

Formpipe.

Interim report January – June 2018

PERIOD APRIL 1 – JUNE 30, 2018

- Net sales increased by 3 % to SEK 100.0 m (SEK 97.1 m)
- Software revenues increased by 6 % to SEK 66.1 m (SEK 62.3 m)
- Recurring revenue amounted to SEK 54.7 m (SEK 46.6 m) which corresponds to 55 % (48 %) of net sales.
- EBITDA SEK 21.5 m; 21.5 % (SEK 19.0 m; 19.6 %)
- EBITDA-adj. SEK 13.4 m; 13.4 % (SEK 9.1 m; 9.4 %)
- EBIT SEK 9.6 m; 9.6 % (SEK 7.5 m; 7.7 %)
- Net profit SEK 7.3 m; 7.3 % (SEK 5.1 m; 5.3 %)
- EPS before dilution SEK 0.14 (SEK 0.10)
- Cash flow from operating activities SEK 20.9 m (SEK 3.7 m)

PERIOD JANUARY 1 – JUNE 30, 2018

- Net sales increased by 5 % to SEK 201.2 m (SEK 191.8 m)
- Software revenues increased by 7 % to SEK 132.3 m (SEK 123.2 m)
- Recurring revenue amounted to SEK 106.9 m (SEK 93.7 m) which corresponds to 53 % (49 %) of net sales.
- EBITDA SEK 46.8 m; 23.3 % (SEK 37.8 m; 19.7 %)
- EBITDA-adj. SEK 30.6 m; 15.2 % (SEK 18.3 m; 9.5 %)
- EBIT SEK 23.2 m; 11.5 % (SEK 11.9 m; 6.2 %)
- Net profit SEK 17.2 m; 8.6 % (SEK 7.9 m; 4.1 %)
- EPS before dilution SEK 0.33 (SEK 0.15)
- Cash flow from operating activities SEK 40.9 m (SEK 17.4 m)

INCOME STATEMENT - SUMMARY

(SEK Million)	apr-jun		jan-jun		Rolling 12 months	Full year 2017
	2018	2017	2018	2017		
Net sales	100,0	97,1	201,2	191,8	399,7	390,2
whereof recurring revenue	54,7	46,6	106,9	93,7	208,1	194,8
EBITDA	21,5	19,0	46,8	37,8	94,8	85,8
EBITDA-adj	13,4	9,1	30,6	18,3	61,3	48,9
EBIT	9,6	7,5	23,2	11,9	49,0	37,7

Comments from the Groups CEO

The strength in our business model becomes extra clear in quarters like this one with a large and growing share of recurring revenues. Without any major license sale and in an ongoing shift from SaaS (Software-as-a-Service) we still manage to present a strong quarter. In comparison with the second quarter of the previous year we can present stronger figures for all key figures and performance targets. The recurring revenues increased with 17 % compared to the same period last year.

A large part of our business operates in DKK, why currency fluctuations has had a positive effect on net sales by SEK 3.0 million and costs by SEK 2.4 million. The net effect on profits from currency is thereby positive by SEK 0.6 million.

All areas of our business operations is going in the right direction and it is extra pleasant to note the significant improvements in Denmark and Life Science. The growth in recurring revenues, in combination with the implemented restructurings and cost control, creates good conditions for continued margin improvements going forward.

Cash flow from operations exceeded SEK 40 million for the first six month of the year, which is more than twice last year's.

In summary, an undramatic quarter where our strong business model is the center of attention.

Market

Enterprise content management (ECM) is used to create, store, distribute, discover, archive and manage digital content (such as scanned documents, email, reports, medical images and office documents), and ultimately analyze usage to enable organizations to deliver relevant content to users where and when they need it. It is in the ECM market that Formpipe has emerged as the market leader in the public sector, as a challenger in e.g. life sciences and legal as well as cross-industry for parts of the product range.

Growth in the ECM market is fueled in large part by the organizational and corporate wide need to streamline operations and meet legal requirements and regulations.

Making business value from the information requires applications and services to search, analyze, process and distribute data and content. Growth drivers continually gain strength as the sheer amount of data and information increases and ECM remains a highly prioritized investment area. Gartner's forecast on ECM software revenue is a Compound Annual Growth Rate of 8.3 %, 2018-2021. The ECM market is large and fragmented, with a total addressable market (systems revenue) of 8.0 billion dollars in 2018 (Source: Gartner, Enterprise Software Markets, Worldwide, 2013-2020, 4Q16 update).

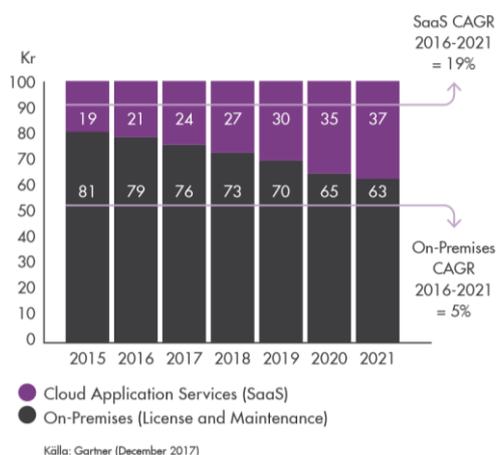
A CHANGING MARKET

The ECM market is changing from the centralized, back-end, command and control of unstructured content to integrated, purpose-built, cloud based solutions that prioritizes content usability, processing and analyzing content from one or several sources, to get business insights and business value. Control, file synchronization and sharing will be a standard capability of ECM offerings.

This change is well in line with the Formpipe's strategy, as more and more of the company's customers choose to switch to cloud solutions for the standard products, as well as with the company development of applications and modules with the ability to process information from both Formpipe's existing systems or from other systems.

The development for ECM software is towards cloud based solutions and Gartner predicts that at least 50% of the leading ECM software providers will have re-architected their offerings to cloud based platform by the end of 2018. But even if the trend is towards the cloud, the license revenues from on-premise will play an important role for years to come.

Gartner forecast



¹ Source: Gartner, Enterprise Software Markets, Worldwide, 2014-2021, 4Q17 Update

FORMPIPES OFFERINGS IN ECM:

CASE AND DOCUMENT MANAGEMENT

Case and Document Management is about managing documents and information in cooperation, over functional boundaries, with version management, management of rights, traceability and automation of the work flows. This provides lower costs, minimized risk exposure and structured information. In the area of Case and Document Management, Formpipe addresses the public sector in Sweden and Denmark, as well as the industries of Life Science and Legal.

GRANTS MANAGEMENT

Grants Management automates the whole life cycle for applications and grants for both grant funding bodies and recipients, from requests for proposals by the program to measurement and reporting of the outcome of the effort. Formpipes Grants Management products are currently sold to the public sector and it is the leading system with national authorities.

CUSTOMER COMMUNICATIONS MANAGEMENT

With CCM products, content is produced, individualized, formatted and distributed from different systems and data sources to the format that best suits the company in its communication with customers or other business partners. Formpipe's CCM product Lasernet is mainly tied to sales of ERP systems

STRUCTURED DATA ARCHIVING

Structured data archiving is the ability to index and move important operating data from active business systems, or systems being discontinued. It provides control and makes the data available in its context, reduces storage costs and the amount of data in the daily production environment. Formpipe's product Long-Term Archive is currently sold to the public sector in Sweden where there is a high level of activity.

The Future

Formpipe is well-positioned to be able to develop and strengthen its leading position as ECM provider while retaining good profitability levels. The company sees good opportunities to continue to utilize its experience from its successes in order to target new markets and customer segments. A solid product development and product strategy creates good conditions to be able to efficiently develop market-leading offerings and meet up with sector-specific requirements also in the future.

The board believes that Formpipe, which is one of the largest European-based ECM suppliers, is well-positioned with a stabile customer base, a high share of recurring revenue and a focus on customer segments with a high need for ECM solutions.

Financial Information

REVENUE

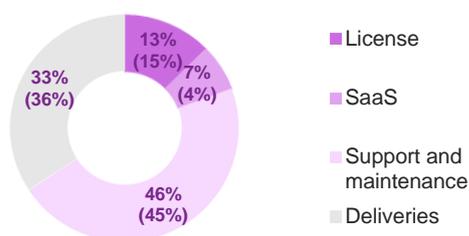
April – June 2018

Net sales for the period totalled to SEK 100.2 million (97.1 million), which corresponds to an increase of 3 %. Software revenue increased by 6 % from the previous year and totalled to SEK 66.1 million (62.3 million). Total recurring revenue for the period increased by 17 % from the previous year and totalled to SEK 54.7 million (46.6 million), which is equivalent to 55 % of net sales (49 %). Exchange rate effects have affected net sales positively by SEK 3.0 million in comparison with the previous year.

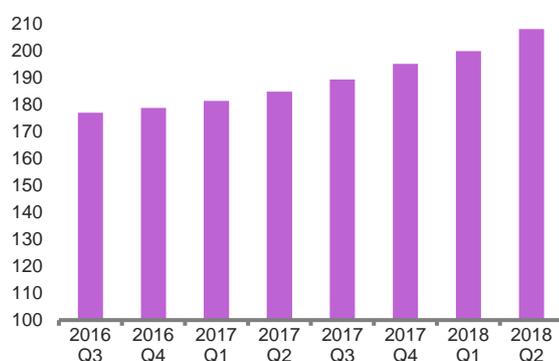
January – June 2018

Net sales for the period totalled to SEK 201.2 million (191.8 million), which corresponds to an increase of 5 %. Software revenue increased by 7 % from the previous year and totalled to SEK 132.3 million (123.2 million). Total recurring revenue for the period increased by 14 % from the previous year and totalled to SEK 106.9 million (93.7 million), which is equivalent to 53 % of net sales (49 %). Exchange rate effects have affected net sales positively by SEK 6.0 million in comparison with the previous year.

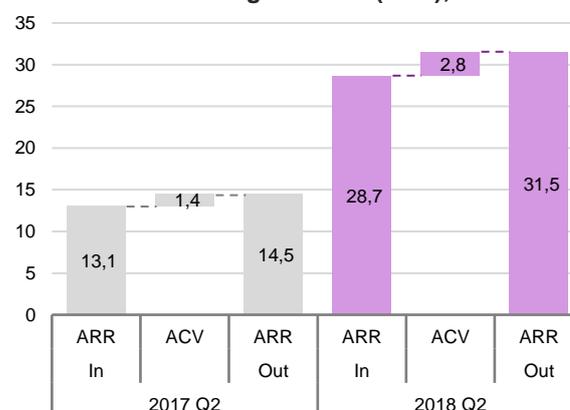
Breakdown of sales revenue, Jan–Jun 2018



Recurring revenue rolling 12 months, MSEK



SaaS Annual Recurring Revenue (ARR), MSEK



COSTS

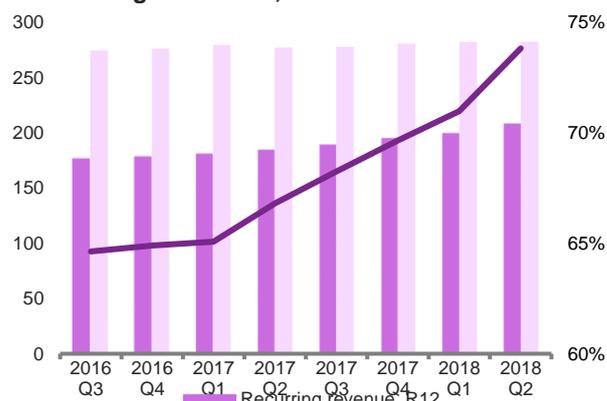
April - June 2018

The operating costs for the period decreased by 1 % and totalled to SEK 90.4 million (90.9 million). Personnel costs was unchanged and totalled to SEK 54.2 million (54.1 million). Selling expenses totalled to SEK 13.6 million (15.1 million). Other costs totalled to SEK 18.9 million (18.7 million).

January – June 2018

The operating costs for the period decreased by 2 % and totalled to SEK 178.0 million (181.2 million). Personnel costs was unchanged and totalled to SEK 108.5 million (108.6 million). Selling expenses totalled to SEK 24.2 million (28.7 million). Other costs totalled to SEK 37.9 million (36.2 million).

Recurring revenues in relation to fixed operating costs rolling 12 months, MSEK



EARNINGS

April - June 2018

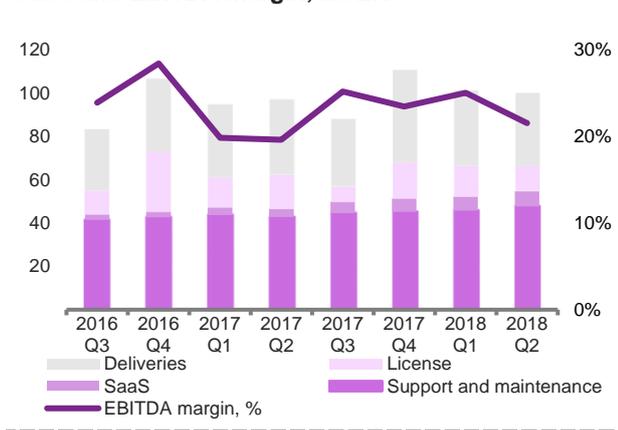
Operating profit before depreciation and amortization and items affecting comparability (EBITDA) totalled to

SEK 21.5 million (19.0 million) with an EBITDA margin of 21.5 % (19.6 %). Operating profit (EBIT) totalled to SEK 9.6 million (7.5 million) with an operating margin of 9.6 % (7.7 %). Net profit totalled to SEK 7.3 million (5.1 million). Exchange rate effects have affected EBITDA positively by SEK 0.6 million in comparison with the previous year.

January – June 2018

Operating profit before depreciation and amortization and items affecting comparability (EBITDA) totalled to SEK 46.8 million (SEK 37.8 million) with an EBITDA margin of 23.3 % (19.7 %). Operating profit (EBIT) totalled to SEK 23.2 million (11.9 million) with an operating margin of 11.5 % (6.2 %). Net profit totalled to SEK 17.2 million (7.9 million). Exchange rate effects have affected EBITDA positively by SEK 1.1 million in comparison with the previous year.

Sales and EBITDA margin, MSEK



FINANCIAL POSITION AND LIQUIDITY

Cash equivalents

Cash and cash equivalents at the end of the period amounted to SEK 73.7 million (35.1 million). The company had interest-bearing debt at the end of the period totalling to SEK 86.8 million (99.4 million). The company's net interest-bearing debt thereby totalled to SEK 13.1 million (64.3 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).

Deferred tax asset

By the end of the period the company's deferred tax assets attributable to accumulated losses amounted to SEK 14.3 million (SEK 18.4 million).

Equity

Equity at the end of the period amounted to SEK 373.5 million (341.9 million), which was equivalent to SEK 7.20 (6.59) per outstanding share at the end of the period. The weakening of the Swedish krona has increased the value

of the group's net assets in foreign currencies by SEK 14.6 million (2.1 million) from the end of the year.

Equity ratio

The equity ratio at the end of the period was 57 % (56 %).

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities for the period January - June totalled to SEK 40.9 million (17.4 million).

Investments and acquisitions

Total investments for the period January - June amounted to SEK 18.7 million (20.0 million).

Investments in intangible assets totalled to SEK 17.8 million (19.5 million) and refer to capitalized product development costs.

Investments in tangible and financial assets totalled to SEK 0.9 million (0.5 million).

Financing

During the period January – June the company has amortized SEK 8.2 million (8.8 million) and the interest-bearing debt amounted to SEK 86.8 million (99.4 million) at the end of the period.

As an outcome from the exercise of the personnel warrant program 2015/2018, 314 576 new shares was issued and payments amounting to SEK 3.0 million (3.8 million) has been added to the Company. At the same time the Company repurchased 153 224 warrants to a value of SEK 0.9 million (3.3 million).

During the period a new warrant program (2018/2021) has been issued to the company's personnel amounting to 500 000 warrants, which has provided the company with payments of SEK 0.4 million (0.4 million).

During the period dividends amounting to SEK 25.9 million (15.4 million) has been paid out to shareholders.

Significant events during the period January – June 2018

JANUARY-MARCH

Agreement with three municipalities regarding Long-Term Archive

Formpipe entered into an agreement to acquire the remaining 35.1 percent of the shares in the subsidiary Formpipe Intelligo AB through a non-cash rights issue. The acquisition was conditional upon the Annual General

Meeting, which was held on April 25, 2018, and approved the non-cash rights issue.

The minority owner is employed by the Group, why the acquisition is considered to be a transaction with related parties, and thereby needing a 90% majority at the meeting.

JANUARY-MARCH

Annual General Meeting

At the AGM on April 25 decisions were made regarding:

- Adoption of the income statement and balance sheet for the 2017 financial year.
- Adoption profit distribution
- The re-election of Annikki Schaeferdiek, Åsa Landén Ericsson, Martin Henricson, Peter Lindström and Bo Nordlander Bo Nordlander was re-elected as chairman of the board.
- The re-election of the auditing firm PricewaterhouseCoopers AB as the auditors of the Company with Aleksander Lyckow as the principal auditor.
- Principles for the Nomination Committee.
- The AGM approved the Board's proposal to authorise the Board to issue new shares or convertibles.
- The AGM approved for the Board to acquire and transfer the company's own shares.
- The AGM approved the issue of share warrants to the personnel.
- The AGM approved the issue of shares for non-cash consideration as payment in connection with the acquisition of the minority post in the subsidiary Formpipe Intelligo AB.
- The AGM approved for the proposal regarding guidelines for remuneration to senior executives.

Issue of warrant incentive program

It was decided at the AGM held on 25 April to issue 500,000 warrants offered to all employees within the Formpipe Software group, where one option gives the right to subscribe for one new share. The programme was fully subscribed.

Issue of shares for non-cash consideration

The AGM approved the Board's proposal for a issue of share for non-cash consideration to finance the acquisition of the remaining 35.1 % of the shares from the minority owner of the subsidiary Formpipe Intelligo AB. Through the issue of shares, 699,805 new shares were issued to a value of 10,700,000 SEK.

Increased number of shares

During the period the personnel warrant program 2015/2018 was exercised. A total of 314,576 new shares were issued from this program.

During the period, the Company completed a rights issue in which 699,805 new shares were issued in connection with the acquisition of the minority's share of the shares in Formpipe Intelligo AB.

The number of shares and votes in the Company has therefore increased with 1 014 381 and the share capital has increased with SEK 101,438.1. After the issue of new shares, the total number of shares and votes in the Company amounts to 52,887,406 and the share capital to SEK 5,288,740.6.

Significant events after the periods end

No significant events have occurred after the periods end.

Other

EMPLOYEES

The number of employees at the end of the reporting period totalled to 216 persons (236 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

In addition to the agreed agreement to acquire the minority item in Formpipe Intelligo AB, no related party transactions 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 interim report covers pages 1-14 and the interim report on pages 1-7 is thus an integral part of this financial report. 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 except for the changes in the principles of revenue recognition applied by the Group from January 1, 2018 in accordance with IFRS 15. The Group's new accounting principles for revenue recognition are described in the following section "New accounting principles applied from January 1, 2018".

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.

NEW ACCOUNTING STANDARDS APPLICABLE FROM JANUARY 1, 2018

IFRS 15 Revenues from contracts with customers

IFRS 15 is the new standard for revenue recognition. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts and all related interpretations (IFRIC and SIC). A revenue is reported when the customer receives control of the sold item or services, a principle that supersedes the former principle that revenue is reported when risks and benefits have passed to the buyer. The basic principle of IFRS 15 is that the Group accounts for revenues in the manner that best reflects the transfer of the control of the promised product or service to the customer. This revenue recognition is done using a five-step model applied to all customer contracts

- Identify the contract with the customer
- Identify the various performance commitments in the contract
- Set the transaction price
- Distribute the transaction price on performance commitments
- Recognize the revenue when a performance commitment is met

Based on the above five-step model, the Group's contracts with customers include various performance commitments identified as Licenses, SaaS (Software as a Service), Support and Maintenance Agreements, and Consulting Services. A revenue can only be reported when the control of the service or product sold can be considered to have been transferred to the customer for each type of revenue / performance commitment.

The revenue includes the fair value of what has been or will be obtained for goods and services sold in the Group's

ongoing operations. Revenues are reported excluding VAT, returns and discounts and after elimination of inter-company sales.

Below are the accounting principles applied by the Group for these performance commitments.

Transition effects from IFRS 15

The Group has analyzed and evaluated IFRS 15 as a regulatory framework and the implementation of IFRS 15 has not led to any transition effects for the Formpipe Group.

Sales of Licenses

The Group develop and sells software. The revenue from license rights is recognized on completion of delivery as agreed and when the customer has received control over the purchased licenses and that no significant obligations remain after delivery date. In the cases where a license is sold and the billing model differs from when the customer has received control over the licenses being delivered, the Group post a provision for a license fee that is settled against the invoices during the term of the agreement. In such cases, the Group assesses whether there is a significant financing component to be reported in the balance sheet and whether there is an interest component that is to be reported under financial items instead of as a regular revenue. The transaction price is thus adjusted for the impact of a significant financing component.

Sales of SaaS (Software as a Service)

The Group sells SaaS (Software-as-a-Service) by hosting the software and related services as cloud-based services. The software is not installed on the client's own servers, but on servers that the Formpipe Group manages for the customer's part. The customer continuously receive this service, which includes license, support & maintenance as well as hosting of the software, during the term of the contract and is recognized linearly over the contract period. The control is transferred to the customer continuously during the term of the agreement.

Sales of Support and Maintenance

The Group sells Support and Maintenance Agreements for the software. Such agreements are signed in connection with the sale of licenses or SaaS (Software as a Service). Revenue from the Support and Maintenance contracts is invoiced in advance and is recognized as revenue over the contract period since the control is transferred to the customer continuously during the term of the agreement.

Sale of Consulting Services

The Group sells consultancy and education services, which are provided on a regular basis or as a fixed price agreement. Revenue from contracts where consultancy hours are delivered on a regular basis is recognized when the worked hours have been delivered.

Revenue from fixed-price contracts for services, successive revenue recognition is applied. Successive revenue recognition means that revenues are reported based on the amount of services delivered out of the total

services to be delivered (completion rate). Revenue from fixed-price contracts for services is usually reported during the period of delivery of the services, distributed linearly throughout the contract period.

If any circumstances arise that may change the initial estimate of revenue, costs or degree of completion, the estimates will be reviewed. These reassessments may result in increases or decreases in estimated revenue or expenses and affect revenue during the period when the circumstances that caused the change came to the knowledge of the company.

The Group offers certain agreements where the customer can purchase a license including one year's service. Where such multi-part agreement exists, revenue from the sale of a license is recognized as the fair value of the license in relation to the fair value of the sales agreement as a whole. The revenue from the service part, which corresponds to the fair value of the service part in relation to the fair value of the sales contract, is distributed over the service period. Actual values for each part are determined on the basis of current market prices on these parts when sold separately.

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, Germany and USA. The Formpipe share is listed on Nasdaq Stockholm.

CALENDAR FOR FINANCIAL INFORMATION

October 23, 2018	Interim report Jan-Sep
February 12, 2019	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 immediately after being made public.

CONTACT INFORMATION

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Stockholm July 13, 2018
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CONSOLIDATED INCOME STATEMENT SUMMARY

(SEK 000)	Apr-Jun		Jan-Jun	
	2018	2017	2018	2017
Net Sales	100 016	97 059	201 225	191 781
Sales expenses	-13 553	-15 107	-24 198	-28 732
Other costs	-18 919	-18 700	-37 884	-36 202
Personnel costs	-54 163	-54 130	-108 521	-108 596
Capitalized work for own account	8 143	9 892	16 198	19 524
Operating profit/loss before depreciation/amortization and non-comparative items (EBITDA)	21 524	19 013	46 820	37 776
Items affecting comparability	-	1 260	-	1 260
Depreciation/amortization	-11 884	-12 820	-23 605	-27 176
Operating profit/loss (EBIT)	9 641	7 453	23 215	11 859
Acquisition-related financial expenses	-	-	-	-
Financial income and expenses	-715	-1 088	-1 495	-2 170
Exchange rate differences	402	-488	264	-652
Tax	-2 031	-771	-4 739	-1 122
Net profit for the period	7 297	5 106	17 246	7 915
<u>Of which the following relates to:</u>				
Parent company shareholders	9 940	2 691	9 940	2 691
Shareholding with no controlling influence	9	118	9	118
<u>Other comprehensive income</u>				
Translation differences	2 931	3 179	14 614	2 139
Other comprehensive income for the period, net after tax	2 931	3 179	14 614	2 139
Total comprehensive income for the period	10 228	8 286	31 860	10 054
<u>Of which the following relates to:</u>				
Parent company shareholders	10 228	8 391	31 860	10 042
Shareholding with no controlling influence	-	-106	-	12
<i>EBITDA margin, %</i>	<i>21,5%</i>	<i>19,6%</i>	<i>23,3%</i>	<i>19,7%</i>
<i>EBIT margin, %</i>	<i>9,6%</i>	<i>7,7%</i>	<i>11,5%</i>	<i>6,2%</i>
<i>Profit margin, %</i>	<i>7,3%</i>	<i>5,3%</i>	<i>8,6%</i>	<i>4,1%</i>
Earnings per share attributable to the parent company's shareholders during the period (SEK per share)				
- before dilution	0,14	0,10	0,33	0,15
- after dilution	0,14	0,10	0,33	0,15
Average no. of shares before dilution, in 000	52 678	51 473	52 625	51 374
Average no. of shares after dilution, in 000	53 082	52 154	52 951	52 043

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.

(SEK 000)	2018	2017	2018	2017
Cash flow from operating activities before working capital changes	23 627	16 407	42 508	33 219
Cash flow from working capital changes	-2 775	-12 746	-1 620	-15 822
Cash flow from operating activities	20 852	3 661	40 888	17 397
Cash flow from investing activities	-9 826	-10 119	-18 651	-20 038
Cash flow from financing activities	-27 496	-18 982	-31 939	-23 225
Cash flow for the period	-16 470	-25 440	-9 702	-25 866
Change in cash and cash equivalent				
Cash and cash equivalent at the beginning of the period	90 023	60 438	82 663	60 890
Translation differences	146	111	738	86
Cash flow for the period	-16 470	-25 440	-9 702	-25 866
Cash and cash equivalent at the end of the period	73 699	35 109	73 699	35 109

8 QUARTERS IN SUMMARY

(SEK 000)	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
License	10 870	27 658	13 829	15 733	6 792	16 698	14 024	11 380
SaaS	2 559	2 662	3 491	3 866	5 341	6 147	6 535	7 110
Support and maintenance	41 354	42 619	43 638	42 685	44 536	45 130	45 678	47 610
Software revenues	54 784	72 939	60 958	62 285	56 670	67 975	66 237	66 101
whereof recurring revenue	43 914	45 282	47 129	46 552	49 877	51 277	52 214	54 720
Deliveries	28 438	33 757	33 765	34 774	31 332	42 482	34 972	33 916
Net sales	83 221	106 696	94 722	97 059	88 002	110 457	101 209	100 016
Sales expenses	-11 327	-14 287	-13 625	-15 107	-12 772	-19 532	-10 645	-13 553
Other costs	-16 844	-18 621	-17 502	-18 700	-15 530	-19 978	-18 965	-18 919
Personnel costs	-44 260	-52 220	-54 465	-54 130	-46 428	-53 580	-54 358	-54 163
Capitalized development costs	9 074	8 718	9 632	9 892	8 849	8 496	8 055	8 143
Total operating expenses	-63 356	-76 410	-75 960	-78 046	-65 881	-84 595	-75 913	-78 492
EBITDA	19 866	30 286	18 763	19 013	22 121	25 862	25 296	21 524
%	23,9%	28,4%	19,8%	19,6%	25,1%	23,4%	25,0%	21,5%
Items affecting comparability	-	-	-	1 260	-	-863	-	-
Depreciation/amortization	-13 658	-14 460	-14 356	-12 820	-10 976	-10 330	-11 721	-11 884
EBIT	6 207	15 827	4 406	7 453	11 145	14 669	13 575	9 640
%	7,5%	14,8%	4,7%	7,7%	12,7%	13,3%	13,4%	9,6%

* In the connection of the Group's review of effects from the transition to IFRS 15 standard, the Groups's contracts has been reviewed and analyzed. The Group has not noted any effects from the transition that affects the income statement or balance sheet historically. During this work, a few contracts were noted where adjustments of the revenue type where needed between SaaS and support and maintenance. Therefore, reclassifications have been made in the above table between the revenue types SaaS and support and maintenance. At the same time the revenue type SaaS has been broken out of license and is now reported separately.

SEGMENT SUMMARY

The Group's segments are divided according to which country they have their headquarters in and for which products that is accounted for. The segments are divided into Sweden, Denmark and Life Science. Segment Sweden comprises the Swedish companies and their products, segment Denmark consists of the Danish companies and their subsidiaries that accounts for products belonging to the Danish entities. Segment Life Science consists of the Group's total records related to life sciences customers for its products specifically designed for life science companies. Items related to life sciences are thus reported separately under its own segment and are not included in the other segments' reported amounts.

(SEK 000)	Jan-Jun 2018				Group
	Sweden	Denmark	Life Science	Eliminations	
Sales, external	83 412	111 170	6 642	-	201 225
Sales, internal	2 605	381	374	-3 360	-
Total sales	86 017	111 551	7 017	-3 360	201 225
Costs, external	-59 297	-89 359	-5 749	-	-154 404
Costs, internal	-1 489	-1 388	-484	3 360	-
EBITDA	25 232	20 805	784	-	46 820
%	29,3%	18,7%	11,2%		23,3%

(SEK 000)	Jan-Jun 2017				Group
	Sweden	Denmark	Life Science	Eliminations	
Sales, external	84 050	102 616	5 115	-	191 781
Sales, internal	2 658	120	470	-3 248	-
Total sales	86 708	102 736	5 585	-3 248	191 781
Costs, external	-59 444	-88 223	-6 338	-	-154 005
Costs, internal	-2 350	-430	-468	3 248	-
EBITDA	24 914	14 083	-1 221	-	37 776
%	28,7%	13,7%	-21,9%		19,7%

GROUP-WIDE INFORMATION

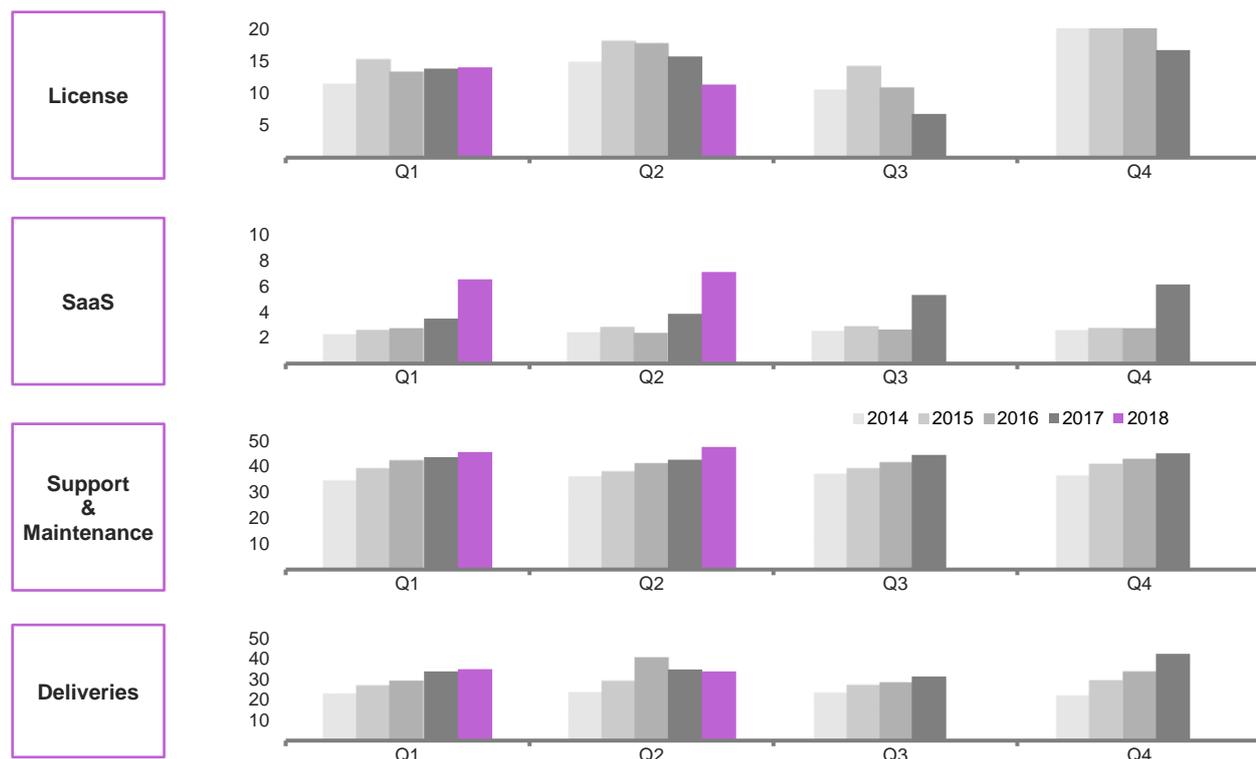
Revenues from all products and services are identified as follows:

2018	Life			Group
	Sweden	Denmark	Science	
License	10 530	14 071	802	25 404
SaaS	6 940	5 630	1 075	13 645
Support & Maintenance	48 533	43 327	1 429	93 289
Delivery	17 408	48 142	3 337	68 887
Net sales	83 412	111 170	6 642	201 225

2017	Life			Group
	Sweden	Denmark	Science	
License	14 929	14 160	474	29 562
SaaS	5 287	1 292	778	7 357
Support & Maintenance	45 459	39 358	1 506	86 323
Delivery	18 375	47 806	2 357	68 538
Net sales	84 050	102 616	5 115	191 781

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.

SALES ANALYSIS BY QUARTER



NUMBER OF SHARES

	2014-01-01	2015-01-01	2016-01-01	2017-01-01	2018-01-01
	2014-12-31	2015-12-31	2016-12-31	2017-12-31	2018-06-30
Number of outstanding shares at the beginning of the period	48 934 588	50 143 402	50 143 402	51 273 608	51 873 025
Share issue from warrant programme	-	-	1 130 206	599 417	314 576
Non-cash issue	1 208 814	-	-	-	699 805
Number of outstanding shares at the end of the period	50 143 402	50 143 402	51 273 608	51 873 025	52 887 406

KEY RATIOS FOR THE GROUP

	Jan-Jun	
	2018	2017
Net sales, SEK 000	201 225	191 781
EBITDA, SEK 000	46 820	37 776
EBITDA-adj., SEK 000	30 622	18 252
EBIT, SEK 000	23 215	11 859
Net profit for the period, SEK 000	17 246	7 915
EBITDA margin, %	23,3%	19,7%
EBITDA-adj. margin, %	15,2%	9,5%
EBIT margin, %	11,5%	6,2%
Profit margin, %	8,6%	4,1%
Return on equity, %*	9,3%	7,2%
Return on working capital, %*	12,9%	8,4%
Equity ratio, %	57%	56%
Equity per outstanding share at the end of the period, SEK	7,20	6,59
Earnings per share - before dilution, SEK	0,33	0,15
Earnings per share - after dilution, SEK	0,33	0,15
Share price at the end of the period, SEK	20,80	14,85

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

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.

PARENT COMPANY INCOME STATEMENT SUMMARY*

(SEK 000)	Apr-Jun		Jan-Jun	
	2018	2017	2018	2017
Net sales	43 188	40 607	78 323	75 128
Operating expenses				
Sales expenses	-5 213	-6 344	-6 589	-11 045
Other costs	-9 100	-7 904	-17 254	-14 682
Personnel costs	-17 039	-16 520	-34 129	-33 158
Depreciation/amortization	-1 544	-1 557	-3 065	-3 117
Total operating expenses	-32 896	-32 325	-61 037	-62 003
Operating profit/loss	10 292	8 282	17 287	13 126
Other financial items	364	704	-174	1 022
Net profit for the period	10 657	8 986	17 112	14 148

PARENT COMPANY BALANCE SHEET SUMMARY

(SEK 000)	Jun 30		Dec 31
	2018	2017	2017
Intangible assets	13 644	17 040	14 852
Tangible assets	847	1 087	967
Financial assets	338 205	330 320	324 304
Deferred tax asset	-	-	-
Current assets (excl. cash equivalents)	54 131	80 299	79 439
Cash and bank balances	41 839	25 212	65 908
TOTAL ASSETS	448 667	453 958	485 470
Restricted equity	22 979	22 878	22 878
Non-restricted equity	215 842	209 731	211 628
Total equity	238 821	232 609	234 506
Long-term liabilities	75 714	102 111	81 429
Current liabilities	134 132	119 239	169 535
TOTAL EQUITY AND LIABILITIES	448 667	453 958	485 470

* A reclassification has been made between financial assets and current assets for the year 2017 related to the short-term part of interest bearing receivables on group companies. The reclassification amounts to 11 369 Tkr.

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.

(SEK 000)	Jun 30		Dec 31
	2018	2017	2017
Pledged assets	325 980	303 865	310 329
Contingent liabilities	-	-	-

DEFINITIONS

Formpipe uses alternative key figures, also called APM (Alternative Performance Measures). From July 3rd 2016 new guidelines were implemented by the European Union regarding alternative APM's, which Formpipe uses in published reports. Formpipe's APM's is calculated from the financial reports, which are prepared in accordance with applicable rules for financial reporting, where prepared figures is altered by adding or subtracting amounts from the presented numbers. Below the alternative performance measures, that Formpipe uses in published reports, are defined and described

Software 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 SAAS services regarding license agreements.

Annual recurring revenue (ARR)

Recurring revenue for the period's last month multiplied by 12, to obtain the recurring revenue for the coming 12 months from contracts with recognized revenue.

ARR IN

Initial value for the period's Annual recurring revenue.

ACV

Annual recurring revenue of the period's won and lost contracts (net).

ARR OUT

Closing value of the period's Annual recurring revenue, provided that all new/lost contracts (ACV) of the period have begun/ceased to be recognized.

Fixed operating expenses

Other costs and personnel costs

Operating expenses

Sales costs, other costs, personnel costs, capitalized development and depreciation.

EBITDA

Earnings before depreciation, amortization, acquisition-related costs and other items affecting comparability.

EBITDA-adj.

EBITDA exclusive capitalized work for own account

Items affecting comparability

The item must be of a material nature to be reported separately and considered undesirable from the regular core operations and complicate the comparison. For example, acquisition-related items, restructuring-related items and write-downs

EBIT

Operating profit/loss

Operating margin before depreciation and amortization (EBITDA margin)

Earnings before depreciation, amortization, acquisition-related costs and other items affecting comparability as a percentage of net sales.

Operating margin before depreciation and amortization (EBITDA-adj margin)

Earnings before capitalized work for own account, depreciation, amortization, acquisition-related costs and other items affecting comparability 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.

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.

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).

Free cash flow

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

Net interest-bearing debt

Interest bearing debts minus cash and cash equivalents

Equity ratio

Equity as a percentage of the balance sheet total.