



## Press release

(Year-end Report January - December 2016 distributed as an appendix to this press release)

## Favorable growth and strong EBIT – the expansion will continue in 2017

### Fourth quarter of 2016:

- Net sales increased 20% to MSEK 200.9 (167.4)
- EBIT rose 85% to MSEK 30.3 (16.4)
- EBIT margin amounted to 15.1% (9.8)
- Net income was MSEK 21.7 (11.0)
- Earnings per share amounted to SEK 2.17 (1.10)

### Full-year 2016

- Net sales increased 19% to MSEK 657.8 (554.1)
- Adjusted EBIT\* rose 38% to MSEK 86.4 (62.4)
- Adjusted EBIT margin\* amounted to 13.1% (11.3)
- Adjusted net income\* was MSEK 66.8 (45.8)
- Adjusted earnings per share\* amounted to SEK 6.68 (4.58)
- Earnings per share amounted to SEK 5.70 (4.58)
- The Board proposes a dividend for 2016 of SEK 2.85 per share

### Stefan Jonsson, President and CEO:

In many ways, 2016 was a good year for GARO. The company performed well in all the product areas with a strong increase in sales and earnings. During the year, net sales increased 19 percent to MSEK 657.8 (554.1) with a strong end to year. Growth was positive in GARO *Sweden* and GARO *Other markets*.

EBIT for the full year (adjusted for non-recurring costs) increased 38% percent and the adjusted EBIT margin improved to 13.1% (11.3). The positive earnings trend and cash flow during recent years has also provided the company with good liquidity and a solid financial position. Against this backdrop, the Board has recommended the Annual General meeting to propose a dividend of SEK 2.85 per share.

We continue to strengthen our position in a growing market. The expansion will continue in 2017.

Gnosjö, 22 February, 2017

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This information is such information that GARO aktiebolag is obligated to publish in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was published by the abovementioned contact persons on February 22, 2017, at 7:30 a.m.

GARO develops, manufactures and supplies innovative products and systems for the electrical installations industry under its own brand. The company has operations in Sweden, Norway, Finland, Ireland and Poland and the Group is organized in two business segments GARO Sweden and GARO Other markets. GARO has a broad product assortment and is a market leader within several product areas. The Group had sales of approximately MSEK 658 in 2016 and has approximately 274 employees. Its head office is located in Gnosjö.

The business concept is "*with a focus on innovation, sustainability and design, GARO provides profitable complete solutions for the electrical industry*".