

Nolato AB (publ) year-end report 2016

Strong performance by Nolato Medical and proposed dividend increase

■ Fourth quarter of 2016 in brief

- Sales increased to SEK 1,352 million (1,289)
- Operating profit (EBITA) amounted to SEK 130 million (138)
- Profit after tax was SEK 95 million (97)
- Earnings per share were SEK 3.61 (3.69)
- Cash flow after investments increased to SEK 135 million (116), excl. acquisitions
- Acquisition of Treff AG completed during quarter

■ Full year 2016 in brief

- Sales totalled SEK 4,447 million (4,726)
- Operating profit (EBITA) was SEK 457 million (570)
- Earnings per share were SEK 12.77 (15.97)
- The equity/assets ratio was 47% (54) and net financial liability SEK 408 million (+122, net fin. asset)
- The Board of Directors proposes a dividend of SEK 10.50 (10.00) per share

■ Group highlights

| SEK million unless otherwise specified | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|------------|------------|-------------------|-------------------|
| Net sales | 1,352 | 1,289 | 4,447 | 4,726 |
| Operating profit (EBITDA) ¹⁾ | 180 | 180 | 636 | 737 |
| Operating profit (EBITA) ²⁾ | 130 | 138 | 457 | 570 |
| EBITA margin, % | 9.6 | 10.7 | 10.3 | 12.1 |
| Operating profit (EBIT) ³⁾ | 126 | 135 | 443 | 556 |
| Profit after financial income and expense | 125 | 135 | 438 | 555 |
| Profit after tax | 95 | 97 | 336 | 420 |
| Earnings per share, basic and diluted, SEK * | 3.61 | 3.69 | 12.77 | 15.97 |
| Adjusted earnings per share, SEK ⁴⁾ * | 3.72 | 3.77 | 13.19 | 16.35 |
| Cash flow after investments, excl. acquisitions and disposals | 135 | 116 | 245 | 288 |
| Net investm. affecting cash flow, excl. acq. and disposals | 55 | 37 | 221 | 244 |
| Cash conversion, % ⁵⁾ | — | — | 55 | 52 |
| Return on capital employed, % | 20.6 | 29.6 | 20.6 | 29.6 |
| Return on shareholders' equity, % | 19.0 | 25.3 | 19.0 | 25.3 |
| Equity/assets ratio, % | 47 | 54 | 47 | 54 |
| Net financial liabilities (-) / assets (+) | – 408 | 122 | – 408 | 122 |

* The company has a share warrant programme (Series 1) which may result in dilution of the number of shares.

¹⁾ Operating profit (EBITDA): Earnings before financial income and expense, taxes and depreciation/amortisation.

²⁾ Operating profit (EBITA): Earnings before financial income and expense, taxes and amortisation of intangible assets arising from acquisitions.

³⁾ Operating profit (EBIT): Earnings before financial income and expense and taxes.

⁴⁾ Adjusted earnings per share: Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

⁵⁾ Cash conversion: Cash flow after investments, excl. acquisitions and disposals, divided by operating profit (EBIT). Cash flow and operating profit have been adjusted by non-recurring items, if any.

Fourth quarter 2016

- Sales rose by 5% to SEK 1,352 million (1,289); adjusted for currency and acquisitions, sales decreased by 6%
- Operating profit (EBITA) was SEK 130 million (138)
- The acquisition of Switzerland-based Treff AG was consolidated from 3 October
- Continued strong financial position, with net liabilities of SEK 408 million and an equity/assets ratio of 47%

Sales

Consolidated sales rose to SEK 1,352 million (1,289). Adjusted for currency and acquisitions, sales decreased by 6%, which was fully attributable to Nolato Telecom.

Nolato Medical's sales increased to SEK 463 million (387); adjusted for currency and acquisitions, sales grew by 8%. Sales have increased primarily within the Medical Devices sector owing to strong volume growth and ramp-ups of new customer projects.

Nolato Telecom's sales amounted to SEK 448 million (581); adjusted for currency, sales decreased by 25%. Last year, volumes were very strong owing to high demand for customers' handsets on the consumer market. Sales increased for the second consecutive quarter.

Nolato Industrial's sales rose to SEK 443 million (325); adjusted for currency and acquisitions, sales increased by 10%. Volumes in the automotive and hygiene segments showed positive performance, and high project activity relating to new products resulted in higher sales.

Profit

The Group's operating profit (EBITA) was SEK 130 million (138).

Nolato Medical's operating profit (EBITA) increased to SEK 59 million (47), Nolato Telecom's decreased to SEK 41 million (61) and Nolato Industrial's increased to SEK 36 million (34).

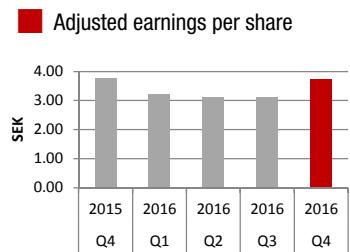
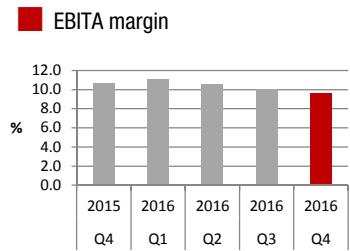
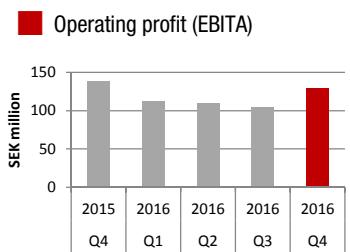
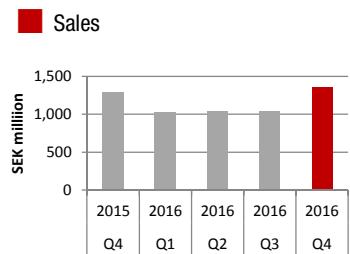
Nolato Medical's EBITA margin rose to 12.7% (12.1). The previous year's margin was negatively affected by an unfavourable product mix. The EBITA margin for Nolato Telecom was 9.2% (10.5). The margin was negatively affected by lower volumes and a change in product mix. The past quarter was also positively impacted by currency effects. Nolato Industrial's EBITA margin was 8.1% (10.5). Higher costs associated with new project start-ups and fluctuating volumes had a negative impact. In addition, the acquisition had some effect.

Overall, the Group's EBITA margin was 9.6% (10.7).

Sales, operating profit (EBITA) and EBITA margin by business area

| SEK million | Sales Q4/2016 | Sales Q4/2015 | Op. Profit EBITA Q4/2016 | Op. Profit EBITA Q4/2015 | EBITA margin Q4/2016 | EBITA margin Q4/2015 |
|-----------------------------|---------------|---------------|--------------------------|--------------------------|----------------------|----------------------|
| Nolato Medical | 463 | 387 | 59 | 47 | 12.7% | 12.1% |
| Nolato Telecom | 448 | 581 | 41 | 61 | 9.2% | 10.5% |
| Nolato Industrial | 443 | 325 | 36 | 34 | 8.1% | 10.5% |
| Intra-Group adj., Parent Co | -2 | -4 | -6 | -4 | — | — |
| Group total | 1,352 | 1,289 | 130 | 138 | 9.6% | 10.7% |

Operating profit (EBITA): Earnings before financial income and expense, taxes and amortisation of intangible assets arising from acquisitions.



Operating profit (EBIT) was SEK 126 million (135).

Profit after net financial income/expense was SEK 125 million (135). Net financial income/expense included currency exchange rate fluctuations affecting earnings by SEK 1 million (2).

Profit after tax was SEK 95 million (97). Earnings per share, basic and diluted, were SEK 3.61 (3.69). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 3.72 (3.77).

Full year 2016

Sales and earnings

Consolidated sales totalled SEK 4,447 million (4,726) in 2016. Adjusted for currency and acquisitions, sales decreased by 8%.

Nolato Medical's sales increased by 12% to SEK 1,645 million (1,464), Nolato Telecom's decreased by 30% to SEK 1,402 million (2,017) and Nolato Industrial's rose by 13% to SEK 1,409 million (1,251).

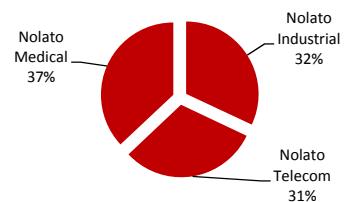
Consolidated operating profit (EBITA) amounted to SEK 457 million (570), giving an EBITA margin of 10.3% (12.1). Operating profit (EBIT) was SEK 443 million (556).

Profit after net financial income/expense was SEK 438 million (555).

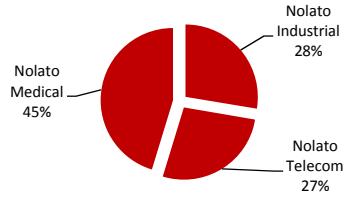
Profit after tax was SEK 336 million (420). Earnings per share, basic and diluted, stood at SEK 12.77 (15.97). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 13.19 (16.35). The effective tax rate was 23% (24), which was the same tax rate as earlier in the year.

The return on capital employed was 20.6% (29.6%). Return on equity was 19.0% (25.3). The return has decreased owing to lower profit and an increase in tied-up capital following the acquisition. Cash conversion was 55% (52). Cash conversion was negatively affected by increased working capital requirements and continued high investments principally due to continued expansion efforts.

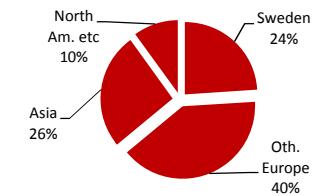
Business areas' share of sales



Business areas' share of operating profit (EBITA)



Sales by geographic markets



■ Nolato Medical

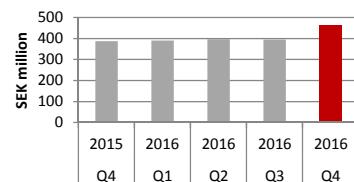
| Sales and profit full year (SEK million) | 2016 | 2015 |
|--|-------|-------|
| Sales | 1,645 | 1,464 |
| Operating profit (EBITA) | 216 | 191 |
| EBITA margin (%) | 13.1 | 13.0 |
| Operating profit (EBIT) | 203 | 178 |

Nolato Medical's sales rose to SEK 1,645 million (1,464). Completed acquisitions contributed SEK 47 million. Adjusted for currency and acquisitions, sales increased by 11%. Volumes increased in both the Medical Devices and Pharma Packaging sectors and most customer segments experienced healthy growth. The year was marked by high project activity and healthy capacity utilisation.

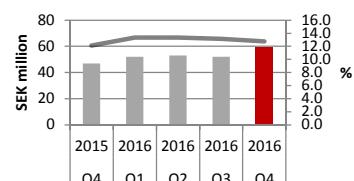
Operating profit (EBITA) rose to SEK 216 million (191). The EBITA margin was 13.1% (13.0).

Switzerland-based Treff AG was acquired in the fourth quarter. The company has annual sales of just over SEK 450 million, one-third of which is reported within Nolato Medical. The acquisition has been consolidated from 3 October. The acquisition has proceeded well and work to integrate the business is underway.

■ Nolato Medical sales



■ Nolato Medical operating profit (EBITA) & EBITA margin %



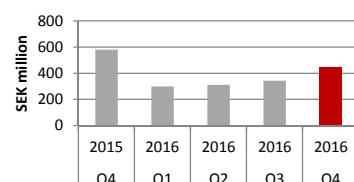
■ Nolato Telecom

| Sales and profit full year (SEK million) | 2016 | 2015 |
|--|-------|-------|
| Sales | 1,402 | 2,017 |
| Operating profit (EBITA) | 131 | 272 |
| EBITA margin (%) | 9.3 | 13.5 |
| Operating profit (EBIT) | 131 | 272 |

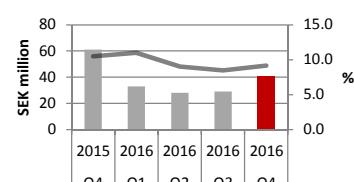
Nolato Telecom's sales totalled SEK 1,402 million (2,017); adjusted for currency, sales decreased by 30%. Last year, volumes were very strong owing to extremely high demand for customers' handsets on the consumer market. Product changeovers took place as planned during the period. Activity in the EMC (electromagnetic compatibility) area continued to develop well, as did this business area's activities in segments other than mobile phones.

Operating profit (EBITA) was SEK 131 million (272). The EBITA margin was 9.3% (13.5). Last year the margin was exceptionally strong due to very high volumes and a favourable product mix.

■ Nolato Telecom sales



■ Nolato Telecom operating profit (EBITA) & EBITA margin %



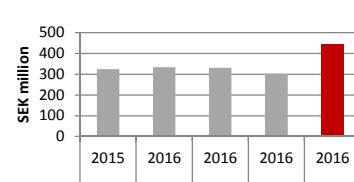
■ Nolato Industrial

| Sales and profit full year (SEK million) | 2016 | 2015 |
|--|-------|-------|
| Sales | 1,409 | 1,251 |
| Operating profit (EBITA) | 134 | 132 |
| EBITA margin (%) | 9.5 | 10.6 |
| Operating profit (EBIT) | 133 | 131 |

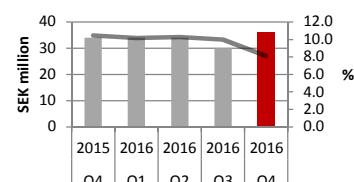
Nolato Industrial's sales rose to SEK 1,409 million (1,251). Completed acquisitions contributed SEK 82 million. Adjusted for currency and acquisitions, sales rose by 6%. Volumes in primarily the automotive and hygiene segments showed positive performance. Continued investments in technology and increased market share are having a positive effect.

Operating profit (EBITA) totalled SEK 134 million (132), with an EBITA margin of 9.5% (10.6). Higher costs associated with new project start-ups and fluctuating volumes and the acquisition had an impact on the margin. The acquisition has been consolidated from 3 October. The acquisition has proceeded well and work to integrate the business is underway.

■ Nolato Industrial sales



■ Nolato Industrial operating profit (EBITA) & EBITA margin %

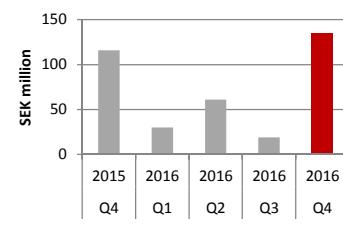


■ Cash flow

Earnings and lower working capital requirements have principally contributed to strong cash flow after investments of SEK 135 million (116) in the fourth quarter, excluding acquisitions. The acquisition of Treff had an impact of SEK 382 million on cash flow (excluding cash and cash equivalents).

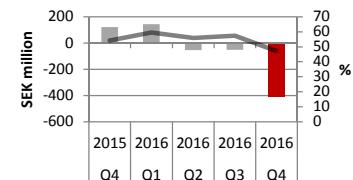
Cash flow after investments for the full year amounted to SEK 245 million (288), excluding acquisitions. Lower earnings and higher working capital requirements had a negative effect on cash flow, while a slightly lower level of investment than the previous year had a positive impact. The change in working capital was a negative SEK 41 million (-20). Investments affecting cash flow totalled SEK 221 million (244), excluding acquisitions. Including acquisitions, investments affecting cash flow totalled SEK 619 million (244). For the full year, including acquisitions, cash flow after investments was SEK -153 million (288).

■ Cash flow after investments



Excluding acquisitions and disposals

■ Net financial liabilities (-) assets (+) & assets/equity ratio



■ Financial position

Interest-bearing assets totalled SEK 411 million (403), and interest-bearing liabilities and provisions totalled SEK 819 million (281). Net financial liabilities consequently totalled SEK 408 million (+122, net asset). Shareholders' equity was SEK 1,850 million (1,759). The equity/assets ratio was 47% (54). In the second quarter of the year, dividends totalling SEK 263 million (224) were paid out.

■ Consolidated performance analysis

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--|---------|---------|----------------|----------------|
| Net sales | 1,352 | 1,289 | 4,447 | 4,726 |
| Gross profit excl. depreciation/amortisation | 242 | 248 | 891 | 986 |
| As a percentage of net sales | 17.9 | 19.2 | 20.0 | 20.9 |
| Costs | - 62 | - 68 | - 255 | - 249 |
| As a percentage of net sales | 4.6 | 5.3 | 5.7 | 5.3 |
| Operating profit (EBITDA) | 180 | 180 | 636 | 737 |
| As a percentage of net sales | 13.3 | 14.0 | 14.3 | 15.6 |
| Depreciation and amortisation | - 50 | - 42 | - 179 | - 167 |
| Operating profit (EBITA) | 130 | 138 | 457 | 570 |
| As a percentage of net sales | 9.6 | 10.7 | 10.3 | 12.1 |
| Amortisation of intangible assets arising from acquisitions | - 4 | - 3 | - 14 | - 14 |
| Operating profit (EBIT) | 126 | 135 | 443 | 556 |
| Financial income and expense | - 1 | — | - 5 | - 1 |
| Profit after financial income and expense | 125 | 135 | 438 | 555 |
| Tax | - 30 | - 38 | - 102 | - 135 |
| As a percentage of profit after financial income and expense | 24.0 | 28.1 | 23.3 | 24.3 |
| Profit after tax | 95 | 97 | 336 | 420 |

■ Financial position

| SEK million | 31/12/2016 | 31/12/2015 |
|---|--------------|--------------|
| Interest-bearing liabilities, credit institutions | - 617 | - 154 |
| Interest-bearing pension liabilities | - 202 | - 127 |
| Total borrowings | - 819 | - 281 |
| Cash and bank | 411 | 403 |
| Net financial liabilities (-) / assets (+) | - 408 | 122 |
| Working capital | 327 | 196 |
| As a percentage of sales (avg.) (%) | 5.9 | 3.2 |
| Capital employed | 2,668 | 2,039 |
| <i>Return on capital employed (avg.) (%)</i> | <i>20.6</i> | <i>29.6</i> |
| Shareholders' equity | 1,850 | 1,759 |
| <i>Return on shareholders' equity (avg.) (%)</i> | <i>19.0</i> | <i>25.3</i> |

■ Personnel

The average number of employees during the year was 6,418 people (7,759). The reduction in the number of employees in the year is primarily attributable to Nolato Telecom's operations in China.

■ Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2015 Annual Report on pages 14, 48 – 49, and in Note 4 on pages 59 – 60.

No significant events have occurred during the period that would significantly affect or change these descriptions of the Group's and the Parent Company's risks or the management thereof.

■ Seasonal effects

Nolato does not experience any significant seasonal variations. However, in the third quarter sales within Nolato Industrial, and to a certain degree Nolato Medical, can be negatively affected by the fact that the holiday period falls in this quarter both for Nolato and its customers.

■ Events after the balance sheet date

No significant events have occurred since the end of the period.

■ Dividend

At the Annual General Meeting, the Board of Directors and the President and CEO will propose that the dividend be increased to SEK 10.50 per share (SEK 10.00), which corresponds to SEK 276 million (263). The pay-out ratio is 82% (63). The dividend yield was 4.0% in relation to the listed share price at 31 December 2016. Nolato's dividend policy is to propose a dividend that exceeds 50% of profit after tax, taking accounting of Nolato's long-term development opportunities, financial position and investment needs.

■ Ownership and legal structure

Nolato AB (publ), with Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's Class B shares are listed on Nasdaq Stockholm in the Mid Cap segment, where they are included in the Industrials sector.

There were 11,982 shareholders at 31 December. The largest shareholders are the Jorlén family with 10%, the Boström family with 9%, Didner & Gerge Funds with 8%, the Hamrin family with 6%, Lannebo Funds, Swedbank Robur Funds and SEB Investment Management with 4% of the capital each.

■ The Parent Company

For the parent company, which has no operating activities, sales amounted to SEK 46 million (45). Profit after financial income and expense decreased to SEK 70 million (101), owing mainly to lower earnings from investments in group companies.

■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting) and the applicable provisions of the Swedish Annual Accounts Act. The Swedish Securities Market Act has been applied in relation to publication of this interim report.

The consolidated accounts have been prepared in accordance with the same principles as those applied in the most recent Annual Report, which are described in the 2015 Annual Report on pages 56 – 58.

The new or revised IFRS standards or IFRIC interpretations, which came into effect on 1 January 2016, have not had any material effect on the consolidated income statement or balance sheet.

The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act.

■ Annual General Meeting

The Annual General Meeting will be held at 4 pm on 26 April 2017 in Grevie, Sweden. Shareholders who would like to submit proposals to the nomination committee can contact the Chairman of the nomination committee, Henrik Jorlén by email at henrik.jorlen@gmail.com or by post at Kommendörsgatan 4, 269 77 Torekov, Sweden.

■ Financial calendar

- 2016 Annual Report: Nolato's Annual Report will be published on the company's website, www.nolato.se, during week 13. A copy of the Annual Report will also be sent to those Nolato shareholders who have specifically requested such.
- Three-month interim report 2017: 26 April 2017
- 2017 Annual General Meeting: 26 April 2017
- Six-month interim report 2017: 19 July 2017
- Nine-month interim report 2017: 25 October 2017

Torekov, 8 February 2017

Nolato AB (publ)

The Board of Directors

■ Contact:

- Christer Wahlquist, President and CEO, tel. +46705 804848.
- Per-Ola Holmström, CFO, tel. +46705 763340.

This information is information that Nolato AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 14:30 CET on 8 February 2017.

This report has not been audited by the Company's auditors.

THE COMPANY IN BRIEF

■ Nolato's business

Nolato develops and manufactures products in polymer materials such as plastic, silicone and TPE for customers within medical technology, pharmaceuticals, telecom, automotive and other selected industrial sectors.

Operations encompass everything from individual components, which the customer assembles in its own product, to complete products that are ready for delivery to a customer's client.

Nolato also develops and manufactures its own products, such as pharmaceutical packaging.

■ Nolato's business model

Nolato's business model is based on close, long-term, innovative collaboration with our customers. By being part of their process at an early stage and providing support during both the development and production phases, Nolato helps its customers create a product that is as competitive as possible.

Nolato creates added value for its customers and owners through progressive, leading technology, extensive expertise in development and design, advanced project management and highly efficient production.

■ Nolato's strategies

- Early involvement in customers' development processes
- Close and long-term collaboration/partnerships with our customers
- Innovative, integrated and high-tech solutions
- High productivity/Lean manufacturing
- Advancing up the value chain/Greater added value
- Global presence
- Responsible business practice

■ Consolidated income statement (summary)

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|------------|------------|-------------------|-------------------|
| Net sales | 1,352 | 1,289 | 4,447 | 4,726 |
| Cost of goods sold | – 1,160 | – 1,083 | – 3,733 | – 3,904 |
| Gross profit | 192 | 206 | 714 | 822 |
| | | | | |
| Other operating income | 14 | 1 | 18 | 13 |
| Selling expenses | – 33 | – 28 | – 115 | – 109 |
| Administrative expenses | – 43 | – 44 | – 170 | – 170 |
| Other operating expenses | – 4 | — | – 4 | — |
| | – 66 | – 71 | – 271 | – 266 |
| Operating profit | 126 | 135 | 443 | 556 |
| | | | | |
| Financial income and expense | – 1 | — | – 5 | – 1 |
| Profit after financial income and expense | 125 | 135 | 438 | 555 |
| | | | | |
| Tax | – 30 | – 38 | – 102 | – 135 |
| Profit after tax | 95 | 97 | 336 | 420 |
| | | | | |
| All earnings are attrib. to the Parent Co.'s shareholders | | | | |
| Depreciation/amortisation | 54 | 45 | 193 | 181 |
| Earnings per share, basic and diluted (SEK) * | 3.61 | 3.69 | 12.77 | 15.97 |
| | | | | |
| Number of shares at period end | 26,307,408 | 26,307,408 | 26,307,408 | 26,307,408 |
| Average number of shares | 26,307,408 | 26,307,408 | 26,307,408 | 26,307,408 |

* The company has a share warrant programme (Series 1) which may result in dilution of the number of shares.

■ Consolidated comprehensive income

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--|------------|-------------|-------------------|-------------------|
| Profit after tax | 95 | 97 | 336 | 420 |
| | | | | |
| Other comprehensive income | | | | |
| <i>Items that cannot be transferred to profit for the period</i> | | | | |
| Revaluations of defined benefit pension plans | 10 | 1 | 8 | 1 |
| Tax attributable to items that cannot be transferred to profit for the period | – 2 | — | – 2 | — |
| | 8 | 1 | 6 | 1 |
| <i>Items that have been converted or can be converted into profit for the period</i> | | | | |
| Translation differences for the period on transl. of foreign oper. | 5 | – 24 | 12 | – 7 |
| Changes in the fair val. of cash flow hedges for the per. * | – 1 | — | – 2 | 3 |
| Tax attr. to changes in the fair val. of cash flow hedges * | — | — | — | – 1 |
| | 4 | – 24 | 10 | – 5 |
| Other comprehensive income, net of tax | 12 | – 23 | 16 | – 4 |
| | | | | |
| Total comp. income for the period attributable to the Parent Co.'s shareholders | 107 | 74 | 352 | 416 |

* Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2.

■ Consolidated balance sheet (summary)

| SEK million | 31/12/2016 | 31/12/2015 |
|---|--------------|--------------|
| Assets | | |
| Non-current assets | | |
| Intangible non-current assets | 849 | 543 |
| Property, plant and equipment | 1,205 | 952 |
| Non-current financial assets | 2 | 2 |
| Other non-current receivables | 1 | 1 |
| Deferred tax assets | 46 | 44 |
| Total fixed assets | 2,103 | 1,542 |
| Current assets | | |
| Inventories | 393 | 279 |
| Accounts receivable | 819 | 874 |
| Other current assets * ²⁾ | 198 | 135 |
| Cash and bank | 411 | 403 |
| Total current assets | 1,821 | 1,691 |
| Total assets | 3,924 | 3,233 |
| Shareholders' equity and liabilities | | |
| Shareholders' equity | 1,850 | 1,759 |
| Long-term liabilities and provisions ¹⁾ | 803 | 159 |
| Deferred tax liabilities ¹⁾ | 88 | 69 |
| Current liabilities and provisions * ^{1) 3)} | 1,183 | 1,246 |
| Total liabilities and provisions | 2,074 | 1,474 |
| Total shareholders' equity and liabilities | 3,924 | 3,233 |
| ¹⁾ Interest-bearing/non-interest-bearing liabilities and provisions: | | |
| Interest-bearing liabilities and provisions | 819 | 281 |
| Non-interest-bearing liabilities and provisions | 1,255 | 1,193 |
| Total liabilities and provisions | 2,074 | 1,474 |
| * Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2. | | |
| ²⁾ Derivative assets are included in other current assets at | 10 | 7 |
| ³⁾ Derivative liabilities are included in current liabilities and provisions at | 4 | 1 |

■ Changes in consolidated shareholders' equity (summary)

| SEK million | Full year 2016 | Full year 2015 |
|--|-------------------|-------------------|
| Shareholders' equity at the beginning of the period | 1,759 | 1,567 |
| Total comprehensive income for the period | 352 | 416 |
| Dividends | - 263 | - 224 |
| Share warrants included in incentive programme (Series 1) | 2 | — |
| Shareholders' equity at the end of period attrib. to Parent Co's shareholders | 1,850 | 1,759 |

In 2016, a dividend totalling SEK 263 million was paid to the Parent Company's shareholders, corresponding to a dividend of SEK 10.00 per share. The Group has an incentive programme which may result in a dilutive effect on the number of shares.

■ Consolidated cash flow statement (summary)

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|----------------|----------------|-------------------|-------------------|
| Cash flow from op. activities bef. changes in working capital | 140 | 129 | 507 | 552 |
| Changes in working capital | 50 | 24 | - 41 | - 20 |
| Cash flow from operating activities | 190 | 153 | 466 | 532 |
| Cash flow from investment activities | - 437 | - 37 | - 619 | - 244 |
| Cash flow before financing activities | - 247 | 116 | - 153 | 288 |
| Cash flow from financing activities | 414 | - 64 | 157 | - 138 |
| Cash flow for the period | 167 | 52 | 4 | 150 |
| Liquid assets at the beginning of the period | 240 | 362 | 403 | 256 |
| Exchange rate difference in liquid assets | 4 | - 11 | 4 | - 3 |
| Liquid assets at the end of the period | 411 | 403 | 411 | 403 |

■ Earnings per share

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--|----------------|----------------|-------------------|-------------------|
| Profit after tax | 95 | 97 | 336 | 420 |
| Adjusted earnings: | | | | |
| Amortisation of intangible assets arising from acquis. | 4 | 3 | 14 | 14 |
| Tax on amortisation | - 1 | - 1 | - 3 | - 4 |
| Adjusted earnings | 98 | 99 | 347 | 430 |
| Average number of shares * | 26,307,408 | 26,307,408 | 26,307,408 | 26,307,408 |
| Earnings per share, basic and diluted (SEK) * | 3.61 | 3.69 | 12.77 | 15.97 |
| Adjusted earnings per share (SEK) * | 3.72 | 3.77 | 13.19 | 16.35 |

■ Five-year overview

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-------|-------|-------|-------|-------|
| Net sales (SEK million) | 4,447 | 4,726 | 4,234 | 4,522 | 3,874 |
| Operating profit (EBITA) (SEK million) | 457 | 570 | 470 | 427 | 303 |
| EBITA margin (%) | 10.3 | 12.1 | 11.1 | 9.4 | 7.8 |
| Operating profit (EBIT) (SEK million) | 443 | 556 | 454 | 411 | 287 |
| Profit after financial income and expense (SEK million) | 438 | 555 | 462 | 403 | 272 |
| Profit after tax (SEK million) | 336 | 420 | 364 | 314 | 202 |
| Cash flow after investments, excl. acq. and disposals (SEK million) | 245 | 288 | 127 | 362 | 317 |
| Cash conversion (%) | 55 | 52 | 28 | 82 | 111 |
| Return on capital employed (%) | 20.6 | 29.6 | 28.4 | 26.7 | 19.4 |
| Return on shareholders' equity (%) | 19.0 | 25.3 | 25.0 | 24.9 | 17.7 |
| Net financial assets (+) liabilities (-) (SEK million) | - 408 | 122 | 59 | 122 | - 113 |
| Equity/assets ratio (%) | 47 | 54 | 54 | 52 | 44 |
| Earnings per share (SEK) * | 12.77 | 15.97 | 13.84 | 11.94 | 7.68 |
| Adjusted earnings per share (SEK) * | 13.19 | 16.35 | 14.29 | 12.39 | 8.13 |
| Dividend per share (2016 proposal) (SEK) | 10.50 | 10.00 | 8.50 | 8.00 | 6.00 |
| Average number of employees | 6,418 | 7,759 | 8,020 | 9,357 | 8,421 |

* The company has a share warrant programme (Series 1) which may result in dilution of the number of shares.

■ Quarterly data (summary)

| | | Q1 | Q2 | Q3 | Q4 | Full year |
|---|------|--------|--------|--------|--------|-----------|
| Net sales (SEK million) | 2016 | 1,022 | 1,037 | 1,036 | 1,352 | 4,447 |
| | 2015 | 1,073 | 1,280 | 1,084 | 1,289 | 4,726 |
| | 2014 | 932 | 965 | 1,095 | 1,242 | 4,234 |
| Operating profit (EBITDA) (SEK million) | 2016 | 155 | 152 | 149 | 180 | 636 |
| | 2015 | 164 | 208 | 185 | 180 | 737 |
| | 2014 | 129 | 135 | 149 | 206 | 619 |
| Operating profit (EBITA) (SEK million) | 2016 | 113 | 110 | 104 | 130 | 457 |
| | 2015 | 123 | 167 | 142 | 138 | 570 |
| | 2014 | 94 | 100 | 112 | 164 | 470 |
| EBITA margin (%) | 2016 | 11.1 | 10.6 | 10.0 | 9.6 | 10.3 |
| | 2015 | 11.5 | 13.0 | 13.1 | 10.7 | 12.1 |
| | 2014 | 10.1 | 10.4 | 10.2 | 13.2 | 11.1 |
| Operating profit (EBIT) (SEK million) | 2016 | 110 | 106 | 101 | 126 | 443 |
| | 2015 | 119 | 163 | 139 | 135 | 556 |
| | 2014 | 90 | 96 | 108 | 160 | 454 |
| Profit after financial income and expense (SEK million) | 2016 | 109 | 103 | 101 | 125 | 438 |
| | 2015 | 121 | 162 | 137 | 135 | 555 |
| | 2014 | 88 | 104 | 108 | 162 | 462 |
| Profit after tax (SEK million) | 2016 | 83 | 79 | 79 | 95 | 336 |
| | 2015 | 93 | 125 | 105 | 97 | 420 |
| | 2014 | 67 | 81 | 83 | 133 | 364 |
| Cash flow from operating activities (SEK million) | 2016 | 93 | 113 | 70 | 190 | 466 |
| | 2015 | 217 | 9 | 153 | 153 | 532 |
| | 2014 | 61 | 92 | 39 | 138 | 330 |
| Cash flow from operating activities per share (SEK) | 2016 | 3.54 | 4.30 | 2.66 | 7.22 | 17.71 |
| | 2015 | 8.25 | 0.34 | 5.82 | 5.82 | 20.22 |
| | 2014 | 2.32 | 3.50 | 1.48 | 5.25 | 12.54 |
| Cash flow after investments, excl. acq. and disp. (SEK million) | 2016 | 30 | 61 | 19 | 135 | 245 |
| | 2015 | 104 | - 52 | 120 | 116 | 288 |
| | 2014 | 17 | 33 | - 13 | 90 | 127 |
| Cash flow after investm., excl. acq. and disp. per share (SEK) | 2016 | 1.14 | 2.32 | 0.72 | 5.13 | 9.31 |
| | 2015 | 3.95 | - 1.98 | 4.56 | 4.41 | 10.95 |
| | 2014 | 0.65 | 1.25 | - 0.49 | 3.42 | 4.83 |
| Earnings per share, basic and diluted (SEK) * | 2016 | 3.16 | 3.00 | 3.00 | 3.61 | 12.77 |
| | 2015 | 3.54 | 4.75 | 3.99 | 3.69 | 15.97 |
| | 2014 | 2.55 | 3.08 | 3.15 | 5.06 | 13.84 |
| Adjusted earnings per share (SEK) * | 2016 | 3.23 | 3.12 | 3.12 | 3.72 | 13.19 |
| | 2015 | 3.65 | 4.86 | 4.07 | 3.77 | 16.35 |
| | 2014 | 2.66 | 3.19 | 3.27 | 5.17 | 14.29 |
| Shareholders' equity per share (SEK) | 2016 | 70 | 63 | 66 | 70 | 70 |
| | 2015 | 65 | 60 | 64 | 67 | 67 |
| | 2014 | 53 | 49 | 53 | 60 | 60 |
| Return on total capital (%) | 2016 | 17.8 | 16.0 | 14.7 | 13.7 | 13.7 |
| | 2015 | 17.6 | 19.5 | 19.8 | 18.3 | 18.3 |
| | 2014 | 14.3 | 14.3 | 14.3 | 17.1 | 17.1 |
| Return on capital employed (%) | 2016 | 27.2 | 24.8 | 22.4 | 20.6 | 20.6 |
| | 2015 | 28.5 | 31.6 | 32.0 | 29.6 | 29.6 |
| | 2014 | 24.7 | 24.1 | 24.6 | 28.4 | 28.4 |
| Return on operating capital (%) | 2016 | 34.2 | 28.9 | 26.1 | 24.4 | 24.4 |
| | 2015 | 34.7 | 36.4 | 37.3 | 35.3 | 35.3 |
| | 2014 | 29.1 | 28.0 | 27.4 | 33.0 | 33.0 |
| Return on shareholders' equity (%) | 2016 | 23.2 | 22.5 | 19.7 | 19.0 | 19.0 |
| | 2015 | 25.1 | 30.1 | 29.6 | 25.3 | 25.3 |
| | 2014 | 22.3 | 24.0 | 23.2 | 25.0 | 25.0 |
| Closing share price Nolato B (Nasdaq Stockholm) | 2016 | 227.50 | 221.50 | 263.00 | 263.00 | 263.00 |
| | 2015 | 208.50 | 189.50 | 210.00 | 257.50 | 257.50 |
| | 2014 | 163.00 | 152.00 | 163.50 | 178.00 | 178.00 |

* The company has a share warrant programme (Series 1) which may result in dilution of the number of shares.

■ Quarterly data business areas

| Net sales (SEK million) | Q1 | Q2 | Q3 | Q4 | Full year |
|---|-----------------------|-------|-------|-------|-----------|
| Nolato Medical | 2016 390 | 397 | 395 | 463 | 1,645 |
| | 2015 344 | 365 | 368 | 387 | 1,464 |
| | 2014 326 | 343 | 330 | 334 | 1,333 |
| Nolato Telecom | 2016 300 | 311 | 343 | 448 | 1,402 |
| | 2015 418 | 584 | 434 | 581 | 2,017 |
| | 2014 320 | 344 | 502 | 633 | 1,799 |
| Nolato Industrial | 2016 334 | 331 | 301 | 443 | 1,409 |
| | 2015 312 | 332 | 282 | 325 | 1,251 |
| | 2014 286 | 279 | 264 | 277 | 1,106 |
| Group adjustments, Parent Company | 2016 -2 | -2 | -3 | -2 | -9 |
| | 2015 -1 | -1 | — | -4 | -6 |
| | 2014 — | -1 | -1 | -2 | -4 |
| Group total | 2016 1,022 | 1,037 | 1,036 | 1,352 | 4,447 |
| | 2015 1,073 | 1,280 | 1,084 | 1,289 | 4,726 |
| | 2014 932 | 965 | 1,095 | 1,242 | 4,234 |
| Operating profit (EBITA) (SEK million) | Q1 | Q2 | Q3 | Q4 | Full year |
| Nolato Medical | 2016 52 | 53 | 52 | 59 | 216 |
| | EBITA margin (%) 13.3 | 13.4 | 13.2 | 12.7 | 13.1 |
| | 2015 46 | 47 | 51 | 47 | 191 |
| | EBITA margin (%) 13.4 | 12.9 | 13.9 | 12.1 | 13.0 |
| | 2014 45 | 46 | 42 | 43 | 176 |
| | EBITA margin (%) 13.8 | 13.4 | 12.7 | 12.9 | 13.2 |
| Nolato Telecom | 2016 33 | 28 | 29 | 41 | 131 |
| | EBITA margin (%) 11.0 | 9.0 | 8.5 | 9.2 | 9.3 |
| | 2015 47 | 101 | 63 | 61 | 272 |
| | EBITA margin (%) 11.2 | 17.3 | 14.5 | 10.5 | 13.5 |
| | 2014 23 | 30 | 48 | 98 | 199 |
| | EBITA margin (%) 7.2 | 8.7 | 9.6 | 15.5 | 11.1 |
| Nolato Industrial | 2016 34 | 34 | 30 | 36 | 134 |
| | EBITA margin (%) 10.2 | 10.3 | 10.0 | 8.1 | 9.5 |
| | 2015 34 | 34 | 30 | 34 | 132 |
| | EBITA margin (%) 10.9 | 10.2 | 10.6 | 10.5 | 10.6 |
| | 2014 31 | 30 | 28 | 29 | 118 |
| | EBITA margin (%) 10.8 | 10.8 | 10.6 | 10.5 | 10.7 |
| Group adjustments, Parent Company | 2016 -6 | -5 | -7 | -6 | -24 |
| | 2015 -4 | -15 | -2 | -4 | -25 |
| | 2014 -5 | -6 | -6 | -6 | -23 |
| Group total | 2016 113 | 110 | 104 | 130 | 457 |
| | EBITA margin (%) 11.1 | 10.6 | 10.0 | 9.6 | 10.3 |
| | 2015 123 | 167 | 142 | 138 | 570 |
| | EBITA margin (%) 11.5 | 13.0 | 13.1 | 10.7 | 12.1 |
| | 2014 94 | 100 | 112 | 164 | 470 |
| | EBITA margin (%) 10.1 | 10.4 | 10.2 | 13.2 | 11.1 |
| Depreciation/amortisation (SEK million) | Q1 | Q2 | Q3 | Q4 | Full year |
| Nolato Medical | 2016 22 | 22 | 23 | 25 | 92 |
| | 2015 20 | 22 | 22 | 22 | 86 |
| | 2014 18 | 19 | 19 | 20 | 76 |
| Nolato Telecom | 2016 9 | 9 | 9 | 9 | 36 |
| | 2015 11 | 11 | 10 | 10 | 42 |
| | 2014 10 | 10 | 11 | 14 | 45 |
| Nolato Industrial | 2016 14 | 15 | 16 | 20 | 65 |
| | 2015 14 | 12 | 14 | 13 | 53 |
| | 2014 11 | 10 | 11 | 12 | 44 |
| Group total | 2016 45 | 46 | 48 | 54 | 193 |
| | 2015 45 | 45 | 46 | 45 | 181 |
| | 2014 39 | 39 | 41 | 46 | 165 |

■ Group financial highlights

| | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|---|------------|------------|-------------------|-------------------|
| Net sales (SEK million) | 1,352 | 1,289 | 4,447 | 4,726 |
| Sales growth (%) | 5 | 4 | - 6 | 12 |
| Percentage of sales outside Sweden (%) | 83 | 74 | 76 | 77 |
| Operating profit (EBITDA) (SEK million) | 180 | 180 | 636 | 737 |
| Operating profit (EBITA) (SEK million) | 130 | 138 | 457 | 570 |
| EBITA margin (%) | 9.6 | 10.7 | 10.3 | 12.1 |
| Profit after financial income and expense (SEK million) | 125 | 135 | 438 | 555 |
| Profit margin (%) | 9.2 | 10.5 | 9.8 | 11.7 |
| Profit after tax (SEK million) | 95 | 97 | 336 | 420 |
| | | | | |
| Return on total capital (%) | 13.7 | 18.3 | 13.7 | 18.3 |
| Return on capital employed (%) | 20.6 | 29.6 | 20.6 | 29.6 |
| Return on operating capital (%) | 24.4 | 35.3 | 24.4 | 35.3 |
| Return on shareholders' equity (%) | 19.0 | 25.3 | 19.0 | 25.3 |
| | | | | |
| Equity/assets ratio (%) | 47 | 54 | 47 | 54 |
| Debt/equity (%) | 44 | 16 | 44 | 16 |
| Interest coverage ratio (times) | 49 | 60 | 67 | 78 |
| Net investments affecting cash flow, excl. acq. and disposals (SEK million) | 55 | 37 | 221 | 244 |
| Cash flow after inv., excl. acq. and disp. (SEK million) | 135 | 116 | 245 | 288 |
| Cash conversion (%) | — | — | 55 | 52 |
| Net financial liabilities (-) / assets (+) (SEK million) | - 408 | 122 | - 408 | 122 |
| | | | | |
| Earnings per share, basic and diluted (SEK) * | 3.61 | 3.69 | 12.77 | 15.97 |
| Adjusted earnings per share (SEK) * | 3.72 | 3.77 | 13.19 | 16.35 |
| Cash flow from operating activities per share (SEK) | 7.22 | 5.82 | 17.71 | 20.22 |
| Cash flow per share, excl. acq. and disposals (SEK) | 5.13 | 4.41 | 9.31 | 10.95 |
| Shareholders' equity per share (SEK) | — | — | 70 | 67 |
| | | | | |
| Average number of employees | — | — | 6,418 | 7,759 |

* The company has a share warrant programme (Series 1) which may result in dilution of the number of shares.

■ Reconciliation of consolidated income before tax

| SEK million | Full year 2016 | Full year 2015 |
|--|-------------------|-------------------|
| Operating profit (EBIT) | | |
| Nolato Medical | 203 | 178 |
| Nolato Telecom | 131 | 272 |
| Nolato Industrial | 133 | 131 |
| Group adjustments, Parent Company | - 24 | - 25 |
| Consolidated operating profit (EBIT) | 443 | 556 |
| Financial income and expense (not distributed by business areas) | - 5 | - 1 |
| Consolidated profit before tax | 438 | 555 |

■ Acquisition of Treff AG

Description of the acquisition

Nolato has acquired the Swiss company Treff AG. The company will strengthen the customer base and geographical expansion of both Nolato Medical and Nolato Industrial.

Treff manufacturers supply products for medical and self-care diagnostics (in-vitro diagnostics, IVD), as well as technically advanced precision components for various industrial segments.

Nolato acquired 100 percent of the shares in Treff AG, and obtained controlling influence. The company was acquired on 3 October and was consolidated by Nolato as of 3 October. The acquisition was reported using the acquisition method, with the total purchase price being allocated among the assets acquired and liabilities assumed based on their fair values. Fair value was determined using generally accepted principles and methods. The purchase price comprises a cash payment. Around two thirds of Treff's operations will be reported within Nolato Industrial and one third within Nolato Medical. The acquisition contributed SEK 121 million to the Nolato Group's income in 2016. The acquisition analysis of the company is, in its entirety, still preliminary and may be changed according to IFRS regulations.

Acquisition value, goodwill and cash flow effects (provisional)

Acquisition value

| | |
|---|------------|
| Purchase sum | 485 |
| Deduction of fair value of acquired net assets (in accordance with itemisation below) | – 234 |
| Goodwill | 251 |

Goodwill arising in connection with the transaction consists of synergies that are expected to be achieved primarily as a result of increased sales volumes for the Nolato Group's customers in Europe and for customers of the acquired company from other companies within the Nolato Group. But also partly by means of lower costs through better purchasing terms from external suppliers, and other involvement at different levels in the Nolato Medical and Nolato Industrial business areas.

| Net assets | Balance sheet at time of acquisition | Adjustment to fair value | Fair value |
|-----------------------------------|--------------------------------------|--------------------------|------------|
| Intangible non-current assets | — | 59 | 59 |
| Property, plant and equipment | 131 | 63 | 194 |
| Current assets | 149 | — | 149 |
| Cash and bank balances | 103 | — | 103 |
| Provisions | – 72 | – 59 | – 131 |
| Non-current financial liabilities | – 27 | — | – 27 |
| Deferred tax liabilities | — | – 12 | – 12 |
| Current liabilities | – 101 | — | – 101 |
| Acquired net assets | 183 | 51 | 234 |

Intangible non-current assets in the form of customer relationships are estimated to amount to SEK 59 million and will be depreciated for accounting purposes over a period of 10 years.

Cash flow effects

| | |
|--|------------|
| Cash paid acquisition value | 485 |
| Deduction of acquired cash and bank balances | – 103 |
| Net cash flow from the acquisition | 382 |

■ Parent Company income statement (summary)

| SEK million | Q4 2016 | Q4 2015 | Full year 2016 | Full year 2015 |
|--|-------------|-------------|-------------------|-------------------|
| Net sales | 6 | 7 | 46 | 45 |
| Selling expenses | – 2 | – 2 | – 5 | – 1 |
| Administrative expenses | – 10 | – 20 | – 44 | – 55 |
| Other operating income | — | — | 2 | — |
| Other operating expenses | – 8 | – 2 | – 27 | – 39 |
| Operating profit | – 14 | – 17 | – 28 | – 50 |
| Profit from participations in Group companies | 24 | 128 | 92 | 146 |
| Financial income | 5 | – 11 | 20 | 21 |
| Financial expenses | – 12 | – 14 | – 14 | – 16 |
| Profit after financial income and expense | 3 | 86 | 70 | 101 |
| Appropriations | 241 | 262 | 241 | 262 |
| Tax | – 50 | – 55 | – 49 | – 53 |
| Profit after tax | 194 | 293 | 262 | 310 |
| Depreciation/amortisation | — | — | — | — |

■ Parent Company balance sheet (summary)

| SEK million | 31/12/2016 | 31/12/2015 |
|---|--------------|--------------|
| Assets | | |
| Property, plant and equipment | 1 | 1 |
| Financial assets | 1,653 | 1,151 |
| Deferred tax assets | 13 | 7 |
| Total fixed assets | 1,667 | 1,159 |
| Other receivables | 498 | 520 |
| Cash and bank | 75 | 37 |
| Total current assets | 573 | 557 |
| Total assets | 2,240 | 1,716 |
| Shareholders' equity and liabilities | | |
| Shareholders' equity | 1,118 | 1,119 |
| Untaxed reserves | 163 | 129 |
| Other provisions | 13 | 11 |
| Long-term liabilities | 545 | 55 |
| Current liabilities | 401 | 402 |
| Total shareholders' equity and liabilities | 2,240 | 1,716 |

Transactions with related parties:

| SEK million | Period | Services sold | Services bought | Interest income | Interest expenses | Res. from shares in Group comp. | Rec. fr. rel. part. on bal. sh. date | Liab. to rel. part. on bal. sh. date |
|---------------|----------------|---------------|-----------------|-----------------|-------------------|---------------------------------|--------------------------------------|--------------------------------------|
| Related party | | | | | | | | |
| Subsidiary | Full year 2016 | 46 | – 4 | 20 | — | 92 | 907 | 344 |
| Subsidiary | Full year 2015 | 45 | – 4 | 21 | — | 146 | 931 | 290 |

None of the company's Board members or senior executives currently have, or have previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

Definitions

Return on total capital

Profit after financial income and expense, plus financial expenses as a percentage of average total capital in the balance sheet.

Return on capital employed

Profit after financial income and expense, plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

Return on operating capital

Operating profit as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

Return on shareholders' equity

Profit after tax as a percentage of average shareholders' equity.

EBITA margin

Operating profit (EBITA) as a percentage of net sales.

Adjusted earnings per share

Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

Cash flow from operating activities per share

Cash flow from operating activities, divided by the average number of shares.

Cash flow per share, excl. acq. and disposals

Cash flow before financing activities, divided by the average number of shares.

Cash conversion

Cash flow after investments, excl. acquisitions and disposals, divided by operating profit (EBIT). Cash flow and operating profit have been adjusted by non-recurring items, if any.

Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

Earnings per share

Profit after tax, divided by the average number of shares.

Interest coverage ratio

Profit after financial income and expense, plus financial expenses, divided by financial expenses.

Operating profit (EBITDA)

Earnings before financial income and expense, taxes and depreciation/amortisation.

Operating profit (EBITA)

Earnings before financial income and expense, taxes and amortisation of intangible assets arising from acquisitions.

Operating profit (EBIT)

Earnings before financial income and expense and taxes.

Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

Profit margin

Profit after financial income and expense as a percentage of net sales.

Nolato presents certain financial measures in this report that are not defined according to IFRS. Nolato considers that these measures provide valuable supplementary information for investors and company management, as they enable an assessment of trends and the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not therefore be regarded as substitutes for measures defined according to IFRS.

Forward-looking information

Some of the items reported relate to future events and actual outcomes may differ materially. In addition to those factors explicitly commented on, other factors may also materially affect the actual outcome, such as economic conditions, exchange rates and interest rate levels, political risks, competition and pricing, product development, commercialisation and technical difficulties, supply problems and customer credit losses.

