

Formpipe.

## Interim report January - March 2016

### PERIOD JANUARY 1 – MARCH 31, 2016

- Net sales SEK 87,3.1 m (SEK 84.3 m)
- System revenue SEK 58.1 m (SEK 57.1 m)
- Recurring revenue, percentage of net sales 51% (50%)
- EBITDA SEK 16.4 m (SEK 18.6 m)
- EBITDA margin 18.8% (22.0%)
- EBIT SEK 2.8 m (SEK 5.9 m)
- Net profit SEK 1.4 m (SEK 2.2 m)
- EPS before dilution SEK 0.02 (SEK 0.04)
- Cash flow from operating activities SEK 12.2 m (SEK 14.4 m)

### INCOME STATEMENT - SUMMARY

(SEK Million)	Jan-Mar		Rolling 12	Full year
	2016	2015	months	2015
Net sales	87,3	84,3	352,2	349,3
whereof recurring revenue	44,8	41,9	171,3	168,4
EBITDA	16,4	18,6	71,5	73,7
EBIT - excluding one-off items	2,8	5,9	18,8	21,8
EBIT	2,8	5,9	16,8	19,8

### COMMENTS FROM THE GROUP CEO

*The quarter included a number of very interesting private sector deals worth highlighting. Contentworker, our ECM-product for law firms and corporate legal departments, won an important contract with a major international law firm. Our input/output management product, Lasernet, continues to win deals with an increasingly higher business value. We are expanding our presence internationally, and during the quarter we established sales resources in Germany.*

*When it comes to the public sector, the deal with the City of Stockholm is of course interesting to mention. The extent and significance of this deal will have a positive impact on our business for many years. In the first quarter, however, earnings is negatively affected since the system revenues come in later and delivery revenues are affected by increased costs.*

*The market for long-term archiving continues to grow and we see that we can continue to strengthen our leading position in this area. For instance, we received a contract award decision from three municipalities for a deal valued at 20 million over the contract period. However, a competing supplier then applied for a review procedure of the procurement and due to that we need to wait until the administrative court has ruled on the case. There are a number of procurements coming up in this*

*area. We believe we have the strongest product on the market and should be able to continue to win the majority of future contracts.*

*Our business area Life Science continues to create an ever richer list of potential customers, but we have not been able to convert these into actual deals yet. The business area continues to deliver results below our expectations and unfortunately we see no improvement regarding this within the next few quarters.*

*All areas in the Danish business are performing better than during the same period last year. Despite this, the Danish margin goes down because, after the sale of the business area of Customer Specific Solutions, the business is forced to carry a larger share of the fixed costs. Since margin is currently not good enough, we prioritize efforts to improve ourselves by creating a more efficient organizational structure.*

*Our recurring revenue now exceeds 50% of our total revenues. This is the result of our focus on being a pure product company, combined with the trend that more and more business are delivered as a cloud service, where revenues are often 100% recurring. Although this, in accounting terms, postpones our revenues, we see this*

*as entirely positive. We know by experience that our customers choose to stay with us for a long time, and continues to invest in our products and solutions.*

## **SIGNIFICANT EVENTS DURING THE PERIOD OCTOBER – DECEMBER 2015**

### **ORDER FROM A GERMAN COMPANY**

Formpipe received an order on the ECM product Lasernet from a German company. The total order value amounts to SEK 2.4 million over a four year period.

### **ORDER FROM A GLOBAL LAW FIRM**

Formpipe received an order on the ECM product Contentworker from a global law firm. The total order value amounts to SEK 3.3 million.

### **ORDER FROM A DANISH MUNICIPALITY**

Formpipe received a supplementary order on the ECM product Acadre from a Danish municipality. The total order value amounts to SEK 1.1 million.

### **FORMPIPE AND THE CITY OF STOCKHOLM SIGNS AGREEMENT**

The business value amounts to approximately 50 million over a five year period, of which approximately SEK 25 million consists of systems revenue. After the initial period of the contract the City of Stockholm have the option to further extend the contract for 15 years.

### **CONTRACT AWARD DECISION REGARDING E-ARCHIVE**

Three Swedish municipalities announces, through a contract award decision, that they intend to sign an agreement with Formpipe regarding the e-archiving product Long-Term Archive. The order value is estimated to SEK 20 million over an eight-year period.

Another supplier then applied for a review procedure of the procurement and the standstill period will therefore be extended until the administrative court has ruled on the case.

## **MARKET**

Formpipe focuses its offerings on the public sector in Sweden and Denmark, in the international market on the Life Sciences industry and Legal sector and on industry independent offerings in respect of input/output management. According to the Radar Group, ECM continues to be a high priority investment area for companies and organizations.

Greater regulatory requirements and effective information management as a means of competition are important driving forces that have a tendency to be continually strengthened in connection with the increased amount of information.

## **PUBLIC SECTOR**

According to analysts at Radar Group, ECM continues to be a high-priority investment area for the public sector. According to Radar, the ECM market for the public sector in Sweden will see growth of 6.2 (5.1) per cent, with an equivalent figure for Denmark of 4.4 (4.3) per cent.

The ECM market for public sector is less sensitive to market fluctuations than other sectors since they have a continuous need to invest in effective e-government solutions. Shrinking younger age groups must support a growing senior age group, while rising living standards are still expected. Public administration is facing major cost driving challenges and changes in fields such as digitisation and streamlining of operations, accessibility and service via the web and reduced costs for production of standardised IT. Both Formpipe and external analysts estimate that the need for efficient administration will lead to continued investments by the public sector in existing or new ECM systems. The number of public agencies that have a budget for ECM will also increase from year to year. The trend points to reducing operational costs through initiatives like outsourcing, so that resources are freed up for e-administration development. As part of this trend, investments are increasingly being financed through operating budgets. ECM solutions have evolved from being an IT issue to becoming a strategic business issue.

## **CHALLENGES/DRIVING FORCES IN THE PUBLIC SECTOR**

Public administrations in Europe are facing the challenge of improving efficiency, productivity and the quality of their services. All these challenges must though be met with unchanged or even reduced budgets. Information and communication technology helps the public sector to handle challenges such as:

- Ever increasing squeeze on financial conditions.
- Increased demands in regard to transparency and improved service levels from citizens and companies.
- A demographic reality that means that in future we must do more with fewer resources.

## **LIFE SCIENCE**

Formpipe currently has customers in a number of European countries, as well as in the USA, regarding products and services for quality management and regulatory compliance. Like the public sector, the Life Sciences Industry has strict regulatory requirements. The market is strictly regulated by the national regulations of the market that the product or service is to be submitted to (in the US the regulator is the Food and Drug Administration (FDA), in the European Union it is the EMEA, etc).

It is estimated that the market for ECM products for the Life Sciences industry will grow strongly among medium-sized enterprises (200-1,000 users), as these are starting to use the same efficiency-enhancing tools as the major, traditional pharmaceutical companies. The major companies (more than 1,000 users) are seeing a trend towards replacing several different local systems with integrated turnkey solutions which provide a better overview and reduce administration and maintenance costs. It is thought

that the market for EQMS products for Life Sciences companies' subcontractors will also grow, as they need to comply with the industry's regulations on account of the fact that they are increasingly playing a key role in the delivery and supply chain.

### INPUT/OUTPUT MANAGEMENT

Formpipe's offering regarding input and output management, Lasernet, is essentially linked to the ERP market. The software is used for designing, converting and distributing business documents with data retrieved directly from any ERP system and it has more than 2,000 customers within a variety of industries all over the world.

Formpipe focuses on further reinforcing its offering for customers implementing Microsoft Dynamics, currently one of the fastest-growing ERP systems on the market. Formpipe has a well-developed partnership with a number of key partners in countries such as the Netherlands, Germany, Denmark and Sweden, and as a result it is able to benefit from the major sales successes for Microsoft Dynamics.

### THE FUTURE

Formpipe is a leading supplier of ECM solutions in Sweden and Denmark. The board considers that the company is well-positioned to be able to develop and strengthen its leading position while retaining good profitability levels. The company sees good opportunities to continue to utilize its experience from its successes within the public sector in Sweden and Denmark, which from an international perspective are considered models for efficient public administration, in order to target new markets and customer segments. With well-invested products, solid experience of the public sector and facilities for continued product development, the company sees opportunities to focus on the demand at EU level which with increased regulatory requirements can be expected to increase its investments in the coming years. In addition to the Swedish public sector, Formpipe Software also focuses on the life science sector, which like the public sector is a segment that is strictly regulated by regulatory requirements. The Company has developed a competitive offering to this sector. The life science market is faced with the same regulatory requirements regardless of geographical location, which creates a very large international market. The company's strategy with focus on the public sector and Life Science creates good opportunities to be able to efficiently develop market-leading offerings and need sector-specific requirements.

The board believes that Formpipe, which is one of the largest European-based ECM suppliers, is well-positioned with a stable customer base, a high share of recurring revenue and a focus on customer segments with a high need for ECM solutions. At the same time, the board considers that the ECM market is a sector undergoing consolidation and views acquisitions as a good complement to organic growth.

## FINANCIAL INFORMATION

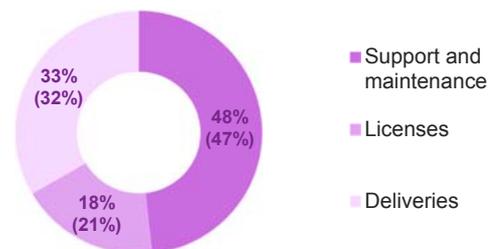
Revenues and costs for the outcome and comparison figures has been adjusted to reflect the remaining operations after the sale of the business area Customer Specific Solutions in Denmark during the fourth quarter.

### REVENUE

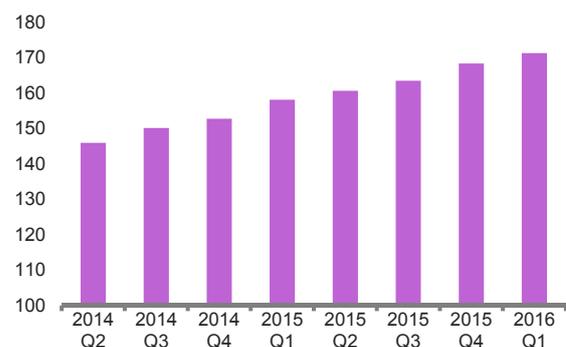
#### JANUARY – MARCH 2016

Net sales for the period totaled SEK 87.3 million (84.3 million), which corresponds to an increase of 4%. System revenue increased by 2% from the previous year and totaled SEK 58.1million (57.1 million). Total recurring revenue for the period increased by 7% from the previous year and totaled SEK 44.8 million (41.9 million), which is equivalent to 51% of net sales. Exchange rate effects have affected net sales negatively by SEK 0.4 million in comparison with the previous year.

#### Breakdown of sales, Jan – Mar 2016



#### Recurring revenue rolling 12-month, SEKm



### COSTS

#### JANUARY – MARCH 2016

The operating costs for the period increased by 8% and totaled SEK 84.4 million (78.4 million). Personnel costs increased by 3% and totaled SEK 51.1 million (49.7 million). Selling expenses totaled SEK 12.9 million (10.1 million). Other costs totaled SEK 17.4 million (16.6 million).

## EARNINGS

### JANUARY – MARCH 2016

Operating profit before depreciation and amortization and one-off costs (EBITDA) totaled SEK 16.4 million (18.6 million) with an EBITDA margin of 18.8% (22.0%). Operating profit (EBIT) totaled SEK 2.8 million (5.9 million) with an operating margin of 3.2% (6.9%). Net profit totaled SEK 1.4 million (2.2 million). Exchange rate effects have not affected EBITDA essentially in comparison with the previous year.

### Sales and EBITDA margin, SEKm



## FINANCIAL POSITION AND LIQUIDITY

### CASH EQUIVALENTS

Cash and cash equivalents at the end of the period amounted to SEK 36.7 million (24.0 million). The company had interest-bearing debt at the end of the period totaling SEK 114.0 million (132.6 million). The company's net interest-bearing debt thereby totaled SEK 77.3 million (108.7 million).

The company has bank overdraft facilities for a total of SEK 10.0 million and for DKK 17.0 million, which were not utilized at the end of the period (- million).

### EQUITY

Equity at the end of the period amounted to SEK 316.4 million (308.4 million), which was equivalent to SEK 6.31 (6.15) per outstanding share at the end of the period. The strengthening of the Swedish krona has increased the value of the group's net assets in foreign currencies by SEK 0.4 million (-4.2 million) from the end of the year.

### EQUITY RATIO

The equity ratio at the end of the period was 53% (48%).

## CASH FLOW

### CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities for the period January - March totaled SEK 12.1 million (14.4 million).

## INVESTMENTS AND ACQUISITIONS

Total investments for the period January - December amounted to SEK 10.6 million (11.0 million), of which investments affecting cash flow totaled SEK 9.4 million (10.1 million).

Investments in intangible assets totaled SEK 10.5 million (10.7 million) and refer to capitalized product development costs.

Investments in tangible assets totaled SEK 0.1 million (0.3 million).

## FINANCING

During the period January - March the company has amortized SEK 3.9 million (9.5 million) and the interest-bearing debt amounted to SEK 114.0 million (132.6 million) at the end of the period.

## OTHER

### EMPLOYEES

The number of employees at the end of the reporting period totaled 236 persons (248 persons).

## RISKS AND UNCERTAINTY FACTORS

The significant risk and uncertainty factors for the group and the parent company, which include business and financial risks, are described in the annual report for the last financial year. During the period there have been no changes in the risk and uncertainty factors for the group and the parent company.

## TRANSACTIONS WITH RELATED PARTIES

No transactions with related parties have occurred during the period

## ACCOUNTING POLICIES

The group's financial reports are prepared in accordance with International Financial Reporting Standards (IFRS) in the way in which they have been adopted by the European Union, the Swedish Annual Accounts Act, RFR 1 Additional Accounting Regulations for Groups issued by the Swedish Financial Reporting Board and in accordance with the regulations that the Stockholm Stock Exchange stipulates for companies listed on Nasdaq Stockholm. Preparing financial reports in accordance with IFRS requires that the company management makes accounting evaluations and estimates and makes assumptions that affect the application of the accounting policies and the reported values of assets, liabilities, income and costs. The actual result can differ from these estimates and evaluations. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The most important accounting policies according to IFRS, which constitute the accounting standard for the preparation of this interim report, are stated in the company's most recently published annual report. During the fourth quarter of 2015 the business area Customer Specific Solutions has been sold. The business area, which earlier was included in

Formpipe Groups segment Denmark, is therefore treated as a discontinued operation according to IFRS 5 and is accounted and disclosed in accordance with this accounting standard.

The financial reports of the parent company have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board. The same accounting policies and methods of calculation have been applied in the interim report and in the most recent annual report.

#### **ABOUT FORMPIPE**

Formpipe Software AB (publ) is a software company in the field of ECM (Enterprise Content Management). We develop and deliver ECM products for structuring information in larger companies, the public sector and organizations. Our software helps organizations to capture and place information in context. Reduced costs, minimized risk exposure and structured information are the benefits from using our ECM products.

Formpipe was founded in 2004 and has offices in Sweden, Denmark, United Kingdom, the Netherlands and USA. The Formpipe share is listed on Nasdaq Stockholm.

#### **CALENDAR FOR FINANCIAL INFORMATION**

April 21, 2016	Annual General Meeting
July 12, 2016	Interim report Jan-Jun
October 25, 2016	Interim report Jan-Sep
February 10, 2017	Interim report Jan-Dec

This interim report has not been subject to review by the company's auditors.

#### **FINANCIAL INFORMATION**

Can be ordered from the below contact details. All financial information is published on [www.formpipe.com](http://www.formpipe.com) immediately after being made public.

#### **CONTACT INFORMATION**

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Stockholm April 19, 2016  
Formpipe Software AB  
The Board of Directors and the Managing Director

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**CONSOLIDATED INCOME STATEMENT SUMMARY**

(SEK 000)	Jan-Mar	
	2016	2015
<b>Net Sales</b>	<b>87 275</b>	<b>84 291</b>
Sales expenses	-12 886	-10 062
Other costs	-17 399	-16 645
Personell costs	-51 099	-49 722
Capitalized work for own account	10 524	10 696
<b>Operating profit/loss before depreciation/amortization and non-comparative items (EBITDA)</b>	<b>16 415</b>	<b>18 558</b>
Depreciation/amortization	-13 584	-12 708
<b>Operating profit/loss (EBIT)</b>	<b>2 831</b>	<b>5 850</b>
Financial income and expenses	-1 257	-1 461
Exchange rate differences	71	-1 822
Tax	-205	-371
<b>Net profit for the period from remaining business</b>	<b>1 439</b>	<b>2 195</b>
Profit/loss attributable to discontinued business	-	3 076
<b>Net profit for the period</b>	<b>1 439</b>	<b>5 272</b>
<u>Of which the following relates to:</u>		
Parent company shareholders	881	5 052
Shareholding with no controlling influence	558	220
<u>Other comprehensive income</u>		
Translation differences	434	-4 229
Other comprehensive income for the period, net after tax	434	-4 229
<b>Total comprehensive income for the period</b>	<b>1 873</b>	<b>1 043</b>
<u>Of which the following relates to:</u>		
Parent company shareholders	1 315	823
Shareholding with no controlling influence	558	220
<i>EBITDA margin, %</i>	<i>18,8%</i>	<i>22,0%</i>
<i>EBIT margin, %</i>	<i>3,2%</i>	<i>6,9%</i>
<i>Profit margin, %</i>	<i>1,6%</i>	<i>6,3%</i>
Earnings per share attributable to the parent company's shareholders during the period (SEK per share)		
- before dilution	0,02	0,10
- after dilution	0,02	0,10
- before dilution, remaining business	0,02	0,04
- after dilution, remaining business	0,02	0,04
- before dilution, discontinued business	-	0,06
- after dilution, discontinued business	-	0,06
Average no. of shares before dilution, in 000	50 143	50 143
Average no. of shares after dilution, in 000	50 647	50 219

This is a translation of the original Swedish version. In the event of any discrepancies between the two versions, the original Swedish version shall take precedence.

## CONSOLIDATED BALANCE SHEET SUMMARY

(SEK 000)	Dec 31		Dec 31
	2016	2015	2015
Intangible assets	473 087	501 361	473 393
Tangible assets	3 456	3 908	3 898
Financial assets	1 439	1 400	1 425
Deferred tax asset	19 267	24 260	23 680
Current assets (excl. cash equivalents)	63 569	85 539	77 723
Cash equivalents	36 658	23 958	37 670
<b>TOTAL ASSETS</b>	<b>597 476</b>	<b>640 426</b>	<b>617 789</b>
Equity	316 423	308 412	315 108
Shareholding with no controlling influence	3 935	2 909	3 378
	-	-	-
Long-term liabilities	124 600	157 498	132 260
Current liabilities	152 517	171 608	167 043
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>597 476</b>	<b>640 426</b>	<b>617 789</b>
Net interest-bearing debt (-) / cash (+)	-77 316	-108 683	-79 081

## CHANGES IN CONSOLIDATED EQUITY

(SEK 000)	Equity attributable to the parent company's shareholders					Shareholdings with no controlling influence	
	Share capital	Other contributed capital	Translation reserves	Profit/loss brought forward	Total	influence	Total
<b>Balance at January 1, 2015</b>	<b>5 014</b>	<b>186 464</b>	<b>14 670</b>	<b>101 440</b>	<b>307 588</b>	<b>2 689</b>	<b>310 277</b>
<b>Comprehensive income</b>							
Net profit for the period	-	-	-	5 052	5 052	220	5 272
Other comprehensive income items	-	-	-4 229	-	-4 229	-	-4 229
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-4 229</b>	<b>5 052</b>	<b>824</b>	<b>220</b>	<b>1 043</b>
<b>Transaction with owners</b>							
Share issue	-	-	-	-	-	-	-
Employee warrant schemes	-	-	-	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at March 31, 2015</b>	<b>5 014</b>	<b>186 464</b>	<b>10 441</b>	<b>106 492</b>	<b>308 412</b>	<b>2 909</b>	<b>311 320</b>
<b>Balance at January 1, 2016</b>	<b>5 014</b>	<b>186 709</b>	<b>4 454</b>	<b>118 930</b>	<b>315 108</b>	<b>3 378</b>	<b>318 486</b>
<b>Comprehensive income</b>							
Net profit for the period	-	-	-	881	881	558	1 439
Other comprehensive income items	-	-	433	-	433	-	433
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>433</b>	<b>881</b>	<b>1 314</b>	<b>558</b>	<b>1 872</b>
<b>Transaction with owners</b>							
Employee warrant schemes	-	-	-	-	-	-	-
<b>Total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at March 31, 2016</b>	<b>5 014</b>	<b>186 709</b>	<b>4 887</b>	<b>119 812</b>	<b>316 423</b>	<b>3 935</b>	<b>320 358</b>

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## CASH FLOW STATEMENT SUMMARY

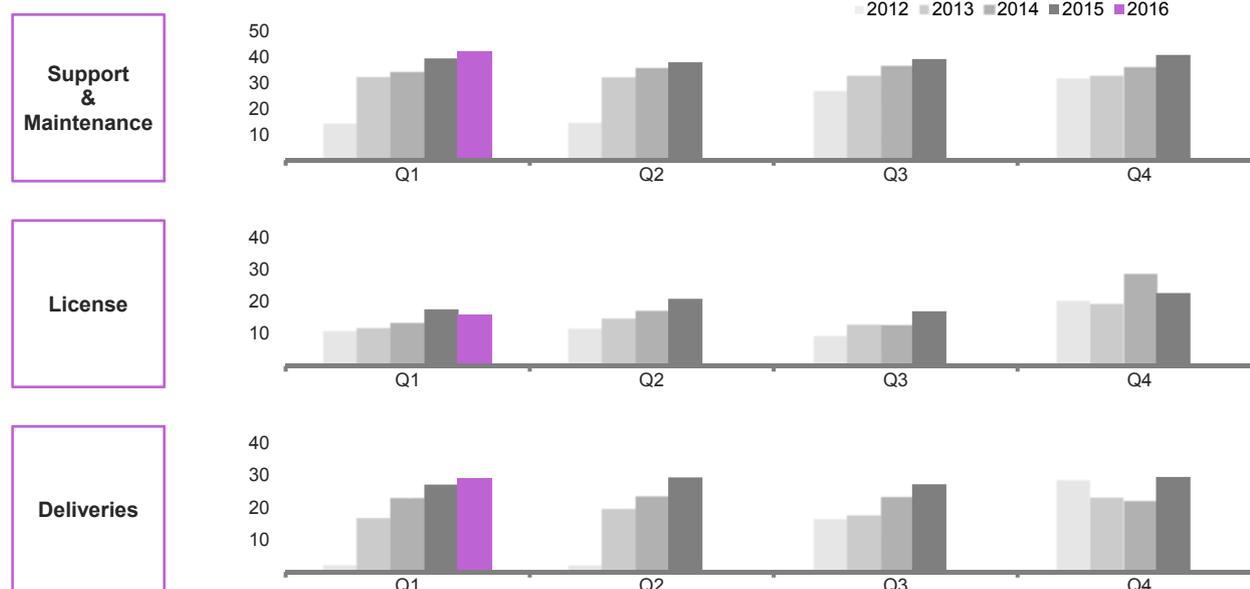
(SEK 000)	Jan-Mar	
	2016	2015
Cash flow from operating activities before working capital changes	13 071	18 495
Cash flow from working capital changes	-894	-4 079
<b>Cash flow from remaining operating activities</b>	<b>12 177</b>	<b>14 416</b>
Cash flow from discontinued business	-	3 076
<b>Cash flow from operating activities</b>	<b>12 177</b>	<b>17 492</b>
Cash flow from investing activities <i>Of which acquisition/divesture of business activities</i>	-9 399 -	-10 122 -
Cash flow from financing activities	-3 915	-9 496
<b>Cash flow for the period</b>	<b>-1 137</b>	<b>-2 126</b>
<b>Change in cash and cash equivalent</b>		
Cash and cash equivalent at the beginning of the period	37 670	26 035
Translation differences	125	50
Cash flow for the period	-1 137	-2 126
<b>Cash and cash equivalent at the end of the period</b>	<b>36 658</b>	<b>23 958</b>

## 8 QUARTERS IN SUMMARY\*

(SEK 000)	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016 Q1
Support and maintenance	35 944	36 796	36 219	39 511	38 058	39 254	40 893	42 150
Licenses	17 178	12 977	28 600	17 617	20 884	17 025	22 708	15 999
System revenue	53 122	49 773	64 820	57 128	58 942	56 279	63 602	58 149
<i>whereof recurring revenue</i>	<i>38 290</i>	<i>39 249</i>	<i>38 713</i>	<i>41 899</i>	<i>40 826</i>	<i>42 076</i>	<i>43 603</i>	<i>44 806</i>
Deliveries	23 451	23 255	22 037	27 163	29 388	27 235	29 522	29 126
<b>Net sales</b>	<b>76 573</b>	<b>73 028</b>	<b>86 857</b>	<b>84 291</b>	<b>88 329</b>	<b>83 514</b>	<b>93 123</b>	<b>87 275</b>
Sales expenses	-9 544	-10 964	-5 083	-10 062	-11 925	-12 381	-14 033	-12 886
Other costs	-14 310	-16 170	-18 014	-16 645	-18 746	-18 912	-17 757	-17 399
Personnel costs	-46 620	-40 450	-51 479	-49 722	-52 736	-46 077	-51 607	-51 099
Capitalized development costs	8 674	8 882	11 410	10 696	10 901	11 448	11 957	10 524
Total operating expenses	-61 800	-58 702	-63 165	-65 733	-72 506	-65 922	-71 440	-70 861
<b>EBITDA</b>	<b>14 773</b>	<b>14 326</b>	<b>23 691</b>	<b>18 558</b>	<b>15 823</b>	<b>17 592</b>	<b>21 683</b>	<b>16 415</b>
%	19,3%	19,6%	27,3%	22,0%	17,9%	21,1%	23,3%	18,8%
Items affecting comparability	-500	-667	-	-	-	-1 947	-	-0
Depreciation/amortization	-10 115	-11 470	-12 066	-12 708	-12 834	-13 030	-13 308	-13 584
<b>EBIT</b>	<b>4 159</b>	<b>2 189</b>	<b>11 625</b>	<b>5 850</b>	<b>2 989</b>	<b>2 614</b>	<b>8 375</b>	<b>2 831</b>
%	5,4%	3,0%	13,4%	6,9%	3,4%	3,1%	9,0%	3,2%
Discontinued business:	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Net sales	7 673	8 854	10 456	9 692	7 493	4 627	2 165	-
EBITDA	1 853	3 133	5 204	4 102	2 844	1 683	-43	-

\* Adjusted to reflect the remaining business after disposal of customer specific consulting services in Denmark in 2015 Q4.

## SALES ANALYSIS BY QUARTER



## SEGMENT SUMMARY

In order to visualize the effects from the disposal of the customer specific consulting services in Denmark December 11, 2015, the direct revenues and costs attributable to this business have been recorded separately. The business was previously a part of the segment Denmark.

(SEK 000)	Jan-Mar 2016						
	Sweden	Denmark	Life Science	Eliminations	Remaining business	Discontinued business	Group
Sales, external	35 164	50 139	1 972	-	87 275	-	87 275
Sales, internal	961	61	-	-1 022	-	-	-
<b>Total sales</b>	<b>36 125</b>	<b>50 200</b>	<b>1 972</b>	<b>-1 022</b>	<b>87 275</b>	-	<b>87 275</b>
Costs, external	-24 119	-42 385	-4 356	-	-70 860	-	-70 860
Costs, internal	-980	-42	-	1 022	-	-	-
<b>EBITDA</b>	<b>11 026</b>	<b>7 773</b>	<b>-2 384</b>	<b>-</b>	<b>16 415</b>	<b>-</b>	<b>16 415</b>
%	30,5%	15,5%	-120,9%	0,0%	18,8%	-	18,8%

(SEK 000)	Jan-Mar 2015						
	Sweden	Denmark	Life Science	Eliminations	Remaining business	Discontinued business	Group
Sales, external	32 983	47 202	4 106	-	84 291	9 692	93 983
Sales, internal	35	1 533	-	-1 568	-	-	-
<b>Total sales</b>	<b>33 018</b>	<b>48 735</b>	<b>4 106</b>	<b>-1 568</b>	<b>84 291</b>	<b>9 692</b>	<b>93 983</b>
Costs, external	-22 237	-37 780	-5 716	-	-65 733	-5 591	-71 324
Costs, internal	-1 533	-35	-	1 568	-	-	-
<b>EBITDA</b>	<b>9 248</b>	<b>10 920</b>	<b>-1 610</b>	<b>-</b>	<b>18 558</b>	<b>4 101</b>	<b>22 659</b>
%	28,0%	22,4%	-39,2%	0,0%	22,0%	42,3%	24,1%

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**NUMBER OF SHARES**

	2012-01-01	2013-01-01	2014-01-01	2015-01-01	2016-01-01
	2012-12-31	2013-12-31	2014-12-31	2015-12-31	2016-03-31
Number of outstanding shares at the beginning of the period	12 233 647	48 934 588	48 934 588	50 143 402	50 143 402
Share issue	36 700 941	-	-	-	-
Non-cash issue	-	-	1 208 814	-	-
<b>Number of outstanding shares at the end of the period</b>	<b>48 934 588</b>	<b>48 934 588</b>	<b>50 143 402</b>	<b>50 143 402</b>	<b>50 143 402</b>

**KEY RATIOS FOR THE GROUP**

	Jan-Mar	
	2016	2015
Net sales, SEK 000	87 275	84 291
EBITDA, SEK 000	16 415	18 558
EBIT, SEK 000	2 831	5 850
Net profit for the period, SEK 000	1 439	5 272
EBITDA margin, %	18,8%	22,0%
EBIT margin, %	3,2%	6,9%
Profit margin, %	1,6%	6,3%
Return on equity, %*	4,4%	6,8%
Return on working capital, %*	4,2%	5,8%
Equity ratio, %	53%	48%
Equity per outstanding share at the end of the period, SEK	6,31	6,15
Earnings per share - before dilution, SEK	0,02	0,10
Earnings per share - after dilution, SEK	0,02	0,10
Share price at the end of the period, SEK	8,45	7,85

\* Ratios including P&L measures are based on the most recent 12-month period

## PARENT COMPANY INCOME STATEMENT SUMMARY

(SEK 000)	Jan-Mar	
	2016	2015
<b>Net sales</b>	<b>36 516</b>	<b>27 327</b>
Operating expenses		
Sales expenses	-1 150	-629
Other costs	-34 276	-27 321
Personnel costs	-9 056	-8 354
Depreciation/amortization	-1 558	-451
Total operating expenses	-46 039	-36 754
<b>Operating profit/loss</b>	<b>-9 523</b>	<b>-9 428</b>
Other financial items	613	-1 012
<b>Net profit for the period</b>	<b>-8 910</b>	<b>-10 440</b>

## PARENT COMPANY BALANCE SHEET SUMMARY

(SEK 000)	Dec 31		Dec 31
	2016	2015	2015
Intangible assets	24 029	4 239	3 432
Tangible assets	967	1 232	1 022
Financial assets	424 480	441 108	426 923
Deferred tax asset	3 635	6 440	3 635
Current assets (excl. cash equivalents)	19 304	9 274	34 125
Cash and bank balances	-21 056	23 381	41 165
<b>TOTAL ASSETS</b>	<b>451 359</b>	<b>485 675</b>	<b>510 303</b>
Restricted equity	22 705	22 705	22 705
Non-restricted equity	204 597	193 626	213 507
Total equity	227 302	216 331	236 212
Long-term liabilities	103 912	130 316	107 036
Current liabilities	120 144	139 029	167 054
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>451 359</b>	<b>485 675</b>	<b>510 303</b>

## PLEGDED ASSETS AND CONTINGENT LIABILITIES

Pledged assets refers to shares in subsidiaries as security for loans. The pledged assets in the Group is the same as disclosed for the Parent Company.

	31 mar		31 dec
	2016	2015	2015
Pledged assets	336	371	334
Contingent liabilities	-	-	-

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## DEFINITIONS

### SYSTEM REVENUE

The total of license revenue and revenue from support and maintenance contracts.

### RECURRING REVENUE

Revenue of an annually recurring nature such as support and maintenance revenue and revenue from rental license agreement.

### EBITDA

Earnings before depreciation, amortization, acquisition-related costs and other items of a one-off nature.

### EBIT

Operating profit/loss

### FREE CASH FLOW

Cash flow from operating activities minus cash flow from investing activities excluding acquisitions.

### EQUITY PER SHARE

Equity at the end of the period divided by the number of shares at the end of the period.

### RETURN ON EQUITY

Profit/loss after tax as a percentage of average equity

### RETURN ON WORKING CAPITAL

Operating profit/loss as a percentage of average working capital (balance sheet total less non-interest bearing liabilities and cash and bank balances).

### OPERATING MARGIN BEFORE DEPRECIATION AND AMORTIZATION (EBITDA MARGIN)

Earnings before depreciation, amortization, acquisition-related costs and other items of a one-off nature as a percentage of net sales.

### OPERATING MARGIN (EBIT MARGIN)

Operating profit/loss as a percentage of net sales.

### PROFIT MARGIN

Net profit/loss after tax as a percentage of sales at the end of the period.

### EQUITY RATIO

Equity as a percentage of the balance sheet total.

### EARNINGS PER SHARE - BEFORE DILUTION

Net profit/loss after tax divided by the average number of shares during the period.

### EARNINGS PER SHARE - AFTER DILUTION

Net profit/loss after tax adjusted for dilution effects divided by the average number of shares after dilution during the period.