

# ework Report 2016

INTERIM REPORT 2 JANUARY-JUNE 2016

## Strong market and continued high growth

### Second quarter 2016 compared to 2015

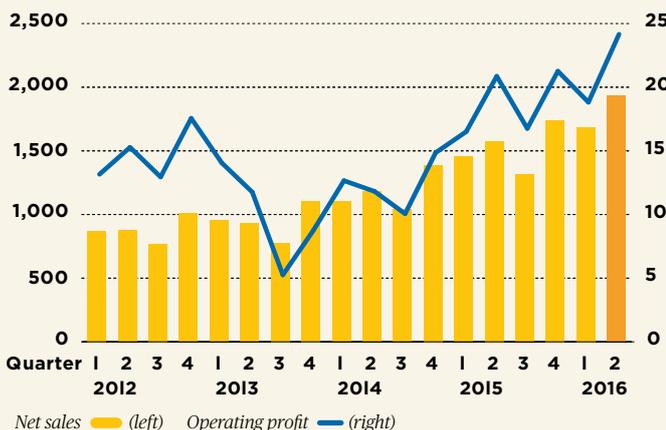
- Net sales increased by 23% to SEK 1,934 M (1,575).
- Operating profit up by 15% to SEK 24.9 M (21.7).
- Order intake rose by 50% to SEK 3,022 M (2,019), thus passing SEK 3 billion in a single quarter for the first time.
- Earnings per share after tax and after dilution were SEK 1.13 (0.98).

### First half-year 2016 compared to 2015

- Net sales increased by 19% to SEK 3,619 M (3,032).
- Operating profit up by 14% to SEK 44.5 M (38.9).
- The consultant market remained strong throughout the period with healthy demand for consultants for new assignments.

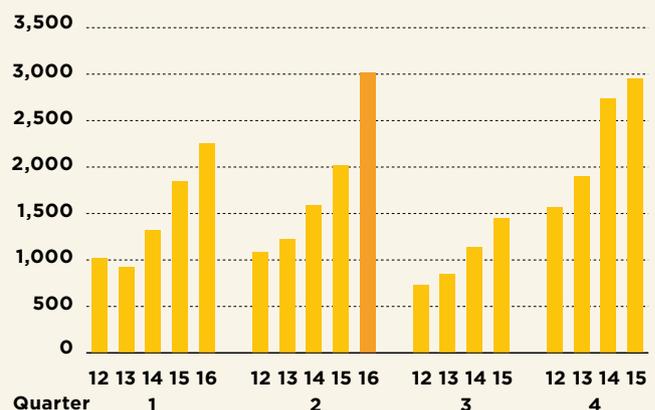
#### Net sales and operating profit

SEK M



#### Quarterly order intake

SEK M



## A good quarter with intensive progress

eWork had a good second quarter. The market remains hot, our growth was high, and we executed an intensive development process to move towards our challenging targets for 2020.

**I**n the second quarter, we took momentous steps in our efforts to build the new eWork – which will more than double in size in a few years. Demand for our services was really positive, with order intake up by as much as 50%. It's particularly satisfying that the increase in order intake derives from a broad source of growth in many of our clients. For the first time, our base of consultants on assignment passed 6,000.

Net sales were up by 23%, and operating profit by 15%. We also took expenses for eWork's future-oriented initiatives.

The continued high growth that we are now preparing for will set substantial demands on our business development, process support and further advancing our market positioning. We have a good plan for our work, and have executed key appointments and investments.

Our new name eWork Group AB (publ) is a more symbolic change – Group replacing Scandinavia denotes our international focus for the long term.

The progress of our operations was consistently positive in the period. In Sweden, we experienced good demand and delivered at a high level. We secured several new business accounts in promising segments. In one case, this related almost exclusively to consultant deliveries in new specialisms for eWork such as design and marketing. Although the scale here remains modest, this is an interesting example of the opportunities that are already being created on the labour market by the Fourth Industrial Revolution. This client is active globally and offers substantial long-term potential.

Operations outside Sweden are generally performing positively, with the Norwegian business especially making big advances with high growth and profit improvements. Operations in Finland and Denmark are in good growth, and maintaining their focus on lifting earnings. The Polish operation is going really well, where a lot of new business accounts are creating the potential for future volume growth. ■



Zoran Covic, CEO  
Stockholm, Sweden, 20 July 2016.



## eWORKs OFFERING

“With this setup everyone’s a winner. Clients can expect to access to the best competence always, eWork gets the opportunity to demonstrate its ability as a consultant purchaser – and in some cases, here at Knowit, we can achieve higher pricing for our services,” says Mats Klippberg, Account Manager at consulting firm Knowit.



IMAGE: ANDREAS HILLEREN

– In this type of setup, personal chemistry is critical. I maintain close, sometimes daily, contact with eWork and our partnership is great, adds Mats Klippberg, Account Manager at consulting firm Knowit.

# Everyone’s a winner when eWork takes over the purchasing process

**I**n its assignments, eWork often takes an overall grasp of consultant purchasing. Its aim is to achieve more control and transparency in purchasing consulting services, reducing the number of contracts, while simultaneously ensuring the best competence. In practical terms, this change involves companies getting access to the whole consultant market through eWork, instead of interfacing with multiple suppliers as previously. Examples of clients who entrust eWork with their procurement of consultants include Sony and Tetra Pak.

Initially, consultants are often sceptical about the change.

“A lot of projects are long term, usually lasting over a year, and move seamlessly into the next, and this means that close relationships are created between consultants and clients. I think there was a fear that this could add a filter to the client and that close contact with line managers, for example, would be lost. But this hasn’t happened at all. We collaborate just as closely with our clients,” says Mats Klippberg.

### One of the leading consulting firms in the Nordics

Knowit is one of the Nordic region’s leading consulting firms, with 1,800 IT, Design & Digital and Management specialists. Knowit is rated the top consulting firm in employer branding monitor Universum’s ranking of the most attractive employers in the Nordics.

Knowit works for clients on software development, embedded systems, application development, quality assurance, project management and website content.

“Previously, we maintained standard contracts with clients, which meant that all consulting services we delivered within a specific category had the same pricing. But now, supply and demand determine this. This means we can secure higher pricing if we can offer specific, highly specialised competence,” adds Mats.

“Now that everyone sees every enquiry, we have a more transparent and flexible system where everybody wins,” he adds.

### Personal chemistry critical

Knowit and eWork also partner on deliveries to multiple clients – and Mats expects there to be more in future.

“In this type of setup, personal chemistry is critical. I maintain close, sometimes daily, contact with eWork and our partnership is great.” adds Mats. ■

**eWork tailors consultant solutions for every client. This can involve taking an overall grasp of all a company’s consultants, or the delivery of individual consultants.**

# Strong market and continued high growth

## Market

The Nordic consulting market remained brisk during the second quarter of the year. The demand for consultants for new assignments was healthy in most of the skills segments where eWork is active.

As in recent quarters, growth was primarily driven by the demand for new consultant assignments. eWork judges that it has outgrown the consulting market and accordingly, continued to win market share.

eWork's demand indicators such as the number of client enquiries and the share of indicating skills segments continued to increase year on year, with no signs of slowing.

The access to consultants available for new assignments remain positive, while generally higher utilisation on the market means that the number of applicants for new assignments decreased year on year.

eWork views the market in Sweden and Denmark as strong. The Finnish market normalised with positive demand growth. The Norwegian private sector remains hesitant, but demand from the public sector was positive.

## The Group's net sales

The Group's net sales for the second quarter 2016 increased by 23% to SEK 1,937 M (1,575). Net sales in the first half-year increased by 19% to SEK 3,619 M (3,032). All geographical markets contributed to the sales increase, which relate primarily to consultants on new assignments.

## The Group's profit

The Group's operating profit increased by 15% to SEK 24.9 M (21.7). Operating profit for the first half-year 2016 was SEK 44.5 M (38.9), a 14% increase. Operating profit for the period includes some cost increases for business development expensed to create the potential for continued growth. This means that operating profit increased somewhat less than net sales.

Profit after financial items was SEK 25.4 M (21.6) in the second quarter 2016, and SEK 45.0 M (38.9) for the first half-year. Profit after tax was SEK 19.4 M (16.6) in the second quarter and SEK 34.3 M (30.0) in the first half-year.

## Comments on progress

The Group's sales performed very positively in the second quarter, with order intake rising robustly to SEK 3,022 M (2,019), up 50% on the corresponding quarter of the previous year. The number of consultants on assignment continued to rise, passing 6,000 for the first time, and peaking at 6,315. Consultants on assignment represented most of the increase.

## Sweden

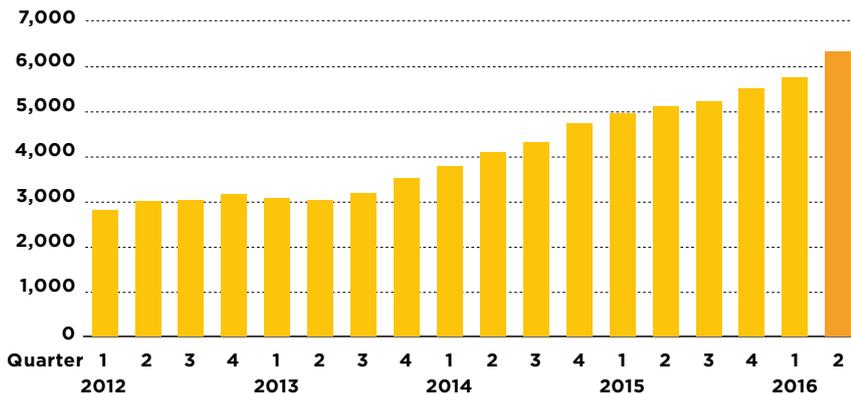
The brisk progress on the market in Sweden continued. Net sales for the quarter increased by 23% to SEK 1,598.4 M (1,304.7) in a positive market climate. In the first half-year, net sales increased by 20% to SEK 2,996.5 M (2,506.7). Growth is mainly sourced from consultants appointed to new assignments.

Operating profit was SEK 20.6 M (19.6) for the second quarter and SEK 39.0 M (35.5) for the first half-year.

Several significant framework agreements were signed in the period, with corporations with multinational operations, and in new consulting segments.

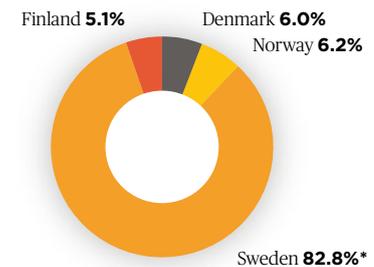
## Consultants on assignment

Max. no. of consultants on assignment



## Sales by region

First six months as a percentage of net sales



\* Poland is reported under Sweden.

The Polish operation is being reported in the Sweden segment at present. Operations progressed positively, although volumes remain limited. Several new framework agreements were signed, which create the potential for future volume growth.

#### Norway

The Norwegian operation's net sales were up 26% on the corresponding quarter of the previous year at SEK 121.1 M (96.2). Net sales for the first half-year were SEK 224.1 M (184.4), a 21% increase.

Operating profit increased sharply to SEK 2.5 M (0.7) in the quarter. Operating profit for the first half-year was SEK 3.6 M (0.9). This growth and positive profit performance mainly

relates to an increase in the number of consultants on new assignments. Market conditions were fairly hesitant in the private sector, but with healthy demand from public sector clients.

#### Denmark

Positive progress on the Danish market continued. Net sales were up 31% in the second quarter to SEK 115.8 M (88.2). In the first half-year, net sales increased 26% to SEK 215.8 M (171.8). Growth is mainly due to continued positive progress by current business clients.

Operating profit for the quarter was up to SEK 1.9 M (1.7), and decreased to SEK 2.7 M (3.2) in the first half-year.

#### Finland

In Finland, net sales for the quarter rose by 16% to SEK 99.0 M (85.5). In the first half-year, net sales were SEK 182.8 M (168.6). The operating profit/loss for the second quarter was SEK -0.1 M (-0.3). For the first half-year, profit/loss was SEK -0.9 M (-0.7).

Demand on the Finnish market has normalised. The fact that the operation is still reporting a loss is due to its sales mix still being unfavourable. A new operations manager was hired in the period and operations are focusing on improving earnings.

### Key performance data

SEK 000	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Rolling 4 quarters July 2015-June 2016	Full year 2015
Net sales	1,934,266	1,574,566	3,619,143	3,031,952	6,676,270	6,089,079
Operating profit, EBIT	24,865	21,662	44,450	38,908	83,947	78,405
Profit before tax	25,437	21,620	44,993	38,850	84,001	77,858
Profit for the period	19,389	16,643	34,289	29,995	63,961	59,667
Sales growth, %	22.8	33.5	19.4	32.8	31.7	29.2
Operating margin, EBIT, %	1.3	1.4	1.2	1.3	1.3	1.3
Profit margin, %	1.3	1.4	1.2	1.3	1.3	1.3
Return on equity, %	70.4	60.9	66.9	58.3	74.3	50.0
Total assets	2,053,168	1,723,035	2,053,168	1,723,035	2,053,168	1,797,943
Equity	92,769	79,307	92,769	79,307	92,769	112,212
Equity/assets ratio, %	5	5	5	5	5	6
Acid test ratio, %	108	104	108	104	108	111
Average number of employees	216	171	210	167	195	176
Net sales per employee	8,955	9,208	17,234	18,155	34,237	34,597
<b>Key performance data per share</b>						
Earnings per share before dilution	1.13	0.98	2.01	1.77	3.74	3.49
Earnings per share after dilution	1.13	0.98	2.00	1.76	3.71	3.48
Equity per share before dilution	5.4	4.7	5.4	4.7	5.4	6.6
Equity per share after dilution	5.4	4.7	5.4	4.7	5.4	6.6
Cash flow from operating activities per share before dilution	8.53	-0.85	9.00	-4.74	8.53	-5.18
Cash flow from operating activities per share after dilution	8.51	-0.85	8.97	-4.73	8.45	-5.16
Number of shares outstanding at end of period before dilution (000)	17,085	16,984	17,085	16,984	17,085	17,085
Number of shares outstanding at end of period after dilution (000)	17,133	17,018	17,133	17,018	17,245	17,130
Average number of shares outstanding before dilution (000)	17,085	16,984	17,085	16,984	17,119	17,018
Average number of shares outstanding after dilution (000)	17,143	17,029	17,140	17,021	17,230	17,111

## Shareholders

As of 30 June 2016	No. of shares	Votes and equity
Staffan Salén and family through companies <sup>1</sup>	4,672,945	27.4%
Försäkringsaktiebolaget Avanza Pension	3,114,621	18.2%
Investment AB Öresund	1,709,983	10.0%
Veralda Investment Ltd	1,132,705	6.6%
PSG Small Cap	410,261	2.4%
Handelsbanken Fonder AB RE JPMEL	405,281	2.4%
Patrik Salén and family through companies <sup>2</sup>	374,000	2.2%
Jan Pettersson	349,000	2.0%
Claes Ruthberg	300,000	1.8%
Unionen	300,000	1.8%
<b>Total</b>	<b>12,768,796</b>	<b>74.7%</b>
Other	4,316,279	25.3%
<b>Total</b>	<b>17,085,075</b>	<b>100%</b>

<sup>1</sup> Salénia AB <sup>2</sup> Jippa Investment AB

## The eWork share



## Financial position

The equity/assets ratio was 4.5% (4.6) at the end of the period. Cash flow from operating activities for the second quarter was SEK 145.8 M (-14.5). Changes in working capital at different reporting dates are mainly due to all payments from clients and consultants being made at month-ends. Accordingly, a modest shift in payments made or received can have a significant effect on cash flow at a specific time.

## Workforce

The average number of employees increased to 216 (171) excluding consultants employed on a project basis. The

increase is a natural consequence of a continued focus on growth, higher net sales and the resulting new appointments.

## Parent Company

The Parent Company's net sales for the second quarter were SEK 1,596 M (1,308). Profit before financial items was SEK 21.4 M (20.0) and profit after tax was SEK 17.1 M (15.4).

The Parent Company's equity at the end of the quarter was SEK 87.6M (77.4) and the equity/assets ratio was 5.0% (5.1). Otherwise, where appropriate, the above comments regarding the Group's financial position also apply to the Parent Company.

## Material risks and uncertainty factors

eWork's material business risks, for the Group and Parent Company, consist of reduced demand for consulting services, difficulties in attracting and retaining skilled staff, credit risks, and to a lesser extent, currency risks. The Company is not aware of any new material business risks in the forthcoming six months. For a more detailed review of material risks and uncertainty factors, please refer to eWork's Annual Report.

## Subsequent events

No significant events have occurred after the end of the reporting period.

## Outlook

eWork is retaining its judgement of the outlook for 2016 presented in the Year-end Report for 2015:

eWork judges that in future, a growing share of the workforce will operate as consultants. The market's long-term consolidation trend is expected to continue, and is expected to generate positive growth potential for eWork in the period 2016 to 2020.

eWork expects demand on the Nordic consulting market to remain strong in 2016 and the consulting market as a whole to grow. This means that the number of new consultant assignments on the market will continue to increase. In addition, new outsourcing deals are anticipated. This trend is expected to generate positive business potential for eWork. eWork has a strong market position and a competitive offering. Accordingly, eWork is expected to continue to outgrow the underlying consulting market on existing geographical markets and in existing skills segments. This means that eWork has the potential to achieve good sales growth with corresponding profit performance in the full year 2016.

Zoran Covic, CEO

Stockholm, Sweden, 20 July 2016

*This Report has not been reviewed by the company's auditors.*

*The information disclosed in this Interim Report is mandatory for eWork Group AB (publ) to publish pursuant to the Swedish Securities Markets Act. This information will be submitted for publication at 08:00 a.m. (CET) on 20 July 2016.*

## Consolidated Statement of Comprehensive Income

SEK 000	Note	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Rolling 4 quarters July 2015- June 2016	Full year 2015
<b>Operating income</b>							
Net sales	I	1,934,266	1,574,566	3,619,143	3,031,952	6,676,270	6,089,079
Work performed by the company for its own use and capitalized		2,498	0	4,500	0	4,500	0
Other operating income		22	-181	30	0	51	21
<b>Total operating income</b>		<b>1,936,786</b>	<b>1,574,385</b>	<b>3,623,673</b>	<b>3,031,952</b>	<b>6,680,821</b>	<b>6,089,100</b>
<b>Operating costs</b>							
Cost of consultants on assignment		-1,844,546	-1,500,324	-3,452,365	-2,888,672	-6,362,912	-5,799,219
Other external costs		-19,432	-14,182	-35,897	-28,301	-65,588	-57,992
Personnel costs		-47,723	-38,016	-90,539	-75,689	-167,533	-152,683
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets		-220	-201	-422	-382	-841	-801
<b>Total operating costs</b>		<b>-1,911,921</b>	<b>-1,552,723</b>	<b>-3,579,223</b>	<b>-2,993,044</b>	<b>-6,596,874</b>	<b>-6,010,695</b>
<b>Operating profit</b>		<b>24,865</b>	<b>21,662</b>	<b>44,450</b>	<b>38,908</b>	<b>83,947</b>	<b>78,405</b>
<b>Profit/loss from financial items</b>							
Net financial items		572	-42	543	-58	54	-547
<b>Profit/loss after financial items</b>		<b>25,437</b>	<b>21,620</b>	<b>44,993</b>	<b>38,850</b>	<b>84,001</b>	<b>77,858</b>
Tax		-6,048	-4,977	-10,704	-8,855	-20,040	-18,191
<b>Profit for the period</b>		<b>19,389</b>	<b>16,643</b>	<b>34,289</b>	<b>29,995</b>	<b>63,961</b>	<b>59,667</b>
<b>Other comprehensive income/costs</b>							
Items that have been reclassified, or are reclassifiable, to profit or loss							
Translation differences on translation of foreign operations for the period		1,474	-382	1,794	-672	757	-1,709
<b>Other comprehensive income/costs for the period</b>		<b>1,474</b>	<b>-382</b>	<b>1,794</b>	<b>-672</b>	<b>757</b>	<b>-1,709</b>
<b>Comprehensive income for the period</b>		<b>20,863</b>	<b>16,261</b>	<b>36,083</b>	<b>29,323</b>	<b>64,718</b>	<b>57,958</b>
<b>Earnings per share</b>							
before dilution (SEK)		1.13	0.98	2.01	1.77	3.74	3.49
after dilution (SEK)		1.13	0.98	2.00	1.76	3.71	3.48
<i>Number of shares outstanding at end of the reporting period:</i>							
before dilution (000)		17,085	16,984	17,085	16,984	17,085	17,085
after dilution (000)		17,133	17,018	17,133	17,018	17,245	17,130
<i>Average number of outstanding shares:</i>							
before dilution (000)		17,085	16,984	17,085	16,984	17,119	17,018
after dilution (000)		17,143	17,029	17,140	17,021	17,230	17,111

## Consolidated Statement of Financial Position

SEK 000	30 June 2016	30 June 2015	31 December 2015
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible non-current assets	4,823	433	313
Property, plant and equipment	1,960	1,612	1,419
Non-current receivables	518	443	486
Deferred tax asset	773	3,056	1,358
<b>Total non-current assets</b>	<b>8,074</b>	<b>5,544</b>	<b>3,576</b>
<b>Current assets</b>			
Accounts receivable - trade	1,793,315	1,630,534	1,667,576
Tax receivables	0	4,365	0
Prepaid expenses and accrued income	41,635	39,056	12,479
Other receivables	18,787	11,203	18,734
Cash and cash equivalents	191,357	32,333	95,578
<b>Total current assets</b>	<b>2,045,094</b>	<b>1,717,491</b>	<b>1,794,367</b>
<b>Total assets</b>	<b>2,053,168</b>	<b>1,723,035</b>	<b>1,797,943</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	2,221	2,207	2,221
Other paid-up capital	37,552	47,238	51,494
Reserves	-4,235	-4,992	-6,029
Retained earnings including profit for the period	57,231	34,854	64,526
<b>Total equity</b>	<b>92,769</b>	<b>79,307</b>	<b>112,212</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	70,023	0	68,590
<b>Total non-current liabilities</b>	<b>70,023</b>	<b>0</b>	<b>68,590</b>
<b>Current liabilities</b>			
Accounts payable - trade	1,842,178	1,552,024	1,567,447
Tax liabilities	2,025	0	484
Other liabilities	18,621	68,524	24,301
Accrued expenses and deferred income	27,552	23,180	24,909
<b>Total current liabilities</b>	<b>1,890,376</b>	<b>1,643,728</b>	<b>1,617,141</b>
<b>Total equity and liabilities</b>	<b>2,053,168</b>	<b>1,723,035</b>	<b>1,797,943</b>

## Consolidated Statement of Changes in Equity

SEK 000	Share capital	Other paid-up capital	Translation reserve	Retained earnings incl. profit for the period	Total equity
<b>Opening equity, 1 Jan. 2015</b>	<b>2,207</b>	<b>62,526</b>	<b>-4,320</b>	<b>65,999</b>	<b>126,412</b>
<b>Comprehensive income for the period</b>					
Profit for the period				29,995	29,995
Other comprehensive income/costs for the period			-672		-672
<b>Comprehensive income for the period</b>			<b>-672</b>	<b>29,995</b>	<b>29,323</b>
<b>Transactions with the Group's shareholders</b>					
Dividends		-15,288		-61,140	-76,428
<b>Closing equity, 30 Jun 2015</b>	<b>2,207</b>	<b>47,238</b>	<b>-4,992</b>	<b>34,854</b>	<b>79,307</b>
<b>Opening equity, 1 Jul 2015</b>	<b>2,207</b>	<b>47,238</b>	<b>-4,992</b>	<b>34,854</b>	<b>79,307</b>
<b>Comprehensive income for the period</b>					
Profit for the period				29,672	29,672
Other comprehensive income/costs for the period			-1,037		-1,037
<b>Comprehensive income for the period</b>			<b>-1,037</b>	<b>29,672</b>	<b>28,635</b>
<b>Transactions with the Group's shareholders</b>					
Warrants exercised by staff	14	4,256			4,270
<b>Closing equity, 31 Dec 2015</b>	<b>2,221</b>	<b>51,494</b>	<b>-6,029</b>	<b>64,526</b>	<b>112,212</b>
<b>Opening equity, 1 Jan. 2016</b>	<b>2,221</b>	<b>51,494</b>	<b>-6,029</b>	<b>64,526</b>	<b>112,212</b>
<b>Comprehensive income for the period</b>					
Profit for the period				34,289	34,289
Other comprehensive income/costs for the period			1,794		1,794
<b>Comprehensive income for the period</b>			<b>1,794</b>	<b>34,289</b>	<b>36,083</b>
<b>Transactions with the Group's shareholders</b>					
Dividends		-13,942		-41,584	-55,526
<b>Closing equity, 30 Jun 2016</b>	<b>2,221</b>	<b>37,552</b>	<b>-4,235</b>	<b>57,231</b>	<b>92,769</b>

## Consolidated Statement of Cash Flows

SEK 000	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Rolling 4 quarters July 2015- June 2016	Full year 2015
<b>Operating activities</b>						
Profit after financial items	25,437	21,620	44,993	38,850	84,001	77,858
Adjustment for items not included in cash flow	220	201	422	382	841	801
Income tax paid	-4,335	-4,296	-8,669	-8,569	-11,152	-11,052
<b>Cash flow from operating activities before changes in working capital</b>	<b>21,322</b>	<b>17,525</b>	<b>36,746</b>	<b>30,663</b>	<b>73,690</b>	<b>67,607</b>
Cash flow from changes in working capital	124,449	-32,039	116,994	-111,179	72,109	-156,064
Increase (-)/Decrease (+) in operating receivables	-38,150	-190,813	-146,204	-433,912	-170,476	-458,184
Increase (+)/Decrease (-) in operating liabilities	162,599	158,774	263,198	322,733	242,585	302,120
<b>Cash flow from operating activities</b>	<b>145,771</b>	<b>-14,514</b>	<b>153,740</b>	<b>-80,516</b>	<b>145,799</b>	<b>-88,457</b>
<b>Investing activities</b>						
Acquisition of property, plant & equipment	-643	-176	-806	-869	-930	-993
Acquisition of intangible assets	-2,612	-24	-4,614	-24	-4,614	-24
<b>Cash flow from investing activities</b>	<b>-3,255</b>	<b>-200</b>	<b>-5,420</b>	<b>-893</b>	<b>-5,544</b>	<b>-1,017</b>
<b>Financing activities</b>						
Warrants exercised	0	0	0	0	4,270	4,270
Dividend paid to Parent Company shareholders	-55,526	-76,428	-55,526	-76,428	-55,526	-76,428
Borrowings	50,003	0	1,433	0	70,023	68,590
<b>Cash flow from financing activities</b>	<b>-5,523</b>	<b>-76,428</b>	<b>-54,093</b>	<b>-76,428</b>	<b>18,767</b>	<b>-3,568</b>
<b>Cash flow for the period</b>	<b>136,993</b>	<b>-91,142</b>	<b>94,227</b>	<b>-157,837</b>	<b>159,022</b>	<b>-93,042</b>
Cash and cash equivalents at beginning of period	53,202	123,661	95,578	190,506	32,333	190,506
Exchange rate difference	1,162	-186	1,552	-336	2	-1,886
<b>Cash and cash equivalents at end of period</b>	<b>191,357</b>	<b>32,333</b>	<b>191,357</b>	<b>32,333</b>	<b>191,357</b>	<b>95,578</b>

## Parent Company Income Statement

SEK 000	April-June 2016	April-June 2015	January-June 2016	January-June 2015	Rolling 4 quarters July 2015- June 2016	Full year 2015
<b>Operating income</b>						
Net sales	1,590,513	1,304,663	2,987,274	2,506,683	5,517,128	5,036,537
Work performed by the company for its own use and capitalized	2,498	0	4,500	0	4,500	
Other operating income	3,380	3,389	7,076	6,196	12,456	11,576
<b>Total operating income</b>	<b>1,596,391</b>	<b>1,308,052</b>	<b>2,998,850</b>	<b>2,512,879</b>	<b>5,534,084</b>	<b>5,048,113</b>
<b>Operating costs</b>						
Cost of consultants on assignment	-1,521,615	-1,246,300	-2,858,825	-2,394,215	-5,273,246	-4,808,636
Other external costs	-16,367	-12,164	-30,180	-24,165	-54,811	-48,796
Personnel costs	-36,888	-29,391	-68,920	-58,231	-126,243	-115,554
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets	-164	-159	-320	-306	-642	-628
<b>Total operating costs</b>	<b>-1,575,034</b>	<b>-1,288,014</b>	<b>-2,958,245</b>	<b>-2,476,917</b>	<b>-5,454,942</b>	<b>-4,973,614</b>
<b>Operating profit</b>	<b>21,357</b>	<b>20,038</b>	<b>40,605</b>	<b>35,962</b>	<b>79,142</b>	<b>74,499</b>
<b>Profit/loss from financial items</b>						
Other interest income and similar items	958	3	1,087	23	1,270	206
Interest expense and similar items	-203	-217	-270	-413	-1,291	-1,434
<b>Profit after financial items</b>	<b>22,112</b>	<b>19,824</b>	<b>41,422</b>	<b>35,572</b>	<b>79,121</b>	<b>73,271</b>
Tax	-4,985	-4,444	-9,275	-7,970	-17,731	-16,426
<b>Profit for the period *</b>	<b>17,127</b>	<b>15,380</b>	<b>32,147</b>	<b>27,602</b>	<b>61,390</b>	<b>56,845</b>

\* Profit for the period corresponds to comprehensive income for the period.

## Parent Company Balance Sheet

SEK 000	30 June 2016	30 June 2015	31 December 2015
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible non-current assets	4,823	433	313
Property, plant and equipment	1,070	1,023	832
<b>Financial non-current assets</b>			
Other non-current receivables	45	0	45
Participations in Group companies	22,084	20,972	22,072
<b>Total financial non-current assets</b>	<b>22,129</b>	<b>20,972</b>	<b>22,117</b>
<b>Total non-current assets</b>	<b>28,022</b>	<b>22,428</b>	<b>23,262</b>
<b>Current assets</b>			
Accounts receivable - trade	1,502,553	1,429,376	1,466,885
Receivables from Group companies	20,768	16,674	22,390
Tax receivables	0	4,423	0
Other receivables	918	704	5,952
Prepaid expenses and accrued income	29,269	28,317	6,922
Cash and bank balances	164,377	8,294	64,555
<b>Total current assets</b>	<b>1,717,885</b>	<b>1,487,788</b>	<b>1,566,704</b>
<b>Total assets</b>	<b>1,745,907</b>	<b>1,510,216</b>	<b>1,589,966</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital (17,085,075 shares with par value of SEK 0.13)	2,221	2,208	2,221
Statutory reserve	6,355	6,355	6,355
Development fund	4,500	0	0
<b>Total restricted equity</b>	<b>13,076</b>	<b>8,563</b>	<b>8,576</b>
<b>Non-restricted equity</b>			
Share premium reserve	46,880	41,279	45,535
Retained earnings	-4,500	0	0
Profit for the period	32,147	27,602	56,845
<b>Total non-restricted equity</b>	<b>74,527</b>	<b>68,881</b>	<b>102,380</b>
<b>Total equity</b>	<b>87,603</b>	<b>77,444</b>	<b>110,956</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	70,023	0	68,590
<b>Total non-current liabilities</b>	<b>70,023</b>	<b>0</b>	<b>68,590</b>
<b>Current liabilities</b>			
Accounts payable - trade	1,553,506	1,354,299	1,375,339
Tax liabilities	1,561	0	794
Other liabilities	14,844	64,420	20,098
Accrued expenses and deferred income	18,370	14,053	14,189
<b>Total current liabilities</b>	<b>1,588,281</b>	<b>1,432,772</b>	<b>1,410,420</b>
<b>Total equity and liabilities</b>	<b>1,745,907</b>	<b>1,510,216</b>	<b>1,589,966</b>

### Accounting policies

The Interim Report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the appropriate provisions of the Swedish

Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. The same accounting principles and basis of

calculation have been applied as in the Annual Report for 2015. At present, the operation in Poland is reported under the Sweden segment.

## Notes on the financial statements

### The Group's operating segments

#### The second quarter 2016 compared to the corresponding period 2015

SEK 000	Sweden Apr-Jun		Norway Apr-Jun		Denmark Apr-Jun		Finland Apr-Jun		Total Apr-Jun	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Income from clients	1,598,375	1,304,663	121,053	96,208	115,837	88,196	99,001	85,499	1,934,266	1,574,566
Profit per segment	36,556	31,696	3,425	1,594	2,951	2,630	1,119	824	44,051	36,744
Group-wide expenses	-15,981	-12,102	-928	-915	-1,080	-905	-1,197	-1,160	-19,186	-15,082
<b>Operating profit/loss</b>	<b>20,575</b>	<b>19,594</b>	<b>2,497</b>	<b>679</b>	<b>1,871</b>	<b>1,725</b>	<b>-78</b>	<b>-336</b>	<b>24,865</b>	<b>21,662</b>
Net financial items	-	-	-	-	-	-	-	-	572	-42
<b>Profit/loss for the period before tax</b>									<b>25,437</b>	<b>21,620</b>

#### First half-year 2016 compared to the corresponding period 2015

SEK 000	Sweden Jan-Jun		Norway Jan-Jun		Denmark Jan-Jun		Finland Jan-Jun		Total Jan-Jun	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Income from clients	2,996,451	2,506,683	224,081	184,827	215,844	171,837	182,767	168,605	3,619,143	3,031,952
Profit per segment	66,663	59,826	5,569	2,749	4,978	4,870	1,680	1,580	78,890	69,025
Group-wide expenses	-27,673	-24,308	-1,955	-1,821	-2,275	-1,712	-2,537	-2,276	-34,440	-30,117
<b>Operating profit/loss</b>	<b>38,990</b>	<b>35,518</b>	<b>3,614</b>	<b>928</b>	<b>2,703</b>	<b>3,158</b>	<b>-857</b>	<b>-696</b>	<b>44,450</b>	<b>38,908</b>
Net financial items	-	-	-	-	-	-	-	-	543	-58
<b>Profit/loss for the period before tax</b>									<b>44,993</b>	<b>38,850</b>

## Definitions

*A number of measures and key indicators appearing in the Interim Report are defined below. Most should be considered generally accepted, and of such nature that they could be expected to be presented in this Interim Report to give a view of the Group's results of operations, profitability and financial position. Most measures and key indicators are directly reconcilable with the financial statements.*

### **Earnings per share**

Profit after tax in relation to the number of shares.

### **Consultants on assignment**

The number of consultants working on active full or part-time assignments

### **Equity/assets ratio**

Equity in relation to total assets.

### **Equity per share**

Equity in relation to the number of shares outstanding before dilution at the end of the period.

### **Interest-bearing assets**

Cash and cash equivalents.

### **Net interest-bearing assets**

Cash and cash equivalents less non-interest-bearing liabilities

### **Operating margin, EBIT**

Operating profit in relation to net sales.

### **Operating profit, EBIT**

Operating profit

### **Profit margin**

Profit before tax in relation to net sales.

### **Order intake**

Ordered net sales on new or extended consulting assignment contracts in the period.

### **Quick ratio**

Current assets in relation to current liabilities.

### **Return on equity**

Profit after tax in relation to average equity.

### **Sales growth**

Net sales for the period less net sales for the comparative period in relation to net sales for the comparative period.

### **Working capital**

Current assets less current liabilities.

eWork Group is a market-leading, independent consultant provider active in northern Europe focusing on IT, telecom, technology and business development. With no consultants employed, eWork is able to match each assignment with appropriate competence from the whole market impartially. eWork was founded in Sweden in 2000, and is now active in Sweden, Denmark, Norway, Finland and Poland. The company has framework agreements with over 160 leading corporations in most sectors, while simultaneously managing 6,000 consultants on assignment. eWork's headquarters are in Stockholm, Sweden. eWork's shares are quoted on Nasdaq Stockholm.

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The logo for eWork, featuring the word "ework" in a bold, lowercase, sans-serif font.

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**Reporting calendar**

21 October 2016

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July-September 2016

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