ADDTECH

YEAR-END REPORT 1 APRIL 2017 - 31 MARCH 2018

FOURTH QUARTER (1 JANUARY - 31 MARCH 2018)

- **Net sales** increased by 9 percent and amounted to SEK 2,121 million (1,941).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 15 percent and amounted to SEK 221 million (193) corresponding to an EBITA-margin of 10.4 percent (10.0).
- **Operating profit** increased by 13 percent and amounted to SEK 184 million (163) corresponding to an operating margin of 8.7 percent (8.4).
- **Profit after tax** increased by 14 percent and amounted to SEK 133 million (118) and **earnings per share before dilution** amounted to SEK 1.95 (1.75).
- Niklas Stenberg appointed new President and CEO of Addtech and takes over in connection with the Annual General Meeting 30 August 2018.

FULL YEAR (1 APRIL 2017 - 31 MARCH 2018)

- **Net sales** increased by 12 percent and amounted to SEK 8,022 million (7,178).
- **Operating profit before amortisation of intangible non-current assets (EBITA)** increased by 17 percent and amounted to SEK 838 million (715) corresponding to an EBITA-margin of 10.5 percent (10.0).
- **Operating profit** increased by 16 percent and amounted to SEK 701 million (604) corresponding to an operating margin of 8.7 percent (8.4).
- **Profit after tax** increased by 17 percent and amounted to SEK 526 million (450) and **earnings per share before dilution** amounted to SEK 7.70 (6.60).
- **Return on working capital (P/WC)** amounted to 53 percent (53) and **return on equity** amounted to 28 percent (28).
- **The equity ratio** amounted to 39 percent (39).
- **Cash flow from operating activities** amounted to SEK 539 million (551) and **cash flow from operating activities per share** amounted to SEK 8.05 (8.25).
- Since the start of the financial year we have completed eleven acquisitions with total annual sales of about SEK 700 million.
- The Board of Directors proposes a **dividend** of SEK 4.00 per share (3.50).

Group Summary	3 months			Rolling 12 months		
SEKm	31 Mar 2018	31 Mar 2017	Δ	31 Mar 2018	31 Mar 2017	Δ
Net sales	2,121	1,941	9%	8,022	7,178	12%
EBITA	221	193	15%	838	715	17%
EBITA margin, %	10.4	10.0		10.5	10.0	
Profit after financial items	168	154	10%	665	580	15%
Profit for the period	133	118	14%	526	450	17%
Earnings per share before dilution, SEK	1.95	1.75	11%	7.70	6.60	17%
Earnings per share after dilution, SEK	1.95	1.70	15%	7.65	6.55	17%
Cash flow from operating activities per share, SEK	-	-		8,05	8.25	
Return on equity, %	28	28		28	28	
Equity ratio, %	39	39		39	39	

Comparisons in parentheses refer to the corresponding period of the previous year, unless stated otherwise.

CEO'S COMMENTS

FOURTH QUARTER - A GOOD END TO ANOTHER SUCCESSFUL YEAR

As in previous quarters, the fourth quarter of the financial year was characterised by a favourable climate for business, with good demand in most of our geographical markets and most customer segments. Sales increased by 9 percent, mainly driven by our acquisitions, and we achieved a profit growth of 15 percent. As a result, our operating margin continued to increase compared with the previous year. Overall, the acquisitions made contributed in line with expectations.

The Components Business Area again delivered a good quarter, via both organic growth and several acquisitions. The Energy Business Area reported weaker growth relative to a very strong quarter in the previous year, but maintained a high operating margin. Industrial Process is benefiting from generally favourable market conditions, and delivered good profit growth. Power Solutions is performing at a stable level overall in view of the disposal carried out earlier in the financial year.

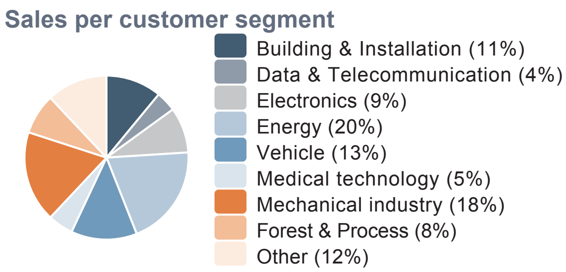
FULL YEAR OUTCOMES EXCEED OUR FINANCIAL TARGETS

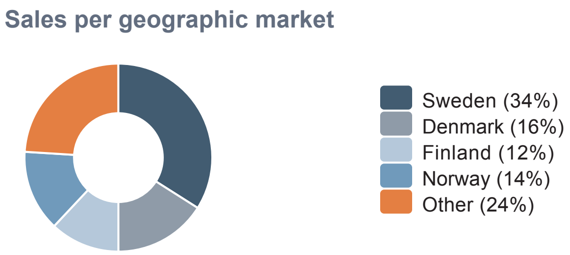
At Addtech, 2017/2018 was a strong year, characterised by high activity, a favourable business climate and stable to rising demand in most of our markets. We can proudly state that once again, we exceeded our financial targets. Sales surpassed SEK 8 billion, with growth of 12 percent, of which 5 percent organic growth. Our profit growth, measured as EBITA, was 17 percent and our focused work on continuous development – while keeping costs under control – delivered a higher operating margin. Return on working capital (P/WC) amounted to 53 percent.

MARKET DEVELOPMENT

From a geographical perspective, our highest rate of growth was in Denmark, followed by Sweden, Finland and Norway. Our business volume outside the Nordic region expanded considerably over the year, through both strong organic growth and acquisitions.

With regard to demand in our various customer segments, we increased sales of production components to manufacturers of, for example, special vehicles, machinery, electronics, wind power and marine vessels. Demand from customers was stable in medical technology and oil & gas, but was lower from customers in the telecom segment. Demand for aftermarket products for the manufacturing industry continued to increase, while the pace of investment in the forest and process industry was relatively stable overall. Sales of infrastructure products to power grid companies in the Nordic region were stable overall. Demand for electricity-related products from building and installation customers continued to grow strongly.





ACQUISITIONS

Acquisitions remain an important part of our strategy, in order partly to create opportunities for gaining market-leading positions in various niches and partly as a way of achieving our ambition to establish long-term profitable growth. We maintained a high pace of acquisitions and ended our business year with a total of eleven completed acquisitions that contribute annual sales of around SEK 700 million. Since the end of the financial year, we have acquired four companies with aggregate annual sales of around SEK 230 million. Our business model attracts owners and entrepreneurs wishing to retain their system of decentralised responsibility, but also to gain support for development via an active, long-term owner.

Johan Sjö,
President and CEO

GROUP DEVELOPMENT

SALES DEVELOPMENT

Net sales in the Addtech Group increased during the fourth quarter by 9 percent to SEK 2,121 million (1,941). The organic growth amounted to 1 percent, acquired growth amounted to 9 percent and disposal affected by -2 percent. Exchange rate changes had a positive effect of 1 percent on net sales, corresponding to SEK 25 million.

Net sales in the Addtech Group increased during the financial year by 12 percent to SEK 8,022 million (7,178). The organic growth amounted to 5 percent, acquired growth amounted to 8 percent and disposal affected by -2 percent. Exchange rate changes had a positive effect of 1 percent on net sales, corresponding to SEK 46 million.

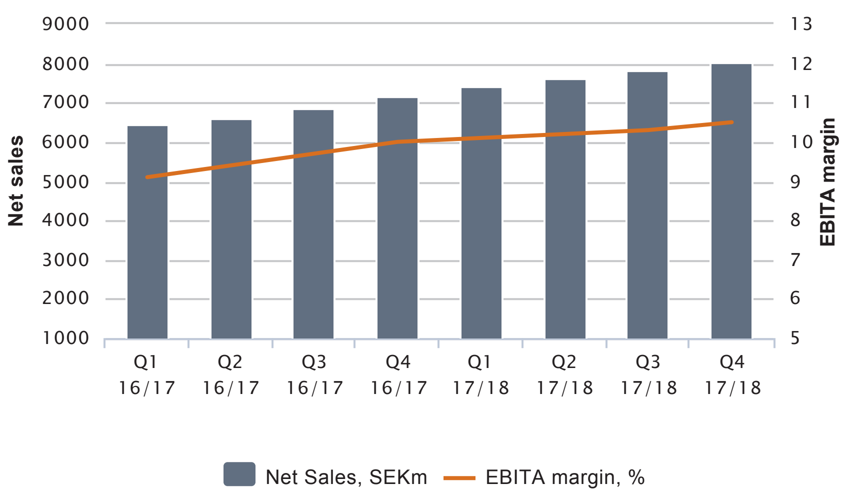
PROFIT DEVELOPMENT

Operating profit increased during the quarter by 13 percent to SEK 184 million (163) and the operating margin amounted to 8.7 percent (8.4). Net financial items amounted to SEK -16 million (-9) and profit after financial items increased by 10 percent to SEK 168 million (154). Profit after tax increased by 14 percent to SEK 133 million (118) corresponding to earnings per share before dilution of SEK 1.95 (1.75).

Operating profit increased during the financial year by 16 percent to SEK 701 million (604) and the operating margin amounted to 8.7 percent (8.4). Net financial items were SEK -36 million (-24) and profit after financial items increased by 15 percent to SEK 665 million (580).

Profit after tax for the financial year increased by 17 percent to SEK 526 million (450) and the effective tax rate amounted to 21 percent (22). Earnings per share before dilution for the financial year amounted to SEK 7.70 (6.60).

Net sales and EBITA margin, rolling 12 months



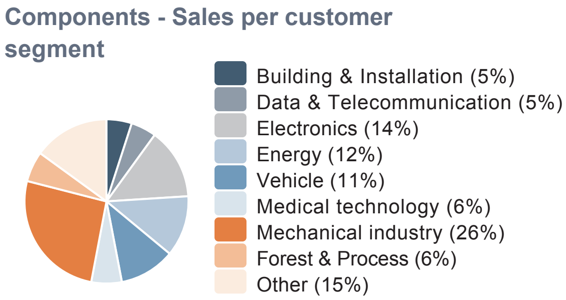
DEVELOPMENT IN THE BUSINESS AREAS

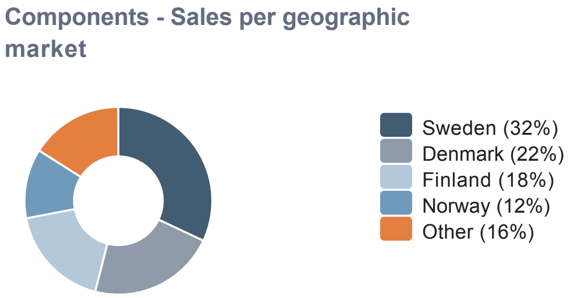
COMPONENTS

Net sales in Components increased in the fourth quarter by 25 percent to SEK 848 million (675) and EBITA increased by 35 percent to SEK 79 million (58). Net sales during the financial year increased by 27 percent to SEK 3,001 million (2,355) and EBITA increased by 52 percent to SEK 284 million (187).

Market

Strong organic sales growth, in combination with several acquisitions, again created strong earnings growth during the quarter and further good increase in our operating margin. In our businesses in Sweden, Denmark and Finland, demand for production components from Nordic manufacturing companies remained very high. We recorded strong demand from most major customer segments, including machinery production, electronics, special vehicles and wind power. Sales in Norway were stable overall, and we are beginning to see signs of increased activity – from a very low level – in the oil & gas customer segment.



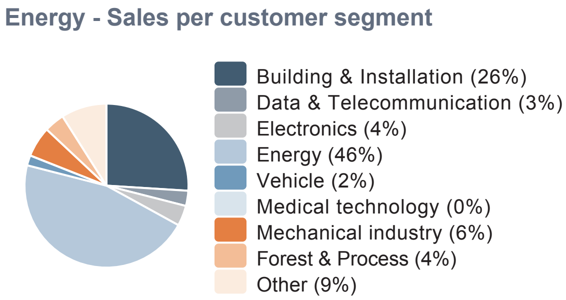


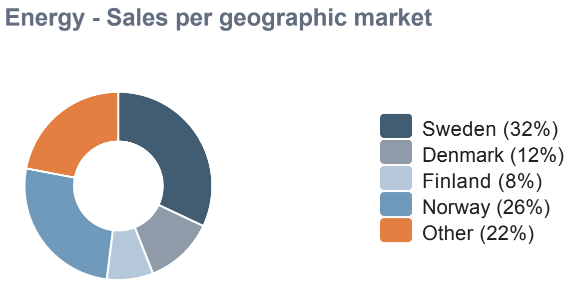
ENERGY

Net sales in Energy increased in the fourth quarter by 1 percent to SEK 467 million (461) and EBITA amounted to SEK 56 million (59). Net sales during the financial year increased by 2 percent to SEK 1,846 million (1,807) and EBITA amounted to SEK 215 million (225).

Market

Sales of infrastructure products to the primary and regional grids in the Nordic region were stable overall during the quarter. Willingness to invest is good and, given the intensified competition we noted during the year, we are focusing on business deals offering a good operating margin. For our subsidiaries operating in the area of niche products for power distribution, the market situation varies but is relatively stable overall. Demand for cable products for the manufacturing industry and for electrical installation products continued to rise.





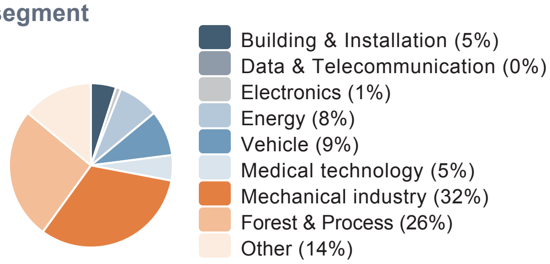
INDUSTRIAL PROCESS

Net sales in Industrial Process increased in the fourth quarter by 6 percent to SEK 445 million (419) and EBITA increased by 18 percent to SEK 38 million (32). Net sales during the financial year increased by 6 percent to SEK 1,677 million (1,585) and EBITA increased by 14 percent to SEK 142 million (125).

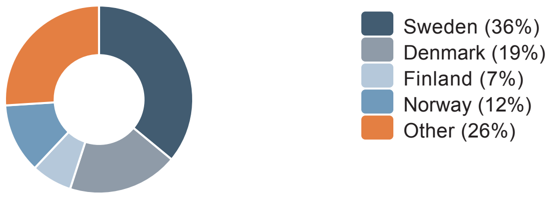
Market

Good organic growth, combined with successful efficiency activities drive produced strong growth in earnings and a clear improvement in operating margin. Sales to the manufacturing industry continued to show positive growth, above all in customer segments such as the mechanical industry and special vehicles. Demand also increased from customers in the process industry and the marine market as a result of stricter requirements for measuring and removal of emissions.

Industrial Process - Sales per customer segment



Industrial Process - Sales per geographic market



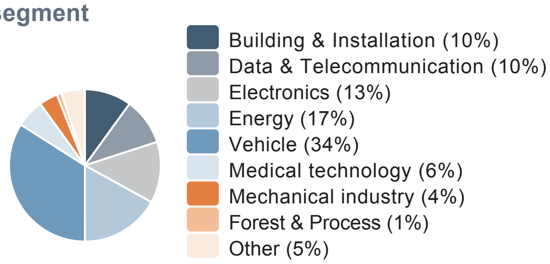
POWER SOLUTIONS

Net sales in Power Solutions in the fourth quarter amounted to SEK 365 million (387) and EBITA increased by 6 percent to SEK 50 million (47). Net sales during the financial year increased by 5 percent to SEK 1,510 million (1,439) and EBITA increased by 6 percent to SEK 198 million (187).

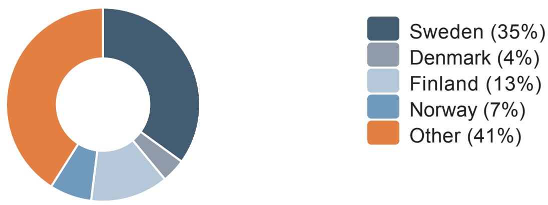
Market

Business conditions continued to vary among different customer and product segments, but overall demand was stable during the quarter. The biggest customer segment in the business area, special vehicles, showed high demand, and we increased sales of control and ergonomics products. The market for new types of battery technologies developed strongly, while demand for traditional battery solutions declined. In the telecom and wind power customer segments, business conditions remained weak, whereas demand from electronics related customers increased.

Power Solutions - Sales per customer segment



Power Solutions - Sales per geographic market



OTHER FINANCIAL INFORMATION

PROFITABILITY, FINANCIAL POSITION AND CASH FLOW

The return on equity at the end of the financial year was 28 percent (28), and return on capital employed was 22 percent (23). Return on working capital P/WC (EBITA in relation to working capital) amounted to 53 percent (53).

At the end of the financial year the equity ratio amounted to 39 percent (39). Equity per share, excluding non-controlling interest, totalled SEK 31.10 (25.45). The Group's net debt at the end of the year amounted to SEK 1,176 million (801), excluding pension liabilities of SEK 229 million (210). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions, amounted to 0.6 (0.5).

Cash and cash equivalents consisting of cash and bank equivalents and approved but non-utilised credit facilities amounted to SEK 573 million (818) at 31 March 2018.

Cash flow from operating activities amounted to SEK 539 million (551) during the financial year. Changes in working capital consist mainly of higher accounts receivable. Company acquisitions and disposals including settlement of contingent consideration regarding acquisitions implemented in previous years amounted to SEK 477 million (335). Investments in non-current assets totalled SEK 54 million (68) and disposal of non-current assets amounted to SEK 7 million (5). Dividend from associated company amounted to SEK 4 million (3). Repurchase of treasury shares amounted to SEK 31 million (40) and repurchase of call options amounted to SEK 5 million (6). Exercised and issued call options totalled SEK 36 million (18). Dividends paid to the shareholders of the Parent Company totalled SEK 235 million (218), corresponding to SEK 3.50 (3.25) per share.

EMPLOYEES

At the end of the financial year, the number of employees was 2,358, compared to 2,176 at the beginning of the financial year. During the financial year, implemented acquisitions and the disposal increased the number of employees by 155. The average number of employees in the latest 12-month period was 2,283.

OWNERSHIP STRUCTURE

At the end of the financial year the share capital stood at SEK 51.1 million.

Class of shares	Number of shares	Number of votes	Percentage of capital	Percentage of votes
Class A shares, 10 votes per share	3,229,500	32,295,000	4.7	33.2
Class B shares, 1 vote per share	64,968,996	64,968,996	95.3	66.8
Total number of shares before repurchases	**68,198,496**	**97,263,996**	**100.0**	**100.0**
Of which repurchased class B shares	1,206,145		1.8	1.2
Total number of shares after repurchases	**66,992,351**			

Addtech has four outstanding call option programmes, se table below. Call options issued on repurchased shares entail a dilution effect of about 0.3 percent during the latest 12-month period. Addtech's own shareholdings are estimated to meet the needs of the outstanding call option programmes.

Outstanding programme	Number of options	Corresponding number of shares	Proportion of total shares	Initial exercise price	Adjusted exercise price	Expiration period
2017/2021	300,000	300,000	0.4%	178.50	-	14 Sep 2020 - 4 Jun 2021
2016/2020	300,000	300,000	0.4%	159.00	-	16 Sep 2019 - 5 Jun 2020
2015/2019	350,000	430,500	0.6%	154.50	125.10	17 Sep 2018 - 3 Jun 2019
2014/2018	178,600	219,678	0.3%	116.70	94.50	17 Sep 2017 - 1 Jun 2018
Total	**1,128,600**	**1,250,178**				

ACQUISITIONS

During the period 1 April to 31 December 2017, the following acquisitions have been completed; Dovitech A/S, Altitech A/S, Ingenjörsfirma Pulsteknik AB, Sensor ECS A/S, Fintronic Oy and STIGAB Stig Ödlund AB to become part of the Components business area and Craig & Derricott Holdings Ltd and the Mobile Control Systems Companies to become part of the Power Solutions business area. The Group has also sold Batteriunion i Järfälla AB, formerly part of the Power Solutions Business Area.

On 2 January 2018, Finn-Jiit Oy, Finland, was acquired to become part of the Components business area. Finn-Jiit delivers customised subsystems in the field of machine components and flow technology. The business is mainly focused on the Nordic OEM market. The company has sales of around EUR 4 million, and ten employees.

On 2 January 2018, 2 Wave Systems AB, Sweden, was acquired to become part of the Components business area. 2 Wave Systems offers fibre and copper testing tools, and primarily has installation and telecom companies and network owners as customers. The company has sales of around SEK 16 million, and two employees. The operations will become part of an existing company.

On 3 January 2018, IPAS AS, Norway, was acquired to become part of the Energy business area. IPAS is a well established supplier of products and solutions within professional lighting in Norway. The company is established in the segments industrial lighting, outdoor lighting and indoor lighting. The products are sold to installers, wholesalers, industry and municipalities. The company has sales of around NOK 40 million, and ten employees.

Acquisitions (disposals)	Closing	Net sales, SEKm*	Number of employees*	Business Area
Sammet Dampers Oy, Finland	April, 2016	45	12	Industrial Process
Poryan China Company Ltd, China	April, 2016	50	22	Power Solutions
E.T.S. Portsmouth Ltd, Great Britain	April, 2016	100	35	Energy
Elektro-Tukku Oy, Finland	May, 2016	8	3	Components
Penlink AB, Sweden	October, 2016	25	5	Components
Itek AS, Norway	November, 2016	65	13	Industrial Process
Carmac Inc (assets and liabilities), USA	December. 2016	10	2	Power Solutions
Sensor Companies, Sweden	January, 2017	160	30	Components
Vallentin Elektronik A/S, Denmark	January, 2017	20	4	Components
EX-Tekniikka Oy, Finland	March, 2017	20	3	Components
Dovitech A/S, Denmark	April, 2017	100	5	Components
Craig & Derricott Holdings Ltd, Great Britain	April, 2017	110	90	Power Solutions
Altitech A/S, Denmark	June, 2017	15	5	Components
(Batteriunion i Järfälla AB, Sweden)	(June, 2017)	(140)	(16)	(Power Solutions)
Mobile Control Systems Companies, Belgium	October, 2017	50	17	Power Solutions
Ingenjörsfirma Pulsteknik AB, Sweden	November, 2017	50	10	Components
Sensor ECS A/S, Denmark	November, 2017	155	9	Components
Fintronic Oy (assets and liabilities), Finland	December, 2017	7	1	Components
STIGAB Stig Ödlund AB, Sweden	December, 2017	115	12	Components
Finn-Jiit Oy, Finland	January, 2018	40	10	Components
2 Wave Systems AB, Sweden	January, 2018	16	2	Components
IPAS AS, Norway	January, 2018	40	10	Energy
Synthecs Group, Netherlands	April, 2018	145	50	Components
Xi Instrument AB, Sweden	April, 2018	13	2	Energy
KRV AS, Norway	April, 2018	55	27	Industrial Process
Scanwill Fluid Power ApS, & Willtech ApS, Denmark	April, 2018	15	4	Components

* Refers to assessed condition at the time of acquisition and disposal, respectively, on a full-year basis.

If all acquisitions during the financial year had been completed on 1 April 2017, their impact would have been an estimated SEK 700 million on Group net sales, about SEK 62 million on operating profit and about SEK 47 million on profit after tax for the period.

Addtech normally employs an acquisition structure comprising basic purchase consideration and contingent purchase consideration. The outcome of contingent purchase considerations is determined by the future results achieved in the companies and is subject to a set maximum level. Of considerations not yet paid for acquisitions during the period, the discounted value amounts to SEK 149 million. The contingent purchase considerations fall due for payment within three years and the outcome is subject to a maximum of SEK 182 million. If the conditions are not fulfilled, the outcome may fall within the range of SEK 0-182 million.

For acquisitions that resulted in an ownership transfer during the financial year, transaction costs totalled SEK 6 million (7) and are reported under selling expenses.

During the financial year contingent consideration was net revalued to SEK 9 million (12). The impact on profits is recognised in other operating income and other operating expenses, respectively.

According to the preliminary acquisitions analyses, the assets and liabilities included in the acquisitions were as follows, during the year:

SEK, m	Carrying amount at acquisition date	Adjustment to fair value	Fair value
Intangible non-current assets	0	323	323
Other non-current assets	10	-	10
Inventories	67	-	67
Other current assets	198	-	198
Deferred tax liability/tax asset	-1	-69	-70
Other liabilities	-166	-8	-174
Acquired net assets	**108**	**246**	**354**
Goodwill			314
Non-controlling interests			-
Consideration 1)			**668**
Less: cash and cash equivalents in acquired businesses			-50
Less: consideration not yet paid			-170
Effect on the Group’s cash and cash equivalents			**448**

1) The consideration is stated excluding acquisition expenses.

PARENT COMPANY

Parent Company net sales amounted to SEK 58 million (54) and profit after financial items was SEK 247 million (312). Net investments in non-current assets were SEK 0 million (0). The Parent Company's net financial liabilities was SEK 69 million (88) at the end of the period.

OTHER DISCLOSURES

ACCOUNTING POLICIES

This interim report was prepared as per International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting. The accounting policies and basis for calculations applied in the latest annual report were also used here. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act and the Securities Market Act, in compliance with recommendation RFR 2 Accounting for Legal Entites, of the Swedish Financial Reporting Board. The new and revised IFRS standards and IFRIC interpretations that come into force as of the 2016/2017 financial year have had no material effect on the Group's financial reports. Disclosure in accordance with IAS 34.16A is presented both in the financial statements and related notes, as well as in other parts of the interim report.

The new and revised IFRSs or IFRIC interpretations that are applicable as of the 2017/2018 financial year have not had any material impact on the Group’s financial statements. Preparations for the new IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers standards, have been made. Our view is that ultimately these standards will not have any material impact on the Group’s financial performance and position at adoption on 1 April 2018.

ALTERNATIVE PERFOMANCE MEASURES

The Company presents certain financial measures in the interim report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way, they are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. For definitions of the performance measures that Addtech uses, please see page 19.

RISKS AND FACTORS OF UNCERTAINTY

Addtech's profit and financial position, as well as its strategic position, are affected by a number of internal factors under Addtech's control and by a number of external factors over which Addtech has limited influence. The most important risk factors for Addtech are the state of the economy, combined with structural change and the competitive situation. Risk and uncertainty factors are the same as in previous periods, please see section Risks and uncertainties (page 22-25) in the annual report for 2016/2017 for further details. The Parent Company is indirectly affected by the above risks and uncertainty factors due to its role in the organisation.

TRANSACTIONS WITH RELATED PARTIES

No transactions between Addtech and related parties that have significantly affected the Group's position and earnings have taken place during the period.

SEASONAL EFFECTS

Addtech's sales of high-tech products and solutions in the manufacturing industry and infrastructure are not subject to major seasonal variations. The number of production days and customers' demand and willingness to invest can vary over the quarters.

ANNUAL REPORT 2017/2018

The annual report for 2017/2018 will be published on Addtech’s website www.addtech.com in July 2018. A printed version will be distributed to the shareholders who request this.

ANNUAL GENERAL MEETING 2018

The Annual General Meeting (AGM) of Addtech AB will take place at 4:00 p.m on Thursday 30 August 2018 at IVA at the address Grev Turegatan 16 in Stockholm. A notice of the AGM will be published in July 2018 and will also be available on www.addtech.com.

The Board of Directors proposes dividend of SEK 4.00 (3.50) per share, which corresponds to a dividend payment of about SEK 268 million (235), which is in line with Addtech's dividend policy with the objective of a dividend that exceeds 30 percent of average Group profit after tax over a business cycle.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

On 3 April 2018, Synthecs Group, Netherlands, was acquired to become part of the Components business area. The group provides automation components and systems in the field of sensors, machine vision, industrial PC' s, Plc's etc. to the industrial sector in the Benelux. The company has sales of around EUR 14 million and 50 employees.

On 3 April 2018, Addtech acquired Xi Instrument AB, Sweden, to become part of the Energy Business Area. Xi Instrument imports electronic devices primarily for use in equipment for locating underground utilities. The company has sales of about SEK 13 million and two employees.

On 9 April 2018, KRV AS, Norway, was acquired to become part of the Industrial Process business area. KRV is a leading supplier and installer of sprinkler systems in Norway. The company has sales of about NOK 50 million and 27 employees.

On 9 April 2018, Scanwill Fluid Power ApS and Willtech ApS, Denmark, were acquired to become part of the Components Business Area. ScanWill designs and manufactures hydraulic pressure boosters, while Willtech produces expansion plugs for permanently sealing drilled holes in metal. The companies are being merged under the name of ScanWill and have sales of about DKK 13 million. The companies have four employees.

Stockholm, 15 May 2018

Johan Sjö
President and CEO

FURTHER INFORMATION

PUBLICATION

This information is information that Addtech AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 8.15 a.m CET on 15 May 2018.

FUTURE INFORMATION

July 2018	Annual report 2017/2018
2018-07-13	Interim report 1 April - 30 June 2018
2018-08-30	The Annual General Meeting 2018
2018-10-25	Interim report 1 April - 30 September 2018
2019-02-07	Interim report 1 April - 31 December 2018

FOR FURTHER INFORMATION, PLEASE CONTACT:

Johan Sjö, CEO and President, +46 8 470 49 00
Christina Kassberg, CFO, +46 8 470 49 00

REVIEW REPORT

INTRODUCTION

We have reviewed the summary interim financial information (year-end report) of Addtech AB (publ.) as of 31 March 2018 and the twelve-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 15 May 2018

KPMG AB	KPMG AB
Joakim Thilstedt *Authorised Public Accountant* *Auditor in Charge*	Jonas Eriksson *Authorised Public Accountant*

BUSINESS AREAS

Net sales by business area	2017/2018				2016/2017			
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Components	848	767	679	707	675	579	520	581
Energy	467	442	471	466	461	465	439	442
Industrial Process	445	426	402	404	419	415	380	371
Power Solutions	365	398	343	404	387	362	322	368
Group items	-4	-3	-3	-2	-1	-2	-3	-2
Addtech Group	**2,121**	**2,030**	**1,892**	**1,979**	**1,941**	**1,819**	**1,658**	**1,760**

EBITA by business area	2017/2018				2016/2017			
Quarterly data, SEKm	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Components	79	68	70	67	58	38	44	47
Energy	56	44	60	55	59	52	57	57
Industrial Process	38	32	39	33	32	29	33	31
Power Solutions	50	50	47	51	47	46	48	46
Parent Company and Group items	-2	-4	-3	8	-3	-5	1	-2
EBITA	**221**	**190**	**213**	**214**	**193**	**160**	**183**	**179**
Depr. of intangible non-current assets	-37	-35	-32	-33	-30	-28	-27	-26
– of which acquisitions	-36	-34	-31	-32	-29	-27	-26	-25
Operating profit	**184**	**155**	**181**	**181**	**163**	**132**	**156**	**153**

Net sales	3 months		Rolling 12 months	
SEKm	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Components	848	675	3,001	2,355
Energy	467	461	1,846	1,807
Industrial Process	445	419	1,677	1,585
Power Solutions	365	387	1,510	1,439
Group items	-4	-1	-12	-8
Addtech Group	**2,121**	**1,941**	**8,022**	**7,178**

EBITA and EBITA margin	3 months				Rolling 12 months			
	31 Mar 2018		31 Mar 2017		31 Mar 2018		31 Mar 2017	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Components	79	*9.3*	58	*8.7*	284	*9.5*	187	*8.0*
Energy	56	*12.2*	59	*12.8*	215	*11.7*	225	*12.5*
Industrial Process	38	*8.6*	32	*7.7*	142	*8.5*	125	*7.9*
Power Solutions	50	*13.6*	47	*12.1*	198	*13.1*	187	*13.0*
Group items	-2		-3		-1		-9	
EBITA	**221**	***10.4***	**193**	***10.0***	**838**	***10.5***	**715**	***10.0***
Depr. of intangible non-current assets	-37		-30		-137		-111	
– of which acquisitions	-36		-29		-133		-107	
Operating profit	**184**	***8.7***	**163**	***8.4***	**701**	***8.7***	**604**	***8.4***

CONSOLIDATED INCOME STATEMENT, CONDENSED

	3 months		Rolling 12 months	
SEKm	**31 Mar 2018**	**31 Mar 2017**	**31 Mar 2018**	**31 Mar 2017**
Net sales	2,121	1,941	8,022	7,178
Cost of sales	-1,459	-1,345	-5,522	-4,939
Gross profit	**662**	**596**	**2,500**	**2,239**
Selling expenses	-369	-322	-1,364	-1,241
Administrative expenses	-121	-124	-455	-432
Other operating income and expenses	12	13	20	38
Operating profit	**184**	**163**	**701**	**604**
- as % of net sales	*8.7*	*8.4*	*8.7*	*8.4*
Financial income and expenses	-16	-9	-36	-24
Profit after financial items	**168**	**154**	**665**	**580**
- as % of net sales	*7.9*	*7.9*	*8.3*	*8.1*
Income tax expense	-35	-36	-139	-130
Profit for the period	**133**	**118**	**526**	**450**
Profit for the period attributable to:				
Equity holders of the Parent Company	130	115	514	440
Non-controlling interests	*3*	*3*	*12*	*10*
Earnings per share before dilution, SEK	1.95	1.75	7.70	6.60
Earnings per share after dilution, SEK	1.95	1.70	7.65	6.55
Average number of shares after repurchases, ’000s	66,978	66,738	66,950	66,824
Number of shares at end of the period, ’000s	66,992	66,824	66,992	66,824

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months		Rolling 12 months	
SEKm	**31 Mar 2018**	**31 Mar 2017**	**31 Mar 2018**	**31 Mar 2017**
Profit for the period	**133**	**118**	**526**	**450**
Components that will be reclassified to profit for the year				
Cash flow hedges	0	-1	0	1
Foreign currency translation differences for the period	114	-4	115	52
Components that will not be reclassified to profit for the year				
Actuarial effects of the net pension obligation	10	2	-7	-10
Other comprehensive income	**124**	**-3**	**108**	**43**
Total comprehensive income	**257**	**115**	**634**	**493**
Total comprehensive income attributable to:				
Equity holders of the Parent Company	252	111	619	482
Non-controlling interests	5	4	15	11

CONSOLIDATED BALANCE SHEET, CONDENSED

SEKm	31 Mar 2018	31 Mar 2017
Goodwill	1,456	1,101
Other intangible non-current assets	1,007	791
Property, plant and equipment	207	190
Financial non-current assets	32	27
Total non-current assets	**2,702**	**2,109**
Inventories	1,118	942
Current receivables	1,507	1,286
Cash and cash equivalents	192	178
Total current assets	**2,817**	**2,406**
Total assets	**5,519**	**4,515**
Total equity	**2,131**	**1,741**
Interest-bearing provisions	229	210
Non-interest-bearing provisions	322	278
Non-current interest-bearing liabilities	411	69
Non-current non-interest-bearing liabilities	11	18
Total non-current liabilities	**973**	**575**
Non-interest-bearing provisions	31	26
Current interest-bearing liabilities	958	910
Current non-interest-bearing liabilities	1,426	1,263
Total current liabilities	**2,415**	**2,199**
Total equity and liabilities	**5,519**	**4,515**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, CONDENSED

SEKm	31 Mar 2018	31 Mar 2017
Opening balance	**1,741**	**1,514**
Exercised, issued and repurchased options	31	12
Repurchase of treasury shares	-31	-40
Dividend, ordinary	-235	-218
Dividend, non-controlling interests	-9	-8
Change non-controlling interests	-	2
Option debt, acquisition	-	-9
Distribution of AddLife	-	-5
Total comprehensive income	634	493
Closing balance	**2,131**	**1,741**

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED *

	3 months		Rolling 12 months	
SEKm	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
Profit after financial items	168	154	665	580
Adjustment for items not included in cash flow	47	22	159	134
Income tax paid	-37	-34	-169	-123
Changes in working capital	-27	18	-116	-40
Cash flow from operating activities	**151**	**160**	**539**	**551**
Net investments in non-current assets	-15	-22	-43	-60
Acquisitions and disposals	-96	-183	-477	-335
Cash flow from investing activities	**-111**	**-205**	**-520**	**-395**
Dividend paid to shareholders	-	-	-235	-218
Repurchase of own shares/change of options	3	11	0	-28
Other financing activities	-76	58	223	120
Cash flow from financing activities	**-73**	**69**	**-12**	**-126**
Cash flow for the period	**-33**	**24**	**7**	**30**
Cash and cash equivalents at beginning of period	211	152	178	140
Exchange differences on cash and cash equivalents	14	2	7	8
Cash and cash equivalents at end of period	**192**	**178**	**192**	**178**

FAIR VALUES ON FINANCIAL INSTRUMENTS

	31 Mar 2018			31 Mar 2017		
SEKm	**Carrying amount**	**Level 2**	**Level 3**	**Carrying amount**	**Level 2**	**Level 3**
Derivatives used in hedge accounting	**2**	2	-	**1**	1	-
Derivatives held for trading purposes	**2**	2	-	**2**	2	-
Total financial assets at fair value per level	**4**	**4**	**-**	**3**	**3**	**-**
Derivatives used in hedge accounting	**0**	0	-	**0**	0	-
Derivatives held for trading purposes	**5**	5	-	**1**	1	-
Contingent considerations	**215**	-	215	**105**	-	105
Total financial liabilities at fair value per level	**220**	**5**	**215**	**106**	**1**	**105**

The fair value and carrying amount are recognised in the balance sheet as shown in the table above.
For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1. As at the reporting date the Group had no items in this category.
For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.
For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3.
For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Contingent considerations	**31 Mar 2018**	**31 Mar 2017**
Opening balance	**105**	**55**
Acquisitions during the year	152	86
Reversed through profit or loss	-9	-12
Consideration paid	-49	-27
Interest expenses	8	3
Exchange differences	8	0
Closing balance	**215**	**105**

KEY FINANCIAL INDICATORS **

	12 months ending			
	31 Mar 2018	31 Mar 2017	31 Mar 2016	31 Mar 2015
Net sales, SEKm	8,022	7,178	6,155	5,719
EBITDA, SEKm	881	755	570	542
EBITA, SEKm	838	715	536	510
EBITA margin, %	10.5	10.0	8.7	8.9
Operating profit, SEKm	701	604	443	431
Operating margin, %	8.7	8.4	7.2	7.5
Profit after financial items, SEKm	665	580	423	408
Profit for the period, SEKm	526	450	333	321
Working capital	1,591	1,362	1,208	1,084
Return on working capital (P/WC), %	53	53	44	47
Return on equity, %	28	28	20	28
Return on capital employed, %	22	23	16	23
Equity ratio, %	39	39	40	40
Net debt, incl pensions, SEKm	1,405	1,011	822	828
Net debt, incl pensions / equity ratio, multiple	0.7	0.6	0.6	0.6
Net debt, incl pensions / EBITDA, multiple	1.6	1.3	1.4	1.2
Net debt excl. pensions, SEKm	1,176	801	623	510
Net debt, excl pensions / equity ratio, multiple	0.6	0.5	0.4	0.3
Interest coverage ratio, multiple	22.7	23.9	20.3	21.9
Average number of employees*	2,283	2,133	2,386	2,224
Number of employees at end of the period	2,358	2,176	2,076	2,286

* Average number of employees includes discontinued operations in the period 31 March 2016, and previous periods.

KEY FINANCIAL INDICATORS PER SHARE **

	12 months ending			
SEK	31 Mar 2018	31 Mar 2017	31 Mar 2016	31 Mar 2015
Earnings per share before dilution	7.70	6.60	4.85	4.70
Earnings per share after dilution	7.65	6.55	4.85	4.70
Cash flow from operating activities per share	8.05	8.25	7.10	8.40
Shareholders’ equity per share	31.10	25.45	22.10	22.60
Share price at the end of the period	168.00	148.50	112.00	115.75
Average number of shares after repurchases, ’000s	66,950	66,824	66,703	66,288
Average number of shares adjusted for repurchases and dilution, ’000s	67,178	67,008	66,809	66,615
Number of shares outstanding at end of the period, ’000s	66,992	66,824	66,958	66,456

** All figures regarding the balance sheet refer to continuing from 31 March 2016 without retroactivity for earlier periods.

PARENT COMPANY INCOME STATEMENT

	3 months		Rolling 12 months	
SEKm	**31 Mar 2018**	**31 Mar 2017**	**31 Mar 2018**	**31 Mar 2017**
Net sales	14	15	58	54
Administrative expenses	-13	-16	-71	-63
Operating profit/loss	**1**	**-1**	**-13**	**-9**
Profit from interests in Group companies	258	318	258	318
Interest income and expenses and similar items	1	6	2	3
Profit after financial items	**260**	**323**	**247**	**312**
Appropriations	-14	-42	-14	-42
Profit before taxes	**246**	**281**	**233**	**270**
Income tax expense	-55	-62	-52	-60
Profit for the period	**191**	**219**	**181**	**210**
Total comprehensive income	**191**	**219**	**181**	**210**

PARENT COMPANY BALANCE SHEET

SEKm	**31 Mar 2018**	**31 Mar 2017**
Intangible non-current assets	-	-
Property, plant and equipment	2	3
Non-current financial assets	2,696	2,482
Total non-current assets	**2,698**	**2,485**
Current receivables	461	416
Cash and bank balances	-	-
Total current assets	**461**	**416**
Total assets	**3,159**	**2,901**
Equity	**741**	**795**
Untaxed reserves	431	417
Provisions	15	15
Non-current liabilities	591	278
Current liabilities	1,381	1,396
Total equity and liabilities	**3,159**	**2,901**

DEFINITIONS

Return on equity[2]
Earnings after tax divided by equity. The components are calculated as the average of the last 12 months.

Return on working capital (P/WC)[1]
EBITA divided by working capital.

Return on capital employed
Profit before tax plus financial expenses as a percentage of capital employed. The components are calculated as the average of the last 12 months.

EBITA[1]
Operating profit before amortisation of intangible assets.

EBITA-margin
EBITA as a percentage of net sales.

EBITDA[1]
Operating profit before depreciation and amortisation.

Equity per share
Shareholders' share of equity divided by number of shares outstanding on the reporting periods end.

Financial net debt
The net of interest-bearing debt and provisions minus cash and cash equivalents.

Cash flow from operating activities per share
Cash flow from operating activities, divided by the average number of outstanding shares after repurchase.

Net debt excluding pensions
The net of interest-bearing debt and provisions excluding pensions minus cash and cash equivalents.

Net debt excluding pensions/ equity ratio[2]
Net debt excluding pensions divided by shareholders' equity.

Earnings per share (EPS)
Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period. Performance measures under IFRS.

Earnings per share (EPS), diluted
Shareholders' share of profit for the period after tax, divided by the weighted average number of shares during the period, adjusted for the additional number of shares following exercise of outstanding warrants. Performance measures under IFRS.

Interest coverage ratio
Profit after net financial items plus financial expenses divided by financial expenses.

Working capital[1]
Working capital (WC) is measured through an annual average defined as inventories plus accounts receivable less accounts payable.

Operating margin
Operating profit as a percentage of net sales.

Equity ratio[2]
Equity as a percentage of total assets.

Debt/equity ratio[2]
Financial net liabilities divided by equity.

Capital employed
Total assets minus non-interest-bearing liabilities and provisions.

Outstanding shares
Total number of shares less treasury shares repurchased by the Company.

[1]The performance measure is an alternative performance measure according to ESMA's guidelines.
[2]Minority interest is included in equity when the performance measures are calculated.

YEAR-END REPORT

1 APRIL 2017 - 31 MARCH 2018

ADDTECH IN BRIEF

Addtech is a technology trading group that provides technological and economic value added in the link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and infrastructure. Addtech has about 2,300 employees in around 120 subsidiaries that operate under their own brands. The Group has annual sales of over SEK 8 billion and is listed on Nasdaq Stockholm.

VISION, BUSINESS CONCEPT AND STRATEGIES

VISION

Addtech's vision is to be the leading value-adding tech provider in Northern Europe.

BUSINESS CONCEPT

Addtech's business concept is to offer high-tech products and solutions to companies in the manufacturing and infrastructure sectors. We provide both technological and financial added value by being a capable partner for customers and manufacturers.

STRATEGIES

- Market-leading niche positions
- Operating mobility - flexibility and active ownership
- Growth through acquisitions

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