

Hillerstorp 7th of November 2016, 12.00 CET

TROAX: INTERIM REPORT JANUARY – SEPTEMBER 2016

JULY – SEPTEMBER 2016

- Order intake increased by 7 per cent, or 9 per cent adjusted for acquisition and currency.
- Sales increased 13 per cent to 28,8 (25,6) MEUR, or 15 per cent adjusted for acquisition and currency.
- Operating profit increased to 6,1 (5,4) MEUR.
- Operating margin increased to 21,2 (21,1) per cent.
- Profit after tax increased to 4,0 (3,5) MEUR.
- Earnings per share was 0,20 (0,18) EUR.

JANUARY – SEPTEMBER 2016

- Order intake increased by 12 per cent, or 13 per cent adjusted for acquisition and currency.
- Sales increased 11 per cent to 83,9 (75,8) MEUR, or 11 per cent adjusted for acquisition and currency.
- Operating profit increased to 15,9 (15,8) MEUR. Result has been influenced by cost for starting up the new paint line and increased market investments.
- Operating margin decreased to 19,0 (20,8) per cent.
- Profit after tax was 9,9 (9,4) MEUR.
- Earnings per share was 0,50 (0,47) EUR.

TROAX GROUP FIGURES

	3 Months	3 Months	9 Months	9 Months	12 Months	12 Months	12 Months
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec	1.) Jan-Dec	Oct/Sep
MEUR	2016	2015	2016	2015	2015	2014	2015/16
Order intake	27,1	25,4	86,7	77,1	104,4	96,5	114,0
Sales	28,8	25,6	83,9	75,8	103,7	91,2	111,8
Gross profit	12,3	10,8	34,8	32,3	44,6	38,3	47,1
Gross margin, %	42,7	42,2	41,5	42,6	43,0	42,0	42,1
Operating profit	6,1	5,4	15,9	15,8	22,4	14,9	22,5
Operating margin, %	21,2	21,1	19,0	20,8	21,6	16,3	20,1
Adjusted operating profit	6,1	5,4	15,9	15,8	22,4	16,3	22,5
Adjusted operating margin, %	21,2	21,1	19,0	20,8	21,6	17,9	20,1
Profit after tax	4,0	3,5	9,9	9,4	13,7	8,7	14,2
Adjusted EBITDA	6,6	5,9	17,6	17,4	24,6	18,6	24,8
Adjusted EBITDA margin, %	22,9	23,0	21,0	23,0	23,7	20,4	22,2
Earnings per share after dilution in €	0,20	0,18	0,50	0,47	0,69	0,44	0,71
Closing rate SEK/EUR	9,63	9,40	9,63	9,40	9,14	9,52	9,63
Earnings per share after dilution in SEK. 2.)	1,93	1,65	4,77	4,42	6,26	4,14	6,84

1.) The 2014 Column includes Satech figures, as if the acquisition was completed 1st January 2014.

2.) Earnings per share after dilution in SEK, is calculated based on result in Euro and Closing rate SEK/EUR.



CEO COMMENTS

During the third Quarter 2016, Troax showed an increased strength in the development of orders received. This increased by 7 per cent (9 per cent excluding currency and acquisitions). The development in Continental Europe and UK are especially positive. We have not seen any effect of Brexit in the UK so far. In the Nordic areas, the opportunities for bigger machine guarding projects, have been somewhat weak in recent months. The comparison for New Markets is influenced by some bigger orders coming from the Far East in the 3rd quarter of 2015. The order book is still on a good and healthy level.

Sales invoiced increased in the quarter by 13 per cent, compared with the same period last year (excluding acquisition and currency the increase is 15 per cent). The progress was positive in all markets except for Nordic region. Totally, the Group has increased to a turnover level of approximately 112 MEUR on a rolling 12 months' basis.

The result has improved during the quarter, mainly because of good sales volumes, but also due to the fact that the main extra costs for the new paint line in its inauguration phase are now over. The market investments are continuing according to plan. This year, we have not had any major currency effect in the result this quarter, the comparison with last year is only marginally effected.

The operating result therefore becomes 6,1 (5,4) MEUR, which corresponds to a profit margin of 21,2 per cent to be compared with 21,1 per cent last year. The Net result has also developed in a positive way, and amounts to 4,0 MEUR for the quarter (3,5 MEUR).

The result per share, after the third quarter is 0,50 EURO to be compared with 0,47 EURO last year. Operating profit is year to date higher than last year.

The Working Capital is on a similar level as last year. Work in Progress, has been reduced and is now at a normal level for the Group. We have continued with good cash generation during the quarter and the net debt is now 45,7 MEUR.

Thomas Widstrand, President and CEO

PHONE CONFERENCE

Invitation to presentation of the third quarter result:

Thomas Widstrand, CEO presents the result on a phone conference on the 7th of November 2016 at 13:00 CET. The conference will be held in English. For more information, please refer to

<http://www.troax.com/en/news>.

This information is information that Troax Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12:00 CET on 7th of November 2016.

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About Troax

Troax is the leading global supplier of indoor perimeter protection (“metal-based mesh panel solutions”) for the market segments: Machine guarding, Warehouse partitioning and Property Protection. Troax develops high quality and innovative safety solutions to protect people, property and processes.

Troax Group AB (publ), Reg. No. 556916-4030, has a global organisation with an unparalleled sales force and efficient logistics setup, enabling local presence and short delivery times in 33 countries.

In 2015 Troax net sales amounted to 103 MEUR and the number of employees amounted to 440 persons. The Company’s head office is located in Hillerstorp, Sweden.

www.troax.com