

INTERIM REPORT

1 January – 31 March 2018



THE FIRST QUARTER

- Net revenue totalled SEK 504 million (410)
- Operating profit amounted to SEK 61 million (52)
- Profit before tax amounted to SEK 56 million (48)
- Profit after tax amounted to SEK 43 million (37)
- Earnings per share were SEK 3.11 (2.67)
- The acquisition of Blowtech Group was concluded

CEO'S COMMENTS ON THE GROUP'S DEVELOPMENT DURING THE PERIOD

The Group started the year positively. Growth in revenue stood at 23 per cent, of which the newly acquired company Blowtech contributed 18 per cent. At the same time, operating profit increased by almost 18 per cent compared to the first quarter of last year. The profit margin fell marginally, from 11.7 to 11.2 per cent.

In conjunction with the conclusion of the acquisition of Blowtech in January, the Rotational Moulding business unit was restructured and changed its name to Industrial Products. Following this change, the Industrial Products business unit now comprises Ackurat, Blowtech and Cipax. The addition of Blowtech almost doubled sales for the business unit in relation to the comparison period, and the new acquisition delivered an outcome slightly above the anticipated level. A less favourable product mix combined with increased purchase costs as a result of the weak Swedish krona during the period had an adverse impact on Cipax's margins. The work of integrating Blowtech was a high priority and joint sales activities are in progress aimed at presenting the broader offering to both existing and potential new customers.

The companies within the Industrial Solutions business unit jointly reported slightly higher sales and profit compared to the first quarter of last year. As a result of the decrease in incoming orders relating to new automation projects witnessed during the autumn, fewer installations were conducted during the period. Production volumes for several major contract customers increased significantly, however.

The Precision Technology business unit continued to report strong figures. Operations involving precision machining of metal and plastic expanded further, while still retaining good margins. The strengthening of capacity through machinery investments and expanded production areas is being planned.

At the start of the year, the fluctuations in the sectors were slightly larger than during most of 2017, but the order situation in our companies is generally good. The Group's focus remains on stable organic growth with long-term profitability. To a large extent, ongoing activities are intended to extend relations with existing customers and to select new assignments characterised by a long-term approach. We are still anticipating a positive trend for all our business units.

REVENUE AND PROFIT

Net revenue totalled SEK 504 million (410). Operating profit amounted to SEK 61 million (52), corresponding to an operating margin of 12.1 per cent (12.7). Profit before tax was SEK 56 million (48).

SHARE DATA AND KEY FIGURES

Basic earnings per share were SEK 3.11 (2.67). Equity per share was SEK 44.23 (32.45). The average number of outstanding shares was 13,945,782 during the period. The equity/assets ratio was 32 per cent (29) at the end of the period. The average number of employees was 967 (783).

IMPORTANT EVENTS DURING THE PERIOD

In January, XANO concluded the acquisition of Blowtech Group AB. Blowtech is a leading Nordic player in technical blow moulding of plastics. Blowtech produces complex components for vehicles, construction machinery and infrastructure equipment. The company has built up a very strong market presence, particularly in the Nordic region, using its extensive experience of blow moulding acquired over many years. Blowtech Group has production facilities in Gnosjö, Sweden, and Kongsvinger, Norway, with a workforce of some 120 employees. The acquisition also included LTBP Sweden AB (changed to Blowtech Fastigheter AB), in whose property the Swedish operations are located. The business has a turnover of SEK 250 million with an operating margin of approximately 12% and a balance sheet total of approximately SEK 200 million. The acquired operations are expected to contribute annual earnings per share of SEK 1.25.

As from 2018, Blowtech is a part of the Industrial Products business unit along with Cipax and Ackurat (formerly a part of Industrial Solutions). The acquisition of Blowtech gives the XANO Group access to additional technical expertise in the field of plastics processing as well as to new market segments. The acquisition also allows potential synergies to be created through transfer of knowledge between the fellow subsidiaries, bringing greater strength to individual entities as well as expanding the joint market portfolio.

The purchase sum, which was paid partly in cash and partly through the transfer of company shares, amounted to SEK 238 million on a debt-free basis. For settlement of the equivalent of SEK 20 million of the purchase sum, 133,778 of the company's own Class B shares were transferred at the rate of SEK 149.50.

EVENTS AFTER THE END OF THE PERIOD

There are no individual events of major significance to report after the balance sheet date.

INVESTMENTS

Net investments in non-current assets came to SEK 198 million (10), of which SEK 174 million related to corporate transactions, SEK 13 million to real estate and SEK 11 million to machinery and equipment.

CASH FLOW AND LIQUIDITY

Cash flow from operating activities amounted to SEK 16 million (6). The Group's operations have continued to result in increased working capital, including stock levels.

Liquid assets, including lines of credit granted but not utilised, totalled SEK 366 million (288) on the balance sheet date.

NUMBER OF SHARES AND VOTING RIGHTS

At the Annual General Meeting on 10 May 2017, it was decided to increase the number of shares by splitting each existing share into two new shares of the same type (2:1 split). The split was conducted in June, with 9 June as the record date.

After the share split, the total number of shares stands at 14,093,490, divided between 3,644,400 class A shares and 10,449,090 class B shares. Each class A share entitles ten votes and each class B share entitles one vote. The total number of votes amounts to 46,893,090.

In January 2018, 133,778 own class B shares were transferred in conjunction with an acquisition. After the transaction, the number of shares in the company's custody amounted to 146,222 class B shares, corresponding to 1.0 per cent of total share capital.

RISKS AND UNCERTAINTY FACTORS

The Group's main risks and uncertainty factors include operational risks associated with customers and suppliers and other external factors such as price risks for input goods. In addition, there are financial risks as a result of changes in exchange rates and interest rate levels.

A statement on the Group's main financial and operational risks can be found on pages 88–89 of the annual report for 2017. No additional significant risks are deemed to have arisen.

ACCOUNTING POLICIES

As with the annual financial statements for 2017, the consolidated financial statements for 2018 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, the Swedish Annual Accounts Act and the recommendations and statements of the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34.

The critical assessments and the sources of estimates when preparing this interim report are the same as in the most recent annual report. The Group applies the same accounting policies as described in the annual report for 2017 with the exceptions of new or revised standards, interpretations and improvements, which are applied as from 1 January 2018.

The application of the new standards IFRS 9, Financial instruments, and IFRS 15, Revenue from contracts with customers, starting in 2018, will not have any significant impact on the Group's financial results and position, and no transitional effects associated with the implementation of these standards have been identified. The standards are introducing new terms and extended disclosure requirements, however.

Regarding the application of IFRS 16, Leases, which enters into force in 2019, please refer to the description in the 2017 annual report.

NEXT REPORT DATE

The interim report for the period 1 January to 30 June 2018 will be presented on Thursday 12 July 2018.

Jönköping, 8 May 2018

Lennart Persson
CEO

This report has not been reviewed by the company's auditor.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	2018 3 mths Jan-Mar	2017 3 mths Jan-Mar	17/18 12 mths Apr-Mar	2017 12 mths Jan-Dec
(SEK million)				
Net revenue	504	410	1,757	1,663
Cost of goods sold	-389	-310	-1,338	-1,259
Gross profit	115	100	419	404
Selling expenses ¹⁾	-35	-31	-119	-115
Administrative expenses	-20	-17	-71	-68
Other operating income	5	1	13	9
Other operating expenses	-4	-1	-13	-10
Profit from participations in associated companies	0	0	0	0
Operating profit	61	52	229	220
Financial income	3	2	5	4
Financial expenses	-8	-6	-26	-24
Profit before tax	56	48	208	200
Tax	-13	-11	-44	-42
Net profit for the period	43	37	164	158
OTHER COMPREHENSIVE INCOME				
<i>Items that may be reclassified to net profit for the period</i>				
Change in hedging reserve including tax ²⁾	0	0	2	2
Translation differences ³⁾	13	-1	14	0
Other comprehensive income	13	-1	16	2
Comprehensive income for the period	56	36	180	160
– of which attributable to shareholders of the Parent Company	56	36	180	160
Basic earnings per share, SEK ⁴⁾	3.11	2.67	11.88	11.44
Diluted earnings per share, SEK ⁴⁾	3.03	2.60	11.57	11.14
Depreciation constitutes	-15	-13	-54	-52

Net revenue refers to revenue from contracts with customers, see also page 5.

Tax amounts to 23 per cent (23) for the interim period.

¹⁾ Amounts for the 2017 full year include non-recurring items of SEK 10 million regarding the reversal of anticipated bad debt losses, as well as non-recurring items of SEK -6 million in respect of complaints.

²⁾ Refers to the effective component of the change in value of derivative instruments used for hedge accounting.

³⁾ Refers to the effects of changes in exchange rates when net investments in non-Swedish subsidiaries are translated to SEK. The amount is reported net of hedging contracts.

⁴⁾ Based on net profit for the period.

Blowtech Group AB with subsidiaries and Blowtech Fastigheter AB are included in the consolidated results from the acquisition date 2 January 2018.

NET REVENUE AND PROFIT/LOSS BY SEGMENT

(SEK million)	Q1 2018				Q1 2017				Q1-Q4 2017			
	External	Net revenue Internal	Total	Profit before tax ¹⁾	External	Net revenue Internal	Total	Profit before tax ¹⁾	External	Net revenue Internal	Total	Profit before tax ¹⁾
Industrial Products ²⁾	156	0	156	20	84	0	84	14	296	0	296	35
Industrial Solutions ²⁾	277	0	277	31	262	0	262	30	1,112	1	1,113	150
Precision Technology	71	1	72	13	64	1	65	12	255	4	259	43
Elimination	–	-1	-1	–	–	-1	-1	–	–	-5	-5	–
Undistributed items	–	–	–	-8	–	–	–	-8	–	–	–	-28
Group total	504	–	504	56	410	–	410	48	1,663	–	1,663	200

¹⁾ The figure refers to the profit/loss before the distribution of group-wide costs and tax in accordance with internal reporting. Undistributed items mainly refer to the Parent Company.

²⁾ The comparison periods have been recalculated as a result of the altered subdivision into business units.

The information on segments is provided from the management's perspective, which means that reporting corresponds to the way in which the information is presented internally. The Group reports on the following segments: Industrial Products, Industrial Solutions and Precision Technology. The operations within each segment are described on page 11. The segments are reported in accordance with the same accounting policies as the Group. Market conditions are applied to transactions between the segments.

In 2018, all segments have boosted their total operating assets, such as inventories and trade receivables.

BREAKDOWN OF REVENUE	INDUSTRIAL PRODUCTS			INDUSTRIAL SOLUTIONS			PRECISION TECHNOLOGY			GROUP TOTAL		
	2018 Q1	2017 Q1	2017 Q1-Q4	2018 Q1	2017 Q1	2017 Q1-Q4	2018 Q1	2017 Q1	2017 Q1-Q4	2018 Q1	2017 Q1	2017 Q1-Q4
Geographic markets ¹⁾ (SEK million)												
Sweden	49	34	121	121	89	363	59	52	203	228	174	682
Rest of the Nordic countries	30	31	116	21	8	26	1	1	2	52	40	144
Rest of Europe	55	18	58	80	141	552	4	6	21	139	165	631
Rest of the world	22	1	1	55	24	172	8	6	33	85	31	206
Total	156	84	296	277	262	1,113	72	65	259	504	410	1,663
Type of product (SEK million)												
Proprietary products	42	44	143	149	168	732	1	1	4	192	213	878
Customer-specific manufacturing	114	40	153	128	94	381	71	64	255	312	197	785
Total	156	84	296	277	262	1,113	72	65	259	504	410	1,663
Time for revenue recognition (SEK million)												
Sale of product or service (at a specific time)	156	84	296	150	108	458	72	65	259	377	256	1,008
Sale of service (over time)	–	–	–	2	2	8	–	–	–	2	2	8
Project using percentage of completion (over time)	–	–	–	125	152	647	–	–	–	125	152	647
Total	156	84	296	277	262	1,113	72	65	259	504	410	1,663

¹⁾ Revenue by geographic market refers to revenue from customers according to where the customers are located.

SHARE DATA	2018 3 mths Jan-Mar	2017 3 mths Jan-Mar	2017 12 mths Jan-Dec
Average number of outstanding shares, thousands	13,946	13,813	13,813
Average number of outstanding shares after dilution, thousands	14,516	14,383	14,383
Average number of shares in own custody, thousands	147	280	280
Basic earnings per share, SEK ¹⁾	3.11	2.67	11.44
Diluted earnings per share, SEK ^{1, 2)}	3.03	2.60	11.14
Cash flow from operating activities per share, SEK	1.15	0.41	8.51
Total number of shares on balance sheet date, thousands	14,093	14,093	14,093
Number of shares in own custody on balance sheet date, thousands	146	280	280
Number of outstanding shares on balance sheet date, thousands	13,947	13,813	13,813
Equity per share on balance sheet date, SEK	44.23	32.45	39.19
Share price on balance sheet date, SEK	209.00	137.00	149.75

¹⁾ Based on net profit for the period.

²⁾ Costs related to convertible bonds amount to SEK 565 thousand (565) for the interim period and SEK 2,292 thousand for the 2017 full year.

A 2:1 share split was carried out in June 2017. After the share split, the total number of shares stands at 14,093,490, divided between 3,644,400 class A shares and 10,449,090 class B shares. After deduction for the company's own holding, 146,222 class B shares, the number of outstanding shares is 13,947,268. Due to the share split, all comparison figures have been recalculated.

On 1 July 2016, convertibles at a nominal value of SEK 62,130,000 were issued to employees within the XANO Group. The convertibles accrue interest corresponding to STIBOR 3M plus 2.20% and fall due for payment on 30 June 2020. The conversion rate was originally SEK 218. Due to the share split, the conversion rate has been recalculated in accordance with section 8B of the terms and conditions. The recalculated conversion rate is SEK 109. During the period 1 June to 12 June 2020, each convertible may be converted to one Class B share in XANO Industri AB. If all convertibles are converted to shares, the dilution will be approx. 4 per cent of the share capital and 1.2 per cent of the number of votes based on the total number of shares on the balance sheet date.

For definitions, see page 9.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK million)	2018 31 Mar	2017 31 Mar	2017 31 Dec
ASSETS			
Goodwill	562	484	483
Other intangible non-current assets	34	35	31
Property, plant and equipment	499	385	389
Other non-current assets	2	2	2
Total non-current assets	1,097	906	905
Inventories	281	187	206
Current receivables	487	334	355
Cash and cash equivalents	55	130	53
Total current assets	823	651	614
Assets held for sale	1	1	1
TOTAL ASSETS	1,921	1,558	1,520
EQUITY AND LIABILITIES			
Equity	617	448	541
Non-current liabilities	654	508	501
Current liabilities ^{1, 2)}	650	602	478
TOTAL EQUITY AND LIABILITIES	1,921	1,558	1,520
Interest-bearing liabilities constitute	760	654	535
Deferred tax liabilities constitute	87	55	71
Lines of credit granted but not utilised total	311	158	290

¹⁾ Current liabilities include interest derivatives measured at fair value of SEK 14 million (16) for the interim period and SEK 15 million for the 2017 full year. The derivatives are used for hedging purposes and belong to value level 2 under IFRS 13. The fair value measurement is based on a number of factors, including forward interest rates produced on the basis of observable yield curves.

²⁾ Current liabilities include currency derivatives measured at fair value of SEK 0 million (0) for the interim period. The amount for the 2017 full year includes no currency derivatives. The derivatives are used for hedging purposes and belong to value level 2 under IFRS 13. The fair value measurement is based on several factors, including observable data such as fixing rates and swap rates for the currency in question.

Blowtech Group AB with subsidiaries and Blowtech Fastigheter AB were acquired in January 2018. Acquired assets and liabilities, including surplus values and after revaluation to fair value, amounted to SEK 297 million and SEK 136 million, respectively.

STATEMENT OF CHANGES IN EQUITY (SEK million)	2018 31 Mar	2017 31 Mar	2017 31 Dec
Opening balance	541	412	412
Net profit for the period	43	37	158
Other comprehensive income	13	-1	2
Comprehensive income for the period	56	36	160
Transfer of own shares	20	–	–
Dividend paid in cash	–	–	-31
Total transactions with shareholders	20	–	-31
Closing balance	617	448	541
– of which attributable to shareholders of the Parent Company	617	448	541

CASH FLOW STATEMENT	2018	2017	17/18	2017
(SEK million)	3 mths Jan-Mar	3 mths Jan-Mar	12 mths Apr-Mar	12 mths Jan-Dec
Operating profit	61	52	229	220
Interest and income tax paid/received and adjustments for non-cash items	7	-2	23	14
Change in working capital	-52	-44	-125	-117
Cash flow from operating activities	16	6	127	117
Investments				
Acquisitions and sale of subsidiaries ¹⁾	-133	4	-133	4
Other	-26	-10	-62	-46
Cash flow after investments	-143	0	-68	75
Dividend paid	–	–	-31	-31
Cash flow from other financing activities	141	-35	18	-158
Cash flow for the year	-2	-35	-81	-114
Cash and cash equivalents at the start of the period	53	165	130	165
Exchange rate differences in cash and cash equivalents	4	0	6	2
Cash and cash equivalents at the end of the period	55	130	55	53

¹⁾ The amounts for 2017 include a repayment of SEK 4 million that was received in conjunction with the final settlement of the purchase sum for Jorgensen Engineering A/S, which was acquired in November 2016.

In January 2018, Blowtech Group AB with subsidiaries and Blowtech Fastigheter AB were acquired. According to a preliminary acquisition calculation, the total value of acquired assets and liabilities, purchase price and the effect on the Group's liquid assets was as follows:

ACQUISITIONS	Reported values in subsidiary	Fair value adjustment	Consolidated fair value
(SEK million)			
Intangible non-current assets	–	78	78
Property, plant and equipment	68	29	97
Financial assets	0	–	0
Current assets	122	–	122
Non-current liabilities	-45	-7	-52
Current liabilities	-84	–	-84
Net assets/purchase price	61	100	161
Liquid assets in acquired business			-8
Transfer of own shares			-20
Total cash flow attributable to acquired businesses			133

The total purchase price for the Blowtech companies amounted to SEK 161 million. For the settlement of an amount corresponding to SEK 20 million of the purchase price, 133,778 own shares were transferred. The remaining amount was paid in cash.

The acquisition of the Blowtech companies brings surplus values totalling SEK 107 million distributed between goodwill (SEK 78 million) and real estate (SEK 29 million). The transaction costs amount to SEK 0.5 million.

Goodwill relates to customer relations and synergy effects. The expectation is that synergies will mainly be achieved by means of the acquisition bringing not only additional technical expertise within plastic machining to existing operations at the Industrial Products business unit, but also access to new market segments. The utilisation of common resources will also entail synergies.

KEY FIGURES	2018 3 mths Jan-Mar	2017 3 mths Jan-Mar	17/18 12 mths Apr-Mar	2017 12 mths Jan-Dec
Operating margin, %	12.1	12.7	13.1	13.2
Profit margin, %	11.2	11.7	11.9	12.0
Return on equity p.a., %	30.0	34.3	32.2	33.6
Return on capital employed p.a., %	21.1	19.4	20.7	20.7
Return on total capital p.a., %	15.0	13.9	14.8	14.8
Average equity, SEK m	579	430	511	470
Average capital employed, SEK m	1,226	1,102	1,138	1,083
Average total capital, SEK m	1,721	1,534	1,594	1,512
Interest coverage ratio, multiple	7.8	9.7	8.7	9.3
Equity/assets ratio, %	32	29	32	36
Proportion of risk-bearing capital, %	37	32	37	40
Net investments in non-current assets, SEK m	198	10	234	46
Average number of employees	967	783	853	807

For definitions, see page 9.

QUARTERLY SUMMARY	2018 Q1	2017 Q1	2017 Q4	2016 Q4	2017 Q3	2016 Q3	2017 Q2	2016 Q2
Net revenue, SEK m	504	410	432	269	378	226	443	295
Gross profit, SEK m	115	100	99	52	93	57	112	76
Operating profit, SEK m	61	52	54	10	52	24	62	36
Profit before tax, SEK m	56	48	50	13	50	21	52	36
Net profit for the period, SEK m	43	37	42	9	39	16	40	28
Comprehensive income for the period, SEK m	56	36	48	12	37	19	39	27
Operating margin, %	12.1	12.7	12.5	3.6	13.8	10.6	14.0	12.3
Profit margin, %	11.2	11.7	11.6	4.9	13.1	9.2	11.9	12.0
Equity/assets ratio, %	32	29	36	27	32	42	31	39
Basic earnings per share, SEK ¹⁾	3.11	2.67	3.07	0.66	2.76	1.16	2.94	2.01
Cash flow from operating activities per share, SEK ¹⁾	1.15	0.41	6.78	5.20	-1.14	1.29	2.46	4.08

¹⁾ The comparison figures have been recalculated due to the 2:1 share split carried out in June 2017.

For definitions, see page 9.

DEFINITIONS

AVERAGE NUMBER OF EMPLOYEES

Average number of employees during the period based on working hours.

BASIC EARNINGS PER SHARE

Net profit in relation to the average number of outstanding shares.

CAPITAL EMPLOYED

Balance sheet total less non-interest-bearing liabilities.

CASH FLOW FROM OPERATING ACTIVITIES PER SHARE

Cash flow from operating activities in relation to the average number of outstanding shares.

DILUTED EARNINGS PER SHARE

Net profit plus costs relating to convertible loan in relation to the average number of outstanding shares plus the average number of shares added at conversion of outstanding convertibles.

EQUITY PER SHARE

Equity in relation to the number of outstanding shares on the balance sheet date.

EQUITY/ASSETS RATIO

Equity in relation to total capital.

INTEREST COVERAGE RATIO

Profit before tax plus financial expenses in relation to financial expenses.

NET INVESTMENTS

Closing balance less opening balance plus amortisation/depreciation, impairment costs and translation differences relating to non-current assets.

OPERATING MARGIN

Operating profit in relation to net revenue.

PROFIT MARGIN

Profit before tax in relation to net revenue.

PROPORTION OF RISK-BEARING CAPITAL

Equity plus provisions for taxes in relation to total capital.

RETURN ON CAPITAL EMPLOYED

Profit before tax plus financial expenses in relation to average capital employed.

RETURN ON EQUITY

Net profit in relation to average equity.

RETURN ON TOTAL CAPITAL

Profit before tax plus financial expenses in relation to average total capital.

TOTAL CAPITAL

Total equity and liabilities (balance sheet total).

KEY FIGURES

Key figures included in this report derive primarily from the disclosure requirements according to IFRS. Other measures, known as alternative key figures, describe e.g. the profit trend, financial strength and how the Group has invested its capital.

Presented key figures take the nature of the business into account, and are deemed to provide relevant information to shareholders and other stakeholders for assessing the Group's possibilities to carry out strategic investments, fulfil financial commitments and provide yield for shareholders at the same time as achieving comparability with other companies. The margin measures are also presented internally.

INCOME STATEMENT, PARENT COMPANY	2018	2017	2017
(SEK million)	3 mths Jan-Mar	3 mths Jan-Mar	12 mths Jan-Dec
Net revenue	3.8	2.9	16.5
Selling and administrative expenses	-6.1	-5.9	-22.7
Operating profit/loss	-2.3	-3.0	-6.2
Profit from participations in Group companies	–	–	113.1
Other financial items	-1.0	-1.2	-3.2
Profit/loss after financial items	-3.3	-4.2	103.7
Appropriations	–	–	-12.9
Tax	0.7	0.9	-19.9
Net profit for the period	-2.6	-3.3	70.9
<i>Statement of comprehensive income</i>			
Net profit for the period	-2.6	-3.3	70.9
Other comprehensive income	–	–	–
Comprehensive income for the period	-2.6	-3.3	70.9

Net revenue refers to revenue from contracts with customers

Income tax amounts to 22 per cent (22) for the interim period.

100 per cent (100) of the Parent Company's net revenue comes from invoicing to subsidiaries.

BALANCE SHEET, PARENT COMPANY	2018	2017	2017
(SEK million)	31 Mar	31 Mar	31 Dec
ASSETS			
Non-current assets	228.8	52.9	52.9
Current assets	609.4	502.7	634.4
EQUITY AND LIABILITIES			
Equity	167.4	106.9	150.0
Untaxed reserves	76.9	64.0	76.9
Non-current liabilities	187.0	73.6	119.4
Current liabilities	406.9	311.1	341.0
BALANCE SHEET TOTAL	838.2	555.6	687.3

STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY	2018	2017	2017
(SEK million)	31 Mar	31 Mar	31 Dec
Opening balance	150.0	110.2	110.2
Comprehensive income for the period	-2.6	-3.3	70.9
Transfer of own shares	20.0	–	–
Dividend paid in cash	–	–	-31.1
Closing balance	167.4	106.9	150.0

CASH FLOW STATEMENT, PARENT COMPANY	2018	2017	2017
(SEK million)	3 mths Jan-Mar	3 mths Jan-Mar	12 mths Jan-Dec
Operating profit/loss	-2.3	-3.0	-6.2
Interest and income tax paid/received and adjustments for non-cash items	-6.1	-6.8	95.2
Change in working capital	39.2	-6.6	-22.0
Cash flow from operating activities	30.8	-16.4	67.0
Investments	-155.9	–	–
Cash flow after investments	-125.1	-16.4	67.0
Financing	123.1	20.5	-63.8
Cash flow for the period	-2.0	4.1	3.2
Cash and cash equivalents at the start of the period	5.9	2.7	2.7
Exchange rate differences in cash and cash equivalents	0.0	0.0	0.0
Cash and cash equivalents at the end of the period	3.9	6.8	5.9

THIS IS XANO

The XANO Group consists of engineering companies offering manufacturing and development services for industrial products and automation equipment. The Group is represented in the Nordic countries, Estonia, the Netherlands, Poland, China and the United States. The companies all operate within well-defined niches and possess a high level of expertise within their respective technical areas. Each unit is anchored locally and developed according to its own potential. At the same time, the Group affinity creates economies of scale for the companies and their customers. As from 2018, the Group's operations are divided into the business units Industrial Products, Industrial Solutions and Precision Technology.

INDUSTRIAL PRODUCTS



Operations within the Industrial Products business unit comprise the design, manufacture and sale of plastic components and systems produced by means of rotational moulding, injection moulding and blow moulding. Deliverables include both customer-specific and proprietary products.

		2018 Q1	2017 ¹⁾ Q1	2017 ¹⁾ Q1-Q4
Net sales	SEK m	156	84	296
Operating profit	SEK m	20	15	37
Operating margin	%	12.9	17.2	12.5

Blowtech is included from the acquisition date 2 January 2018.

Companies

Ackurat
Sweden
Finland
Poland

Blowtech
Sweden
Norway

Cipax
Sweden
Estonia
Norway
Finland

INDUSTRIAL SOLUTIONS



Companies within the Industrial Solutions business unit supply automation solutions developed in-house, such as packaging machines, accumulators and conveyor systems, to the packaging industry. Contract assignments for advanced industrial products in small and medium-sized production runs are also performed.

		2018 Q1	2017 ¹⁾ Q1	2017 ¹⁾ Q1-Q4
Net sales	SEK m	277	262	1,113
Operating profit	SEK m	35	31	161
Operating margin	%	12.7	12.1	14.5

Companies

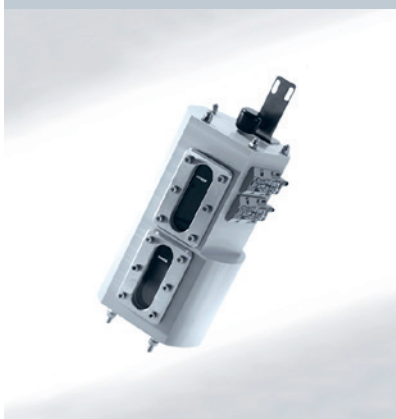
Canline
Netherlands
USA

Fredriksons
Sweden
China

Jorgensen
Denmark

NPB
Sweden

PRECISION TECHNOLOGY



Operations within the Precision Technology business unit cover component and system manufacture through advanced cutting machining of metal and plastic, used for the production of components with stringent requirements for quality and precision.

		2018 Q1	2017 Q1	2017 Q1-Q4
Net sales	SEK m	72	65	259
Operating profit	SEK m	14	12	44
Operating margin	%	19.2	18.2	17.0

Companies

KMV
Sweden

LK Precision
Sweden

Mikroverktyg
Sweden

Resinit
Sweden

¹⁾ The comparison periods have been recalculated as a result of the altered subdivision into business units.

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