



YEAR-END REPORT JANUARY - DECEMBER 2018

The Bellman Group is comprised of Bellmans Åkeri & Entreprenad AB and Grundab Entreprenader i Stockholm AB (Bellmans), both transport companies, Modern Sprängteknik i Norden AB and its subsidiaries (MST), which are engaged in blasting operations and VSM Entreprenad AB (VSM), a machine contracting company. Bellman Group AB, the Parent Company, was registered in April 2017. The major owner of Bellman Group AB is Verdane Holding 26 AB.

The income statement for 2017 refers to, for MST to the period January – December, for Bellmans to the period July – December and for the Parent Company to the period April – December. The income statement for 2018 refers to, for MST, Bellmans and the Parent Company to the period January – December and for VSM to the period July – December.

OCTOBER - DECEMBER 2018

- Revenue increased by 73.3% to SEK 395.2 million (228.0). Excluding VSM for the period October to December 2018, revenue increased by 13.4% to SEK 258.6 million (228.0), mainly reflecting sales growth for Bellmans (strong market demand).
- EBITDA before items affecting comparability increased to SEK 39.8 million (10.1). Excluding VSM for the period October to December 2018, EBITDA before items affecting comparability improved by 76.2% to SEK 17.8 million (10.1), mainly reflecting solid profit growth by MST (improved gross margins) and Bellmans (profitable sales growth).
- EBITDA after items affecting comparability totalled SEK 36.0 million (7.6), corresponding to a margin of 9.1% (3.3%).
- Operating profit totalled SEK 19.7 million (1.6), with a margin of 5.0% (0.7 %), including amortisation of intangible assets.
- Earnings per share (SEK), basic and diluted, was SEK 5.9.

JANUARY – DECEMBER 2018*

- Revenue increased by 31.7% to SEK 1,090.6 million (827.9). Excluding VSM, revenue increased 4.4% to SEK 864.7 million (827.9), mainly reflecting a sales growth for Bellmans (strong market demand).
- EBITDA before items affecting comparability increased by 67.6% to SEK 104.6 million (62.4). Excluding VSM, EBITDA before items affecting comparability increased by 10.3% to SEK 68.8 million (62.4), mainly reflecting improved gross margins by MST.
- EBITDA after items affecting comparability totalled SEK 93.1 million (55.1), corresponding to a margin of 8.5% (6.7%).
- Operating profit totalled SEK 51.3 million, with a margin of 4.7%, including amortisation of intangible assets.
- Earnings per share (SEK), basic and diluted, was SEK 18.3.

ACQUISITIONS

On 17 July, 2018, Bellman Group completed the acquisition of the machine contracting company, VSM Entreprenad AB, purchasing all of the shares in the company. Bellmans also acquired, indirectly, its subsidiaries and associated companies. The acquisition was funded by new equity and the issuance of new corporate bonds.

On 31 January, 2019, Bellman Group completed the acquisition of Samgräv Holding AB, purchasing all of the shares in the company and also acquired, indirectly, its subsidiaries. The acquisition was funded by new equity and the issuance of new corporate bonds.

*Pro forma figures include figures for Bellmans, as if the acquisition had taken place on 1 January 2017. Comments to statutory data (non-pro forma) see page 6.

BELLMAN GROUP KEY PERFORMANCE INDICATORS

SEK million	*)		*)		**) Pro forma	
	3 Months	3 Months	12 Months	12 Months	12 Months	12 Months
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	2018	2017	2018	2017	2018	2017
Revenue	395.2	228.0	1,090.6	827.9	1,390.5	1,353.0
EBITDA before items affecting comparability	39.8	10.1	104.6	62.4	147.8	155.3
EBITDA before items affecting comparability margin, %	10.1%	4.4%	9.6%	7.5%	10.6%	11.5%
EBITDA after items affecting comparability	36.0	7.6	93.1	55.1	136.3	148.0
EBITDA after items affecting comparability margin, %	9.1%	3.3%	8.5%	6.7%	9.8%	10.9%
Operating profit (EBIT)	19.7		51.3		72.0	92.3
Operating margin, %	5.0%		4.7%		5.2%	6.8%
Net income for the period	12.1		25.1		41.7	69.4
Earnings per share (SEK), basic and diluted	5.9		18.3			

*) The 2018 data includes MST and Bellmans for the entire period, and VSM for the period 17 July to 31 December. The 2017 data includes MST for the entire 12-month period and pro forma Bellmans for the period January to December.

**) To illustrate the full year development of the Bellman Group, the pro forma figures for the 12-month period January – December 2018 and the comparative pro forma figures for the 12-month period January – December 2017, as presented in the analysis table above, include figures for MST, Bellmans and VSM, as if the acquisition of the subsidiaries had taken place on 1 January 2017.

CEO COMMENTS

Commercial update

Bellman Group completed the acquisition of Samgräv Holding AB, as of 31 January 2019. Samgräv is a company focused on contracting and leasing of construction machinery, trucks, crane trucks, tractors, rollers, machine operators and constructors. Samgräv is a strong player in the market of western Sweden by having its own inert landfills, recycling facilities and rock quarries, as well as transport and machinery contracting. The combination of own facilities and transport and machinery contracting entails an important competitive advantage in order to create cost effective and environmentally friendly transports for customers. For the financial year 2017/18, Samgräv's sales amounted to SEK 221 million and the adjusted EBITDA for the same period amounted to SEK 31 million. The Bellman Group's revenue for the financial year 2018, calculated pro forma including Samgräv's sales for the financial year 2017/18, amounted to SEK 1,612 million and EBITDA before items affecting comparability for the same period, calculated pro forma including Samgräv, amounted to SEK 180 million. The acquisition of Samgräv Holding AB will be included in the Groups financial reporting as of 31 January 2019, and thus, has not impacted the Groups 2018 financial reporting.

Sales and profit growth during the fourth quarter

During the fourth quarter, the Bellman Group reported a revenue increase of 73.3% to SEK 395.2 (228.0) million and profits increased to SEK 39.9 million (10.1), mainly as a result of the acquisition of VSM, included in the Groups financial reporting for the period July to December 2018. Excluding VSM, the revenue increase was 13.4% as a result of sales growth in Bellmans (strong market demand), and profits increased with 76.2% due to a solid performance by MST (improved gross margins) and profitable sales growth by Bellmans. For the period January to December 2018, the Bellman Group reported a revenue increase of 31.7% to SEK 1,090.6 million (827.9) and profits increased to SEK 104.6 million (62.4). Excluding VSM, revenue increased by 4.4% and profits increased by 10.3%, mainly reflecting improved profitability in major projects at MST. EBITDA before items affecting comparability for the Group's pro forma figures for the period January to December 2018, as presented in the analysis table above, was SEK 147.8 million (155.3). The profit decline was a result of increased fuel costs mainly related to VSM.

Operational update

During the fourth quarter, MST continued to see a positive effect from its investments in five drilling-rigs purchased from a competitor in December 2017. Margins have improved as a result of replacing sub-contractors with own equipment and personnel. In addition, Bellmans has had a strong fourth quarter, with a high capacity utilization.

Outlook

We believe that we will deliver sales and profits in line with expectations, in the forthcoming reporting periods. Overall, we believe in a strong market for our services during the next few years, even though we have noted that market conditions for housing construction could prove to be less favourable going forward. The Bellman Group's business plan for the next 3-year period includes growth in terms of both volume and profit. This target will be achieved through organic growth, as well as through acquisitions.

Håkan Lind
CEO

FINANCIAL COMMENTS

GROUP FINANCIAL PERFORMANCE – October to December

Sales and earnings

The Group's consolidated revenue for the period was SEK 395.2 million (228.0), an increase of 73.3%, mainly as a result of the acquisition of VSM (SEK 150.8 million). Excluding VSM, revenue for the period October to December 2018 increased by 13.4% to SEK 258.6 million (228.0). MST reported revenue of SEK 64.8 million (68.6) and Bellmans SEK 197.1 million (162.4). The slight revenue decline for MST reflected fewer accepted low margin projects and, as regards Bellmans, the revenue growth was mainly attributable to high capacity utilisation as a result of a strong market demand.

EBITDA before items affecting comparability for the Group increased to SEK 39.8 million (10.1), partly as a result of the acquisition of VSM (SEK 21.9 million). Excluding VSM for the period October to December 2018, EBITDA before items affecting comparability for the Group improved by 76.2% to SEK 17.8 million (10.1). MST reported an EBITDA before items affecting comparability of SEK 5.4 million (4.6) and Bellmans SEK 13.1 million (5.3). The increase in profits for MST reflects improved gross margins as a result of replacing sub-contractors with own machines and personnel, as well as being a result of a more favourable product mix compared with the prior year. The increase in profits for Bellmans reflects profitable sales growth as well as an improved quality in the quarterly reporting of provisions compared with the fourth quarter in the prior year. EBITDA after items affecting comparability for the group increased to SEK 36.0 million (7.6), as a result of the acquisition of VSM (SEK 21.9 million), as well as increase in profits for MST and Bellmans, see comments above.

Operating profit was SEK 19.7 million, including depreciation and amortisation totalling SEK -16.4 million and items affecting comparability of SEK -3.8 million. Items affecting comparability were mainly comprised of acquisition costs and costs related to internal restructuring in order to simplify the Groups legal structure.

Net financial expenses were SEK -6.1 million (-3.2), which was mainly attributable to interest on the corporate bonds, amortisation of financing costs and profits from associated companies. Net profit for the period was SEK 12.1 million (-1.5).

Cash flow

The Group's cash flow from operating activities was SEK 24.8 million (-0.3), including interest paid of SEK -9.5 million (-3.7). Cash flow from investing activities was SEK -10.3 million (-15.2) and was mainly comprised of planned net investments in property, plant and equipment. Cash flow from financing activities was SEK -1.3 million (2.0), and as a result, cash flow for the period was a positive SEK 13.3 million (-13.5).

Investments

The Group undertook planned investments in property, plant and equipment at a net amount of SEK 9.0 million (15.2), of which SEK 4.9 million referred to Bellmans, SEK 2.1 million to MST and SEK 2.0 million to VSM.

GROUP FINANCIAL PERFORMANCE – January to December*

*Pro forma figures include figures for Bellmans, as if the acquisition had taken place on 1 January 2017. Comments to statutory data (non-pro forma) see page 6.

Sales and earnings

The Group's consolidated revenue for the period was SEK 1,090.6 million (827.9), an increase of 31.7%, mainly as a result of the acquisition of VSM (SEK 248.0 million). Excluding VSM, revenue for the period increased with 4.4% to SEK 864.7 million (827.9). MST reported revenue of SEK 230.4 million (237.9) and the equivalent figure for Bellmans was SEK 641.1 million (600.3). The slight revenue decline for MST reflected fewer accepted low margin projects and the revenue growth for Bellmans was mainly attributable to high capacity utilisation as a result of a strong market demand.

EBITDA before items affecting comparability for the Group increased to SEK 104.6 million (62.4), mainly as a result of the acquisition of VSM (SEK 35.8 million). Excluding VSM, EBITDA before items affecting comparability for the Group increased by 10.3% to SEK 68.8 million (62.4). MST reported an EBITDA of SEK 31.5 million (25.0) and Bellmans' equivalent figure was SEK 37.7 million (38.2). The increase in profits for MST reflects improved gross margins as a result of replacing sub-contractors with own equipment and personnel as well as a more favourable product mix compared with the prior year. For Bellmans, sales growth was offset by increased fuel costs and full year costs related to new Group headquarters. EBITDA after items affecting comparability for the group increased to SEK 93.1 million (55.1), as a result of the acquisition of VSM (SEK 35.8 million), as well as increase in profits for MST, see comments above.

Operating profit was SEK 51.3 million (14.6), including depreciation and amortisation of SEK -41.8 million (-17.3) and items affecting comparability of SEK -11.5 million (-7.3). Items affecting comparability were mainly comprised of acquisition costs, costs related to the IFRS conversion and to internal restructuring in order to simplify the Groups legal structure, as well as costs relating to the listing application of the corporate bonds on the Corporate Bond List at NASDAQ Stockholm AB ("NASDAQ Stockholm"). The bonds were originally listed on Nasdaq First North.

Net financial expenses were SEK -21.9 million (-8.1), mainly attributable to interest on the corporate bonds, amortisation of financing costs and profits from associated companies. Net profit for the period was SEK 25.1 million (3.8).

Cash flow

The Group's cash flow from operating activities was SEK 56.5 million (22.2), including interest paid of SEK -25.0 million (-7.7). Cash flow from investing activities was SEK -238.1 million (-142.8) and was comprised of acquisition costs net of acquired cash relating to VSM of -207.2 million (108.5), and net investments in property, plant and equipment of -30.9 million (-34.3). Cash flow from financing activities was SEK 188.5 million (206.2), reflecting new equity and the issuance of new bonds in order to finance the acquisition of VSM, as well as reflecting the repayment of loans. As a result, cash flow for the period was positive SEK 6.9 million (85.6).

Investments

The Group undertook planned investments in property, plant and equipment to a net amount of SEK 30.9 million (34.3), of which SEK 14.6 million referred to MST (25.0), SEK 15.6 million to Bellmans (9.3) and SEK 0.7 million to VSM (0.0).

Net interest-bearing debt

The Group's net interest-bearing debt as of 31 December 2018 was SEK 410.6 million (136.2), comprised bonds of SEK 500.0 million (220.0), lease liabilities of SEK 5.1 million (4.4) less cash and cash equivalents of SEK 94.5 million (88.2). The ratio of net interest-bearing debt to the December LTM EBITDA before items affecting comparability was 2.8 (2.2), including LTM pro forma EBITDA relating to VSM. Total net debt including vendor loan (non-interest-bearing) of 37.7 million was 448.4 million (194.7).

ORGANISATION

As at 31 December, the Group had 349 (167) full-time employees.

FINANCIAL POSITION AND FINANCING

At the end of the period, the Group had cash and cash equivalents of SEK 94.5 million (88.2). Including an undrawn overdraft facility, available cash and cash equivalents totalled SEK 132.5 million (103.2). The Parent Company has issued corporate bonds which are listed on the Corporate bond list at NASDAQ Stockholm AB ("Nasdaq Stockholm"). These bonds are listed as Bellman Group 1 with 500 units. The total outstanding nominal amount is SEK 500 million and the nominal value per unit is SEK 1.0 million. The interest rate of the bonds is the variable 3-month STIBOR plus 6.50%. The interest is payable quarterly in arrears. The bonds mature in June 2022. The terms and conditions of the bonds include an early redemption option. This option is accounted for as a derivative at an amount of SEK 1.2 million and is classified as a financial asset at fair value through profit or loss. The terms and conditions of the bonds include a quarterly maintenance test which is deemed to be satisfied provided the ratio of net interest-bearing debt to EBITDA is less than 4.25. The terms and conditions of the bonds are available on the website of Bellman Group AB (publ), www.bellmangroup.se.

RISKS AND UNCERTAINTIES

A presentation of significant risks and uncertainties can be found in the Group's Annual Report for 2017. The Annual Report is available on the website of Bellman Group AB (publ), www.bellmangroup.se. There has been no material change in significant risks and uncertainties since the Annual Report was published.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 31 January, 2018, Bellman Group completed the acquisition of Samgräv Holding AB ("Samgräv"), purchasing all of the shares in the company and, indirectly, its subsidiaries. The final purchase price for the acquisition amounted to SEK 144 million. The initial cash payment of SEK 100 million has been paid in its entirety and the Company has also completed a new issue of shares valued at SEK 44 million directed to the former owner of Samgräv, which after the new issue gives the former owner of Samgräv an ownership in Bellman Group of 6.8% in total. An additional purchase price at an amount of maximum SEK 96.5 million may be payable, depending on the development of Samgräv's EBITDA during the period and each of the years 2019 through 2022. The acquisition was funded by new equity and issuance of new bonds, totalling SEK 100 million.

OUTLOOK

Management expects the demand for Bellman Group's services to be strong during 2019.

SEGMENT DEVELOPMENT

SEK million	*)		*)		**) Pro forma 12 Months Jan-Dec 2018	**) Pro forma 12 Months Jan-Dec 2017
	3 Months Oct-Dec 2018	3 Months Oct-Dec 2017	12 Months Jan-Dec 2018	12 Months Jan-Dec 2017		
Revenue						
MST	64.8	68.6	230.4	237.9	230.4	237.9
Bellmans	197.1	162.4	641.1	600.3	641.1	600.3
Elimination, inter-company sales	-3.3	-3.0	-6.8	-10.3	-6.8	-10.3
Total revenue excl. VSM	258.6	228.0	864.7	827.9	864.7	827.9
VSM	150.8	0.0	248.0	0.0	555.0	525.1
Elimination, inter-company sales	-14.2	0.0	-22.1	0.0	-29.2	0.0
Total revenue incl. VSM	395.2	228.0	1,090.6	827.9	1,390.5	1,353.0

SEK million	*)		*)		**) Pro forma 12 Months Jan-Dec 2018	**) Pro forma 12 Months Jan-Dec 2017
	3 Months Oct-Dec 2018	3 Months Oct-Dec 2017	12 Months Jan-Dec 2018	12 Months Jan-Dec 2017		
EBITDA before items affecting comparability						
MST	5.4	4.6	31.5	25.0	31.5	25.0
Bellmans	13.1	5.3	37.7	38.2	37.7	38.2
Other	-0.7	0.2	-0.4	-0.8	-0.4	-0.8
Total EBITDA before items affecting comparability excl. VSM	17.8	10.1	68.8	62.4	68.8	62.4
VSM	21.9	0.0	35.8	0.0	79.0	92.9
Total EBITDA before items affecting comparability incl. VSM	39.8	10.1	104.6	62.4	147.8	155.3

*) The 2018 data includes MST and Bellmans for the entire period, and VSM for the period 17 July to December. The 2017 data includes MST for the entire 12-months period and pro forma Bellmans for the period January to December.

**) To illustrate the full year development of the Bellman Group, the pro forma figures for the 12-month period January – December 2018 and the comparative pro forma figures for the 12-month period January – December 2017, as presented in the analysis table above, include figures for MST, Bellmans and VSM, as if the acquisition of the subsidiaries had taken place on 1 January 2017.

Comments to statutory data (non-pro forma) as per page 8-10

GROUP FINANCIAL PERFORMANCE – October to December

As mentioned previously in this report, the income statement for 2017 refers to MST for the period January – December, to Bellmans for the period July – December and the Parent Company for the period April – December. The income statement for 2018 refers to MST, Bellmans and the Parent Company for the period January – December and for VSM for the period July – December.

Sales and earnings

Revenue for the period amounted to SEK 395.2 million, compared with SEK 228.0 million in the same period in the previous year. This was mainly a result of VSM being included in the period July to December 2018, while it had not been included in the corresponding period in the prior year. EBITDA before items affecting comparability amounted to SEK 39.8 million compared with SEK 10.1 million in the same period in the previous year. The increase in profits was mainly a result of VSM being included in the period July to December 2018, while it had not been included in the corresponding period in the prior year. Operating profit amounted to SEK 19.7 million, including depreciation and amortisation of SEK -16.4 million and items affecting comparability of SEK -3.8 million. Items affecting comparability were mainly comprised acquisition costs. Net financial expenses amounted to SEK -6.1 million, which was mainly attributable to interest on the corporate bonds, amortisation of financing costs and results from associated companies. Net income for the period amounted to SEK 12.1 million.

Cash flow and investments

The Group's cash flow from operating activities was SEK 24.8 million, including interest paid of SEK -9.5 million. Cash flow from investing activities was SEK -10.3 million and was comprised of net investments in property, plant and equipment. Cash flow from financing activities was SEK -1.3 million, and as a result, cash flow for the period was a positive SEK 13.3 million.

GROUP FINANCIAL PERFORMANCE – January to December

Sales and earnings

Revenue for the period amounted to SEK 1,090.6 million compared with SEK 542.6 million in the same period in the previous year. This was mainly a result of Bellmans being included in the full year 2018, while it had only been included for July to December in the corresponding period in the prior year. This was also a result of VSM being included in the period July to December 2018, but not in the corresponding period in the prior year. EBITDA before items affecting comparability amounted to SEK 104.6 million, compared to SEK 39.2 million in the same period in the previous year. The increase in profits was mainly a result of Bellmans being included in the full year 2018, while it had only been included in July to December in the corresponding period in the previous year. The increase was also due to VSM being included for the period July to December 2018, but not being included in the corresponding period in the previous year. Operating profit amounted to SEK 51.3 million, including depreciation and amortisation of SEK -41.8 million and items affecting comparability totalled SEK -11.5 million. Items affecting comparability were mainly comprised of acquisition costs, costs incurred in the listing of the corporate bonds on the Corporate Bond List at NASDAQ Stockholm AB ("Nasdaq Stockholm"), as well as of costs related to the IFRS conversion. Net financial expenses amounted to SEK -21.9 million, which was mainly attributable to interest on the corporate bonds, amortisation of financing costs and profits from associated companies. Net income amounted to SEK 25.1 million for the period.

Cash flow and investments

The Group's cash flow from operating activities was SEK 56.5 million. Cash flow from investing activities was SEK -238.1 million and was comprised of acquisition costs net of acquired cash relating to VSM (-207.2 million), as well as of net investments in property, plant and equipment (-30.9 million). Cash flow from financing activities was SEK 188.5 million, reflecting new equity and the issuance of new bonds in order to finance the acquisition of VSM, as well as reflecting the repayment of loans. As a result, cash flow for the period was a positive SEK 6.9 million.

Parent Company

Parent Company net sales for the quarter were SEK 3.7 million and the net gain was SEK 27.3 million. Equity at the end of the reporting period amounted to SEK 290.0 million. Parent Company net sales for the period January to December 2018 were SEK 10.3 million and the net gain was SEK 10.3 million. The Parent Company made an investment in all of the shares in VSM Entreprenad AB during the period.

OTHER INFORMATION

AUDIT

This report has not been subject to review by the Group's auditors.

CONTACT INFORMATION

Håkan Lind	Roger Axelsson
CEO	CFO
Hakan@Bellmans.se	Roger@Bellmans.se
+46 (0) 70 669 8028	+46 (0) 70 874 5041

FINANCIAL CALENDAR

The interim report for the period January - March 2019, to be released on 30 May, 2019

ASSURANCE

The Board of Directors and CEO hereby confirm that this year-end report January – December 2018 provides a true and fair overview of the performance of the Parent Company's and the Group's operations, financial position and earnings, and that it describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm, 22 February 2019

Björn Andersson
Chairman of the Board

Per Nordlander
Member of the Board

Håkan Lind
CEO and Member of the Board

Christina Ragsten
Member of the Board

Ingalill Östman
Member of the Board

GROUP – CONDENSED CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

SEK million		*) 3 Months Oct-Dec 2018	*) 3 Months Oct-Dec 2017	*) 12 Months Jan-Dec 2018	*) 12 Months Jan-Dec 2017
	Note				
Revenue		395.2	228.0	1,090.6	542.6
Other operating income		2.7	0.4	7.9	2.7
		397.9	228.4	1,098.5	545.3
Operating expenses					
Raw materials and consumables		-284.4	-178.1	-799.9	-404.7
Other external expenses		-13.2	-13.3	-41.0	-32.6
Employee benefits		-64.2	-29.4	-164.4	-75.5
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets		-16.4	-6.0	-41.8	-17.3
Other operating expenses		0.0	0.0	0.0	-0.6
Total operating expenses		-378.2	-226.8	-1,047.2	-530.7
Operating profit		19.7	1.6	51.3	14.6
Net financial items	4	-6.1	-3.2	-21.9	-8.1
Profit after net financial items		13.6	-1.6	29.4	6.5
Income tax		-1.5	0.1	-4.3	-2.7
Net profit for the period		12.1	-1.5	25.1	3.8
Profit attributable to:					
- Parent Company shareholders		11.5	-1.5	24.6	3.8
- non-controlling interests		0.6	0.0	0.5	0.0
Earnings per share (SEK), basic and diluted		5.9	-1.5	18.3	5.9
Average number of shares, thousands		1,944.6	1,000.0	1,344.2	643.0
Statement of other comprehensive income					
Net profit for the period		12.1	-1.5	25.1	3.8
Other comprehensive income					
Other comprehensive income for the period		-0.6	0.0	-0.3	0.0
Total comprehensive income for the period		11.6	-1.5	24.8	3.8
Total comprehensive income for the period is attributable to:					
- Parent Company shareholders		10.9	-1.5	24.3	3.8
- non-controlling interests		0.6	0.0	0.5	0.0

*) The income statement for 2017 refers to MST for the period January – December, to Bellmans for the period July – December and to the Parent Company for the period April – December. The income statement for 2018 refers to MST, Bellmans and the Parent Company for the period January – December and for VSM for the period July – December.

GROUP – CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK million	Note	31 Dec 2018	31 Dec 2017
Assets			
Intangible assets	6	334.0	147.1
Property, plant and equipment		321.2	116.7
Non-current financial assets	4	15.0	3.4
Total non-current assets		670.2	267.2
Inventories		5.0	7.6
Current receivables		266.3	134.7
Cash and cash equivalents		94.5	88.2
Total current assets		365.8	230.5
TOTAL ASSETS		1,036.0	497.7
Equity and liabilities			
Parent shareholders' equity		245.6	76.3
Non-controlling interests		5.6	0.0
Non-current liabilities	8	549.7	278.1
Current liabilities	8	235.1	143.3
TOTAL EQUITY AND LIABILITIES		1,036.0	497.7

GROUP – CONDENSED STATEMENT OF CHANGES IN EQUITY

SEK million	Attributable to shareholders of Bellman Group AB					
	Share capital	Other contributed capital	Retained earnings (incl. net profit/loss for the year)	Total	Non-controlling interests	Total equity
Opening balance, 1 January 2017	0.0	0.2	24.1	24.3	0.0	24.3
Net profit/loss for the period	0.0	0.0	3.8	3.8	0.0	3.8
Other comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	0.0	3.8	3.8	0.0	3.8
Issue of new shares	1.0	31.4	0.0	32.4	0.0	32.4
Shareholder contributions	0.0	15.8	0.0	15.8	0.0	15.8
Transactions with shareholders in their roles as owners	1.0	47.2	0.0	48.2	0.0	48.2
Closing balance, 31 December 2017	1.0	47.4	27.9	76.3	0.0	76.3
Net profit/loss for the period	0.0	0.0	24.6	24.6	0.5	25.1
Other comprehensive income for the period	0.0	0.0	-0.3	-0.3	0.0	-0.3
Total comprehensive income	0.0	0.0	24.3	24.3	0.5	24.8
Issue of new shares	0.9	144.1	0.0	145.0	0.0	145.0
Non-controlling interests arising from a business combination	0.0	0.0	0.0	0.0	5.1	5.1
Transactions with shareholders in their roles as owners	0.9	144.1	0.0	145.0	5.1	150.1
Closing balance, 31 December 2018	1.9	191.5	52.2	245.6	5.6	251.2

GROUP – CONDENSED STATEMENT OF CASH FLOW

SEK million	*) 3 Months Oct-Dec	*) 3 Months Oct-Dec	*) 12 Months Jan-Dec	*) 12 Months Jan-Dec
	2018	2017	2018	2017
Cash flow from operating activities				
Operating profit	19.7	1.6	51.3	14.6
<u>Adjustment for non-cash items:</u>				
Depreciation and amortisation	16.4	6.0	41.8	17.3
Other & non-cash items	0.0	-0.3	2.3	-2.2
Interest paid	-9.5	-3.7	-25.0	-7.7
Income taxes paid / received	-2.9	-1.4	-10.9	-1.5
Cash flow from operating activities before changes in working capital	23.6	2.2	59.6	20.5
Changes in working capital	1.2	-2.5	-3.1	1.7
Cash flow from operating activities	24.8	-0.3	56.5	22.2
Cash flow from investing activities				
Acquisition of subsidiaries, net of acquired cash and cash equivalents	-1.3	0.0	-207.2	-108.5
Net investments in property, plant and equipment	-9.0	-15.2	-30.9	-34.3
Cash flow from investing activities	-10.3	-15.2	-238.1	-142.8
Cash flow from financing activities				
Issue of shares	0.0	2.0	45.0	3.1
Shareholder contributions received	0.0	0.0	0.0	13.9
Loans raised	1.2	0.0	269.8	212.0
Repayment of loans	-2.5	0.0	-126.3	-22.8
Cash flow from financing activities	-1.3	2.0	188.5	206.2
Cash flow for the period	13.3	-13.5	6.9	85.6
Cash and cash equivalents at the beginning of the period	81.8	101.7	88.1	2.6
Foreign exchange difference	-0.6	0.0	-0.5	0.0
Cash and cash equivalents at the end of the period	94.5	88.2	94.5	88.2

*) The cash flow statement for 2017 refers to MST for the period January – December, to Bellmans for the period July – December and to the Parent Company for the period April – December. The cash flow statement for 2018 refers to MST, Bellmans and the Parent Company for the period January – December and for VSM for the period July – December

PARENT COMPANY – CONDENSED STATEMENT OF INCOME

SEK million	3 Months	3 Months	12 Months	12 Months
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2018	2017	2018	2017
Total Revenue	3.7	3.2	10.3	4.8
Total operating expenses	-4.7	-5.5	-19.1	-8.2
Operating loss	-1.1	-2.3	-8.7	-3.4
Loss after net financial expense	-8.3	-5.8	-30.0	-10.8
Group contributions	43.2	0.0	43.2	0.0
Net gain/loss for the period	27.3	-4.5	10.3	-8.4
Statement of other comprehensive income				
Net gain/loss for the period	27.3	-4.5	10.3	-8.4
Other comprehensive income for the period	0.0	0.0	0.0	0.0
Total comprehensive income for the period	27.3	-4.5	10.3	-8.4

PARENT COMPANY – CONDENSED STATEMENT OF FINANCIAL POSITION

SEK million	Note	31 Dec 2018	31 Dec 2017
Total non-current assets		830.1	369.1
Total current assets		81.4	41.4
TOTAL ASSETS		911.5	410.5
Total equity		290.0	134.7
Total non-current liabilities		593.4	251.8
Total current liabilities		28.1	24.0
TOTAL EQUITY AND LIABILITIES		911.5	410.5

PARENT COMPANY – CONDENSED STATEMENT OF CASH FLOW

SEK million	3 Months	3 Months	12 Months	12 Months
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2018	2017	2018	2017
Operating loss	-1.1	-2.3	-8.7	-3.4
Cash flow from operating activities before changes in working capital	-6.7	-5.6	-26.9	-10.0
Changes in working capital	4.4	2.3	4.4	1.9
Cash flow from operating activities	-2.2	-3.3	-22.5	-8.1
Cash flow from investing activities	50.7	-14.9	-228.5	-182.2
Cash flow from financing activities	-2.5	2.0	291.6	228.9
Cash flow for the period	46.0	-16.2	40.6	38.6
Cash and cash equivalents at beginning of period	33.2	54.8	38.6	0.0
Cash and cash equivalents at end of period	79.2	38.6	79.2	38.6

NOTES TO THE FINANCIAL STATEMENTS

1 Summary of significant accounting policies

The significant accounting policies applied in preparing these consolidated financial statements are described below. Unless otherwise stated, these policies have been applied consistently for all the periods presented. All amounts presented in the financial statements are in millions of Swedish kronor (SEK million) unless stated otherwise.

IFRS 16 Leases. In January 2016, IASB published a new lease standard that will replace IAS 17 Leases and the related interpretations, IFRIC 4, SIC-15 and SIC-27. The standard requires that assets and liabilities attributable to all leases are recognised in the balance sheet, with a few exceptions. This accounting treatment is based on the view that the lessee has a right to use an asset during a specific period of time, as well as an obligation to pay for this right. For the lessor, the accounting treatment will remain essentially unchanged. The standard is effective for financial years beginning on or after 1 January 2019.

At transition, Bellman Group will apply IFRS 16 retrospectively with the cumulative effect of initially applying the new standard recognised on 1 January 2019. Comparatives for the 2018 financial year will not be restated. The right-of-use assets will be recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments recognised in the balance sheet immediately before the date of initial application.

The Group will apply the recognition exemption to recognise short-term leases (with a lease term of 12 months or less) and leases where the underlying asset is of low value as an expense in profit or loss on a straight-line basis. Non-lease components will not be separated from lease components. The Group will not apply IFRS 16 to leases of intangible assets.

Instead of operating lease expenses, the Group will recognise depreciation and interest expenses in the consolidated income statement. Lease payments will affect cash flow from operating activities (e.g. paid interest, leases of low value and short-term leases) and cash flow from financing activities (repayment of lease liability) in the cash flow statement.

In applying IFRS 16 for the first time, the Group will use the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and not reassessing whether a contract is, or contains, a lease at the date of initial application.

For leases that were classified as finance leases applying IAS 17, the carrying amount of the right-of-use asset and the lease liability shall at 1 January, 2019 be the carrying amount of the lease asset and lease liability at 31 December, 2018 measured applying IAS 17.

The Group lease contracts mainly consists of leases of office premises, machinery and equipment. Adoption of IFRS 16 is expected to result in right of use assets of approx. SEK 20 million, an increase in "short term liabilities" of SEK 8 million and an increase in "long term liabilities" of SEK 12 million as of 1 January 2019.

In determining the balances above, the main judgements made are related to determining the lease term and to determine the incremental borrowing rate. Regarding the lease term, a majority of the lease contracts in the Group include options either to extend or to terminate the contract. When determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. When determining the incremental borrowing rate, the Group considers which entity within the Group entered into the lease contract, the duration of the lease and type of leased asset. The incremental borrowing rate reflects a secured borrowing for a similar right of use asset.

1.1. Basis of preparation of financial statements

The consolidated financial statements for the Bellman Group have been prepared in accordance with the Swedish Annual Accounts Act, Recommendation RFR 1 *Supplementary Financial Reporting Rules for Corporate Groups* of the Swedish Financial Reporting Board, the International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRS IC), as adopted by the EU. This Interim Report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and the Swedish Annual Accounts Act.

The Parent Company applies Recommendation RFR 2 *Financial Reporting for Legal Entities* of the Swedish Financial Reporting Board and the Swedish Annual Accounts Act.

The accounting principles and calculation methods applied in the interim report are consistent with those described in the 2017 Annual Report, with the exception of the new standards, IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, applying from 1 January 2019. The implementation of the new standards has not had any material impact on the Group's financial statements. In accordance with IFRS 15 Revenue from Contracts with Customers, there is a new disclosure requirement which has had no impact on the manner in which the Group reports its revenue in Note 3. No other IFRS or IFRIC interpretations which have not, to date, become effective, are expected to have any material impact on the Group.

For further information regarding the Group's applied accounting principles, see the Group's Annual Report for 2017.

1.2 Associated companies

Investments in associated companies include all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20 percent and 50 percent of the voting rights. Investments in associated companies are accounted for using the equity method of accounting, after initial recognition at cost. Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associated companies are recognised as a reduction in the carrying amount of the investment.

2 Important estimates and judgments regarding the accounting

Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations regarding future events which are seen to be reasonable under the circumstances at hand. Significant estimates and judgments made in the Group relate to impairment of goodwill. For more information, see note 15 in the annual report 2017.

3 Segment information

Description of segments and principal business activities:

The Bellman Group's senior management team, comprised of the Group CEO, Group CFO and the chief executives of the subsidiaries, constitutes the chief operating decision maker in the Bellman Group and evaluates the Group's financial position and results, as well as makes strategic decisions. Management has defined the operating segments based on the information discussed by the senior management team, and this information is used as a basis for decisions regarding the allocation of resources and evaluation of results.

Senior management monitors the operations based on the three operating segments MST, Bellmans and VSM, as well as regards the Other segment. Senior management primarily applies EBITDA in monitoring the Group's results.

MST

Rock blasting, rock drilling and excavation services.

Bellmans

Transport and excavation services in the construction sector.

VSM

Rock, gravel handling and earth excavation.

Other segment

Senior management and other central services.

Revenue

Sales between segments are made on market terms. Revenue for the segments arising from external customers as reported to senior management is measured in the same manner as in the consolidated income statement.

SEK million	*) 3 Months Oct-Dec 2018	*) 3 Months Oct-Dec 2017	*) 12 Months Jan-Dec 2018	*) 12 Months Jan-Dec 2017
Revenue				
MST	64.8	68.6	230.4	237.9
Bellmans	197.1	162.4	641.1	309.1
VSM	150.8	0.0	248.0	0.0
Elimination, inter-company sales	-17.5	-3.0	-28.9	-4.4
Total revenue	395.2	228.0	1,090.6	542.6

SEK million	*) 3 Months Oct-Dec 2018	*) 3 Months Oct-Dec 2017	*) 12 Months Jan-Dec 2018	*) 12 Months Jan-Dec 2017
EBITDA before items affecting comparability				
MST	5.4	4.6	31.5	24.9
Bellmans	13.1	5.3	37.7	15.1
VSM	21.9	0.0	35.8	0.0
Other	-0.7	0.2	-0.4	-0.8
Total EBITDA before items affecting comparability	39.8	10.1	104.6	39.2

SEK million	*) 3 Months Oct-Dec 2018	*) 3 Months Oct-Dec 2017	*) 12 Months Jan-Dec 2018	*) 12 Months Jan-Dec 2017
Operating profit/loss				
MST	2.2	1.5	18.5	13.2
Bellmans	10.2	2.4	25.7	9.5
VSM	12.3	0.0	19.9	0.0
Other	-5.1	-2.3	-12.8	-8.1
Total operating profit	19.7	1.6	51.3	14.6

SEK million	*) 3 Months Oct-Dec 2018	*) 3 Months Oct-Dec 2017	*) 12 Months Jan-Dec 2018	*) 12 Months Jan-Dec 2017
Depreciation, amortisation and impairment				
MST	-3.3	-3.1	-13.3	-11.7
Bellmans	-3.1	-2.9	-11.9	-5.6
VSM	-9.7	0.0	-16.0	0.0
Other	-0.3	0.0	-0.6	0.0
Total depreciation, amortisation and impairment	-16.4	-6.0	-41.8	-17.3

The following is a reconciliation of profit/loss before tax and EBITDA before items affecting comparability:

SEK million	*) 3 Months		*) 12 Months	
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2018	2017	2018	2017
EBITDA before items affecting comparability	39.8	10.1	104.6	39.2
items affecting comparability**	-3.7	-2.5	-11.5	-7.3
Depreciation, amortisation and impairment	-16.4	-6.0	-41.8	-17.3
Financial income and expense	-6.1	-3.2	-21.9	-8.1
Profit before tax	13.6	-1.6	29.4	6.5

*) The income statement for 2017 refers to MST for the period January – December, to Bellmans for the period July – December and to the Parent Company for the period April – December. The income statement for 2018 refers to MST, Bellmans and the Parent Company for the period January – December and for VSM for the period July – December.

**) Consists of items affecting comparability which are comprised of acquisition costs, costs related to the IFRS conversion as well as costs incurred in relation to the listing application of the corporate bonds on the Corporate Bond List at NASDAQ Stockholm AB ("Nasdaq Stockholm").

SEK million			
Working capital excl. taxes		31 Dec 2018	31 Dec 2017
MST		20.1	23.1
Bellmans		-5.0	2.3
VSM		48.7	0.0
Other		-6.4	-2.0
Total working capital excl. taxes		57.4	23.4

4 Financial assets at fair value through profit or loss

The Group's financial assets measured at fair value through profit or loss consist of an early redemption option included in corporate bonds, accounted for as a derivative. The Group has classified this financial instrument at Level 3 in the fair value hierarchy. No transfers between the levels were made during the period. The fair value of the derivative has been determined based on present value, and the applied discount rate has been adjusted for own credit risk. Unobservable inputs refer to the risk-adjusted discount rate and expected cash flows. Per 31 December 2018, the fair value amounted to SEK 1.2 million (1.0).

5 Transactions with related parties

No transactions between the Bellman Group and related parties significantly impacting the Group's financial position or results took place during the period.

6 Business combination

On 17 July 2018, Bellman Group finalised the acquisition of all shares in VSM Entreprenad AB (VSM). The total purchase price was SEK 339.3 million and has been funded by new equity and issuance of new bonds. The cash payment of SEK 239.3 million has been paid in its entirety as of the 17 July and the Company has completed a new issue of shares valued at SEK 100 million directed to the former owners of VSM. Reported net asset value in VSM as of the date of the acquisition was SEK 152.8 million, following a residual of SEK 186.5 million compared to purchase price SEK 339.3 million of which SEK 2.7 million and SEK -0.6 million has been allocated to intangible assets respective deferred tax and SEK 183.8 million has been allocated to goodwill. The intention is that VSM will continue to operate as a separate business following the acquisition.

Purchase allocation

<i>Purchase price</i>	
Cash	239.3
Paid with own shares	100.0
Total purchase consideration	339.3
<i>Fair value net asset</i>	
Cash and bank	33.4
Current assets	91.3
Tangible fixed assets	208.8
Financial assets	7.4
Intangible assets	186.5
Current liabilities	-165.3
Deferred tax	-17.7
Non-controlling interests	-5.1
Net assets acquired	339.3

The fair value of the 641,702 ordinary shares issued as part of the consideration for VSM (SEK 100 million) was based on an estimated market value of SEK 155.8 per share. The fair value of own shares was determined using a generally accepted valuation method, by calculating the enterprise value using an EBITDA multiple commensurate with comparable entities in the same industry.

The assets and liabilities recognised as a result of the acquisition are as follows:

Goodwill is attributable to the employees and the high profitability of the acquired business. No portion of the recognised goodwill is expected to be tax-deductible. A preliminary calculation of goodwill has been made and this value can change within twelve months of the acquisition date.

Acquired assets:

The fair value of acquired trade receivables is SEK 49.7 million. The contractual gross amount of trade receivables is SEK 49.7 million.

Revenue and earnings of acquired business:

The acquired business added revenues of SEK 150.8 million and net profit of SEK 18.1 million for the period 17 July to 31 December 2018. If the acquisition had taken place on 1 January 2018, pro forma consolidated revenue and earnings for the period to 31 December 2018 would have been SEK 555.0 million and SEK 79.0 million, respectively. These amounts have been calculated based on the subsidiary's earnings after adjustments for differences in accounting policies between the Group and subsidiary, and the additional amortisation charge that would have been incurred if the fair value adjustment for intangible assets had been applied from 1 January 2018, along with the related tax effects.

SEK million	1-Jan-2018
Consideration - cash outflow	31-Dec-2018
Cash flow for acquisition of subsidiaries, net of acquired cash and cash equivalents	
Cash consideration	239.3
Less: Acquired deposits	
Cash and cash equivalents	-33.4
Net outflow of cash and cash equivalents - investing activities	205.9

Acquisition-related costs:

Acquisition-related costs of SEK 4.5 million are included in other external expenses in the income statement and in operating activities in the statement of cash flows.

7 Pledged assets

No significant changes in assets pledged as security took place in the period.

8 Interest bearing liabilities

As of the 31 December 2017 the Parent Company has issued corporate bonds, which were listed on the NASDAQ First North bond market in Stockholm. The total outstanding nominal amount was SEK 220 million and the nominal value per unit was SEK 1.0 million. As of May 2018, there was a change of market from NASDAQ First North bond market in Stockholm to NASDAQ Stockholm AB ("Nasdaq Stockholm"). As of June 2018, the framework amount was increased to a maximum of SEK 600 million.

As of December 2018, the Parent Company has issued corporate bonds which are listed on the Corporate bond list at NASDAQ Stockholm AB ("Nasdaq Stockholm"). These bonds are listed as Bellman Group 1 with 500 units. The total outstanding nominal amount is SEK 500 million and the nominal value per unit is SEK 1.0 million. The interest rate on the bonds is variable 3-month STIBOR plus 6.50%. The interest is payable quarterly in arrears. The bonds mature in June 2022. The terms and conditions of the bonds include an early redemption option. This option is accounted for as a derivative of SEK 1.2 million and is classified as a financial asset at fair value through profit or loss. The terms and conditions of the bonds includes a quarterly maintenance test which is deemed to be satisfied provided the ratio of net interest-bearing debt to EBITDA is less than 4.25. The terms and conditions of the bonds are available on the website of Bellman Group AB (publ), www.bellmangroup.se.

The vendor loan (deferred payment related to the acquisition of Bellmans) is SEK 37.7 million, of which SEK 19.5 million is a current liability and SEK 18.2 million is a non-current liability. The vendor loan is interest-free and is not secured by collateral. Under the terms and conditions of the loan, the first instalments were due in 2018 and the loan must be fully repaid by 2020.

The carrying amount of the majority of the Group's borrowings approximates the fair value of the loan. This is due to the fact that the interest rates on the borrowings corresponds to current market interest rates.

9 Shares

Number of shares	3 Months	3 Months	*) 12 Months	**) 12 Months
	Oct-Dec 2018	Oct-Dec 2017	Jan-Dec 2018	Jan-Dec 2017
Total number of shares (A-shares), thousands	1,944.6	1,000.0	1,944.6	1,000.0
Total number of weighted average shares, before and after dilution (A-shares), thousands	1,944.6	1,000.0	1,344.2	643.0
Earnings per share (SEK), basic and diluted	5.9	-1.5	18.3	5.9

*) The 2018 data includes MST and Bellmans for the entire period, and VSM for the period 17 July to 31 December.

**) 12 months Jan-Dec 2017 includes figures for the Parent Company from 10 April 2017 (which was the date of incorporation of Bellman Group AB), figures from MST from 1 January 2017 and figures from Bellmans from the date of the acquisition of the Bellmans' subsidiaries on 1 July 2017.

The change in the number of shares relates to issues of ordinary shares made during 2018. In February 2018 there was an issue of 14,174 ordinary shares which increased the share capital to SEK 1 million (total amount paid incl. share premium SEK 2 million). In August, there was an issue of 930,468 ordinary shares, which increased the share capital to SEK 1.9 million (total amount paid incl. share premium SEK 145 million).

10 events after the report period

On 31 January, 2018, Bellman Group completed the acquisition of Samgräv Holding AB ("Samgräv"), purchasing all of the shares in the company and, indirectly, its subsidiaries. The final purchase price for the acquisition amounted to SEK 144 million. The initial cash payment of SEK 100 million has been paid in its entirety and the Company has also completed a new issue of shares valued at SEK 44 million directed to the former owner of Samgräv, which after the new issue gives the former owner of Samgräv an ownership in Bellman Group of 6.8% in total. An additional purchase price at an amount of maximum SEK 96.5 million may be payable, depending on the development of Samgräv's EBITDA during the period and each of the years 2019 through to 2022. The acquisition was funded by new equity and issuance of new bonds, totalling SEK 100 million.

DEFINITIONS AND USE OF NON-INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) EARNINGS MEASURES

Descriptions of financial performance measures and descriptions of earnings measures which are not used in the IFRS regulations. Reconciliation of the alternative performance measures is shown in a separate document published at the same time as this report in connection to this report, please refer to www.bellmangroup.se.

The alternative financial measures which have not been calculated in accordance with IFRS and which are presented in this report do not constitute recognised valuation principles for financial position or liquidity in accordance with IFRS, but are used by the Bellman Group to monitor the Group's financial performance and financial position. The alternative performance measures presented in the report must always be assessed in conjunction with the information presented in the income statement, balance sheet and statement of cash flows, and with performance measures calculated in accordance with IFRS.

The Bellman Group presents these alternative financial measures due to the fact that the Group believes that they constitute important supplementary measures of profitability and financial position, and because these measures are often used by external stakeholders to assess and compare different companies' financial performance and financial positions. When comparing the alternative financial measures presented herein, it should be noted that calculations for other companies may have been undertaken applying different definitions, which means that the figures will not be directly comparable.

Term	Description
Cash flow from operating activities	Operating profit adjusted for non-cash items, sales of machinery and equipment and changes in working capital.
Earnings per share	Profit for the year attributable to Parent Company shareholders divided by average number of outstanding ordinary shares.
EBITDA	Profit before net financial income/expense, tax, depreciation, amortisation and impairment. EBITDA is a measure which the Group considers to be relevant for investors who want to understand the company's earnings performance before investments in non-current assets.
EBITDA margin	EBITDA as a percentage of revenue for the period.
Equity/assets ratio	Equity including non-controlling interests, expressed as a percentage of total assets. This key ratio is used to show financial risk, expressed as the percentage of total assets that is financed by the owners.
Items affecting comparability	Items that occur rarely or are unusual in the ordinary course of business, such as start-up costs, restructuring costs and acquisition costs.
Net interest-bearing debt	Interest-bearing debt less cash and cash equivalents. This key ratio shows the Group's total interest-bearing liabilities.
Total net debt	Total liabilities (including non-interest bearing) less cash and cash equivalents.
Revenue	The Group recognises revenue when the amount can be reliably measured, it is probable that future economic benefits will accrue to the company and specific criteria have been met for each of the Group's businesses. For time and materials service contracts, revenue is recognised in the period in which the services are performed.
Operating margin	Operating profit as a percentage of revenue during the period.
Order backlog	The value of remaining, not yet accrued project revenues from orders on hand at the end of the period.
Order intake	The value of received projects and changes to existing projects during the period concerned.
Organic growth	The change in revenue adjusted for acquisitions and sales compared with the same period in the previous year.
Working capital	Working capital is calculated as short-term operating assets (inventories, trade receivables and other non-interest-bearing receivables) less current operating liabilities (trade payables and other current non-interest-bearing liabilities). This measure shows the amount of working capital tied up in operating activities and can be expressed as a percentage of revenues to gain an understanding of how efficiently tied-up working capital is being utilised.