



Formpipe.

Interim report January – December 2016

PERIOD OCTOBER 1 – DECEMBER 31, 2016*

- Net sales SEK 106.7 m (SEK 93.1 m)
- System revenue SEK 73.0 m (SEK 63.6 m)
- Recurring revenue SEK 45.3 m (SEK 43.6 m)
- EBITDA SEK 30.3 m (SEK 21.7 m)
- EBITDA margin 28.4 % (23.3 %)
- EBIT SEK 15.8 m (SEK 8.4 m)
- Net profit SEK 11.5 m (SEK 8.2 m)
- EPS before dilution SEK 0.22 (SEK 0.15)
- Cash flow from operating activities SEK 46.2 m (SEK 34.2 m)

PERIOD JANUARY 1 – DECEMBER 31, 2016*

- Net sales SEK 378.7 m (SEK 349.3 m)
- System revenue SEK 248.6 m (SEK 236.0 m)
- Recurring revenue SEK 178.8 M (SEK 168.4 m)
- EBITDA SEK 88.0 m (SEK 73.7 m)
- EBITDA margin 23.2 % (21.1 %)
- EBIT SEK 29.7 m (SEK 19.8 m)
- Net profit SEK 22.8 m (SEK 18.2 m)
- EPS before dilution SEK 0.43 (SEK 0.35)
- Cash flow from operating activities SEK 69.4 m (SEK 68.8 m)
- The board proposes a dividend of SEK 0.30 per share (SEK 0.10)

* Above summary of the quarter and the full year refers to the remaining operations and thereby excluding the businesses sold in 2015, with the exception of net profit and earnings per share which relates to the entire Groups operations.

INCOME STATEMENT - SUMMARY

(SEK Million)	Oct-Dec		Jan-Dec	
	2016	2015	2016	2015
Net sales	106,7	93,1	378,7	349,3
whereof recurring revenue	45,3	43,6	178,8	168,4
EBITDA	30,3	21,7	88,0	73,7
EBITDA-adj	21,6	9,7	50,8	28,7
EBIT - excluding items affecting comparability	15,8	8,4	32,8	21,8
EBIT	15,8	8,4	29,7	19,8

COMMENTS FROM THE GROUP CEO

2016 was a good year ending with a good fourth quarter. For the third consecutive quarter, we strengthened our margins compared to last year. For the full year, the EBITDA margin was 23.2% compared to 21.1% the previous year. An even more interesting key ratio, according to us, is EBITDA excluding capitalized development costs, i.e. the cash flow generating margin. For the full year, we are increasing it from SEK 28.6 million to 50.8 million.

We enter 2017 with a cost that is well suited to our business, we expect to continue to grow our recurring revenue without increasing our costs to the same extent. In this way, we expect our growth in recurring revenues will continue to strengthen our margins ahead.

The first license revenue related to the agreement with the City of Stockholm was recorded in the fourth quarter (SEK 4 million), at the time of the delivery approval for the basic ECM platform. The implementation project is proceeding according to plan and for the full year of 2016 we have – from the calculated degree of completion – recorded SEK 13 million in delivery revenue, of which over half was carried out by subcontractors.

We generate a strong cash flow of SEK 69.4 million from operations, allowing the Board of Directors to propose a threefold increase in the dividend to SEK 0.30 per share.

SIGNIFICANT EVENTS DURING THE PERIOD OCTOBER – DECEMBER 2016

No significant events have occurred during the period October-December.

SIGNIFICANT EVENTS AFTER THE PERIOD OCTOBER – DECEMBER 2016

AGREEMENT WITH THREE MUNICIPALITIES REGARDING LONG-TERM ARCHIVE

Formpipe signs an agreement with three municipalities regarding the e-archiving product Long-Term Archive. The total order value is SEK 6.3 million over a four-year period with a possibility of extension on an additional four years.

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 and as a challenger in e.g. Life Sciences and Legal.

Growth in the ECM market is fuelled 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, analyse, 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).

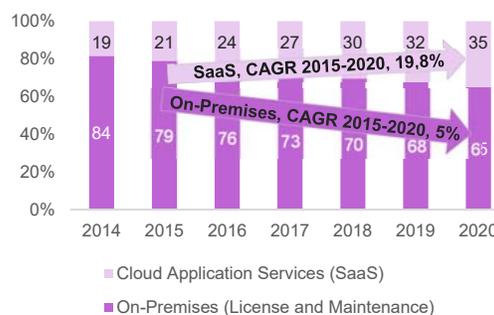
A CHANGING MARKET

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 analysing 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's 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 rearchitected their offerings to cloud based platforms by the end of 2018. But even if the trend is towards the cloud, the license revenues from on-premises will play an important role for years to come.

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



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

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 2015.

REVENUE

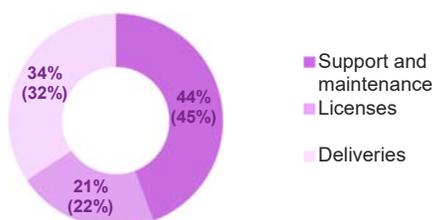
OCTOBER-DECEMBER 2016

Net sales for the period totalled to SEK 106.7 million (93.1 million), which corresponds to an increase with 15 %. System totalled to SEK 73.0 million (63.6 million). Total recurring revenue for the period increased by 4 % from the previous year and totalled to SEK 45.3 million (43.6 million), which is equivalent to 42 % of net sales. Exchange rate effects have affected net sales positively by SEK 0.5 million in comparison with the previous year.

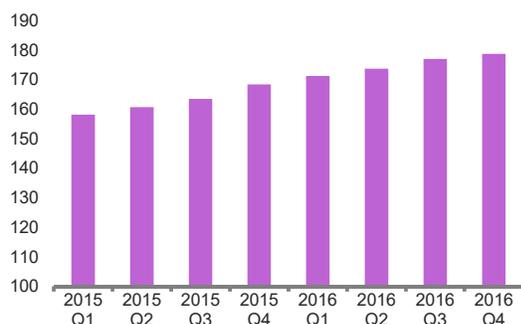
JANUARY – DECEMBER 2016

Net sales for the period totalled to SEK 378.7 million (349.3 million), which corresponds to an increase of 8 %. System revenue increased by 5 % from the previous year and totalled to SEK 248.6 million (236.0 million). Total recurring revenue for the period increased by 6 % from the previous year and totalled to SEK 178.8 million (168.4 million), which is equivalent to 47 % of net sales. Exchange rate effects have affected net sales positively by SEK 2.0 million in comparison with the previous year.

Breakdown of sales, Jan – Dec 2016



Recurring revenue rolling 12-month, SEKm



COSTS

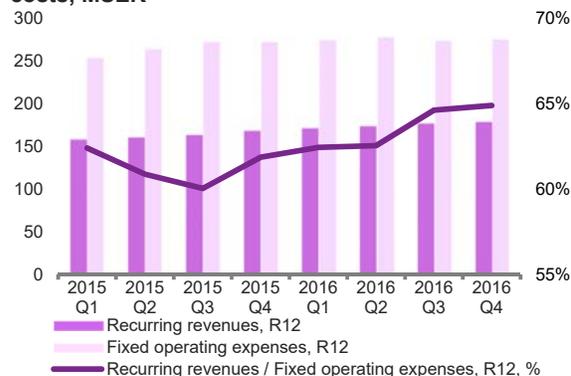
OCTOBER-DECEMBER 2016

The operating costs for the period increased by 7 % and totalled to SEK 90.9 million (84.7 million). Personnel costs increased by 1 % and totalled to SEK 52.2 million (51.6 million). Selling expenses totalled to SEK 14.3 million (14.0 million). Other costs totalled to SEK 18.6 million (17.8 million).

JANUARY – DECEMBER 2016

The operating costs for the period increased by 6 % and totalled to SEK 345.9 million (327.5 million). Personnel costs increased by 1 % and totalled to SEK 203.9 million (202.2 million). Selling expenses totalled to SEK 52.4 million (48.4 million). Other costs totalled to SEK 71.6 million (70.0 million). During the period costs relating to restructuring reserves have been recognised of SEK 3.1 million (1.9 million).

Recurring revenues in relation to fixed operating costs, MSEK



EARNINGS

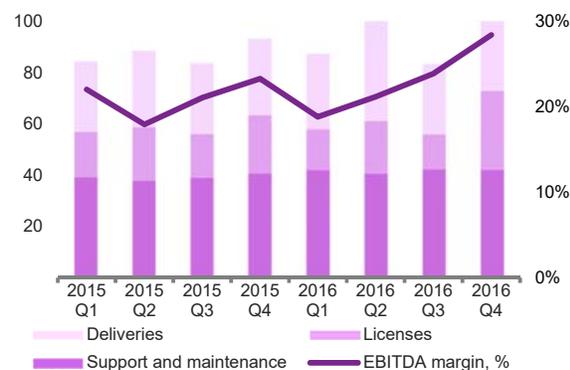
OCTOBER-DECEMBER 2016

Operating profit before depreciation and amortization and one-off costs (EBITDA) totalled to SEK 30.3 million (21.7 million) with an EBITDA margin of 28.4 % (23.3 %). Operating profit (EBIT) totalled to SEK 15.8 million (8.4 million) with an operating margin of 14.8 % (9.0 %). Net profit from remaining operations totalled to SEK 11.5 million (4.3 million). Exchange rate effects have affected EBITDA positively by SEK 0.5 million in comparison with the previous year.

JANUARY – DECEMBER 2016

Operating profit before depreciation and amortization and one-off costs (EBITDA) totalled to SEK 88.0 million (73.7 million) with an EBITDA margin of 23.2 % (21.1 %). Operating profit (EBIT) totalled to SEK 29.7 million (19.8 million) with an operating margin of 7.8 % (5.7 %). The operating profit includes non-recurring items amounting SEK to -3.1 million (-1.9 million). Net profit from remaining operations totalled to SEK 20.4 million (9.4 million). Net profit from discontinued operations amounted to SEK 0.0 million (4.8 million). Realization gains from discontinued operations amounted to SEK 2.4 million (3.9 million) which gives a net profit for the group amounting to SEK 22.8 million (18.2 million). Exchange rate effects have affected EBITDA positively by SEK 1.3 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 60.9 million (37.7 million). The company had interest-bearing debt at the end of the period totalling to SEK 106.5 million (116.8) million. The company's net interest-bearing debt thereby totalled to SEK 45.6 million (79.1 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 17.3 million (SEK 23.7 million).

EQUITY

Equity at the end of the period amounted to SEK 346.2 million (315.1 million), which was equivalent to SEK 6.75 (6.28) 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 6.9 million (-10.2 million) from the end of the year.

During the period the personnel warrant program 2013/2016 was exercised. A total of 1 130 206 new shares were issued from this program. The number of shares and votes in the Company has therefore increased with 1 130 206. After the issue of new shares, the total number of shares and votes in the Company amounts to 51 273 608 and the share capital to SEK 5 127 360.80.

EQUITY RATIO

The equity ratio at the end of the period was 53 % (51 %).

CASH FLOW

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities for the period January - December totalled to SEK 69.4 million (73.6 million), of

which divested business operations SEK - million (SEK 4.8 million).

INVESTMENTS AND ACQUISITIONS

Total investments for the period January - December amounted to SEK 38.8 million (47.2 million), of which investments affecting cash flow totalled to SEK 36.1 million (43.8 million).

Investments in intangible assets totalled to SEK 37.2 million (41.8 million) and refer to capitalized product development costs.

Investments in tangible assets totalled to SEK 1.4 million (2.0 million).

During the period received payment from acquisition/divestiture of business activities amounted to SEK 3.1 million (3.9 million).

FINANCING

During the period January – December the company has amortized SEK 16.1 million (22.3 million) and the interest-bearing debt amounted to SEK 106.5 million (116.8 million) at the end of the period.

As an outcome from the exercise of the personnel warrant program 2013/2016, 1 130 206 new shares was issued and payments amounting to SEK 7.5 million (- million) has been added to the Company. At the same time the Company repurchased 369 794 warrants to a value of SEK 0.5 million (- million).

During the period a new warrant program (2016/2019) has been issued to the company's personnel amounting to 500 000 warrants, which has provided the company with payments of SEK 0.3 million (0.2 million).

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

PROPOSED APPROPRIATION OF PROFITS

DIVIDEND

The Board proposes that the AGM to be held on 25 April 2017 adopts a resolution to pay a dividend of SEK 0.30 (0.10) per share, which means a total dividend of SEK 15.4 million (5.0 million).

As the basis for its proposal for the appropriation of profits, the board, in accordance with chapter 17 § 3 subsect 2- 3 of the Swedish Companies Act, has assessed the parent company's and the group's need to strengthen the balance sheet, its liquidity and financial position otherwise, and the ability to meet its obligations in the long-term.

OTHER

EMPLOYEES

The number of employees at the end of the reporting period totalled to 230 persons (239 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, Germany and USA. The Formpipe share is listed on Nasdaq Stockholm.

CALENDAR FOR FINANCIAL INFORMATION

April 24, 2017	Interim report Jan-Mar
April 25, 2017	Annual General Meeting
July 14, 2017	Interim report Jan-Jun
October 26, 2017	Interim report Jan-Sep

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 February 10, 2017
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The Board of Directors and the Managing Director

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CONSOLIDATED INCOME STATEMENT SUMMARY

(SEK 000)	Oct-Dec		Jan-Dec	
	2016	2015	2016	2015
Net Sales	106 696	93 123	378 723	349 292
Sales expenses	-14 287	-14 033	-52 439	-48 406
Other costs	-18 621	-17 757	-71 588	-70 044
Personnel costs	-52 220	-51 607	-203 856	-202 173
Capitalized work for own account	8 718	11 957	37 204	45 002
Operating profit/loss before depreciation/amortization and non-comparative items (EBITDA)	30 286	21 683	88 044	73 670
Items affecting comparability	-	-	-3 118	-1 947
Depreciation/amortization	-14 460	-13 308	-55 261	-51 880
Operating profit/loss (EBIT)	15 826	8 375	29 665	19 843
Financial income and expenses	-1 144	-1 023	-4 661	-5 212
Exchange rate differences	311	412	2 519	-899
Tax	-3 517	-3 479	-7 173	-4 296
Net profit for the period from remaining business	11 477	4 284	20 350	9 436
Profit/loss attributable to discontinued business	-	-32	-	4 838
Realization gains from discontinued business	-	3 905	2 434	3 905
Net profit for the period	11 477	8 157	22 784	18 179
<u>Of which the following relates to:</u>				
Parent company shareholders	11 457	7 679	21 877	17 490
Shareholding with no controlling influence	19	478	907	689
<u>Other comprehensive income</u>				
Translation differences	-1 288	-8 373	6 941	-10 216
Other comprehensive income for the period, net after tax	-1 288	-8 373	6 941	-10 216
Total comprehensive income for the period	10 188	-215	29 725	7 964
<u>Of which the following relates to:</u>				
Parent company shareholders	10 169	-694	28 818	7 275
Shareholding with no controlling influence	19	478	907	689
<i>EBITDA margin, %</i>	<i>28,4%</i>	<i>23,3%</i>	<i>23,2%</i>	<i>21,1%</i>
<i>EBIT margin, %</i>	<i>14,8%</i>	<i>9,0%</i>	<i>7,8%</i>	<i>5,7%</i>
<i>Profit margin, %</i>	<i>10,8%</i>	<i>8,8%</i>	<i>6,0%</i>	<i>5,2%</i>
Earnings per share attributable to the parent company's shareholders during the period (SEK per share)				
- before dilution	0,22	0,15	0,43	0,35
- after dilution	0,22	0,15	0,43	0,35
- before dilution, remaining business	0,22	0,08	0,38	0,17
- after dilution, remaining business	0,22	0,08	0,38	0,17
- before dilution, discontinued business	-	0,08	0	0,17
- after dilution, discontinued business	-	0,08	0	0,17
Average no. of shares before dilution, in 000	51 274	50 143	50 803	50 143
Average no. of shares after dilution, in 000	51 566	50 637	51 203	50 592

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	470 396	473 393	473 393
Tangible assets	4 075	3 898	3 898
Financial assets	1 682	1 425	1 425
Deferred tax asset	17 332	23 680	23 680
Current assets (excl. cash equivalents)	94 870	77 723	77 723
Cash equivalents	60 890	37 670	37 670
TOTAL ASSETS	649 244	617 789	617 789
Equity	346 249	315 108	315 108
Shareholding with no controlling influence	2 706	3 378	3 378
Long-term liabilities	115 953	132 260	132 260
Current liabilities	184 337	167 043	167 043
TOTAL EQUITY AND LIABILITIES	649 244	617 789	617 789
Net interest-bearing debt (-) / cash (+)	-45 626	-79 081	-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
Balance at January 1, 2015	5 014	186 464	14 670	101 440	307 588	2 689	310 277
Comprehensive income							
Net profit for the period	-	-	-	17 490	17 490	689	18 179
Other comprehensive income items	-	-	-10 216	-	-10 216	-	-10 216
Total comprehensive income	-	-	-10 216	17 490	7 275	689	7 963
Transaction with owners							
Employee warrant schemes	-	245	-	-	245	-	245
Total transaction with owners	-	245	-	-	245	-	245
Balance at December 31, 2015	5 014	186 709	4 454	118 930	315 108	3 378	318 486
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	-	-	-	21 877	21 877	907	22 784
Other comprehensive income items	-	-	6 941	-	6 941	-	6 941
Total comprehensive income	-	-	6 941	21 877	28 818	907	29 725
Transaction with owners							
Dividend	-	-	-	-5 014	-5 014	-1 579	-6 594
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 December 31, 2016	5 127	193 933	11 395	135 793	346 249	2 706	348 954

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)	Oct-Dec		Jan-Dec	
	2016	2015	2016	2015
Cash flow from operating activities before working capital changes	27 516	17 027	73 341	61 328
Cash flow from working capital changes	18 681	17 212	-3 913	7 440
Cash flow from remaining operating activities	46 197	34 239	69 428	68 768
Cash flow from discontinued business	-	-32	-	4 838
Cash flow from operating activities	46 197	34 207	69 428	73 606
Cash flow from investing activities	-8 740	-7 920	-32 975	-39 881
Of which acquisition/divestiture of business activities	-	3 905	3 121	3 905
Cash flow from financing activities	-3 788	-4 102	-12 853	-22 033
Of which dividend paid	-	-	-6 593	-
Cash flow for the period	33 669	22 185	23 600	11 692
Change in cash and cash equivalent				
Cash and cash equivalent at the beginning of the period	27 192	15 619	37 670	26 035
Translation differences	30	-134	-380	-57
Cash flow for the period	33 669	22 185	23 600	11 692
Cash and cash equivalent at the end of the period	60 890	37 670	60 890	37 670

8 QUARTERS IN SUMMARY*

(SEK 000)	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4
Support and maintenance	39 511	38 058	39 254	40 893	42 150	40 842	42 478	42 309
Licenses	17 617	20 884	17 025	22 708	15 999	20 459	13 730	30 667
System revenue	57 128	58 942	56 279	63 602	58 149	61 301	56 208	72 976
whereof recurring revenue	41 899	40 826	42 076	43 603	44 806	43 308	45 338	45 318
Deliveries	27 163	29 388	27 235	29 522	29 126	40 230	27 013	33 720
Net sales	84 291	88 329	83 514	93 123	87 275	101 531	83 221	106 696
Sales expenses	-10 062	-11 925	-12 381	-14 033	-12 886	-13 939	-11 327	-14 287
Other costs	-16 645	-18 746	-18 912	-17 757	-17 399	-18 724	-16 844	-18 621
Personnel costs	-49 722	-52 736	-46 077	-51 607	-51 099	-56 277	-44 260	-52 220
Capitalized development costs	10 696	10 901	11 448	11 957	10 524	8 887	9 074	8 718
Total operating expenses	-65 733	-72 506	-65 922	-71 440	-70 861	-80 053	-63 356	-76 410
EBITDA	18 558	15 823	17 592	21 683	16 415	21 478	19 865	30 286
%	22,0%	17,9%	21,1%	23,3%	18,8%	21,2%	23,9%	28,4%
Items affecting comparability	-	-	-1 947	-	-	-3 118	-	0
Depreciation/amortization	-12 708	-12 834	-13 030	-13 308	-13 584	-13 559	-13 658	-14 460
EBIT	5 850	2 989	2 614	8 375	2 831	4 801	6 207	15 827
%	6,9%	3,4%	3,1%	9,0%	3,2%	4,7%	7,5%	14,8%
Discontinued business:	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Net sales	9 692	7 493	4 627	2 165	-	-	-	-
EBITDA	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.

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

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.

As per December 31, 2015, the ownership of Formpipe Intelligo AB was transferred from Formpipe Software A/S to the parent company Formpipe Software AB and thereby also shifted from segment Denmark to segment Sweden. The comparable numbers below have been adjusted accordingly. The adjustment concern internal sales of 5 344 TSEK and external costs of 1 898 TSEK that has been moved from segment Denmark to segment Sweden.

Jan-Dec 2016							
(SEK 000)	Sweden	Denmark	Life Science	Eliminations	Remaining business	Discontinued business	Group
Sales, external	157 572	211 103	10 048	-	378 723	-	378 723
Sales, internal	7 030	2 009	1 401	-10 440	-	-	-
Total sales	164 602	213 112	11 449	-10 440	378 723		378 723
Costs, external	-109 147	-166 030	-15 502	-	-290 679	-	-290 679
Costs, internal	-6 182	-2 857	-1 401	10 440	-	-	-
EBITDA	49 273	44 225	-5 454	-	88 044	-	88 044
%	29,9%	20,8%	-47,6%	0,0%	23,2%	-	23,2%

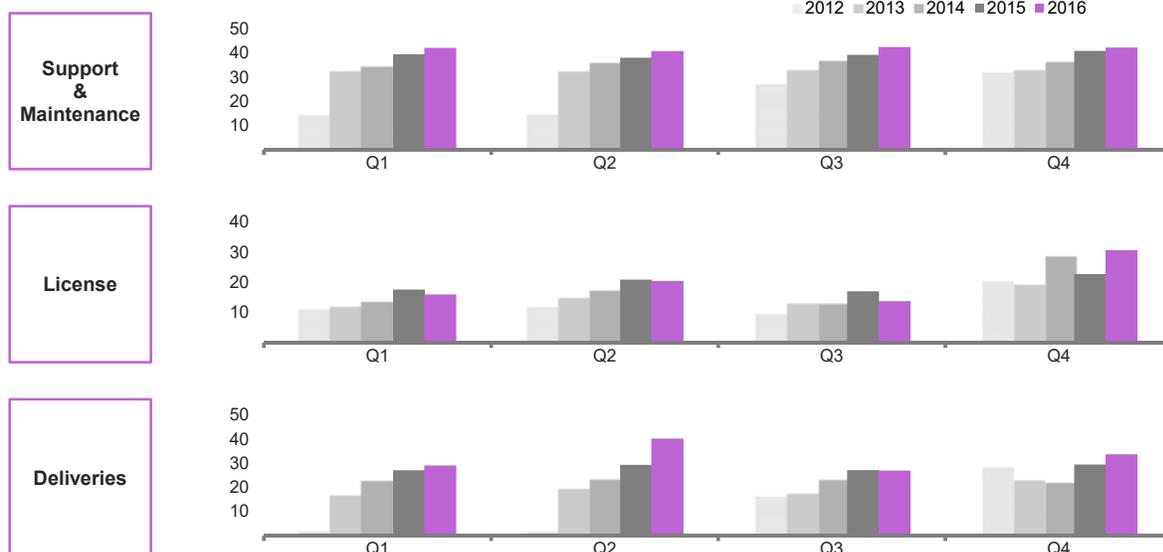
Jan-Dec 2015							
(SEK 000)	Sweden	Denmark	Life Science	Eliminations	Remaining business	Discontinued business	Group
Sales, external	138 419	195 040	15 833	-	349 292	23 942	373 234
Sales, internal	6 506	1 576	700	-8 782	-	-	-
Total sales	144 925	196 616	16 533	-8 782	349 292	23 942	373 234
Costs, external	-92 263	-160 755	-22 604	-	-275 622	-15 371	-290 993
Costs, internal	-5 831	-2 251	-700	8 782	-	-	-
EBITDA	46 831	33 610	-6 771	-	73 670	8 571	82 241
%	32,3%	17,1%	-41,0%	0,0%	21,1%	35,8%	22,0%

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	2016-12-31
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	-	-	-	1 130 206
Non-cash issue	-	-	1 208 814	-	-
Number of outstanding shares at the end of the period	48 934 588	48 934 588	50 143 402	50 143 402	51 273 608

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SALES ANALYSIS BY QUARTER



KEY RATIOS FOR THE GROUP

	Jan-Dec	
	2016	2015
Net sales, SEK 000	378 723	349 292
EBITDA, SEK 000	88 044	73 670
EBIT, SEK 000	29 665	19 843
EBITDA-adj, SEK 000	50 840	28 668
Net profit for the period, SEK 000	22 784	18 179
EBITDA margin, %	23,2%	21,1%
EBITDA-adj margin, %	13,4%	8,2%
EBIT margin, %	7,8%	5,7%
Profit margin, %	6,0%	5,2%
Return on equity, %*	6,6%	5,6%
Return on working capital, %*	7,5%	4,8%
Equity ratio, %	53%	51%
Equity per outstanding share at the end of the period, SEK	6,75	6,28
Earnings per share - before dilution, SEK	0,43	0,35
Earnings per share - after dilution, SEK	0,43	0,35
Share price at the end of the period, SEK	9,75	8,50

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

PARENT COMPANY INCOME STATEMENT SUMMARY*

(SEK 000)	Oct-Dec		Jan-Dec	
	2016	2015	2016	2015
Net sales	44 521	15 146	139 446	40 701
Operating expenses				
Sales expenses	-4 991	-549	-17 780	-2 308
Other costs	-7 761	-3 550	-28 229	-11 508
Personnel costs	-17 020	-10 130	-65 265	-35 684
Depreciation/amortization	-1 590	-455	-6 298	-1 822
Total operating expenses	-31 362	-14 685	-117 573	-51 323
Operating profit/loss	13 159	461	21 873	-10 622
Result from participations in group companies	-	21 850	2 921	21 850
Other financial items	305	909	4 415	774
Net profit for the period	7 752	20 415	23 496	9 197

* During 2016 the fully owned Swedish subsidiaries were merged with the parent company. The merger has had no effect on the group consolidated figures.

PARENT COMPANY BALANCE SHEET SUMMARY

(SEK 000)	Dec 31		Dec 31
	2016	2015	2015
Intangible assets	19 856	3 432	3 432
Tangible assets	1 164	1 022	1 022
Financial assets	353 463	426 923	426 923
Deferred tax asset	-	3 635	3 635
Current assets (excl. cash equivalents)	65 302	34 125	34 125
Cash and bank balances	45 369	41 165	41 165
TOTAL ASSETS	485 154	510 303	510 303
Restricted equity	22 818	22 705	22 705
Non-restricted equity	210 064	213 507	213 507
Total equity	232 882	236 212	236 212
Long-term liabilities	94 552	107 036	107 036
Current liabilities	157 720	167 054	167 054
TOTAL EQUITY AND LIABILITIES	485 154	510 303	510 303

* During 2016 the fully owned Swedish subsidiaries were merged with the parent company with a merger difference in the equity of the parent company. The merger has had no effect on the group consolidated figures.

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.

Pledged assets (SEK 000)	Dec 31		Dec 31
	2016	2015	2015
Pledged assets	300 321	369 869	334 131
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 of a one-off nature.

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 of a one-off nature 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 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.

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.