

HiQ – increased sales and a healthy market

In the second quarter of the year, sales increase by 4.8 per cent to SEK 476.2 (454.3) million. Net sales in the first half-year total SEK 950.5 (923.9) million. Operating profit (EBIT) for first half-year is SEK 95.2 (113.5) million. Our financial position also remains strong. Cash flow during first half-year amounts to SEK 96.8 million and liquid assets total SEK 123.0 million.

"As we close the first half of 2018 we do so in a healthy market where we are well-positioned. We see a sales increase in the second quarter; never have we reported better sales in a second quarter. However, we see that some of our operations in Sweden are not living up to their full potential; we have more left to offer. In Finland, we regained our position following a first quarter that was weaker than normal, and we now deliver a healthy profit. Lastly, we are recruiting at a good pace. We now have 1,652 employees at HiQ – our highest number of employees ever," says Lars Stugemo, President and CEO of HiQ.

During the first half of the year, HiQ continues to strengthen its R&D position. Among other things, HiQ is delivering more teams to the fast-growing automotive industry to develop advanced driver support features and sophisticated systems that make cars and trucks self-driving and safer, more efficient and more economical. More teams are assigned to the Swedish Tax Agency to continue making it easier for Sweden's companies and individuals to pay their taxes. And we continue to be an important partner to the telecom industry in developing the digital infrastructure for future mobile communications – a prerequisite for the rapid digital service development that is now underway.

"This type of advanced system development is HiQ's backbone, which makes us a value-creating partner for some of the most important players in many industries," says Stugemo.

At the start of the year, we see that demand for HiQ's services in system integration and demand for HiQ's integration platform FRENDS is increasing. Here we saw major growth in Finland where HiQ challenged global players in terms of price, performance and efficiency. Now demand in Sweden is also growing, and one of our most recent major FRENDS deals is with Euro Finans. Another area of continued development is in marketing and communication, which is strongly influenced by the rapid development of technology. Here we have again seen HiQ win awards – this time including the Webby Awards, the Finnish competition Vuoden Huiput and a prestigious European Design Award for the prototype of a digital driving licence for Trafi.

"We won major recognition when our team from Great Apes in Finland took home a gold. The digital driving licence is the first of its kind in the world and offers a glimpse of a future of which we have just scratched the surface," says Stugemo.

"Technology development will continue to transform our lives. We can be sure of that. The possibilities are endless. And backed by the industry's best teams, a fantastic list of brave, innovative customers and strong finances, HiQ will remain a leading player on the market well into the future. I am convinced of it," concludes Stugemo.

HiQ's CEO and President Lars Stugemo will present the report at 9:00 a.m. today, Tuesday 17 July, at HiQ's office at Regeringsgatan 20 in Stockholm.

The report can be ordered by phoning +46 (0)8-588 90 000 or downloaded from www.hiq.se.

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HiQ helps to make the world a better place by using technology, design and communication solutions to make people's lives simpler and better. We are the perfect partner for everyone eager to achieve results that make a difference in a digital world. Founded in 1995, HiQ currently has over 1600 specialists in six countries and is listed on the Nasdaq Stockholm MidCap list. For more information and inspiration, please visit www.hiq.se.