

Formpipe.

Interim report January – September 2017

PERIOD JULY 1 – SEPTEMBER 30, 2017

- Net sales SEK 88.0 m (SEK 83.2 m)
- System revenue SEK 56.7 m (SEK 56.2 m)
- Recurring revenue in percentage of net sales 57 % (54 %)
- EBITDA SEK 22.1 m; 25.1 % (SEK 19.9 m; 23.9%)
- EBITDA-adj. SEK 13.3 m; 15.1% (SEK 10.8 m; 13.0 %)
- EBIT SEK 11.1 m; 12.7 % (SEK 6.2 m; 7.5 %)
- Net profit SEK 6.5 m; 7.3 % (SEK 5.6 m; 6.7 %)
- EPS before dilution SEK 0.12 (SEK 0.10)
- Cash flow from operating activities SEK 16.9 m (SEK 9.0 m)

PERIOD JANUARY 1 – SEPTEMBER 30, 2017

- Net sales SEK 279.8 m (SEK 272.0 m)
- System revenue SEK 180.5 m (SEK 175.3 m)
- Recurring revenue in percentage of net sales 52 % (49 %)
- EBITDA SEK 59.9 m; 21.4 % (SEK 57.8 m; 21.2 %)
- EBITDA-adj. SEK 31.5 m; 11.3 % (SEK 29.3 m; 10.8 %)
- EBIT SEK 23.0 m; 8.2 % (SEK 13.8 m; 5.1 %)
- Net profit SEK 14.4 m; 5.1 % (SEK 11.3 m; 4.2 %)
- EPS before dilution SEK 0.28 (SEK 0.21)
- Cash flow from operating activities SEK 34.3 m (SEK 25.3 m)

INCOME STATEMENT - SUMMARY

(SEK Million)	Jul-Sep		Jan-Sep		Rolling 12 months	Full year 2016
	2017	2016	2017	2016		
Net sales	88,0	83,2	279,8	272,0	386,5	378,7
whereof recurring revenue	49,9	45,3	144,1	133,3	189,4	178,6
EBITDA	22,1	19,9	59,9	57,8	90,2	88,0
EBITDA-adj	13,3	10,8	31,5	29,3	53,1	50,8
EBIT	11,1	6,2	23,0	13,8	38,8	29,7

Comments from the Groups CEO

In accordance with our long-term strategy, the transformation from traditional license sales to cloud-based license sales (Software as a Service) continues to take place at an accelerating rate. In the third quarter, around 20 new contracts were closed as cloud services, and the license value for these new contracts, if they had instead been sold as traditional license, had been approximately 4 MSEK.

This shift has a clear negative impact on our short-term margins, but will over time bring positive effects for us since it will generate higher proportions of recurring revenue for many years going forward. Our recurring revenue for the third quarter is 10 % higher than for the same period last year.

The realization of our ambition to deliver higher margins is challenged by the above transformation in business model. Therefore, it is satisfying that we for the third quarter and the full year as well, perform better on all profit lines (operating profit, EBITDA, etc.) compared to last year. We consider it possible to continue this trend in the future. It does, however, look

challenging for the fourth quarter due to the fact that we made an unusually strong quarter last year thanks to a large license revenue being recognised from the Stockholm project.

We are still experiencing a challenging market for municipalities in Denmark. During the third quarter the National Appeals Board in Denmark commented on the association of some Danish municipalities that we consider infringing on the public procurement process and thereby preventing fair competition. The National Appeals Board stated the construction to be in violation of current Danish law. How this decision will affect the market situation is still very unclear. We continue our strategy to focus on and strengthen our relations to our existing customers within this market space.

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 10.6%, 2015-2020. The ECM market is large and fragmented, with a total addressable market (systems revenue) of 7 billion dollars in 2017 (Source: Gartner, *Enterprise Software Markets, Worldwide, 2013-2020, 4Q16 update*).

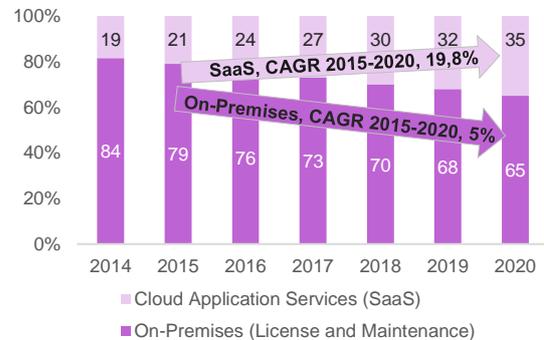
A CHANGING MARKET

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.

Software Revenue – On Premises Vs SaaS, 2014-2020 (Source: Gartner (January 2017))



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 stable customer base, a high share of recurring revenue and a focus on customer segments with a high need for ECM solutions.

Financial Information

REVENUE

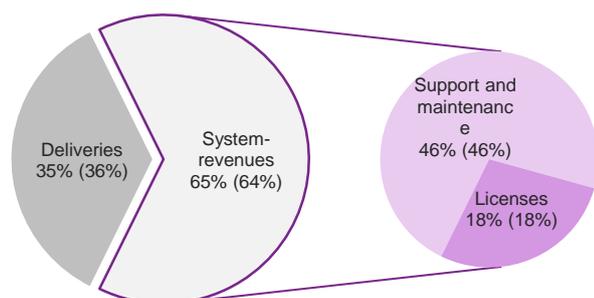
July – September 2017

Net sales for the period totalled to SEK 88.0 million (83.2 million), which corresponds to an increase of 6 %. System revenue increased by 1 % from the previous year and totalled to SEK 56.7 million (56.2 million). Total recurring revenue for the period increased by 10 % from the previous year and totalled to SEK 49.9 million (45.3 million), which is equivalent to 57 % of net sales (54 %). Exchange rate effects have affected net sales positively by SEK 0.9 million in comparison with the previous year.

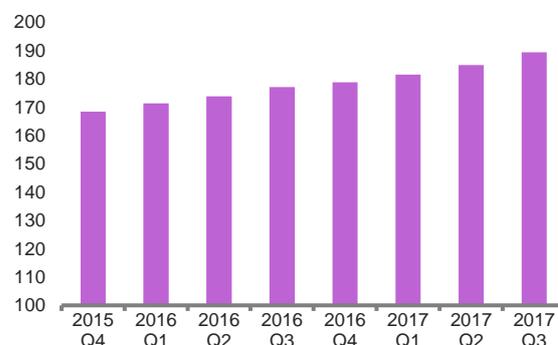
January – September 2017

Net sales for the period totalled to SEK 279.8 million (272.0 million), which corresponds to an increase of 3 %. System revenue increased by 3 % from the previous year and totalled to SEK 180.5 million (175.3 million). Total recurring revenue for the period increased by 8 % from the previous year and totalled to SEK 144.1 million (133.3 million), which is equivalent to 52 % of net sales (49 %). Exchange rate effects have affected net sales positively by SEK 3.0 million in comparison with the previous year.

Breakdown of sales revenue, Jan–September 2017



Recurring revenue rolling 12-month, SEKm



COSTS

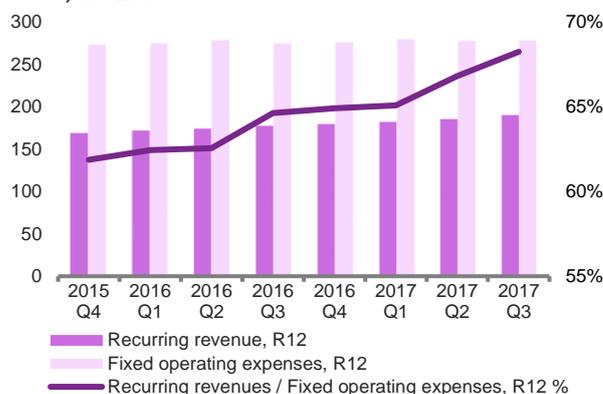
July – September 2017

The operating costs for the period decreased by 0 % and totalled to SEK 76.9 million (77.0 million). Personnel costs increased by 5 % and totalled to SEK 46.4 million (44.3 million). Selling expenses totalled to SEK 12.8 million (11.3 million). Other costs totalled to SEK 15.5 million (16.8 million).

January – September 2017

The operating costs for the period increased by 1 % and totalled to SEK 258.0 million (255.1 million). Personnel costs increased by 2 % and totalled to SEK 155.0 million (151.6 million). Selling expenses totalled to SEK 41.5 million (38.2 million). Other costs totalled to SEK 51.7 million (53.0 million). During the period a write-down of the remaining liability for additional purchase price from the acquisition of GxP Ltd. has been made by 0.5 million GBP (SEK 5.6 million). Related goodwill from the acquisition has also been written down by 0.4 million GBP (SEK 4.3 million) giving a positive net effect of items affecting comparability amounting to SEK 1.3 million.

Recurring revenues in relation to fixed operating costs, MSEK



EARNINGS

July – September 2017

Operating profit before depreciation and amortization and items affecting comparability (EBITDA) totalled to SEK 22.1 million (19.9 million) with an EBITDA margin of 25.1 % (23.9 %). Operating profit (EBIT) totalled to SEK 11.1 million (6.2 million) with an operating margin of 12.7 % (7.5 %). Net profit totalled to SEK 6.5 million (5.6 million). Exchange rate effects have affected EBITDA positively by SEK 0.2 million in comparison with the previous year.

January – September 2017

Operating profit before depreciation and amortization and items affecting comparability (EBITDA) totalled to SEK 59.9 million (57.8 million) with an EBITDA margin of 21.4 % (21.2 %). Operating profit (EBIT) totalled to SEK 23.0 million (13.8 million) with an operating margin of 8.2 % (5.1 %). Net profit totalled to SEK 14.4 million (11.3 million). Net profit from discontinued operations amounted to SEK - million (2.4 million). Exchange rate effects have affected EBITDA positively by SEK 0.7 million 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 36.4 million (27.2 million). The company had interest-bearing debt at the end of the period totalling to SEK 94.5 million (110.8 million). The company's net interest-bearing debt thereby totalled to SEK 58.0 million (83.6 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 16.8 million (SEK 21.2 million).

Equity

Equity at the end of the period amounted to SEK 345.6 million (336.1 million), which was equivalent to SEK 6.66 (6.55) per outstanding share at the end of the period. The weakening of the Swedish krona has decreased the value of the group's net assets in foreign currencies by SEK -0.6 million (8.2 million) from the end of the year.

During the period the personnel warrant program 2014/2017 was exercised. A total of 599 417 new shares were issued from this program. After the issue of new shares, the total number of shares and votes in the Company amounts to 51 873 025 and the share capital to SEK 5 187 302.5.

Equity ratio

The equity ratio at the end of the period was 58 % (56 %).

CASH FLOW

Cash flow from operating activities

Cash flow from operating activities for the period January - September totalled to SEK 34.3 million (25.3 million).

Investments and acquisitions

Total investments for the period January - September amounted to SEK 30.6 million (29.4 million).

Investments in intangible assets totalled to SEK 28.6 million (28.5 million) and refer to capitalized product development costs.

Investments in tangible assets totalled to SEK 2.0 million (1.0 million).

Financing

During the period January – September the company has amortized SEK 13.1 million (9.8 million) and the interest-bearing debt amounted to SEK 94.5 million (110.8 million) at the end of the period.

As an outcome from the exercise of the personnel warrant program 2014/2017, 599,417 new shares was issued and payments amounting to SEK 3.8 million (7.5 million) has been added to the Company. At the same time the Company repurchased 392,583 warrants to a value of SEK 3.3 million (0.5 million).

During the period a new warrant program (2017/2020) 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 (0.3 million).

During the period dividends amounting to SEK 16.0 million (6.6 million) has been paid out to shareholders.

Other

EMPLOYEES

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

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 interim report covers pages 1-12 and the interim report on pages 1-5 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

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

CALENDAR FOR FINANCIAL INFORMATION

February 14, 2018	Interim report Jan-Dec
April 24, 2018	Interim report Jan-Mar
April 25, 2018	Annual general meeting
July 13, 2018	Interim report Jan-Jun
October 23, 2018	Interim report Jan-Sep

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

Christian Sundin, Managing Director
Telephone: +46 70 567 73 85, +46 8 555 290 84
E-mail: christian.sundin@formpipe.com

Stockholm October 26, 2017
Formpipe Software AB
The Board of Directors and the Managing Director

Formpipe Software AB (publ)
Swedish company reg. no.: 556668-6605
Sveavägen 168 | Box 231 31 | 104 35 Stockholm
T: +46 8 555 290 60 | F: +46 8 555 290 99
info.se@formpipe.com | www.formpipe.se

Auditor's report

Introduction

We have reviewed the condensed interim financial information (interim report) of Formpipe Software AB as of 30 September 2017 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 26 October 2017

PricewaterhouseCoopers AB

Aleksander Lyckow

Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT SUMMARY

(SEK 000)	Jul-Sep		Jan-Sep	
	2017	2016	2017	2016
Net Sales	88 002	83 221	279 783	272 028
Sales expenses	-12 772	-11 327	-41 504	-38 152
Other costs	-15 530	-16 844	-51 732	-52 967
Personnel costs	-46 428	-44 260	-155 024	-151 636
Capitalized work for own account	8 849	9 074	28 373	28 485
Operating profit/loss before depreciation/amortization and non-comparative items (EBITDA)	22 121	19 864	59 897	57 758
Items affecting comparability	-	-	1 260	-3 118
Depreciation/amortization	-10 976	-13 658	-38 152	-40 801
Operating profit/loss (EBIT)	11 145	6 206	23 004	13 839
Financial income and expenses	-856	-1 111	-3 027	-3 517
Exchange rate differences	-147	2 044	-799	2 208
Tax	-3 678	-1 560	-4 799	-3 656
Net profit for the period from remaining business	6 464	5 579	14 379	8 874
Realization gains from discontinued business	-	-	-	2 434
Net profit for the period	6 464	5 579	14 379	11 308
<u>Of which the following relates to:</u>				
Parent company shareholders	6 444	5 290	14 347	10 420
Shareholding with no controlling influence	20	289	32	888
<u>Other comprehensive income</u>				
Translation differences	-2 759	717	-620	8 229
Other comprehensive income for the period, net after tax	-2 759	717	-620	8 229
Total comprehensive income for the period	3 705	6 296	13 759	19 537
<u>Of which the following relates to:</u>				
Parent company shareholders	3 685	6 007	13 727	18 649
Shareholding with no controlling influence	20	289	32	888
<i>EBITDA margin, %</i>	<i>25,1%</i>	<i>23,9%</i>	<i>21,4%</i>	<i>21,2%</i>
<i>EBIT margin, %</i>	<i>12,7%</i>	<i>7,5%</i>	<i>8,2%</i>	<i>5,1%</i>
<i>Profit margin, %</i>	<i>7,3%</i>	<i>6,7%</i>	<i>5,1%</i>	<i>4,2%</i>
Earnings per share attributable to the parent company's shareholders during the period (SEK per share)				
- before dilution	0,12	0,10	0,28	0,21
- after dilution	0,12	0,10	0,28	0,20
Average no. of shares before dilution, in 000	51 873	51 274	51 540	50 646
Average no. of shares after dilution, in 000	52 191	51 530	52 104	51 072

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)	Sep 30		Dec 31
	2017	2016	2016
Intangible assets	457 442	476 722	470 396
Tangible assets	3 096	4 178	4 075
Financial assets	2 890	1 681	1 682
Deferred tax asset	16 777	21 157	17 332
Current assets (excl. cash equivalents)	82 197	75 455	94 870
Cash equivalents	36 388	27 192	60 890
TOTAL ASSETS	598 791	606 385	649 244
Equity	345 554	336 080	346 249
Shareholding with no controlling influence	2 106	2 687	2 706
	-	-	-
Long-term liabilities	103 377	126 341	115 953
Current liabilities	147 754	141 277	184 337
TOTAL EQUITY AND LIABILITIES	598 791	606 385	649 244
Net interest-bearing debt (-) / cash (+)	-58 081	-83 590	-45 626

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
Balance at January 1, 2016	5 014	186 709	4 454	118 930	315 108	3 378	318 486
Comprehensive income							
Net profit for the period	-	-	-	10 420	10 420	888	11 308
Other comprehensive income items	-	-	8 229	-	8 229	-	8 229
Total comprehensive income	-	-	8 229	10 420	18 649	888	19 537
	-	-	-	-	-	-	-
Transaction with owners							
Dividend	-	-	-	-5 014	-5 014	-1 579	-6 593
Share issue	113	7 425	-	-	7 538	-	7 538
Repurchase of warrants	-	-466	-	-	-466	-	-466
Employee warrant schemes	-	265	-	-	265	-	265
Total transaction with owners	113	7 224	-	-5 014	2 323	-1 579	744
Balance at Sep 30, 2016	5 127	193 933	12 683	124 336	336 080	2 687	338 767
Balance at January 1, 2017	5 127	193 933	11 395	135 793	346 249	2 706	348 954
Comprehensive income							
Net profit for the period	-	-	-	14 347	14 347	32	14 379
Other comprehensive income items	-	-	-620	-	-620	-	-620
Total comprehensive income	-	-	-620	14 347	13 727	32	13 759
	-	-	-	-	-	-	-
Transaction with owners							
Dividend	-	-	-	-15 382	-15 382	-632	-16 014
Share issue	60	3 782	-	-	3 842	-	3 842
Repurchase of warrants	-	-3 282	-	-	-3 282	-	-3 282
Employee warrant schemes	-	400	-	-	400	-	400
Total transaction with owners	60	900	-	-15 382	-14 422	-632	-15 054
Balance at Sep 30, 2017	5 187	194 833	10 775	134 758	345 554	2 106	347 659

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.

CASH FLOW STATEMENT SUMMARY*

(SEK 000)	Jul-Sep		Jan-Sep	
	2017	2016	2017	2016
Cash flow from operating activities before working capital changes	22 249	15 427	55 468	47 907
Cash flow from working capital changes	-5 384	-6 467	-21 206	-22 594
Cash flow from operating activities	16 865	8 960	34 262	25 313
Cash flow from investing activities	-10 527	-9 710	-30 565	-26 317
Cash flow from financing activities	-4 948	-2 028	-28 173	-9 065
Cash flow for the period	1 390	-2 778	-24 476	-10 069
Change in cash and cash equivalent				
Cash and cash equivalent at the beginning of the period	35 109	30 379	60 890	37 670
Translation differences	-112	-409	-26	-409
Cash flow for the period	1 390	-2 778	-24 476	-10 069
Cash and cash equivalent at the end of the period	36 388	27 192	36 388	27 192

* Cash flow from internal development work (SEK 2,1 m for the year and 0,4 m for the quarter) previously included in the cash flow from operating activities has been re-classified to investment activities in last year's comparable period (in accordance with IAS 7).

8 QUARTERS IN SUMMARY*

(SEK 000)	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3
Support and maintenance	40 893	42 150	40 542	42 478	42 309	43 572	42 406	44 091
Licenses	22 708	15 999	20 370	13 730	30 667	17 778	20 033	12 585
System revenue	63 602	58 149	60 912	56 208	72 976	61 350	62 439	56 676
whereof recurring revenue	43 603	44 806	43 146	45 338	45 318	47 521	46 706	49 884
Deliveries	29 522	29 126	40 619	27 013	33 720	33 372	34 620	31 326
Net sales	93 123	87 275	101 531	83 221	106 696	94 722	97 059	88 002
Sales expenses	-14 033	-12 886	-13 939	-11 327	-14 287	-13 625	-15 107	-12 772
Other costs	-17 757	-17 399	-18 724	-16 844	-18 621	-17 502	-18 700	-15 530
Personnel costs	-51 607	-51 099	-56 277	-44 260	-52 220	-54 465	-54 130	-46 428
Capitalized development costs	11 957	10 524	8 887	9 074	8 718	9 632	9 892	8 849
Total operating expenses	-71 440	-70 861	-80 053	-63 356	-76 410	-75 960	-78 046	-65 881
EBITDA	21 683	16 415	21 478	19 865	30 286	18 763	19 013	22 121
%	23,3%	18,8%	21,2%	23,9%	28,4%	19,8%	19,6%	25,1%
Items affecting comparability	-3 905	-	-2 434	-	-	0	1 260	-
Depreciation/amortization	-13 308	-13 584	-13 559	-13 658	-14 460	-14 356	-12 820	-10 976
EBIT	8 375	2 831	4 801	6 207	15 827	4 406	7 453	11 145
%	9,0%	3,2%	4,7%	7,5%	14,8%	4,7%	7,7%	12,7%
Discontinued business:								
Net sales	2 165	-	-	-	-	-	-	-
EBITDA	-43	-	-	-	-	-	-	-

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

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.

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-Sep 2017				Group
	Sweden	Denmark	Life Science	Eliminations	
Sales, external	121 302	150 714	7 767	-	279 783
Sales, internal	3 607	367	571	-4 545	-
Total sales	124 909	151 081	8 338	-4 545	279 783
Costs, external	-84 234	-126 419	-9 233	-	-219 886
Costs, internal	-3 436	-531	-578	4 545	-
EBITDA	37 239	24 131	-1 473	-	59 897
%	29,8%	16,0%	-17,7%	0,0%	21,4%

(SEK 000)	Jan-Sep 2016				Group
	Sweden	Denmark	Life Science	Eliminations	
Sales, external	109 477	155 234	7 317	-	272 028
Sales, internal	3 045	104	1 041	-4 190	-
Total sales	112 522	155 338	8 358	-4 190	272 028
Costs, external	-78 911	-123 494	-11 865	-	-214 270
Costs, internal	-2 820	-383	-987	4 190	-
EBITDA	30 791	31 461	-4 494	-	57 758
%	27,4%	20,3%	-53,8%	0,0%	21,2%

GROUP-WIDE INFORMATION

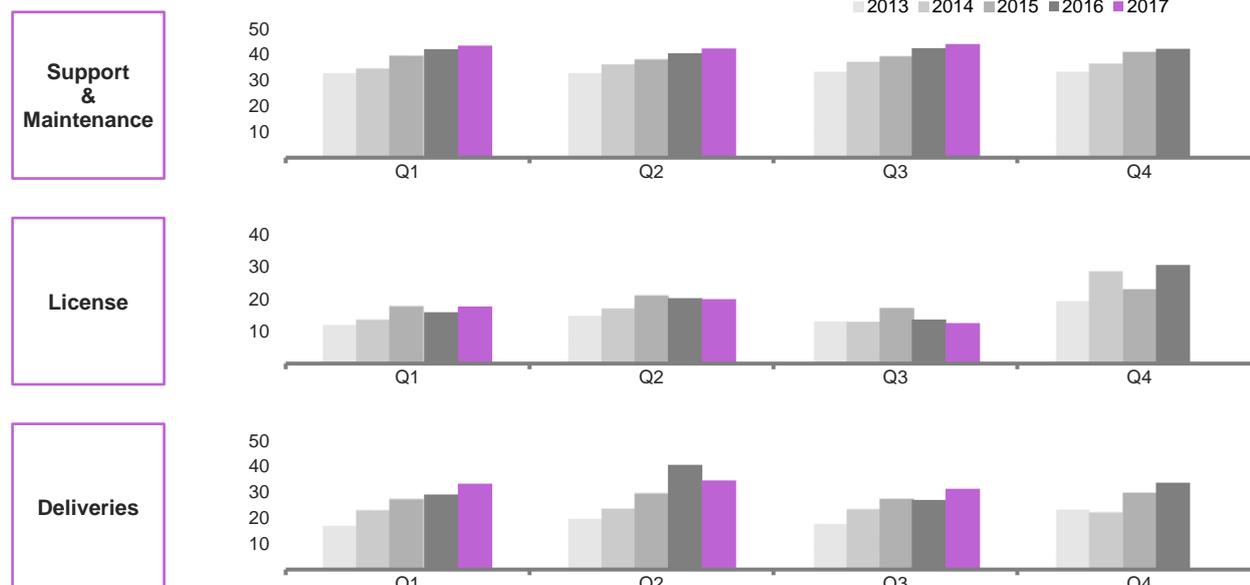
Revenues from all products and services are identified as follows:

2017	Life			Group
	Sweden	Denmark	Science	
License	27 922	20 806	1 668	50 396
Support & Maintenance	67 936	59 871	2 262	130 069
Delivery	25 444	70 037	3 837	99 318
Net sales	121 302	150 714	7 767	279 783

2016	Life			Koncernen
	Sverige	Danmark	Science	
License	23 433	24 613	2 053	50 099
Support & Maintenance	62 988	60 370	1 812	125 170
Delivery	23 056	70 251	3 452	96 759
Net sales	109 477	155 234	7 317	272 028

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SALES ANALYSIS BY QUARTER



NUMBER OF SHARES

	2013-01-01	2014-01-01	2015-01-01	2016-01-01	2017-01-01
	2013-12-31	2014-12-31	2015-12-31	2016-12-31	2017-09-30
Number of outstanding shares at the beginning of the period	48 934 588	48 934 588	50 143 402	50 143 402	51 273 608
Share issue from warrant programme	-	-	-	1 130 206	599 417
Non-cash issue	-	1 208 814	-	-	-
Number of outstanding shares at the end of the period	48 934 588	50 143 402	50 143 402	51 273 608	51 873 025

KEY RATIOS FOR THE GROUP

	Jan-Sep	
	2017	2016
Net sales, SEK 000	279 783	272 028
EBITDA, SEK 000	59 897	57 758
EBITDA-adj., SEK 000	31 523	29 273
EBIT, SEK 000	23 004	13 839
Net profit for the period, SEK 000	14 379	11 308
EBITDA margin, %	21,4%	21,2%
EBITDA-adj. margin, %	11,3%	10,8%
EBIT margin, %	8,2%	5,1%
Profit margin, %	5,1%	4,2%
Return on equity, %*	6,7%	5,6%
Return on working capital, %*	9,7%	5,4%
Equity ratio, %	58%	55%
Equity per outstanding share at the end of the period, SEK	6,66	6,55
Earnings per share - before dilution, SEK	0,28	0,21
Earnings per share - after dilution, SEK	0,28	0,20
Share price at the end of the period, SEK	14,90	8,90

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

PARENT COMPANY INCOME STATEMENT SUMMARY*

(SEK 000)	Jul-Sep		Jan-Sep	
	2017	2016	2017	2016
Net sales	32 961	76 197	108 089	94 925
Operating expenses				
Sales expenses	-3 809	-7 934	-14 854	-12 789
Other costs	-8 213	-14 320	-22 895	-20 469
Personnel costs	-15 652	-26 052	-48 809	-48 245
Depreciation/amortization	-1 571	-1 595	-4 688	-4 708
Total operating expenses	-29 244	-49 902	-91 247	-86 211
Operating profit/loss	3 717	26 295	16 843	8 714
Other financial items	714	2 978	1 737	4 110
Net profit for the period	5 599	29 273	19 747	15 744

* During the third quarter of 2016 the wholly owned Swedish subsidiaries were merged with the parent company. The merger of the subsidiaries had no effect on the group.

PARENT COMPANY BALANCE SHEET SUMMARY

(SEK 000)	Sep 30		Dec 31
	2017	2016	2016
Intangible assets	15 785	21 290	19 856
Tangible assets	972	1 086	1 164
Financial assets	337 403	357 283	353 463
Deferred tax asset	-	3 635	-
Current assets (excl. cash equivalents)	58 784	45 296	65 302
Cash and bank balances	27 563	24 047	45 369
TOTAL ASSETS	440 507	452 638	485 154
Restricted equity	22 878	22 818	22 818
Non-restricted equity	215 330	202 312	210 064
Total equity	238 208	225 130	232 882
Long-term liabilities	77 457	99 223	94 552
Current liabilities	124 842	128 285	157 720
TOTAL EQUITY AND LIABILITIES	440 507	452 638	485 154

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)	Sep 30		Dec 31
	2017	2016	2016
Pledged assets	302 219	270 046	300 321
Contingent liabilities	-	-	-

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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

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 SAAS services regarding license agreements.

Fixed operating expenses

Other costs and personnel costs

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.