

Q2 / *Interim report, January-June 2017*

Norwegian business puts pressure on profitability

Second quarter

- Sales increased by 2 % to SEK 623.0 million (608.2)
- Organic sales growth excluding exchange rate fluctuations was 0 %
- EBITA (adjusted) amounted to SEK 1.7 million (29.2) and the adjusted EBITA margin amounted to 0.3 % (4.8)
- Operating profit/loss amounted to SEK -14.4 million (22.6) and the operating margin was -2.3 % (3.7).
- Profit/loss after tax was SEK -10.5 million (18.4)
- Earnings per share before and after dilution were SEK -0.89 (-1.39)
- Cash flow from operating activities totalled SEK -16.0 million (10.7)



Sales increased by 2 per cent
The billing ratio increased in all segments

January-June

- Sales increased by 7 % to SEK 1,253.0 million (1,167.4)
- Organic sales growth excluding exchange rate fluctuations amounted to 4 %
- EBITA (adjusted) amounted to SEK 34.7 million (32.3) and the adjusted EBITA margin amounted to 2.8 % (2.8)
- Operating profit/loss amounted to SEK 15.3 million (16.6) and the operating margin was 1.2 % (1.4).
- Profit after tax was SEK 10.7 million (12.9)
- Earnings per share before and after dilution were SEK 0.71 (0.93)
- Cash flow from operating activities totalled SEK -26.2 million (-2.6)

KEY FIGURES	Q2 17	Q2 16	6M 17	6M 16	12M R*	2016
Sales	623.0	608.2	1,253.0	1,167.4	2,427.0	2,341.4
Organic growth excluding exchange rate effects, %	0	-2	4	0	4	4
EBITA* (adjusted)	1.7	29.2	34.7	32.3	30.5	61.1
EBITA margin* (adjusted)	0.3	4.8	2.8	2.8	1.3	2.6
Operating profit/loss	-14.4	22.6	15.3	16.6	26.2	27.5
Profit/loss after tax	-10.5	18.4	10.7	12.9	11.8	14.0
Earnings per share before dilution	-0.89	1.39	0.71	0.93	1.29	1.03
Earnings per share after dilution	-0.89	1.39	0.71	0.93	1.29	1.03
Cash flow from operating activities	-16.0	10.7	-26.2	-2.6	17.6	41.2
Net debt/EBITDA rolling 12 mo., times	1.6	2.8	1.6	2.8	1.6	3.4

* As of the first quarter of 2017, Rejlers recognises EBITA (adjusted) as operating profit/loss. For the definition, refer to page 17.

* R = Rolling

Statement by the President and CEO

The billing ratio increased in all segments during the second quarter, compared with both the first quarter and the previous year. However growth was marked by weak development for Rejlers Norway, fewer working days and continuing reorganisation of activities. Profits reduced compared with the corresponding quarter the previous year, but viewed over the first six months the profit position improved somewhat. Profit development in the quarter were considerably affected by SEK 12.1 million in restructuring costs, most of which are related to Rejlers Norway, as well as the quarter's negative calendar effects. During the quarter, we initiated a programme of powerful measures for Rejlers Norway's operations, so as to reduce the cost base and increase efficiency in current projects.

Continued growth

We show a sales increase of about 2 per cent. The growth in the second quarter of the year is a result of having fewer working days and the continuing reorganisation of activities, with less profitable areas being wound up. We see robust growth in Rejlers Finland, where market conditions now look brighter in a number of business areas. Rejlers Embriq increases sales from operating agreements, while growth in Rejlers Sweden was affected by previous years' reorganisation of industrial activities. Development in Rejlers Norway has been weak, as a result of a generally low utilization and a low level of activity in a number of large projects.

Pressure on profits

Adjusted EBITA fell to SEK 1.7 million (29.2), which is mainly explained by continuing profitability problems for Rejlers Norway, and the calendar effect of having fewer working days during the quarter. In spite of the poorer profit position, it is pleasing that the ongoing reorganisation is resulting in a higher general level of efficiency in activities and that the billing ratio continued to grow in all segments during the quarter. Rejlers Sweden and Rejlers Finland improved operating profit for the first half-year compared to the same period previous year.

Measures in Norway

At the start of the quarter, Thomas Pettersen assumed responsibility for Rejlers' entire Norwegian operation. Through this change we are creating both business and administrative synergies between the operations of Rejlers Norway and Rejlers Embriq. We have also initiated a powerful programme of measures to reduce the cost base and increase efficiency in current assignments. I am convinced that this will improve profitability at Rejlers Norway in the longer term.

Improved financial position

We now have a strong financial position following the new share issue and we are well equipped to continue the reorganisation work. Strategic initiatives including the area of energy are providing us with the right conditions to secure and further strengthen our market position in the Nordic region. The rights issue was completed during the second quarter and brought the company SEK 192.1 million. We have a negative cash flow from operating activities mainly due to losses in Rejlers Norway and the uneven cash flow in Rejler Embriq.

Good market conditions

Demand for our services remains good in all segments and we are continuously strengthening our position in the market. We are continuing the transformation into a more efficient organisation and operation with the goal of increasing the operating margin to 8 per cent over time at the same time that we achieve our growth target.



"We are continuing the transformation into a more efficient organisation and operation with the goal of increasing the operating margin to 8 per cent over time at the same time that we achieve our growth target."

Financial summary

Profit/loss items and cash flow are compared with the corresponding period in the previous year. Balance sheet items pertain to the position at the end of the period and are compared with the immediately preceding accounts.

SECOND QUARTER APRIL - JUNE 2017

Net sales

Net sales totalled SEK 623.0 million (608.2), an increase of 2 per cent compared to the corresponding period the previous year. The growth was affected by fewer working days in the quarter and a continued transformation of the business with the elimination of less profitable areas. Organic growth excluding exchange rate fluctuations was 0 per cent.

Adjusted EBITA

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Adjusted EBITA decreased to SEK 1.7 million (29.2) corresponding to an adjusted EBITA margin of 0.3 per cent (4.8).

Operating profit/loss

Operating profit/loss amounted to SEK -14.4 million (22.6). The weakening is mainly due to SEK 12.1 million in restructuring costs, continued profitability problems for Rejlers Norway as a result of low efficiency in several major assignments and also due to the negative calendar effect with fewer working days during the quarter. The quarter had three fewer workdays in Sweden and Finland, and four fewer workdays in Norway compared with the previous year. The operating profit/loss of the previous year was affected by items affecting comparability of SEK 12.1 million for the restructuring of the operations in Norway and Sweden.

Financial income and expenses

The quarter's financial income amounted to SEK 0.5 million (3.6) and pertains mainly to currency translations. Financial expenses amounted to SEK 2.4 million (0.8) and are mainly attributable to interest expenses and currency translations.

Tax

The tax income for the quarter amounted to SEK 5.8 million (tax cost: 7.0), corresponding to an effective tax rate of -36 per cent (28). The reduced tax expense is mainly attributable to increased deductible costs.

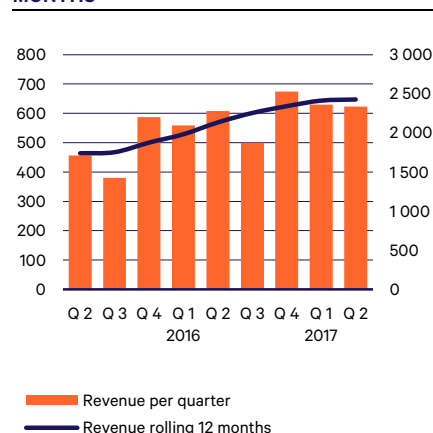
Profit/loss after tax for the period

Profit/loss after tax for the period amounted to SEK -10.5 million (18.4). Earnings per share amounted to SEK -0.89 (1.39) both before and after dilution.

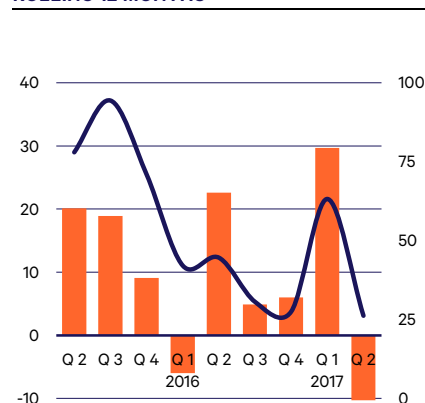
Cash flow

During the quarter, the Group generated a cash flow from operating activities of SEK -16.0 million (10.7), mainly due to losses in Rejlers Norway and the uneven cash flow in Rejler Embriq.

SALES PER QUARTER AND ROLLING 12 MONTHS



OPERATING PROFIT PER QUARTER AND ROLLING 12 MONTHS



THE PERIOD JANUARY - JUNE 2017**Net sales**

Net sales totalled SEK 1,253.0 million (1,167.4), an increase of 7 per cent compared to the corresponding period the previous year. This growth is mainly attributable to a strong development in the Rejlers Embriq and Rejlers Finland segments. Organic growth excluding exchange rate fluctuations was 4 per cent.

Adjusted EBITA

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Adjusted EBITA increased to SEK 34.7 million (32.3) corresponding to an adjusted EBITA margin of 2.8 per cent (2.8).

Operating profit/loss

Operating profit/loss amounted to SEK 15.3 million (16.6). The operating profit/loss of the previous year was affected by items affecting comparability of SEK 12.1 million for the restructuring of the operations in Norway and Sweden.

Financial income and expenses

The quarter's financial income amounted to SEK 1.6 million (4.5) and pertains mainly to currency translations. Financial expenses amounted to SEK 4.8 million (2.3) and are mainly attributable to interest expenses and currency translations.

Tax

The tax expense for the interim period amounted to SEK 1.4 million (5.9), corresponding to an effective tax rate of 12 per cent (31). The reduced tax expense is mainly attributable to increased deductible costs.

Profit/loss after tax for the period

Profit/loss after tax for the period amounted to SEK 10.7 million (12.9). Earnings per share amounted to SEK 0.71 (0.93) both before and after dilution.

Cash flow

During the period, the Group generated a cash flow from operating activities of SEK -26.2 million (-2.6), largely due to losses in Rejlers Norway and the uneven cash flow in Rejler Embriq.

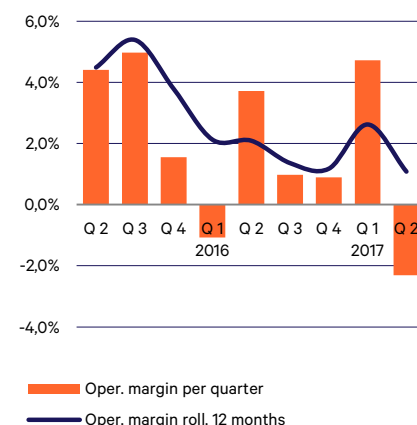
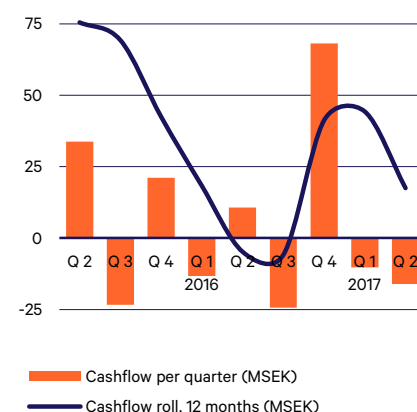
Financial position

Consolidated cash and cash equivalents at the end of the period amounted to SEK 79.0 million compared to SEK 64.9 million on 31 March 2017. The change in cash and cash equivalents was affected by amortisation including adjusted overdraft facilities of SEK 114.2 million. The new share issue that was carried out during the period increased funds by SEK 192.1 million.

Interest-bearing liabilities decreased by SEK 114.7 million compared to 31 March 2017 and amounted to SEK 173.7 million at the end of the period. Net liabilities amounted to SEK 115.5 million, compared with SEK 244.2 million as at 31 December 2016.

The ratio of net liabilities to EBITDA amounted to 1.6 at the end of the period compared with 3.3 on 31 December 2016. The equity/assets ratio amounted to 52.2 per cent compared with 40.6 on 31 December 2016.

Equity per share was SEK 40.81 at the end of the period compared to SEK 41.50 as of 31 December 2016. The Group's overdraft facilities of SEK 50.0 million (50.0) are entirely unutilised.

OPERATING MARGIN PER QUARTER AND ROLLING 12 MONTHS**CASH FLOW FROM OPERATING ACTIVITIES**

Investments

Investments in tangible assets amounted to SEK 3.5 million (5.1) during the period and mainly pertain to servers and other IT equipment while investments in intangible assets, mainly attributable to the development of IT platforms at Rejlers Embriq, amounted to SEK 14.9 million (17.1). Investments in subsidiaries and businesses amounted to SEK 16.1 million (1.2). Depreciation, amortisation and impairment losses amounted to SEK 23.5 million (20.4).

Billing ratio

The billing ratio increased to 75.3 per cent (72.7), mainly as a result of higher order volumes in Finland and Sweden.

Employees

At the end of the period, there were 2,053 employees (1,980). There were 1,976 full-year employees (1,963). At the end of the period, 3 (19) employees in Finland and 4 (4) in Norway had been laid off.

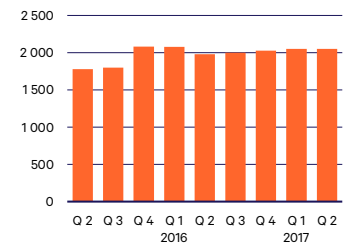
Parent Company

Net sales for the parent company during the period amounted to SEK 14.0 million (11.2) and the profit/loss before tax amounted to SEK -15.2 million (-4.3).

Seasonal variations

Rejlers is affected by seasonal variations and calendar effects. The respective quarters are relatively comparable over the years, but are affected by minor calendar effects, such as when in time Easter occurs. Sales are normally higher in the first, second and fourth quarters and lower in the third quarter when the order volume decreases in size due to holidays. Similar seasonal variations occur in all geographic markets.

NUMBER OF EMPLOYEES AT THE END OF THE QUARTER



SIGNIFICANT EVENTS DURING THE SECOND QUARTER AND AFTER THE END OF THE PERIOD

New CEO of Rejlers Norge AS

After three years as the CEO of Rejlers Norge AS, Morten Thorkildsen left the post. Thomas Pettersen, CEO of Rejlers Embriq AS, also took up the position as CEO of Rejlers Norge AS on 21 April.

Annual General Meeting 2016

Rejlers' Annual General Meeting was held in Stockholm on 24 April. The Annual General Meeting voted to support all of the proposals of the Board of Directors and the Nomination Committee at the Meeting. The Annual General Meeting re-elected Board members Ivar Verner, Helena Nordman-Knutson, Thord Wilkne, Jan Samuelsson, Peter Rejler and Annika Steiber. The Annual General Meeting resolved that no dividends would be paid for the 2016 financial year.

Acting CFO of Rejlers appointed

Mats Åström withdrew from his position as the CFO of Rejlers AB on 27 April. The recruitment of his successor is under way. Mikael Lingefelt, Rejlers' Group Controller, will serve as the acting CFO until further notice.

Change in the number of shares and votes at Rejlers

As a result of the rights issue that was completed during the quarter, the number of shares and votes at Rejlers changed in April 2017. The total number of shares in Rejlers amounts to 18,087,909, of which 1,749,250 are Class A shares and 16,338,659 Class B shares. The number of votes at Rejlers now totals 33,831,159.

SIGNIFICANT PROJECTS DURING THE SECOND QUARTER**Rejlers Sweden signs an agreement with the international wind power company Enercon**

Rejlers' competence in energy and previous collaboration with Enercon of Germany have led to the parties now signing an agreement for a number of services involving project planning, project management, construction, electrical safety, legal advice and training. Enercon is now starting work on building a further 77 wind power generators in Markbygden outside Piteå.

Rejlers Norway wins contract Oppland County

Rejlers Norway has signed a long-term framework contract with Oppland County for technical consultancy and electrical project planning in the county's building projects. The framework agreement is for two years, with the option of a further year.

Rejlers Embriq signs contract with Norwegian Church Aid

The agreement covers installation, operation and administration of Valo Intranet for Norwegian Church Aid's 500 users in 20 field offices located all over the world. Norwegian Church Aid is one of the largest aid organisations in the Nordic region, annually administering grants and contributions of around NOK 1 billion and with a presence in 31 countries.

Rejlers Finland wins office renovation contract in Helsinki

Rejlers has been engaged by Sponda Oyj to plan electrical systems for office buildings and car parks in the Helsinki area that are to be renovated. The office complex is 60,000 square metres and renovations will continue for a number of years.

OTHER INFORMATION**Related party transactions**

Related party transactions take place on market-based terms.

Rejlers' shares

The most recent share price for Rejlers Class B on 30 June 2017 was SEK 78.75 per share, an increase of 13 percent compared to 30 December 2016. On 18 July 2017, the most recent share price for Rejlers share in Class B was SEK 78,25 per share. The Rejlers share is listed on Nasdaq Stockholm.

As a result of the rights issue that Rejlers AB previously provided information on, the number of shares and votes in Rejlers changed in April 2017. All shares subscribed for in the rights issue have now been registered at the Swedish Companies Registration Office. As a result of this, the total number of shares in Rejlers increased by 498,000 Class A shares, corresponding to 4,980,000 votes, and 4,668,188 Class B shares, corresponding to 4,668,188 votes. At 28 April 2017, the total number of shares in Rejlers totalled 18,087,909, of which 1,749,250 were Class A shares and 16,338,659 Class B shares. The number of votes at Rejlers totalled 33,831,159 on the same date.

After the share issue, the share capital has increased by SEK 10,332,376 from SEK 25,843,442 to SEK 36,175,818.

Segment Rejlers Sweden

The reorganisation of the Rejlers Sweden operation continues, with initiatives for the digitalisation of our engineering services and in the area of energy, primarily in power supplies, energy efficiency and energy optimisation, as well as sustainable electricity production. The market has generally developed well during the quarter.

Net sales totalled SEK 305.1 million (329.9) in the second quarter, a decrease of 7.5 per cent compared with the same period the previous year. Organic growth amounted to -8 per cent. The lower sales are mainly explained by the restructuring that was done in industrial activities the previous year, when less profitable areas were wound up.

Adjusted EBITA fell to SEK 12.0 million (22.6), corresponding to an adjusted EBITA margin of 3.9 per cent (6.9), the reduction is mainly explained by the quarter's negative calendar effects.

Operating profit/loss for the quarter was SEK 6.4 million (17.8), equivalent to an operating margin of 2.1 per cent (5.4). Profits have been negatively affected by restructuring costs of SEK 4.3 million (3.6).

The calendar effect in the second quarter was negative by three days compared with the corresponding period the previous year.



KEY FIGURES	Q2 17	Q2 16	6M 17	6M 16	12M R	2016
Sales, SEK million	305.1	329.9	613.8	639.1	1,200.9	1,226.2
Adjusted EBITA, SEK million	12.0	22.6	36.8	28.6	62.8	54.6
Adjusted EBITA margin, %	3.9	6.9	6.0	4.5	5.2	4.5
Operating profit/loss, SEK million	6.4	17.8	29.9	16.4	41.5	28.0

Segment Rejlers Finland

Rejlers Finland is experiencing better market conditions, with increased public and private building and a stronger industry. The remaining 49 per cent of CMN Service Oy was acquired during the period.

Net sales totalled SEK 113.5 million (97.5) in the second quarter, an increase of 16.4 per cent compared with the same period the previous year. This growth is mainly attributable to the acquisition of CMN Service Oy and the generally more favourable market conditions. Organic growth excluding exchange rate fluctuations was 1 per cent.

Adjusted EBITA increased to SEK 5.3 million (3.8) corresponding to an adjusted EBITA margin of 4.7 per cent (3.9).

Operating profit for the quarter was SEK 3.7 million (3.1), equivalent to an operating margin of 3.3 per cent (3.2). The improved profit is mainly attributable to a higher order volume as a result of generally greater demand for our services and the previous year's reorganisation of the industrial operations.

Changes in labour legislation, where the working hours were extended by 0.5 hour per employee per week, have had a positive impact on earnings.

The calendar effect in the second quarter was negative by three days compared with the corresponding period the previous year.



KEY FIGURES	Q2 17	Q2 16	6M 17	6M 16	12M R	2016
Sales, SEK million	113.5	97.5	232.3	189.1	432.6	389.4
Adjusted EBITA, SEK million	5.3	3.8	16.7	4.7	29.7	17.7
Adjusted EBITA margin, %	4.7	3.9	7.2	2.5	6.9	4.5
Operating profit/loss, SEK million	3.7	3.1	14.2	3.4	25.8	15.0

Segment Rejlers Norway

Rejlers Norway is suffering from continued profitability problems as a result of low efficiency in several large projects. At the start of the quarter, Thomas Pettersen assumed responsibility for Rejlers' entire Norwegian operation. Through this change we expect both business and administrative synergies between the operations of Rejlers Norway and Rejlers Embriq. Rejlers Norway has also initiated a powerful programme of measures designed to reduce the cost base and improve profitability in the longer term.

Net sales totalled SEK 81.2 million (99.1) in the second quarter, a reduction of 18.1 per cent compared with the same period the previous year. The weakening is mainly explained by a generally low level of utilization and restructuring of operations. Organic growth excluding exchange rate fluctuations was -22.0 per cent.

Adjusted EBITA was SEK -7.4 million (2.9) corresponding to an adjusted EBITA margin of -9.1 per cent (-2.9).

Operating profit/loss for the quarter was still weak and amounted to SEK -15.9 million (2.1), equivalent to an operating margin of -19.6 per cent (2.1). Profit was negatively impacted by SEK 7.8 million in restructuring costs, negative calendar effects and efficiency problems in the ICT/Telecom and railway area.

The calendar effect in the second quarter was negative by four days compared with the corresponding period the previous year



KEY FIGURES	Q2 17	Q2 16	6M 17	6M 16	12M R	2016
Sales, SEK million	81.2	99.1	169.3	172.7	332.2	335.6
Adjusted EBITA, SEK million	-7.4	2.9	-11.2	-4.1	-17.3	-10.2
Adjusted EBITA margin, %	-9.1	2.9	-6.6	-2.4	-5.2	-3.0
Operating profit/loss, SEK million	-15.9	2.1	-20.5%	-5.7	-28.1	-13.3

Segment Rejlers Embriq

Rejlers Embriq has a strong position in a growing market in the energy sector and offers a complete range of products, IT services and solutions in energy, infrastructure and energy measurement services in all of the Nordic countries.

Net sales totalled SEK 127.8 million (85.9) in the second quarter, an increase of 48.8 per cent compared with the same period the previous year. The main part of sales growth relates to installation and sales of smart electricity meters in the Nettalliansen project. Other growth relates to increased sales from operating agreements. Organic growth excluding exchange rate fluctuations was 44 per cent.

Adjusted EBITA fell to SEK 0.6 million (5.0) corresponding to an adjusted EBITA margin of 0.5 per cent (5.8).

Operating profit for the quarter was SEK 0.6 million (5.0), equivalent to an operating margin of 0.5 per cent (5.8). Operations are developing according to plan. High start-up costs related to the roll-out of smart electricity meters for Nettalliansen provide an initial margin pressure, which is expected to decrease in upcoming years.

Rejlers Embriq was affected by negative calendar effects in both Norway and Sweden.



KEY FIGURES	Q2 17	Q2 16	6M 17	6M 16	12M R	2016
Sales, SEK million	127.8	85.9	246.4	173.7	489.8	417.1
Adjusted EBITA, SEK million	0.6	5.0	5.5	10.8	10.3	15.6
Adjusted EBITA margin, %	0.5	5.8	2.2	6.2	2.1	3.7
Operating profit/loss, SEK million	0.6	5.0	5.5	10.8	10.3	15.6

The undersigned provide assurance that this interim report provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

Stockholm, 19 July 2017 Rejlers AB (publ).

Ivar Verner

Chairman

Annika Steiber

Board member

Helena Nordman-Knutson

Board member

Jan Samuelsson

Board member

Thord Wilkne

Board member

Björn Lauber

Employee representative

Sten Pettersson

Employee representative

Peter Rejler

Board Member, President and CEO

The information in this interim report is such that Rejlers AB (publ) is obliged to publish under the EU Market Abuse Directive and the Swedish Securities Market Act. The information was submitted through the care of the contact persons above for publication on 19 July 2017 at 8:00 CET. This report is also available in Swedish. The English version is a translation of the Swedish original. If there are any differences, the Swedish version takes precedence. The interim report has not been reviewed by the company's auditor.

Group

Condensed income statement

SEK MILLION	APR-JUN 2017	APR-JUN 2016	JAN-JUN 2017	JAN-JUN 2016	FULL YEAR 2016
Net sales	623.0	608.2	1,253.0	1,167.4	2,341.4
Personnel expenses	-387.8	-379.1	-763.0	-754.0	-1,453.7
Other external expenses	-238.0	-196.2	-451.4	-378.5	-816.4
Depreciation and impairment	-11.7	-10.3	-23.5	-20.4	-44.2
Participations in associates	0.1	0.0	0.2	0.1	0.4
Operating profit/loss	-14.4	22.6	15.3	16.6	27.5
Net financial income/expense	-1.9	2.8	-3.2	2.2	-5.3
Profit/loss after net financial income/expense	-16.3	25.4	12.1	18.8	22.2
Tax	5.8	-7.0	-1.4	-5.9	-8.2
Profit/loss for the period	-10.5	18.4	10.7	12.9	14.0
Attributable to:					
Parent Company's shareholders	-10.5	18.0	10.7	12.1	13.3
Shareholders without a controlling influence	-	0.4	-	0.8	0.7
Average number of shares	16 538,053	12,921,721	14 729,887	12,921,721	12,921,721
Earnings per share before and after dilution, SEK	-0.89	1.39	0.71	0.93	1.03

Condensed statement of comprehensive income

SEK million	APR-JUN 2017	APR-JUN 2016	JAN-JUN 2017	JAN-JUN 2016	FULL YEAR 2016
Profit/loss for the period	-10.5	18.4	10.7	12.9	14.0
<i>Items that may be reclassified to the income statement:</i>					
Translation differences of foreign operations, net after-tax	-4.3	8.9	-7.3	15.8	28.5
<i>Items that will not be reclassified to the income statement:</i>					
Revaluation of net pension liability	-	-	-	-	4.3
Total other comprehensive income	-4.3	8.9	-7.3	15.8	32.8
Comprehensive income for the period	-14.8	27.3	3.4	28.7	46.8

Condensed balance sheet

SEK million	30 JUN 2017	30 JUN 2016	31 DEC 2016
Assets			
Non-current assets			
Goodwill	431.9	400.6	432.6
Other intangible assets	118.7	108.3	121.8
Tangible assets	35.0	38.7	37.5
Other non-current assets	50.6	51.3	47.6
Total non-current assets	636.2	598.9	639.5
Current assets			
Current receivables	718.3	680.7	656.0
Cash and cash equivalents	79.0	35.5	64.9
Total current assets	797.3	716.2	720.9
Total assets	1,433.5	1,315.1	1,360.4
Equity and liabilities			
Equity attributable to shareholders in the Parent Company	747.7	518.4	536.2
Non-controlling interests	-	8.9	18.0
Total equity	747.7	527.3	552.2
Non-current liabilities			
Provision for pensions	20.8	26.3	20.7
Interest-bearing non-current liabilities	126.0	165.1	155.0
Other non-current liabilities	47.3	52.0	50.9
Total non-current liabilities	194.1	243.4	226.6
Current liabilities			
Interest-bearing current liabilities	47.7	95.5	133.4
Other current liabilities	444.0	448.9	448.2
Total current liabilities	491.7	544.4	581.6
Total liabilities and equity	1,433.5	1,315.1	1,360.4

Condensed changes in equity

SEK million	30 JUN 2017	30 JUN 2016	31 DEC 2016
Equity at start of period	552.2	524.8	524.8
Comprehensive income for the period	3.4	28.7	46.8
The minority's share of acquired companies	-	-	6.9
<i>Changes attributable to transactions with the owners</i>			
Dividends	-	-26.3	-26.3
New share issue	192.1	-	-
Total changes attributable to transactions with the owners	192.1	-26.3	-26.3
Equity at end of period	747.7	527.3	552.2
Attributable to:			
Parent Company's shareholders	747.7	518.4	536.2
Non-controlling interests	-	8.9	16.0
Total	747.7	527.3	552.2

Condensed cash flow statement

SEK million	APR-JUN 2017	APR-JUN 2016	JAN-JUN 2017	JAN-JUN 2016	FULL YEAR 2016
Cash flow from operating activities before changes in operating capital and tax paid	-4.3	33.6	36.6	37.3	70.5
Tax paid	-7.2	-12.6	-5.1	-25.2	-21.0
Change in working capital	-4.5	-10.3	-57.7	-14.7	-8.3
Cash flow from operating activities	-16.0	10.7	-26.2	-2.6	41.2
Cash flow from investing activities	-24.2	-14.7	-37.6	-22.0	-71.5
Cash flow from financing activities	103.9	-25.7	78.0	-52.2	-19.9
Cash flow for the period	63.7	-29.7	14.2	-76.8	-50.2
Cash and cash equivalents at start of period	15.3	83.3	64.9	108.8	108.8
Exchange rate differences in cash and cash equivalents	0.1	1.9	0.0	3.5	6.3
Cash and cash equivalents at end of period	79.0	35.5	79.0	35.5	64.9

Net liabilities

SEK million	30 JUN 2017	30 JUN 2016	31 DEC 2016
Interest-bearing non-current liabilities	126.0	165.1	155.0
Interest-bearing current liabilities	47.7	95.5	133.4
Pension provisions	20.8	26.3	20.7
Cash and cash equivalents	-79.0	-35.5	-64.9
Total	115.5	251.4	244.2

Parent Company

Condensed income statement

SEK million	APR-JUN 2017	APR-JUN 2016	JAN-JUN 2017	JAN-JUN 2016	FULL YEAR 2016
Sales	6.8	5.5	14.0	11.2	22.7
Personnel expenses	-4.7	-3.9	-9.6	-7.5	-15.0
Other external expenses	-10.8	-6.4	-17.2	-10.8	-23.6
Depreciation	0.0	-0.2	-0.1	-0.5	-0.7
Operating profit/loss	-8.7	-5.0	-12.9	-7.6	-16.6
Net financial income/expense	-1.2	-0.2	-2.3	3.3	10.7
Profit/loss after net financial income/expense	-9.9	-5.2	-15.2	-4.3	-5.9
Appropriations	-	-	-	-	8.8
Tax	-	-0.1	-	-0.1	0.2
Profit/loss after tax	-9.9	-5.3	-15.2	-4.4	3.1

The Parent Company has no items to report in other comprehensive income, which is why this financial statement has been omitted.

Condensed balance sheet

SEK million	30 JUN 2017	30 JUN 2016	31 DEC 2016
Assets			
Non-current assets			
Tangible assets	0.3	0.5	0.4
Financial assets	391.9	400.3	402.4
Total non-current assets	392.2	400.8	402.8
Current assets			
Current receivables	182.3	171.3	142.7
Cash and cash equivalents	61.2	-	50.2
Total current assets	243.5	171.3	192.9
Total assets	635.7	572.1	595.7
Equity and liabilities			
Equity	403.3	214.1	226.4
Untaxed reserves	22.0	37.0	22.0
Non-current liabilities	121.6	158.6	152.1
Current liabilities	88.8	162.4	195.2
Total liabilities and equity	635.7	572.1	595.7

Notes

Note 1 Rejlers Group

Rejlers AB (publ) (556349-8426) (the Parent Company) and its subsidiaries (jointly called the Group) is a Nordic business group that offers services to customers in the areas of buildings and properties, energy, industry and infrastructure.

The Parent Company is a Swedish public limited company with its registered office in Stockholm. The address of the head office is Box 30233, Lindhagensgatan 126, SE 104 25 Stockholm, SWEDEN. The company's B shares are listed on Nasdaq Stockholm.

Note 2 Accounting policies

This interim report has been prepared for the Group in accordance with IAS 34 Interim Reporting and RFR 1, Supplementary Accounting Rules for Groups. The same accounting policies were applied as in the most recent annual report for both the Group and the Parent Company. A number of changes in the standards entered into effect in 2017. None of these has materially affected the Group's accounts and reporting. Disclosures in accordance with IAS 34 are provided in notes and elsewhere in the interim report.

The Parent Company's reports are prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for Legal Entities.

Note 3 Risks and uncertainty factors

Through its operations, the Group is subject to various financial risks, such as market risk (comprehensive foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management involves striving for minimal unfavourable effects on financial position and performance. The Group's business risks and risk management as well as financial risks are described in detail in the annual report for 2016. No events of material significance occurred during the interim period that affects or changes these descriptions of the Group's risks and the management of them.

Note 4 Items affecting comparability

SEK million	Q2 17	Q2 16	6M 17	6M 16	12M R	2016
Restructuring costs	12.1	3.6	12.1	9.7	23.9	21.5

Note 5 Business combinations

On 24 February, Rejlers acquired the assets in Sähkölinna Oy.

So far this year, the acquisition has contributed SEK 0.6 million to sales and SEK 0.1 million to operating profit. If the operation had been owned as of 1 January, it would have contributed sales of SEK 1.0 million and an operating profit of SEK 0.1 million. The remaining 49 per cent of CMN Service Oy was acquired on 5 May. After this transaction, Rejlers owns 100 per cent of the company.

Net assets of companies acquired at the time of acquisition

SEK million	JAN-JUN
	Total
Non-current assets	0.1
Current assets	0.0
Cash and cash equivalents	0.1
Other current liabilities	-0.2
Net identifiable assets and liabilities	0.0
Goodwill	1.1
Customer values	-
Deferred tax on intangible assets	-
Purchase price, cash and cash equivalents	1.1
Less:	
Cash and cash equivalents in acquired companies	-0.2
Acquisition of non-controlling interests	-15.0
Net cash outflow during the period	1.0

The acquisition analysis for the acquired operation is preliminary because the assets have not been fully analysed. The goodwill value, which is not tax deductible in business acquisitions (but is tax deductible in net asset acquisitions), includes the technical skills of staff, acquired customer relationships that are not separable and synergies. Otherwise, the fair value of the assets and liabilities at the time of acquisition corresponds to the carrying amount in the acquired companies. There are no uncertain receivables among the acquired assets. Acquisition-related costs were expensed as other external expenses when they were incurred.

Note 6 Segments

	SALES, SEK MILLION					OPERATING PROFIT/LOSS, SEK MILLION					OPERATING MARGIN, SEK MILLION				
	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Rejlers Sweden	305.1	329.9	613.8	639.1	1,226.2	6.4	17.8	29.9	16.4	28.0	2.1	5.4	4.9	2.6	2.3
Rejlers Finland	113.5	97.5	232.3	189.1	389.4	3.7	3.1	14.2	3.4	15.0	3.3	3.2	6.1	1.8	3.9
Rejlers Norway	81.2	99.1	169.3	172.7	335.6	-15.9	2.1	-20.5%	-5.7	-13.3	-19.6	2.1	-12.1	-3.3	-4.0
Rejlers Embriq	127.8	85.9	246.4	173.7	417.1	0.6	5.0	5.5	10.8	15.6	0.5	5.8	2.2	6.3	3.7
Group wide	6.8	5.5	14.0	11.2	22.7	-9.2	-5.4	-13.8	-8.3	-17.8	-	-	-	-	-
Eliminations	-11.4	-9.7	-22.8	-18.4	-49.6	-	-	-	-	-	-	-	-	-	-
Consolidated total	623.0	608.2	1,253.0	1,167.4	2,341.4	-14.4	22.6	15.3	16.6	27.5	-2.3	3.7	1.2	1.4	1.2
Net financial income/expense	-	-	-	-	-	-1.9	2.8	-3.2	2.2	5.3	-	-	-	-	-
Profit/loss before tax	-	-	-	-	-	-16.3	25.4	12.1	18.8	22.2	-	-	-	-	-

NOTE 7 Financial instruments

The carrying amount for financial instruments recognised at the amortised cost corresponds to the fair value, since the maturity of financial assets and liabilities is short.

NOTE 8 Related party transactions

Related party transactions take place on market-based terms.

NOTE 9 Pledged assets and contingent liabilities

Pledged assets and contingent liabilities are essentially unchanged compared with the previous year.

Quarterly summary

SEK million	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016	Q1 2017	Q2 2017
Sales												
Sweden	267.2	276.7	233.9	321.2	1,099.0	309.2	329.9	252.9	334.2	1,226.2	308.7	305.1
Finland	83.5	86.1	70.5	96.3	336.4	91.6	97.5	85.4	114.9	389.4	118.8	113.5
Norway	81.0	80.1	64.2	73.2	298.5	73.6	99.1	74.8	88.1	335.6	88.1	81.2
Embriq	19.9	16.4	14.8	100.2	151.3	87.8	85.9	99.1	144.3	417.1	118.6	127.8
Group-wide, etc.	0.6	-2.8	-3.3	-4.2	-9.7	-3.0	-4.2	-11.9	-7.8	-26.9	-4.2	-4.6
Total	452.2	456.5	380.1	586.7	1,875.5	559.2	608.2	500.3	673.7	2,341.4	630.0	623.0
Operating profit/loss												
Sweden	14.5	15.6	14.1	7.2	51.4	-1.4	17.8	2.1	9.5	28.0	23.5	6.4
Finland	4.6	4.7	2.0	7.6	18.9	0.3	3.1	5.4	6.2	15.0	10.5	3.7
Norway	0.3	0.2	4.5	-1.5	3.5	-7.8	2.1	-1.5	-6.1	-13.3	-4.6	-15.9
Embriq	4.2	2.2	1.2	1.7	9.3	5.8	5.0	2.1	2.7	15.6	4.9	0.6
Group-wide, etc.	-0.7	-2.6	-2.9	-5.9	-12.1	-2.9	-5.4	-3.2	-6.3	-17.8	-4.6	-9.2
Total	22.9	20.1	18.9	9.1	71.0	-6.0	22.6	4.9	6.0	27.5	29.7	-14.4
Operating margin												
Sweden	5.4	5.6	6.0	2.2	4.7	-0.5	5.4	0.8	2.8	2.3	7.6	2.1
Finland	5.5	5.5	2.8	7.9	5.6	0.3	3.2	6.3	5.4	3.9	8.8	3.3
Norway	0.4	0.2	7.0	-2.0	1.2	-10.6	2.1	-2.0	-6.9	-4.0	-5.2	-19.6
Embriq	21.1	13.4	8.1	1.7	6.1	6.6	5.8	2.1	1.9	3.7	4.1	0.5
Group-wide, etc.	-	-	-	-	-	-	-	-	-	-	-	-
Total	5.1	4.4	5.0	1.6	3.8	-1.1	3.7	1.0	0.9	1.2	4.7	-2.3
Number of employees												
Sweden	1,016	1,018	1,022	1,173	1,173	1,163	1,082	1,089	1,090	1,090	1,070	1,066
Finland	447	464	482	482	482	500	501	497	526	526	572	582
Norway	236	230	231	239	239	249	240	249	244	244	239	236
Embriq	57	57	56	179	179	155	147	155	156	156	155	157
Group-wide, etc.	12	11	11	8	8	10	10	11	11	11	12	12
Total	1,778	1,760	1,733	1,742	1,742	2,077	1,980	2,001	2,027	2,027	2,048	2,053

Key figures

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Definitions for key figures are provided below and in the company's latest annual report.

SEK million	APR-JUN 2017	APR-JUN 2016	JAN-JUN 2017	JAN-JUN 2016	FULL YEAR 2016
IFRS key performance indicators					
Earnings per share before and after dilution, SEK	-0.89	1.39	0.71	0.93	1.03
Average number of shares	16 538,053	12,921,721	14 729,887	12,921,721	12,921,721
Number of shares at end of period	18,087,909	12,921,721	18,087,909	12,921,721	12,921,721
Operational key performance indicators					
Billing ratio	76.8	73.2	75.3	72.7	73.0
Sales per full-time employee	314	311	634	595	1,208
Number of full-time employees	1,985	1,958	1,976	1,963	1,939
Number of employees at end of period	2,053	1,980	2,053	1,980	2,027
Alternative key figures					
Acquired growth, %	1	30	2	30	22
Currency effect, %	2	4	2	-1	2
Organic growth, %	0	-2	4	0	4
Adjusted EBITA	1.7	29.2	34.7	32.3	61.1
Depreciation/amortisation of acquisition-related items	-4.0	-3.0	-7.3	-6.0	-12.1
Items affecting comparability	-12.1	-3.6	-12.1	-9.7	-21.5
Operating profit/loss (EBIT)	-14.4	22.6	15.3	16.6	27.5
Adjusted EBITA margin, %	0.3	4.8	2.8	2.8	2.6
Net liabilities	115.5	251.4	115.5	251.4	244.2
Net debt/EBITDA, R12, times	1.6	2.8	1.6	2.8	2.4
Equity/assets ratio	52.2	40.1	52.2	40.1	40.6
Operating profit/loss per full-time employee, SEK thousand	-7	12	8	8	14
Equity per share at the end of the period	40.81	40.1	40.81	40.1	41.50

Definitions

Adjusted EBITA

Operating profit/loss (EBIT) according to the income statement, before items affecting comparability and amortisation and impairment of acquisition related intangible assets.

Adjusted EBITA margin

Adjusted EBITA in relation to net sales.

Items affecting comparability

Significant income and expense items, which are recognised separately due to the significance of their nature and amounts and are also to be viewed as non-recurring or rarely occurring.

Rejlers is one of the Nordic region's largest technical consultants. Our 2,000 experts work with projects in the areas of construction and property, energy, industry and infrastructure. At Rejlers, you will meet specialist engineers with the knowledge, cutting edge expertise and energy to achieve results. We are still experiencing rapid growth and can now be found in 80 locations in Sweden, Finland and Norway. Rejlers had sales of SEK 2.3 billion in 2016 and its class B share is listed on Nasdaq Stockholm.

COMING REPORTS

Interim report, January-September 2017 25 October 2017

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