	16.4%	12.2%	12.9%	13.4%	11.5%	9.1%	9.1%
EBIT	MSEK	30.3	16.4	73.8	62.4	39.8	24.0	24.3
EBIT margin	%	15.1%	9.8%	11.2%	11.3%	9.0%	6.3%	6.4%
Adjusted EBIT		30.3	16.4	86.4**	62.4	39.8	24.0	24.3
Adjusted EBIT margin	%	15.1%	9.8%	13.1%**	11.3%	9.0%	6.3%	6.4%
Investments	MSEK	4.8	5.1	12.8	13.8	6.3	10.4	34.5
Depreciation & Amortization	MSEK	2.7	4.1	11.0	11.9	10.8	10.8	10.0
Return on equity*	%	32.4%	31.8%	32.4%	31.3%	17.1%	11.7%	14.8%
Equity ratio	%	52.0%	49.8%	52.0%	49.8%	48.5%	51.3%	50.5%
Net debt	MSEK	-17.3	-0.4	-17.3	-0.4	19.3	39.5	30.4
Net debt/EBITDA*	multiples	-0.2	0.0	-0.2	0.0	0.4	1.1	0.9
Number of employees		274	254	274	254	244	224	227

*) Key ratios are calculated on last twelve months.

**) Adjusted for IPO costs amounting to MSEK -12.6 in the first quarter 2016.

Quarterly figures

Group income statement	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2016	2016	2016	2016	2015	2015	2015	2015	2014
Net sales	200.9	148.2	159.1	149.6	167.4	136.2	131.6	118.9	130.2
Operating expenses	-170.6	-125.9	-140.6	-146.9	-151.0	-115.7	-117.7	-107.3	-116.2
EBIT	30.3	22.3	18.5	2.7	16.4	20.5	13.9	11.6	14.0
Net financial income/expenses	-2.2	0.1	1.0	0.1	-1.5	-0.4	-1.0	-0.2	-0.8
Profit before tax	28.1	22.4	19.5	2.8	14.9	20.1	12.9	11.4	13.2
Tax	-6.4	-4.8	-4.1	-0.5	-3.9	-4.1	-3.2	-2.3	-9.0
Net income	21.7	17.6	15.4	2.3	11.0	16.0	9.7	9.1	4.2
Net sales per segment	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2016	2016	2016	2016	2015	2015	2015	2015	2014
GARO Sweden	135.9	94.5	97.6	91.0	105.3	82.9	83.7	78.0	87.6
GARO Other markets	65.0	53.7	61.5	58.6	62.1	53.3	47.9	40.9	42.6
Total group	200.9	148.2	159.1	149.6	167.4	136.2	131.6	118.9	130.2
EBIT per segment	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Amount in MSEK	2016	2016	2016	2016	2015	2015	2015	2015	2014
GARO Sweden	19.3	13.3	9.0	-5.5	8.2	13.0	6.0	7.0	9.7
GARO Other markets	11.0	9.0	9.5	8.2	8.2	7.5	7.9	4.6	4.3
Total group	30.3	22.3	18.5	2.7	16.4	20.5	13.9	11.6	14.0

Definitions

EBITDA:

Earnings before interest, tax, depreciation and amortization

EBIT:

Earnings before interest and tax

EBITDA margin, %:

EBITDA as a percentage of net sales for the period

EBIT margin, %:

EBIT as a percentage of net sales for the period

Net debt:

Interest-bearing liabilities minus assets including cash and cash equivalents

Net debt/ EBITDA, multiples:

Net debt at the end of the period as a percentage of EBITDA for the past 12 months

R12:

Rolling 12 months

Equity per share:

Equity divided by the number of shares at the end of the period

Return on equity, %:

Net income for the past 12 months divided by average equity

Equity ratio, %:

Equity as a percentage of total assets

Earnings per share:

Earnings for the period divided by average number of shares

Teleconference

A conference call for investors will be held on 22 February at 09.30 CET.

Telephone numbers:

Sweden: +46 8 50 510 036

International: +44 20 3059 8125

The presentation used during this teleconference can be downloaded at www.garo.se under Investor Relations. A recording of the teleconference will be available on the company's website afterwards.

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Financial calendar

First quarter of 2017: May 4

Annual General Meeting 2017: May 4

Second quarter of 2017: August 25

Third quarter of 2017: October 31

The information in this interim report is of the type that GARO is obligated to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was published on February 22, 2017 at 7.30 am.

Forward-looking information

Certain statements in this report are forward-looking and the actual outcome may be significantly different. In addition to the specifically mentioned factors, other factors may have a material impact on the actual outcome. Such factors include, but are not limited to, the general economic climate, exchange-rate fluctuations and changes in interest rates, political developments, the impact of competing products and the prices of such products, difficulties associated with product development and commercialization, technical problems, interruptions to the access to raw materials and credit losses attributable to major customers.