
P R E S S R E L E A S E 2 February 2018

This information is information that Ratos AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 19:20 p.m. CET on 2 February 2018.

Ratos's earnings for the fourth quarter of 2017 negatively impacted by impairment and weaker earnings in the company portfolio

Ratos's earnings for the fourth quarter of 2017 will be charged in an amount of approximately SEK 550m for the impairment of book values. Ratos's company portfolio also posted significantly lower earnings for the fourth quarter of 2017 compared to 2016.

In connection with Ratos's year-end procedures, the company identified impairment requirements in Diab and HL Display amounting to a combined total of approximately SEK 550m, of which approximately SEK 200m pertains to Diab and approximately SEK 350m to HL Display. The impairment amount will be charged to the Ratos Group's net profit for the fourth quarter of 2017.

The measures implemented by the companies with the aim of improving profitability are expected to take longer than originally anticipated. Both companies reported a weak earnings trend for the fourth quarter of 2017. Ratos provided SEK 130m to Diab in the fourth quarter of 2017.

EBITA in Ratos's company portfolio declined -40% during the fourth quarter of 2017 and sales fell -10%, compared to the fourth quarter 2016. Diab's EBITA for the fourth quarter of 2017 amounted to SEK -33m (29) and HL Display's to SEK -1m (10). The company portfolio displayed an improved EBITA of 4% while sales fell -2% for the full year 2017.

“This impairment and the weak earnings of the company portfolio underline how important it is going forward that we focus on reversing the negative earnings trend in our company portfolio,” says Jonas Wiström, CEO of Ratos.

After impairment, the Ratos Group's loss before tax for the fourth quarter of 2017 amounted to approximately SEK -597m (profit: 1,330) and for the full year 2017 to approximately SEK 658m (-890).

The Board of Directors proposes an unchanged dividend of SEK 2.00 per share (2.00). Earnings per share is estimated at SEK 0.72 per share (-1.79) for the full year 2017.

All other information related to the fourth quarter of 2017 will be presented in Ratos's year-end report for 2017 on 16 February 2018.

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Financial calendar from Ratos:

Year-end report 2017	16 February 2018
Interim report January–March 2018	3 May 2018
Annual General Meeting 2018	3 May 2018
Interim report January–June 2018	17 August 2018
Interim report January–September 2018	25 October 2018

Ratos is an investment company that owns and develops unlisted medium-sized companies in the Nordic countries. Our goal as an active owner is to contribute to long-term and sustainable business development in the companies we invest in and to make value-generating transactions. Ratos's portfolio consists of 14 medium-sized Nordic companies and the largest segments in terms of sales are Industrials, Consumer goods/Commerce and Construction. Ratos is listed on Nasdaq Stockholm and has a total of approximately 13,400 employees.