

Q4

**Year-end Report,
January - December
2018**



Improved profitability

Fourth quarter

- Net sales amounted to SEK 644.2 million (670.7)
- EBITA amounted to SEK 35.4 million (12.3) and the EBITA margin was 5.5% (1.8)
- Operating profit (EBIT) amounted to SEK 31.8 million (9.3) and the operating margin was 5.0% (1.4)
- Profit after tax was SEK 17.5 million (6.7)
- Earnings per share before and after dilution were SEK 0.98 (0.38)
- Cash flow from operating activities totalled SEK 88.1 million (19.9)
- Total cost of restructuring measures was SEK 0.0 million (5.6)



Strong cash flow in the fourth quarter.

January - December

- Net sales amounted to SEK 2,365.2 million (2,464.7)
- EBITA (adjusted) amounted to SEK 97.5 million (55.2) and the adjusted EBITA margin amounted to 4.1% (2.2)
- Operating profit (EBIT) amounted to SEK 36.1 million (25.1) and the operating margin was 1.5 % (1.0)
- Profit after tax was SEK 16.2 million (11.7)
- Earnings per share before and after dilution were SEK 0.85 (0.71)
- Cash flow from operating activities totalled SEK 123.1 million (-41.3)
- Total cost of restructuring measures was SEK 53.4 million (17.7)
- The Board proposes a dividend of SEK 1.00 per share (0.50)

KEY PERFORMANCE INDICATORS	Q4 18	Q4 17	2018	2017
Net sales, SEK million	644.2	670.7	2,365.2	2,464.6
Organic growth excluding exchange rate effects, %	-6.5	0.9	-4.3	4.1
EBITA* (adjusted), SEK million	35.4	17.9	97.5	55.2
EBITA margin* (adjusted), %	5.5	2.7	4.1	2.2
EBIT, SEK million	35.4	12.3	44.1	37.5
EBIT margin, %	5.5	1.8	1.9	1.5
Operating profit (EBIT), SEK million	31.8	9.3	36.1	25.1
Profit after tax, SEK million	17.5	6.7	16.2	11.7
Earnings per share before dilution, SEK	0.98	0.38	0.85	0.71
Earnings per share after dilution, SEK	0.98	0.38	0.85	0.71
Cash flow from operating activities, SEK million	88.1	19.9	123.1	-41.3
Net debt/EBITDA rolling 12 mo., times	1.4	2.5	1.4	2.3

* As of the first quarter of 2017, Rejlers recognises EBITA (adjusted) as operating profit. For the definition, refer to page 18.

Statement by the President and CEO

We can confirm that the structural changes and efficiency enhancement measures implemented in 2018 are providing a positive outcome in our earnings in all markets. The first stage of our transition has been successfully navigated and the next step in our journey of change is beginning. A noteworthy event in the fourth quarter was the launch of our Rejlers Network digital business platform, which enables new collaborations with hundreds of independent consultants and companies that supplement our own base of expertise. The market for our services generally continued to be strong and with a partner network, we have the possibility of delivering both more and larger assignments. Altogether, we are entering 2019 with a more stable platform to continue to strengthen our market position and profitability.



"The first stage of our transition has been successfully navigated and our journey of change to achieve our full potential is continuing."

Operations in change

In the past year, we took the first step towards the goal of establishing a more effective and profitable Rejlers. Partly through a new organisation and reduced fixed costs and partly by streamlining the business. In Sweden, we have had a good response to our new division breakdown, where the customer's appreciate our greater industry specialisation and that we speak the customer's language already from the first contact. In addition, our Finnish operations are continuing to show strong growth both organically and through two acquisitions in the fourth quarter. The Norway segment implemented powerful profitability measures, providing a better outlook for 2019. We are now focusing on further increasing activity in the operations and see room for a higher utilisation in all segments.

Sales and profitability

Our market remains strong in all segments – although we note some levelling off in the construction industry. Sales during the fourth quarter fell by 4.0 per cent to SEK 644.2 million (670.7). The decline is attributable to the second quarter's divestment in Norway of the unprofitable telecom operations that had sales of SEK 120 million per year and a generally lower share of hardware sales in Rejlers Embriq. In addition, nearly 50 employees left Rejlers in connection with the cost-savings programme implemented in the second quarter of last year. EBITA rose to SEK 35.4 million (12.3). Lower costs and a higher utilisation in large parts of the operations made positive contributions.

Strategic initiatives

In the fourth quarter, we launched our digital business platform, Rejlers Network, and have since registered more than 100 external consultants for our unique network. The network platform will become an important complement to Rejlers' operations that will enable us to more efficiently find the right consultant resources for the right assignments. We will continue to invest in both system development and marketing of Rejlers Network in 2019 based on our conviction of the platform's potential.

Digitalised working methods

Rejlers is investing significant resources in the transition to digital working methods. Using laser scanning, we create 3D models that considerably simplify the project planning methods for our customers. We are also on the forefront in terms of implementing "digital twins", instead of a physical prototype, in our projects. Our reference portfolio in "digital twins" is growing quickly, particularly in the energy area.

Strategy and financial targets

At the end of the previous year, we gathered all managers in Rejlers to jointly lay out our continued direction and development. At this meeting, the foundation was laid for Rejlers' revised strategy and vision, with its sights set on 2025, which we intend to communicate in the second quarter of this year. In connection with this, the Board of Directors adopted new long-term financial targets. By 2025, Rejlers will achieve an EBITA margin of 10 per cent over a business cycle with sales of SEK 4.5 billion.

Some personal reflections

It is with energy and joy that I, together with managers and employees, am making this journey of change to take Rejlers into the future. The change work primarily revolves around organisation, structure and culture, and it is culture that takes the most time. Our watchwords for value-adding change are leadership, business acumen and brand development.

Stockholm, February 2019
Viktor Svensson

Financial summary

Income statement items and cash flow are compared with the corresponding period in the previous year. Balance sheet items refer to the position at the end of the period and are compared with the immediately preceding annual accounts.

FOURTH QUARTER OCTOBER - DECEMBER 2018

Net sales

Net sales amounted to SEK 644.2 million (670.7), a decrease of 4.0 per cent compared with the corresponding quarter last year, as a result of the sale of the telecommunication operation in Norway and the closure of unprofitable operations. Organic growth excluding exchange rate fluctuations amounted to -6.5 per cent. In Finland, organic growth is positive, while the other operations have a negative organic growth.

Adjusted EBITA

Adjusted EBITA for the quarter amounted to SEK 35.4 million (17.8). Adjusted EBITA margin amounted to 5.5 per cent (2.7). Structural changes and the disposal of unprofitable units and a higher utilisation had a positive impact on the financial results. The calendar effect for the quarter was one day less in Sweden and unchanged in Finland and Norway, compared with the previous year.

Operating profit

Operating profit (EBIT) amounted to SEK 31.8 million (9.3) and the operating margin was 5.0 per cent (1.4). Restructuring costs amounted to SEK 5.6 million in the previous year.

Financial income and expenses

Financial income for the quarter amounted to SEK 0.8 million (2.2). Financial expenses amounted to SEK 5.3 million (1.3) and are mainly attributable to interest expenses and currency translations.

Tax

The quarter's tax expense amounted to SEK 9.8 million (3.5). The effective tax rate is 36 per cent (34).

Profit after tax for the period

Profit after tax for the period amounted to SEK 17.5 million (6.7). Earnings per share amounted to SEK 0.98 (0.38) both before and after dilution.

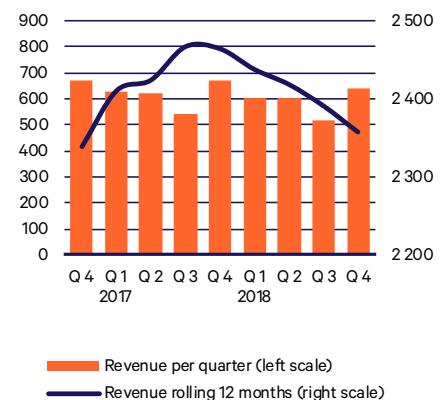
Cash flow

During the quarter, the Group generated a cash flow from operating activities of SEK 88.1 million (19.9).

Proposed dividend

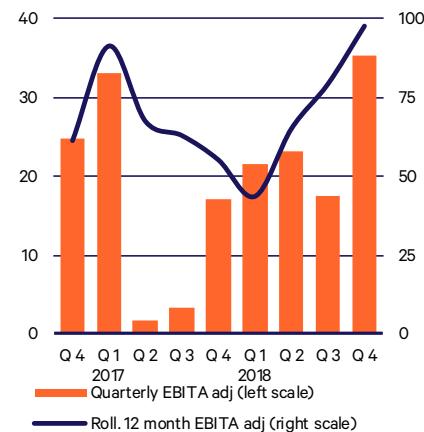
Rejlers' Board proposes that the AGM approve a dividend of SEK 1.00 per share (0.50) for the 2018 financial year, which corresponds to 118 per cent of earnings per share before and after dilution.

NET SALES PER QUARTER AND ROLLING 12 MONTHS



Revenue per quarter (left scale)
Revenue rolling 12 months (right scale)

ADJUSTED EBITA PER QUARTER AND ROLLING 12 MONTHS



Quarterly EBITA adj (left scale)
Roll. 12 month EBITA adj (right scale)

THE PERIOD JANUARY-DECEMBER 2018

Net sales

Net sales amounted to SEK 2,465.2 million (2,464.7), a decrease of 4.0 percent compared with the corresponding period of the previous year, as a result of the sale of the telecom operations in Norway and the closure of unprofitable units, among other factors. Organic growth excluding exchange rate fluctuations amounted to a negative 4.4 per cent. In Finland, organic growth is positive, while the other segments have a negative organic growth.

Adjusted EBITA

Adjusted EBITA for the period amounted to SEK 97.5 million (55.2). Adjusted EBITA margin amounted to 4.1 per cent (2.2). The improved financial results are explained by a higher utilisation and the structural changes that have been implemented.

Operating profit

Operating profit (EBIT) amounted to SEK 36.1 million (25.1) and the operating margin was 1.5 per cent (1.0). Earnings during the period were affected by restructuring costs totalling SEK 53.4 million (17.7) in the form of provisions for lease contracts where co-location has been implemented, the disposal of unprofitable units in Sweden and Norway and a substantial reduction in the number of managerial posts.

Financial income and expenses

Financial income during the period amounted to SEK 4.0 million (4.1) and relates mainly to currency translations. Financial expenses amounted to SEK 10.0 million (7.7) and are mainly attributable to interest expenses and currency translations.

Tax

The tax expense for the period amounted to SEK 13.9 million (9.8). The effective tax rate is 46 per cent (46).

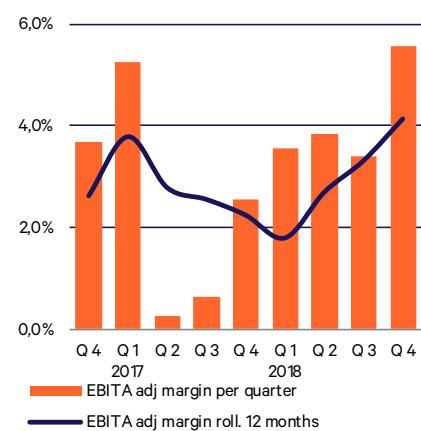
Profit after tax for the period

Profit after tax for the period amounted to SEK 16.2 million (11.7). Earnings per share amounted to SEK 0.85 (0.71) both before and after dilution.

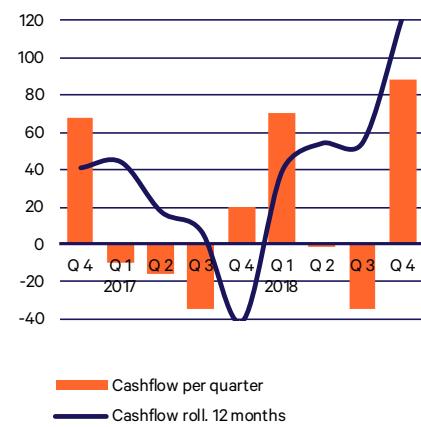
Cash flow

During the year, the Group generated a cash flow from operating activities of SEK 123.1 million (-41.3). The change mainly stems from a reduction in trade receivables.

ADJUSTED EBITA MARGIN PER QUARTER AND ROLLING 12 MONTHS



CASH FLOW FROM OPERATING ACTIVITIES PER QUARTER AND ROLLING 12 MONTHS



Financial position

Consolidated cash and cash equivalents at the end of the period amounted to SEK 38.2 million, compared with SEK 20.3 million as of 31 December 2017. The change in cash and cash equivalents has been affected by amortisation of SEK 28.5 million and a dividend to shareholders of SEK 9.6 (-).

Interest-bearing liabilities decreased by SEK 29.7 million since 31 December 2017 to SEK 128.9 million at the end of period. Net liabilities amounted to SEK 119.7 million, compared with SEK 167.2 million as of 31 December 2017.

The equity/assets ratio amounted to 50.6 per cent compared with 53.5 on 31 December 2017.

Equity per share was SEK 41.95 at the end of the period compared to SEK 40.77 as of 31 December 2017. The Group's overdraft facilities of SEK 150.0 million (50.0) are entirely unutilised.

Rejlers owns 90.5 per cent of the shares of Rejlers Embriq AS. There is an agreement to acquire the remaining 9.5 per cent in the first half of 2021. The preliminary commitment for the remaining shares has been estimated at SEK 60 million as of 31 December 2018. Consolidated equity has decreased by a corresponding amount.

Investments

Investments in property, plant and equipment amounted to SEK 5.8 million (6.2), mainly relating to servers and other IT equipment. Investments in intangible assets, mainly attributable to the development of IT platforms at Rejlers Embriq, amounted to SEK 27.2 million (29.5). Investments in subsidiaries and businesses amounted to SEK 33.9 million (27.7). Depreciation/amortisation amounted to SEK 34.8 million (46.1).

Utilisation

The utilisation rose to 77.1 per cent (75.2), primarily as a result of higher employment in all three countries.

Employees

At the end of the period, there were 1,953 employees (1,994). There were 1,863 full-year employees (1,939).

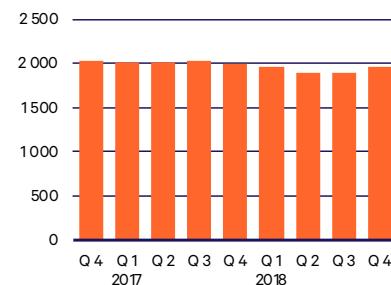
Parent Company

Net sales in the Parent Company during the interim period amounted to SEK 35.8 million (37.1) and the earnings after tax amounted to a profit of SEK 5.2 million (14.5). Profit at the Parent Company was impacted by non-recurring costs in connection with the replacement of the CEO.

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. Similar seasonal variations occur in all geographical markets.

NUMBER OF EMPLOYEES AT END OF PERIOD



SIGNIFICANT EVENTS DURING THE FOURTH QUARTER**Rejlers launches Rejlers Network**

At the beginning of October, Rejlers launched a digital partner platform, Rejlers Network, for independent consultants and companies. The platform will become an important complement to Rejlers' operations and allow the company to more efficiently find the right partner resources for the right assignment. One advantage of the new platform is that it is based on artificial intelligence, in an advanced search engine that offers better accuracy when the company searches for expertise.

Rejlers signs an agreement with the Varner Group

Varner, one of Northern Europe's largest fashion retailers with more than 1,500 stores in eight countries, signed an agreement with Rejlers Embriq. The agreement extends over 36 months with a possibility for an extension and covers monitoring and operation of Varner's technical infrastructure that is tied to the platforms M3 and IBM i.

Rejlers Embriq participates in the ERA-NET project

Rejlers Embriq will participate in the EU project Adaptive Control of Energy Storage (ACES), which is a part of the programme ERA-NET Smart Energy systems. Together with partners, Rejlers Embriq will focus on developing artificial intelligence in the control of battery storage. Rejlers Embriq collaborates with Fraunhofer IFF and Mincom Smart Solutions from Germany, and RISE, Insplorion and Glava Energy Center from Sweden and Swedish Metrum as leading partners.

Rejlers Finland acquires engineering company Pivotech Oy

Rejlers Finland has acquired Pivotech Oy, an engineering company specialised in fluid dynamics and structural analysis. Established in 2010, Pivotech has a strong customer base and know-how in mining and paper industries, composite structures as well as crane and vehicle technology. The company has five employees and last year's sales reached EUR 455 thousand. Pivotech is consolidated as of 1 November 2018.

Rejlers Finland acquires Jimexo Tech Oy

Rejlers Finland strengthens its position in industrial technology by acquiring Jimexo Tech Oy. Established in 2010, Jimexo Tech produces technical engineering and expert services for chemicals, forestry and technology industries. The company has 56 employees and had EUR 3.3 million in sales last year. Jimexo Tech is consolidated as of 1 November 2018.

Rejlers Sverige and Vattenfall Eldistribution sign new framework agreement

Rejlers Sverige AB and Vattenfall Eldistribution have signed a new framework agreement which will apply for two years from 1 January 2019, with the possibility of extension by up to five years. Rejlers will be an important supplier of technical consulting services in connection with Vattenfall's expansion and renewal of the power grid in the next few years.

OTHER INFORMATION**Rejlers shares**

The last price paid for Rejlers Class B on 30 December 2018 was SEK 70.40 per share, an increase of 24 per cent compared with 29 December 2017. The Rejlers share is listed on Nasdaq Stockholm.

Segment Rejlers Sweden

Rejlers Sweden presented good underlying growth and improved margins for the fourth quarter as a result of previously implemented structural changes and lower fixed costs. Our customers express their appreciation of our new division breakdown and greater industry specialisation. At the beginning of the quarter, our digital partner platform Rejlers Network was launched, giving us greater opportunities to quickly and digitally offer our customers supplementary engineering resources. We see major opportunities to increase both activity and the utilisation in the future.

The organisation will be strengthened at the end of the first quarter in 2019 when Henrik Öhrnell takes office as the division head for Industry. The market for our services generally remains strong, but we predict some slow-down in the construction industry during the year.

Net sales amounted to SEK 337.6 million (331.3) in the fourth quarter, an increase of 1.9 per cent compared with the year-before period. Organic growth was negative and amounted to 2.1 per cent. Growth was negatively impacted by the completed closure of unprofitable operations earlier in the year.

Adjusted EBITA rose to SEK 25.7 million (16.0), corresponding to an adjusted EBITA margin of 7.8 percent (4.8).

The effects of previous restructuring and an improved utilisation have had a positive impact on the financial results.

Operating profit for the quarter was SEK 24.1 million (9.1), equivalent to an operating margin of 7.3 per cent (2.7).

The calendar effect in the fourth quarter was negative by one day compared with the corresponding period the previous year.



KEY FIGURES	Q4 18	Q4 17	2018	2017
Net sales, SEK million	337.6	331.3	1,183.5	1,198.9
Adjusted EBITA, SEK million	25.7	16.0	60.8	55.2
Adjusted EBITA margin, %	7.6	4.8	4.8	4.6
Operating profit, SEK million	24.1	9.1	33.1	40.1

Segment Rejlers Finland

Rejlers Finland reported continued strong growth and improved earnings for the fourth quarter. Jimexo Tech Oy, which offers technical engineering services for the chemical, forestry and engineering industry, and Pivotech Oy, specialised in fluid dynamics and structural analysis, were acquired during the quarter, and are consolidated as of 1 November. The acquisitions together with the efficiency enhancement measures and new hires during the year are expected to provide positive effects in 2019.

The market trend was favourable in all business areas in 2018, driven by a strong growth in Finland's economy. In 2019, the growth rate is generally expected to slow somewhat, especially in the construction industry, which has a few strong years of growth behind it, which may affect the business towards the end of the year. In energy and infrastructure, the market continues to look positive. Altogether, Rejlers Finland has a solid position with a broad service offering in a market with a mainly continued positive outlook.



Net sales amounted to SEK 166.6 million (127.4) in the fourth quarter, an increase of 30.0 per cent compared with the year-before period. Organic growth excluding exchange rate fluctuations amounted to 14.0 per cent. The growth is mainly attributable to generally favourable market conditions and implemented acquisitions. Overall, the technical consultancy market is growing, which resulted in good organic growth in all business areas.

Adjusted EBITA rose to SEK 11.5 million (7.6), corresponding to an adjusted EBITA margin of 6.9 percent (5.9). Recently completed organisational changes and new systems and processes aimed at boosting internal efficiency have had a positive impact on earnings.

Operating profit for the quarter amounted to SEK 10.3 million (7.0), equivalent to an operating margin of 6.2 per cent (5.4).

The calendar effect was neutral during the fourth quarter compared with the corresponding period in the previous year.

KEY FIGURES	Q4 18	Q4 17	2018	2017
Net sales, SEK million	166.6	127.4	576.9	464.9
Adjusted EBITA, SEK million	11.5	7.6	43.9	32.0
Adjusted EBITA margin, %	6.9	5.9	7.6	6.8
Operating profit, SEK million	10.3	7.0	38.7	29.3

Segment Rejlers Norway

Rejlers Norway reported improved margins for the combined operations, where our expertise in digitalisation, technical consulting and IT is now gathered. With a focus on the areas where we see the greatest growth potential in the future and a continued improved internal efficiency over time, we see good conditions to strengthen the position in the Norwegian market.

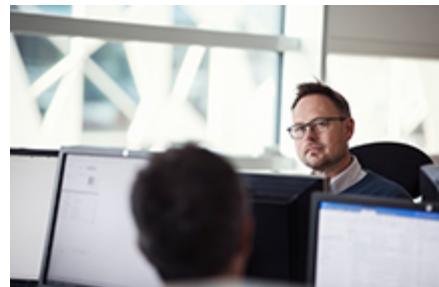
The business for Rejlers Embriq is undergoing change, as the roll-out of smart electricity meters in the Norwegian market is now in the final phase, which results in lower sales of hardware and associated installation services. They will to some extent be replaced by the continued roll-out in the Swedish market and a growing percentage of continuing operation and service contracts.

Net sales amounted to SEK 155.2 million (231.0) in the fourth quarter, a decrease of 32.8 per cent compared with the year-before period. The decrease is mainly attributable to the sale of the telecom operation, and lower sales in hardware and installation of smart electricity meters in Rejlers Embriq. Organic growth excluding exchange rate fluctuations was negative and amounted to 25.8 per cent.

Adjusted EBITA amounted to SEK 5.9 million (7.2), corresponding to an adjusted EBITA margin of 3.8 percent (3.1). The improvement in the margin is mainly due to continued growth in operating and service contracts, as well as the implementation of structural changes.

Operating profit for the quarter was SEK 5.1 million (6.4), equivalent to an operating margin of 3.3 per cent (2.8).

The calendar effect was neutral during the fourth quarter compared with the corresponding period in the previous year.



KEY FIGURES	Q4 18	Q4 17	2018	2017
Net sales, SEK million	155.2	231.1	643.5	837.7
Adjusted EBITA, SEK million	5.9	7.2	15.9	-5.5
Adjusted EBITA margin, %	3.8	3.1	2.5	-0.6
Operating profit, SEK million	5.1	6.4	-3.7	-16.4

The undersigned provides 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, 7 February 2019 Rejlers AB (publ)

Viktor Svensson
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. The information was submitted through the care of the contact person above for publication on 7 February 2018 at 2:00 p.m. 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 year-end report has not been reviewed by the company's auditor.

Group

Condensed income statement

SEK million	OCT-DEC 2018	OCT-DEC 2017	JAN-DEC 2018	JAN-DEC 2017
Net sales	644.2	670.7	2,365.2	2,464.7
Other income	0.2	1.6	1.8	5.4
Personnel expenses	-387.1	-381.7	-1,460.8	-1,448.9
Other external expenses	-213.9	-269.7	-828.1	-950.3
Participations in associates	0.2	0.1	0.8	0.3
EBITDA	43.6	20.9	78.9	71.2
Depreciation/amortisation and impairment of non-current assets ¹⁾	-8.2	-8.6	-34.8	-33.7
EBITA	35.4	12.3	44.1	37.5
Acquisition-related items ²⁾	-3.6	-3.0	-8.0	-12.4
Operating profit (EBIT)	31.8	9.3	36.1	25.1
Net financial income/expense	-4.5	0.9	-6.0	-3.6
Profit after net financial items	27.3	10.2	30.1	21.5
Tax	-9.8	-3.5	-13.9	-9.8
Profit for the period	17.5	6.7	16.2	11.7
Attributable to:				
Parent Company's shareholders	17.7	6.4	15.4	11.7
Shareholders without a controlling influence	-0.2	-0.3	0.8	0.0
Average number of shares	18,087,909	18,087,909	18,087,909	16,417,744
Earnings per share before and after dilution, SEK	0.98	0.38	0.85	0.71

and equipment and amortisation of intangible assets excluding goodwill and those related to acquisitions.

2. Impairment and amortisation of goodwill and intangible assets related to acquisitions, revaluation of supplemental purchase amounts and gains/losses in the divestment of subsidiaries and operations. See note 5.

1. Impairment and depreciation of property plant

Condensed statement of comprehensive income

SEK million	OCT-DEC 2018	OCT-DEC 2017	JAN-DEC 2018	JAN-DEC 2017
Profit for the period	17.5	6.7	16.2	11.7
<i>Items that may be reclassified to the income statement:</i>				
Translation differences of foreign operations, net after tax	-10.7	1.2	12.9	-5.7
<i>Items that will not be reclassified to the income statement:</i>				
Revaluation of net pension liability	1.4	-4.9	1.4	-3.5
Total other comprehensive income	-9.3	-3.7	14.3	-9.2
Comprehensive income for the period	8.2	-3.0	30.5	2.5

Condensed balance sheet

SEK million	31 DEC 2018	31 DEC 2017
Assets		
Non-current assets		
Goodwill	468.3	443.8
Other intangible assets	138.0	121.7
Tangible assets	24.8	32.1
Other non-current assets	50.2	51.7
Total non-current assets	681.3	649.3
Current assets		
Current receivables	679.2	747.6
Cash and cash equivalents	38.2	20.3
Total current assets	717.4	767.9
Total assets	1,398.7	1,417.2
Equity and liabilities		
Equity attributable to shareholders in the Parent Company	707.3	737.4
Non-controlling interests	-	8.9
Total equity	707.3	746.3
Non-current liabilities		
Provision for pensions	29.1	28.8
Interest-bearing non-current liabilities ¹⁾	95.5	5.4
Other non-current liabilities	113.5	48.7
Total non-current liabilities	238.1	82.9
Current liabilities		
Interest-bearing current liabilities ¹⁾	33.4	153.3
Other current liabilities	419.9	434.7
Total current liabilities	453.3	588.0
Total liabilities and equity	1,398.7	1,417.2

¹⁾ At 31 December 2017, the company's non-current liabilities were classified as current because refinancing was to take place. Refinancing is complete. As of 31 December 2018, the loan has been extended and is again classified as long term.

Condensed changes in equity

SEK million	31 DEC 2018	31 DEC 2017
Equity at start of period	746.3	552.2
Comprehensive income for the period	30.5	2.5
Acquisition of non-controlling interests	-60.0	-
<i>Changes attributable to transactions with the owners</i>		
Dividends	-9.5	-0.5
New share issue	-	192.1
Total changes attributable to transactions with the owners	-9.5	191.6
Equity at end of period	707.3	746.3
<i>Attributable to:</i>		
Parent Company's shareholders	707.3	737.4
Non-controlling interests	-	8.9
Total	707.3	746.3

Condensed cash flow statement

SEK million	OCT-DEC 2018	OCT-DEC 2017	JAN-DEC 2018	JAN-DEC 2017
Cash flow from operating activities before changes in operating capital and tax paid	45.9	18.8	117.0	70.9
Tax paid	6.9	8.5	-30.7	-8.3
Change in working capital	35.3	-7.4	36.8	-103.9
Cash flow from operating activities	88.1	19.9	123.1	-41.3
Cash flow from investing activities	-33.3	-15.5	-67.9	-66.7
Cash flow from financing activities	-39.3	-7.1	-38.1	63.2
Cash flow for the period	15.5	-2.7	17.1	-44.8
Cash and cash equivalents at start of period	22.6	22.8	20.3	64.9
Exchange rate differences in cash and cash equivalents	0.1	0.2	0.8	0.2
Cash and cash equivalents at end of period	38.2	20.3	38.2	20.3

Net liabilities

SEK million	31 DEC 2018	31 DEC 2017
Interest-bearing non-current liabilities	95.5	5.4
Interest-bearing current liabilities	33.4	153.3
Pension provisions	29.1	28.8
Cash and cash equivalents	-38.2	-20.3
Total	119.8	167.2

Parent Company

Condensed income statement

SEK million	OCT-DEC 2018	OCT-DEC 2017	JAN-DEC 2018	JAN-DEC 2017
Sales	8.7	11.6	35.8	37.1
Personnel expenses	-7.0	-4.7	-34.5	-19.3
Other external expenses	-8.7	-19.7	-32.3	-44.3
Depreciation	0.0	-0.1	-0.2	-0.3
Participations in associated company earnings	-	-	0.3	0.3
Operating profit	-7.0	-12.9	-30.9	-26.5
Net financial income/expense	20.3	26.1	25.7	27.5
Profit after net financial items	13.3	13.2	-5.2	1.0
Appropriations	8.3	13.7	8.3	13.7
Tax	-	-0.2	-	-0.2
Profit after tax	21.6	26.7	3.1	14.5

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	31 DEC 2018	31 DEC 2017
Assets		
Non-current assets		
Tangible assets	0.4	0.6
Financial assets	549.9	391.9
Total non-current assets	450.3	392.5
Current assets		
Current receivables	211.3	261.8
Cash and cash equivalents	8.6	0.9
Total current assets	219.9	262.7
Total assets	670.2	655.2
Equity and liabilities		
Equity		
Untaxed reserves	0.0	8.3
Non-current liabilities¹⁾	152.9	1.6
Current liabilities¹⁾	90.4	212.5
Total liabilities and equity	670.2	655.2

¹⁾ At 31 December 2017, the company's non-current liabilities were classified as current because refinancing was to take place. Refinancing is complete. As of 31 December 2018, the loan has been extended and is again classified as long term.

Notes

Note 1 Rejlers Group

Rejlers AB (publ) (556349-8426) (the Parent Company) and its subsidiaries (jointly called the Group) are a Nordic business group that offers services to customers in the areas of Buildings, Energy, Industry, Infrastructure and Telecom.

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 (except for the below) 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 2018. None of these has materially affected the Group's accounts and reporting. The new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers that entered into effect on 1 January 2018 have not had any material effects on the balance sheet or income statement. In Rejlers' business model, income is categorised according to IFRS 15 at the same level as the segments and is presented in more detail under the segment information. Revenues mainly consist of the sale of consulting services which fulfil the criteria for reporting over time. Work is performed on ongoing account or at fixed price and is recognised as income over time at the pace in which the work is done, largely monthly but also according to achieved milestones. In most cases, invoicing is done in the period after the income is entered in the accounts.

Assessed effects of the transition to IFRS 16 Leases

Rejlers has assessed the effect of the transition to the new accounting standard IFRS 16 Leases, which is applied as of 1 January 2019. Rejlers' initial estimate is that IFRS 16 will have a small positive effect on operating profit and a small effect on profit after financial items. The estimated effects on the balance sheet are presented by the table below. The leasing portfolio contains nearly 250 leases and mainly comprises operating leases for offices, office equipment and vehicles. Existing finance leases previously recognised according to IAS 17 Leases are reclassified according to IFRS 16 to the amounts that were recognised the date immediately before the application of the new standard.

Rejlers has identified leases with options to extend the lease in addition to the ordinary contract period. This means that Rejlers must itself determine the contract period that can be considered reasonable instead of considering the contract period in the leases. As a result of these considerations, the contract period of many lease has been deemed to be longer.

Subsequent valuation

After the transition to IFRS 16, Rejlers measures all leases in accordance with the cost method, which means that the rights of use are measured at cost less accumulated amortisation and impairment and adjustments as a result of potential restatement of the lease liability that reflects a reassessment or change of the lease. The remeasurement amount is recognised as an adjustment of the right of use, if the carrying amount for the right of use is impaired to zero and there is a further reduction in the valuation of the lease liability, any remaining amount for the remeasurement is recognised in profit or loss.

Balance sheet transition effects

Rejlers has chosen to report the transition to the new standard with the simplified method. The relief rule to not prepare a comparative year was applied. The size of the right of use has been measured to correspond to the size of the lease liability at the transition date. A marginal interest rate on loans has been set per country. The usufruct period has been set with knowledge of how termination and extension clauses have been applied. Right of use agreements shorter than 12 months or that expire within 12 months from the transition date are classified as short-term agreements and are thereby not included in the recognised liabilities and rights of use. In addition, right of use agreements (with a new purchase price of less than USD 5,000) have been classified as low-value agreements and are not included in the recognised liabilities or rights of use.

SEK million	Closing balance at 31 December 2018 before the transition to IFRS 16 Leases	Assessed reclassifications as a result of the transition to IFRS 16 Leases	Assessed adjustments as a result of the transition to IFRS 16 Leases	Assessed adjusted opening balance at 1 January 2019
Right of use	-	-	289.3	289.3
Lease liabilities, interest bearing	-	-	289.3	289.3

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

The segment division is changed as of 1 January 2018. The former segments Rejlers Norway and Rejlers Embriq are now reported together as Rejlers Norway. The reason for the change is that both of the Norwegian units have been integrated and

now form one unit. Historical figures have been restated. Information according to IAS 34 is provided both in notes and elsewhere in the interim report.

For clearer reporting, sales have been divided into net sales and other income. Historical figures have been restated.

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 2017. 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	Q4 18	Q4 17	2018	2017
Restructuring costs	-	5.5	53.4	17.7

Note 5 Acquisition-related items

SEK million	Q4 18	Q4 17	2018	2017
Impairment and amortisation of goodwill and intangible assets related to acquisitions	3.1	3.0	12.1	12.4
Profit from divestment of subsidiaries and operations	-	-	-4.6	-
Other acquisition-related items	0.5	-	0.5	-
Total	3.6	3.0	8.0	12.4

Note 6 Business combinations

On 1 April, Rejlers acquired the assets of Dynamate's consultancy division with 31 employees. On 1 June, the assets of A Pitkänen Oy were acquired, while on 1 July, the assets of Enease Oy were acquired. On 14 June, all shares in Nurmi Oy were acquired. In addition, Pivotech Oy was acquired on 31 October and Jimexo Oy was acquired on 5 November. No individual acquisition is of sufficient significance to be presented consolidated.

So far this year, acquisitions have contributed SEK 34.1 million to sales and SEK 2.5 million to operating profit. If the operations had been owned as of 1 January, they would have contributed sales of SEK 79.4 million and an operating profit of SEK 4.8 million.

Net assets of companies acquired at the time of acquisition

SEK million	JAN - DEC	
	Total	
Non-current assets	1.7	
Current assets	11.3	
Cash and cash equivalents	7.4	
Other current liabilities	-9.0	
Net identifiable assets and liabilities	11.4	
Goodwill	16.7	
Customer values	17.3	
Deferred tax on intangible assets	-1.8	
Purchase price, cash and cash equivalents	43.6	
Less:		
Cash and cash equivalents in acquired companies	-3.4	
Estimated additional purchase prices	-3.8	
Supplemental purchase amounts paid	-0.3	
Net cash outflow during the period	36.3	

Acquisition analyses for the acquired operations are 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 7 Segments

	NET SALES, SEK MILLION				OPERATING PROFIT, SEK MILLION				OPERATING MARGIN, %			
	OCT- 2018	OCT- 2017	FULL 2018	FULL 2017	OCT- 2018	OCT- 2017	FULL 2018	FULL 2017	OCT- 2018	OCT- 2017	FULL 2018	FULL 2017
	DEC	DEC	YEAR	YEAR	DEC	DEC	YEAR	YEAR	DEC	DEC	YEAR	YEAR
Rejlers Sweden	337.6	331.3	1,183.5	1,198.9	24.1	9.1	33.1	40.1	7.1	2.7	2.8	3.3
Rejlers Finland	166.6	129.3	576.9	464.9	10.3	7.0	38.7	29.3	6.2	5.4	6.7	6.3
Rejlers Norway	155.2	232.6	643.5	837.7	5.1	6.4	-3.7	-16.4	3.3	2.7	-0.6	-2.0
Group-wide	8.7	11.6	35.6	37.1	-7.7	-13.2	-32.0	-27.9	-	-	-	-
Eliminations	-23.9	-32.6	-74.3	-73.9	-	-	-	-	-	-	-	-
Consolidated total	644.2	672.2	2,365.2	2,464.7	31.8	9.3	36.1	25.1	5.0	1.4	1.5	1.0
Net financial income/expense	-	-	-	-	-4.5	0.9	-6.0	-3.6	-	-	-	-
Profit before tax	-	-	-	-	27.3	10.2	30.1	21.5	-	-	-	-

NOTE 8 Financial instruments

The carrying amount of financial instruments recognised in amortised cost matches the fair value as the duration for financial assets and liabilities is short.

NOTE 9 Related party transactions

Related party transactions take place on market-based terms.

NOTE 10 Pledged assets and contingent liabilities

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

NOTE 11 Annual General Meeting

The Annual General Meeting will be held at the Lindhagen Conference Centre, Lindhagensgatan 126 in Stockholm, Sweden on 3 May 2019.

Information on the Nomination Committee and the AGM is available on the company's website, www.rejlers.com.

NOTE 12 Proposed dividend

Rejlers long-term policy is for around 50 per cent of the company's earnings to be paid out as dividends. Rejlers' Board proposes that the AGM approve a dividend of SEK 1.00 per share (0.50) for the 2018 financial year, which corresponds to 118 per cent of earnings per share before and after dilution. The dividend amount totals SEK 18.1 million (9.0).

Quarterly summary

SEK MILLION	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018
Net sales¹															
Sweden	308.5	329.7	252.3	333.8	1,224.3	308.2	303.8	255.6	331.3	1,198.9	294.1	298.9	252.9	337.6	1,183.5
Finland	91.1	97.0	85.2	114.2	387.5	118.5	113.0	105.2	128.2	464.9	130.7	150.4	129.2	166.6	576.9
Norway ²⁾	161.3	185.1	173.9	232.4	752.7	206.7	209.0	190.9	231.1	837.7	191.8	145.1	151.4	155.2	643.5
Group-wide, etc.	-2.7	-4.1	-11.3	-7.5	-25.6	-3.8	-4.3	-8.8	-20.0	-36.9	-13.4	-7.9	-18.0	-15.2	-38.7
Total	558.2	607.7	500.1	672.9	2,338.9	629.6	621.5	542.9	670.6	2,464.6	603.2	602.3	515.0	644.2	2,365.2
Operating profit															
Sweden	-1.4	17.8	2.1	9.5	28.0	23.5	6.4	1.1	9.1	40.1	9.7	-8.1	7.4	24.1	33.1
Finland	0.3	3.1	5.4	6.2	15.0	10.5	3.7	8.1	7.0	29.3	7.8	11.9	8.7	10.3	38.7
Norway ²⁾	-2.0	7.1	0.6	-3.4	2.3	0.3	-15.3	-7.8	6.4	-16.4	0.8	-11.4	1.8	5.1	-3.7
Group-wide, etc.	-2.9	-5.4	-3.2	-6.3	-17.8	-4.6	-9.2	-0.9	-13.2	-27.9	-13.2	-7.8	-3.3	-7.7	-32.0
Total	-6.0	22.6	4.9	6.0	27.5	29.7	-14.4	0.5	9.3	25.1	5.1	-15.4	14.6	31.8	36.1
Operating margin															
Sweden	-0.5	5.4	0.8	2.8	2.3	7.6	2.1	0.4	2.7	3.3	3.3	-2.7	2.9	7.1	2.8
Finland	0.3	3.2	6.3	5.4	3.9	8.8	3.3	7.6	5.4	6.3	5.9	7.9	6.7	6.2	6.7
Norway ²⁾	-1.2	3.8	0.3	-1.5	0.3	0.1	-7.3	-4.1	2.8	-2.2	0.4	-7.9	1.1	3.3	-0.6
Group-wide, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-1.1	3.7	1.0	0.9	1.2	4.7	-2.3	0.1	1.4	1.0	0.8	-2.6	2.8	5.0	1.5
Number of employees															
Sweden	1,163	1,082	1,089	1,090	1,090	1,070	1,066	1,056	1,048	1,048	998	1,011	1,010	1,006	1,006
Finland	500	501	497	526	526	535	545	562	573	573	586	604	614	675	675
Norway ²⁾	404	387	404	400	400	394	393	393	361	361	359	273	267	263	263
Group-wide, etc.	10	10	11	11	11	12	12	12	12	12	10	9	9	9	9
Total	2,077	1,980	2,001	2,027	2,027	2,011	2,016	2,023	1,994	1,994	1,953	1,897	1,900	1,953	1,953

1) From Q1 2018, net sales are reported here. Previously reported sales were the sum of net sales and other income. Historical figures have been restated.

2) From Q1 2018, the former segments Rejlers Norway and Rejlers Embriq are reported together as Rejlers Norway.

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 of key figures are in the company's latest annual report.

SEK million	OCT-DEC 2018	OCT-DEC 2017	JAN-DEC 2018	JAN-DEC 2017
IFRS key performance indicators				
Earnings per share before and after dilution, SEK	0.98	0.38	0.85	0.71
Average number of shares	18,087,909	18,087,909	18,087,909	16,417,744
Number of shares at end of period	18,087,909	18,087,909	18,087,909	18,087,909
Operational key performance indicators				
Utilisation, %	77.5	76.4	77.1	75.2
Sales per full-time employee, SEK thousand	351	351	1,270	1,286
Number of full-time employees	1,837	1,929	1,863	1,921
Number of employees at end of period	1,953	1,994	1,953	1,994
Alternative key figures				
Acquired growth, %	2.6	2.0	1.7	2.1
Currency effect, %	2.3	-3.8	2.2	-0.9
Organic growth, %	-6.5	0.9	-3.8	4.1
Adjusted EBITA, SEK million	35.4	17.9	97.5	55.2
Acquisition-related items, SEK million	-3.6	-3.0	-8.0	-12.4
Items affecting comparability, SEK million	-	-5.6	-53.4	-17.7
Operating profit (EBIT), SEK million	31.8	9.3	36.1	25.1
Adjusted EBITA margin, %	5.5	2.7	4.1	2.2
Net liabilities, SEK million	119.8	167.2	119.8	167.2
Net liabilities/EBITDA, R12, times	1.4	2.5	1.4	2.5
Equity/assets ratio, %	50.6	52.7	50.6	52.7
Operating profit per full-time employee, SEK thousand	17	5	19	13
Equity per share at the end of the period, SEK	39.10	40.77	39.10	40.77

Definitions

Adjusted EBITA

Operating profit (EBIT) according to income statement, before items affecting comparability and acquisition-related items.

Adjusted EBITA margin

Adjusted EBITA in relation to net sales.

Items affecting comparability

Items affecting comparability are significant items that are recognised separately as a result of their magnitude or occurrence in order to facilitate a full understanding of the group's financial performance and comparability.

Acquisition-related items

Impairment and amortisation of goodwill and intangible assets related to acquisitions, revaluation of supplemental purchase amounts and gains/losses in the divestment of subsidiaries and operations.

EBITDA

Operating profit excluding amortisation, depreciation and impairment.

Restructuring costs

Costs attributable to the restructuring of operations, i.e. mainly personnel cut-backs and workplace closures.

Rejlers is one of the Nordic region's largest technical consultants. Two thousand experts who work on projects in Energy, Buildings, Industry, Infrastructure and Telecom. At Rejlers, you will find specialist engineers with the knowledge, cutting edge expertise and energy to achieve results. We are still experiencing growth and can now be found in 75 locations across Sweden, Finland and Norway. Rejlers had sales of SEK 2.4 billion in 2018 and its class B share is listed on Nasdaq Stockholm.

FORTHCOMING REPORTS

INTERIM REPORT JANUARY - MARCH 2019	3 MAY 2019
ANNUAL GENERAL MEETING 2019	3 MAY 2019
INTERIM REPORT JANUARY - JUNE 2019	17 JULY 2019
INTERIM REPORT JANUARY - SEPTEMBER 2019	24 OCTOBER 2019

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