

Year End Report 2017

Västerås, 8th February 2018



OCTOBER - DECEMBER 2017

- Net turnover 194.1 MSEK (183.5)
- Profit before depreciation/amortization and write downs 4.1 MSEK (-6.1)
- Operating profit/loss EBIT 2.0 MSEK (-8.5)
- Operating margin EBIT 1.0 % (-4.6)
- Profits after tax 1.5 MSEK (-7.0)
- Profit per share 0.10 SEK (-0.71)

JANUARY - DECEMBER 2017

- Net turnover 734.9 MSEK (696.6)
- Profit before depreciation/amortization and write downs 25.8 MSEK (3.3)
- Operating profit/loss EBIT 16.2 MSEK (-7.3)
- Operating margin EBIT 2.2 % (-1.0)
- Profits after tax 11.5 MSEK (-6.2)
- Profit per share 1.06 SEK (-0.73)



Developing smart products, smart factories and smart services for increasing our customers' innovative powers and productivity

The full-year report for 2017 shows a significant improvement compared to 2016. The profitability, however, is not at the level we are aiming for but should also be considered in the light of a major delivery assignment having been concluded sooner than expected and burdening the fourth quarter with SEK 6.4 million, for a total of SEK 8.2 during 2017. Now that the assignment has been concluded, it will no longer affect profits. Adjusted for the above delivery assignment, EBIT amounted to SEK 8.4 million and an operating margin of 4.3 percent. On the whole, the year has led to a more stable organization with higher utilization and an increased rate of invoicing. Prevas' portfolio is also better adapted to the market due to a clear focus on the capabilities of digitalization. We therefore feel that we've laid the foundation for future growth and increased profitability.

Karl-Gustav Ramström

A WORD FROM THE CEO

ANNUAL REPORT

Will be available from Prevas' head office, Legeringsgatan 18 in Västerås, three weeks before the Annual General Meeting 2018. The annual report can also be ordered from the head office, Tel +46 (0)21-360 19 00 or info@prevas.se.

ANNUAL GENERAL MEETING 2018

Prevas AB's annual general meeting, Västerås
May 16th 2018, at 18:00 hrs

FORTHCOMING REPORTS

Interim report January - March,
April 25th 2018

Interim report January - June,
July 17th 2018

Interim report January - September,
October 24 2018

Year End Report 2018,
February 13th 2019

MORE INFORMATION

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GOOD MARKET OPPORTUNITIES

The market continues to be strong. Digitalization, along with rapid technological development, is still the prime mover. An important positive factor is that traditional Nordic industries are now seeing the benefits in productivity and product development that digitalization entails on a broader front, making them more willing to invest in new projects.

Hot areas are robot automation and life science, but here we can also include increasingly stronger manufacturing companies and other hi-tech export enterprises. An equally exciting and promising development is that we are now working with more companies that just a few years ago, we did not associate with digitalization, such as Löfbergs Kafferosteri, Kontigo Care and LYS Technologies.

Prevas' passion is to be at the technological forefront, and together with our customers, to take on technological challenges and create smart products and factories, something that is definitely in line with Prevas and our strong technological image. But we do not just enhance our customers' operations; it is just as important that we enhance our own. Our most important asset is the advanced technological skills that our employees possess. Prevas is knowledgeable of the entire chain, from the electronics at the deepest level to digitalization's capabilities for utilizing all data and information in producing the right decision-making materials for administering companies' various processes.

ATTRACTING SKILLED STAFF

Our work force increased during the fourth quarter and we are putting considerable effort into recruiting talented new staff for all our specialist areas. This is an important factor for further increasing our capacity and abilities in being a strong player with leading-edge expertise at the technological forefront. We are also investing more in strengthening Prevas' presence in various social forums. It is decisive to make our orientation known, not just among our customers but also among young people, since both advanced technological skills and sustainability are essential factors for a company's attractive powers.

The goal is to be seen as the market's most skilled partner in helping customers to realize their innovations in a sustainable manner. It therefore feels especially good that during 2017, we laid the foundation and created the prerequisites for this future-oriented strategy. Our operations are focused on smart products, smart factories and smart services.

Karl-Gustav Ramström,
 CEO Prevas AB

Operations

Prevas is a partner for companies in many industries. Our passion is resolving technical challenges in developing smart products, smart factories and smart services. Together with our customers we take advantage of the progress of technology and digitalization and convert the customers' needs and ideas into increased sustainability and competitiveness.

MARKET

During the year the market has been good in several industries and companies are investing in new innovative products and increased productivity. Prevas has gained a leading position in the digitalization market, within the Internet of Things and industrial IT and automation (Industry 4.0). Few suppliers can equal the experience and breadth of expertise within the new hot fields of smart products, smart factories and smart services. We are seeing both new and existing customers being attracted by Prevas' high level of expertise and strong offers within these fields.

The defense industry, which is affected by geopolitical concerns, continues to be highly active with the SAAB group leading the way. Prevas continues to receive strong orders in this area.

Life science is another expansive industry that is now beginning to embrace the new opportunities within digitalization. New innovative medical instruments have been developed to create new services for analysis of health and research into new medicines within the FDA's regulatory framework. For example, QuickCool, a new customer during the year, used Prevas' expertise in this demanding area. More opportunities are also being created in life science through connectivity and use of cloud services to create new products and services that are often designated mHealth and eHealth.

Testing is one area that has become more important to achieve the correct quality and efficiency within development and production. New technically advanced products often mean high test costs. Prevas' expertise within production testing and simulation for development testing combined with use of new technology has been increasingly in demand. There are customers within areas such as the automotive, life science and defense industries.

The automotive industry is exposed to increasingly higher international competition, which in turn increases the demands to work continuously on productivity improvements. Prevas' many years of experience and great expertise within robotic automation is therefore in great demand and a lot of new large orders have been received during the year. Another trend is that the use of industrial robots is spreading to new industry, which means a broader market for Prevas.

Within the environment, energy and climate there are a lot of exciting projects where digitalization and new technology often contribute to solutions for a more sustainable world. Some of the customers who have come to us during the year:

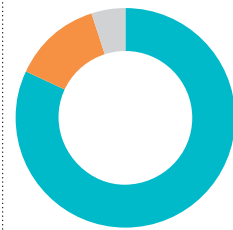
- Sol Voltaics who use nanotechnology for solar energy. New innovative solar panel products developed with help from Prevas' knowledge within industrial technology.
- ROMO Wind uses Prevas to further develop their product iSpin.
Through wind measurement one can use this product to increase the efficiency of wind turbines.

One area within digitalization that has made a breakthrough is smart maintenance services (Asset Management). It involves a lot of gathering and analysis of information about operating statuses to be able to plan better preventative maintenance and more optimized production. Löfbergs coffee roasting plant in Karlstad is a new customer who, with Prevas' help have taken their maintenance work to a whole new level.

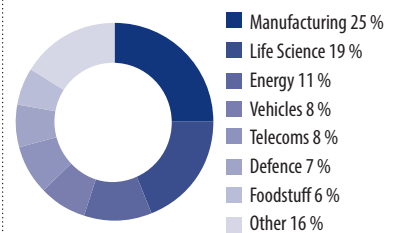
OFFER

The Digitalization revolution has opened new opportunities in virtually every aspect of life and we notice the effects every day. Prevas' investment in digitalization is aimed at Smart Products, Smart factories and Smart Services, in the shape of new innovative products with increased functionality and improved customer experience and new system solutions for more efficient production and service.

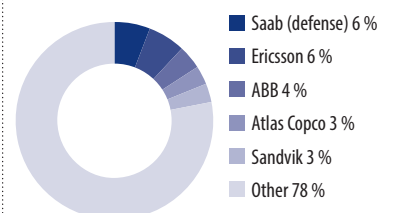
TURNOVER DIVIDED BY SEGMENT - 2017



INDUSTRY BREAKDOWN – 2017



THE LARGEST CUSTOMERS - 2017



MEET US AT

Labor market day, Karlstad,
Feb 14th 2018

Medico Bazar, Copenhagen,
March 7th 2018

Maintenance 2018, Gothenburg,
March 13th-16th 2018

S.E.E., Kista/Stockholm,
April 24th-26th 2018

UNDER SKALET

"Under skalet" is a web TV series that Prevas produces together with Ny Teknik. The films are published by Ny Teknik on www.nyteknik.se/underskalet.

FOLLOW US



Smart products

Today's smart products are becoming ever more complex and electronics with advanced software are everywhere, in everything from cars, trains, planes, medical technical equipment and industrial robots to modern white goods. With the help of integrated intelligence and communication, the conditions for new income streams are being created by being able to offer customers new services in the aftermarket. This is an area that a lot of production companies have not previously focused on. By connecting products and collecting data about product status and customer behavior, analysis can give a rapid overview of how customer service can be improved. With a combination of technical expertise, application skill and understanding of the customer's business, we help get their products onto the market quickly and safely.

Example of customer offers:

- Smart products with integrated electronics and intelligent sensors
- Connected products for new services and aftermarket
- Test system solutions to reduce development times and improve product quality
- Life science solutions with advanced sensor technology, advanced analysis and new connectivity opportunities

Smart factories

The concept of smart factories is based on exploiting comprehensive IT solutions for control and monitoring of the production processes and is an area of strong growth. Automation and robot solutions make up a strong component of this and by embracing solutions within industry 4.0 and gathering data to analyze information about operation and maintenance, the processes can be improved to an even higher level and thereby achieve efficient and sustainable production.

Example of customer offers:

- Manufacturing execution systems (MES) that bridge the gap between business systems and automation. Connectivity of production equipment is a cornerstone of this.
- Offers within robot solutions are based on a thorough knowledge of application within many industries. With cutting edge expertise in system design, mechanical engineering as well as robot and automation programming, we can construct competitive, complete and flexible robot-based production units.
- With Prevas' efficient maintenance solutions, the smart factory can improve availability and at the same time reduce maintenance costs. With status based maintenance that is based on digitalization, one can take another step in the direction of world class production.

Smart services

For Prevas, smart service is often about continuously collecting large amounts of data, big data, from connected units. Data that is analyzed and visualized to give a clear overview of operating status and actual use of the functions and equipment. Information that gives insight into the need for service and maintenance or opportunity for a more optimized use of goods and equipment, at the same time as also having valuable input for the R&D department for improvements.

Example of customer offers:

- Improved customer experiences and new business models within the aftermarket for the manufacturer. Made possible through connected products and new technology.
- Connected machines and instruments for extended and more efficient service.
- Rationalization of operation, maintenance and support within one or more installations by monitoring operation in real time.

IMPORTANT EVENTS DURING THE PERIOD

Information that was made public during the fourth quarter.

- **Activated CEO succession**
Prevas' CEO, K-G Ramström, will retire during the spring of 2019. The Board has therefore stated that they have taken the decision to begin recruitment of a new CEO for Prevas AB.

PREVAS VISION

Prevas shall be a leader in applying technology and serve as a model for creating a long-term, sustainable society.

PREVAS MISSION

Our work is based on an in-depth understanding of our clients' operations and business activities. Through continuous development – both of our own capabilities and those of our clients – we exploit advances in technology and digitalization. Working with our clients, we transform their needs and ideas into competitive strengths.

We have a passion for resolving technological challenges. With advanced expertise in product development, embedded systems, industrial IT and automation, Prevas provides solutions and consulting services that fulfill our clients' needs – today and tomorrow.

INNOVATION OF GROWTH

Since the dawn of time it has been innovative ideas that have developed the world. In a global community the pace of innovation has to be faster than ever to assure growth. Since starting in 1985 Prevas has had the task of using high technological expertise and innovative solutions to create growth for our clients.

- **Long term collaboration with focus on digital disruptive dependency care for increased quality of life**

Kontigo Care and Prevas have been partners for several years, with Prevas working to develop the hardware solutions that Kontigo Care has needed to fulfill its vision for treatment of serious dependencies. With the new eHealth platform Previct they are hoping to be able to identify relapses before they occur.

- **Order from Denofa.**

The Norwegian company Denofa chose a flexible information system from Prevas. The delivery includes Prevas' product Mikon, which is a powerful analysis and reporting tool and among other things can be used to increase quality and productivity.

- **Maintenance orders from Nor Tekstil AS.**

Norway's leading supplier of textile services, Nor Tekstil, chose the maintenance system Infor EAM from Prevas for their 17 laundries.

- **QuickCool selected Prevas as their software supplier** for the final phase and launch of their QuickCool® System. Prevas' local presence, technical expertise and experience in developing medical technology solutions were decisive when choosing a new partner.

- **Sol Voltaics selected Prevas as partner.**

Sol Voltaics AB is a spin-off from Lund University's world-leading nanotech research and the company is striving to expand the market for solar energy. Their product will enable existing solar panel manufacturers to increase the efficiency of their solar cells by using a nano-equipped thin film.

- **Investing in the EMC offer**

Prevas is strengthening its offer in the EMC field with increased capacity and testing opportunities to new standards. Thanks to our own EMC measurement chambers, Prevas can carry out the highest quality measurements at an early stage of the product development phase. Risks in the development work are reduced and the customers can save time and money.

- **Innovation competition with Prevas and Inission**

The seventh edition of the Inission innovation award has begun. The competition is aimed at encouraging entrepreneurs to realize their technology related innovations. Through Prevas, the winner is offered development services to a value of up to 250,000 SEK. The winner also receives industrialization and manufacturing services to a value of up to 1 million SEK from Inission.

Financial Information, group

TURNOVER

OCTOBER - DECEMBER

Net turnover amounted to 194.1 MSEK (183.5) an increase of 6 percent. The number of working days amounted to 63 (64). Net turnover per employee amounted to 380 TSEK (344).

JANUARY - DECEMBER

Net turnover amounted to 734.9 MSEK (696.6) an increase of 6 percent. The number of working days amounted to 251 (253). Net turnover per employee amounted to 1,441 TSEK (1,292 TSEK).

PROFITS/LOSS

OCTOBER - DECEMBER

Operating profit/loss EBIT amounted to 2.0 MSEK (-8.5) which gives an operating margin of 1.0 percent (-4.6). Profit before depreciation/amortization and write downs EBITDA amounted to 4.1 MSEK (-6.1) which gives profit margin before depreciation/amortization and write downs of 2.1 percent (-3.3). Profits after tax amounted to 1.5 MSEK (-7.0).

The period's EBIT was affected by a one off cost of -6.4 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period amounts to 8.4 MSEK and an operating margin of 4.3 percent.

JANUARY - DECEMBER

Operating profit/loss EBIT amounted to 16.2 MSEK (-7.3) which gives an operating margin of 2.2 percent (-1.0). Profit before depreciation/amortization and write downs EBITDA amounted to 25.8 MSEK (3.3) which gives profit margin before depreciation/amortization and write downs of 3.5 percent (0.5). Profits after tax amounted to 11.5 MSEK (-6.2).

The Period's EBIT was affected by a one off cost of -8.2 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period amounts to 24.4 MSEK and an operating margin of 3.3 percent.

During the year the cost saving program that was initiated in 2016 was concluded and all the objectives were achieved.

The completed improvements will first be fully realized during 2018 and primarily affect the operating segment Other.

CASH FLOW, LIQUID FUNDS AND FINANCING

The cash flow from ongoing operations for the year amounted to 8.1 MSEK (0.7). Liquid funds at year end amounted to 9.3 MSEK (10.3) of which an unused overdraft facility for 8.5 MSEK (9.3). The total credit capacity has been increased with a guarantee facility of 10 MSEK to support the company's expanded project commitments. It is the judgment of the Board that Prevas has a financing situation appropriate for the company's future planning.

FINANCIAL POSITION

Equity at period end amounted to 149.5 MSEK (139.4), which gives an equity ratio of 41 percent (39). Equity per share amounted to 14.58 SEK (13.54).

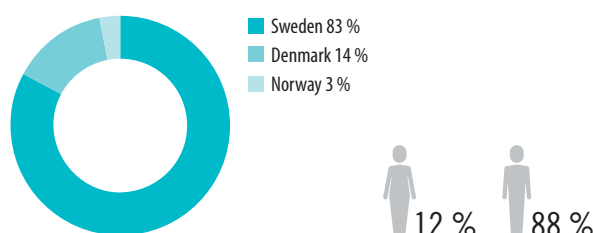
EMPLOYEES

The average number of employees during the year amounted to 510 (539), of which 401 (415) were in Sweden, 68 (58) in Denmark, 19 (42) in Other segments and 22 (25) were central. The number of employees at period end amounted to 538 (548) of which the proportion who were women was 12 percent.

INVESTMENTS

During the year, the group's investment in assets amounted to 3.6 MSEK (3.3), of which 1.8 MSEK (1.7) covered machinery

TOTAL NUMBER OF EMPLOYEES *



* per 12/31/2017

Key ratio per quarter

| | 2017 | 2017 | 2017 | 2017 | 2016 | 2016 | 2016 | 2016 | 2015 | 2015 | 2015 | 2015 |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Q 4 | Q 3 | Q 2 | Q 1 | Q 4 | Q 3 | Q 2 | Q 1 | Q 4 | Q 3 | Q 2 | Q 1 |
| Operating income, MSEK | 194.1 | 154.5 | 187.5 | 198.7 | 183.5 | 145.5 | 191.3 | 176.3 | 184.4 | 147.9 | 183.4 | 185.7 |
| Operating profit/loss, MSEK | 2.0 | 1.5 | 2.6 | 10.0 | -8.5 | -2.6 | 0.7 | 3.0 | -15.4 | 0.2 | -3.9 | 1.4 |
| Operating margin in % | 1.0 | 1.0 | 1.4 | 5.0 | -4.6 | -1.8 | 0.4 | 1.7 | -8.4 | 0.2 | -2.1 | 0.7 |
| Number of working days | 63 | 65 | 59 | 64 | 64 | 66 | 62 | 61 | 63 | 66 | 59 | 62 |
| Number of employees, end of period | 538 | 532 | 535 | 540 | 548 | 583 | 586 | 590 | 579 | 592 | 601 | 613 |
| Number of employees, average | 511 | 488 | 514 | 532 | 533 | 527 | 561 | 551 | 554 | 539 | 574 | 584 |
| Net turnover/employee, TSEK | 380 | 317 | 365 | 374 | 344 | 276 | 343 | 320 | 333 | 274 | 322 | 318 |
| Equity ratio, % | 41 | 44 | 43 | 42 | 39 | 44 | 42 | 43 | 40 | 43 | 41 | 42 |
| Profit per share, SEK | 0.10 | 0.09 | 0.15 | 0.72 | -0.71 | -0.18 | 0.01 | 0.16 | -0.68 | 0.04 | -0.22 | 0.10 |
| Equity per share, SEK | 14.58 | 14.46 | 14.39 | 14.24 | 13.54 | 14.24 | 14.33 | 14.29 | 14.09 | 14.79 | 14.78 | 15.03 |

and inventory and 1.8 MSEK (1.6) product development and intangible assets. In addition to this, acquisition costs for car leasing rose to 6.2 MSEK (4.7).

OPERATIONAL STRENGTH KEY RATIOS, PROJECTS IN TIME

Customer satisfaction, delivery precision and warranty work are continuously metered as part of the company's certified quality system. Since starting in 1985 Prevas has had a very high number of satisfied customers and unique high quality figures regarding delivery precision and warranty. Prevas' customer satisfaction rating has increased during the quarter and has risen to 8.4 (scale of 1 to 10). This together with the fact that 88 percent of our projects were delivered on time, means that Prevas is highly valued by the customers.

THE PARENT COMPANY

OCTOBER - DECEMBER

Turnover amounted to 137.0 MSEK (143.7) and the result after financial items amounted to -5.8 MSEK (-8.9).

The Period's EBIT was affected by a one off cost of -6.4 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period after financial items amounts to 0.6 MSEK.

JANUARY - DECEMBER

Turnover amounted to 549.1 MSEK (535.3) and the result after financial items amounted to 4.0 MSEK (-14.9).

The Period's EBIT was affected by a one off cost of -8.2 MSEK attributed to a delivery commitment that was ended prematurely. Cleared of that item the EBIT for the period after financial items amounts to 12.2 MSEK.

RISKS AND UNCERTAINTY FACTORS

The Prevas group, including the parent company, works with a number of basic principles for managing risk in the different divisions of the operations. Effective risk management is a continuous process that is run within the framework of operational control and makes up a natural part of the ongoing follow up work in the operations. Examples of operational and market related risks are; competition and pricing pressure, negative development at our customers, bankruptcy risks and exchange and interest rate risk. It is Prevas' judgment that the risks have increased slightly during the last few years but that 2017 has not lead to any increased exposure to risk. Another risk is competition for qualified employees, where the risk has continued to increase during 2017. From Prevas' position as market leader in Integrated System and Industrial IT, it is important to attract and recruit the best possible people. Given the very good labor market, the difficulty in maintaining the level of expertise is something that may affect Prevas in the future.

TRANSACTIONS WITH AFFILIATED BODIES

Any transactions of this type are reported in the annual report 2016 under note 25 and largely attributable to purchases and sales between companies within the group. Transactions occur under market conditions.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim reports. The group report has been prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU, and where relevant Swedish legislation regarding annual reports. The parent company accounts have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounts for legal entities.

New or modified IFRS or interpretations of 2017 have not had any significant effect on the financial reports.

The group and the parent company apply the same accounting principles and calculations bases as in the annual report for 2016.

FINANCIAL INSTRUMENTS

Reported value of liquid funds, account receivables, generated but unbilled income, interest bearing liabilities and suppliers' liabilities are considered to make up an approximation of the actual value of these receivables and liabilities.

Conditional additional considerations come to 0.5 MSEK (1.9). Additional considerations are valued at their actual value in accordance with level 3 and the most significant parameter when evaluating is estimated earnings of acquired operations. Final additional considerations can result in the range of 0-0.5 MSEK.

KEY FIGURES

From and including July 3rd 2016 the ESMA's (European Securities And Markets Authority) "Guidelines – Alternative key figures" will be applied. The definitions of Prevas key figures can be found on page 37 in the annual report for 2016. The alternative key figures such as EBITDA are used to give a more detailed description of how the operations developed, while other alternative key figures, such as various measures of return, focus on the ownership perspective.

PROPOSAL FOR DIVIDEND

The Board proposes at the ADGM that no dividend is paid.

Västerås February 8th 2018

Prevas AB (publ)

Karl-Gustav Ramström, CEO Prevas AB

This financial report has not been subject to inspection by the company's auditors.

Published 2/8/2018, 8:30 CET. The information is such that Prevas AB (publ) is required to make public in accordance with the Securities market Act and/or Financial Instruments Trading Act. This is a translation of an original document in Swedish. In case of dispute, the original document should be taken as authoritative (bokslutskomuniké 2017 at www.prevas.se). Or contact the company direct.

Accounts, group

| STATEMENT OF OPERATIONS in summary, TSEK | 2017 Q 4 | 2016 Q 4 | 2017 Full year | 2016 Full year |
|--|---------------------|---------------------|---------------------------|---------------------------|
| Net turnover | 194,119 | 183,524 | 734,854 | 696,562 |
| Capitalized work | 364 | 972 | 1,437 | 1,491 |
| Other external costs | -68,311 | -60,898 | -243,702 | -208,341 |
| Personnel costs | -122,078 | -129,689 | -466,790 | -486,459 |
| Profits before depreciation/amortization | 4,094 | -6,091 | 25,799 | 3,253 |
| Depreciation intangible fixed costs | -1,075 | -1,774 | -5,658 | -6,927 |
| Depreciation tangible fixed assets | -1,037 | -649 | -3,978 | -3,630 |
| Operating profit/loss | 1,982 | -8,514 | 16,163 | -7,304 |
| Financial net | -482 | -589 | -1,592 | 9 |
| Profit after financial items | 1,500 | -9,103 | 14,571 | -7,295 |
| Tax | -30 | 2,111 | -3,059 | 1,120 |
| Profits for the period | 1,470 | -6,992 | 11,512 | -6,175 |
| Profit for period attributable to parent company owners | 991 | -7,184 | 10,670 | -7,366 |
| Profit for period attributable to non-controlling interests | 479 | 192 | 842 | 1,191 |
| Profit per share before and after dilution in SEK | 0.10 SEK | -0.71 SEK | 1.06 SEK | -0.73 SEK |

| REPORT OF TOTAL EARNINGS in summary, TSEK | 2017 Q 4 | 2016 Q 4 | 2017 Full year | 2016 Full year |
|--|---------------------|---------------------|---------------------------|---------------------------|
| Profits for the period | 1,470 | -6,992 | 11,512 | -6,175 |
| Items that will be later implemented in the period's profit/loss; | | | | |
| Calculation differences attributable to overseas operations | 162 | 54 | -166 | 1,733 |
| Total earnings for the period after tax | 1,632 | -6,938 | 11,346 | -4,442 |
| Total earnings for period attributable to parent company owners | 1,153 | -7,130 | 10,504 | -5,633 |
| Total earnings for period attributable to non-controlling interests | 479 | 192 | 842 | 1,191 |

| BALANCE SHEET in summary, TSEK | 2017 31st Dec | 2016 31st Dec |
|--|--------------------------|--------------------------|
| Goodwill | 135,759 | 135,821 |
| Other intangible fixed assets | 5,257 | 8,724 |
| Tangible fixed assets | 15,187 | 14,006 |
| Deferred tax asset | 3,732 | 4,956 |
| Total fixed assets | 159,935 | 163,507 |
| Current receivables | 203,426 | 197,098 |
| Liquid funds | 886 | 1,260 |
| Total current assets | 204,312 | 198,358 |
| TOTAL ASSETS | 364,247 | 361,865 |
| Equity attributable to owners of parent company | 147,249 | 136,745 |
| Equity attributable to non-controlling interests | 2,286 | 2,644 |
| Equity | 149,535 | 139,389 |
| Deferred tax liability | 8,097 | 8,934 |
| Non-current provisions | – | 500 |
| Long term interest bearing liabilities | 8,369 | 9,437 |
| Total non-current liabilities | 16,466 | 18,871 |
| Current provisions | 1,287 | 2,672 |
| Current interest bearing liabilities | 60,932 | 60,381 |
| Other interest bearing liabilities | 136,027 | 140,552 |
| Total current provisions | 198,246 | 203,605 |
| TOTAL LIABILITIES AND EQUITY | 364,247 | 361,865 |

| CHANGES IN EQUITY in summary, TSEK | 2017 Full year | 2016 Full year |
|--|---------------------------|---------------------------|
| Opening balance | 139,389 | 143,831 |
| Total of total earnings for period attributable to parent company owners | 10,504 | -5,633 |
| Total of total earnings for period attributable to non-controlling interests | 842 | 1,191 |
| Dividend non-controlling interests | -1,200 | – |
| Closing balance | 149,535 | 139,389 |
| Equity attributable to owners of parent company | 147,249 | 136,745 |
| Equity attributable to non-controlling interests | 2,296 | 2,644 |

| OPERATING SEGMENT, October-December 2017, TSEK | Sweden | Denmark | Other | Group functions and eliminations | Total the group |
|---|--------------|--------------|---------------|----------------------------------|-----------------|
| Sales to external customers | 157,578 | 26,949 | 9,591 | – | 194,118 |
| Sales to other segments | 368 | 1,895 | 172 | -2,435 | |
| Profits before depreciation/amortization, EBITDA | 4,863 | 2,161 | -1,023 | -1,907 | 4,094 |
| Write-offs | -1,328 | -345 | -439 | – | -2,112 |
| Operating profit, EBIT | 3,535 | 1,816 | -1,462 | -1,907 | 1,982 |
| Financial items | | | | -482 | -482 |
| Pretax Profits | | | | | 1,500 |

| OPERATING SEGMENT, October-December 2016, TSEK | Sweden | Denmark | Other | Group functions and eliminations | Total the group |
|---|--------------|---------------|---------------|----------------------------------|-----------------|
| Sales to external customers | 155,569 | 17,705 | 10,250 | – | 183,524 |
| Sales to other segments | 181 | 741 | 481 | -1,403 | |
| Profits before depreciation/amortization, EBITDA | 4,751 | -1,571 | -6,574 | -2,697 | -6,091 |
| Write-offs | -1,563 | -350 | -510 | – | -2,423 |
| Operating profit, EBIT | 3,188 | -1,921 | -7,084 | -2,697 | -8,514 |
| Financial items | | | | -589 | -589 |
| Pretax Profits | | | | | -9,103 |

| OPERATING SEGMENT, January-December 2017, TSEK | Sweden | Denmark | Other | Group functions and eliminations | Total the group |
|---|---------------|--------------|--------------|----------------------------------|-----------------|
| Sales to external customers | 601,289 | 96,354 | 37,211 | – | 734,854 |
| Sales to other segments | 1,520 | 4,511 | 1,866 | -7,897 | |
| Profits before depreciation/amortization, EBITDA | 20,378 | 7,580 | 1,186 | -3,345 | 25,799 |
| Write-offs | -6,402 | -1,333 | -1,901 | – | -9,636 |
| Operating profit, EBIT | 13,976 | 6,247 | -715 | -3,345 | 16,163 |
| Financial items | | | | -1,592 | -1,592 |
| Pretax Profits | | | | | 14,571 |

| OPERATING SEGMENT, January-December 2016, TSEK | Sweden | Denmark | Other | Group functions and eliminations | Total the group |
|---|---------------|--------------|----------------|----------------------------------|-----------------|
| Sales to external customers | 577,470 | 74,440 | 44,652 | – | 696,562 |
| Sales to other segments | 1,507 | 3,251 | 2,256 | -7,014 | |
| Profits before depreciation/amortization, EBITDA | 14,062 | 5,725 | -12,435 | -4,099 | 3,253 |
| Write-offs | -7,321 | -1,272 | -1,964 | – | -10,557 |
| Operating profit, EBIT | 6,741 | 4,453 | -14,399 | -4,099 | -7,304 |
| Financial items | | | | 9 | 9 |
| Pretax Profits | | | | | -7,295 |

| ANALYSIS OF CASH FLOW in summary, TSEK | 2017 Q 4 | 2016 Q 4 | 2017 Full year | 2016 Full year |
|---|---------------------|---------------------|---------------------------|---------------------------|
| ONGOING OPERATIONS | | | | |
| Pretax Profits | 1,500 | -9,103 | 14,571 | -7,295 |
| Adjustments for items not included in cash flow | -191 | 1,273 | 5,499 | 6,091 |
| Paid income tax | 1,291 | 2,570 | -1,143 | -2,113 |
| Cash flow from ongoing operations before change to working capital | 2,600 | -5,260 | 18,927 | -3,317 |
| Changes to operating receivables | -29,682 | -25,287 | -6,328 | -5,727 |
| Changes to operating liabilities | 22,809 | 29,570 | -4,525 | 9,714 |
| Cash flow from ongoing operations | -4,273 | -977 | 8,074 | 670 |
| INVESTMENT OPERATIONS | | | | |
| Acquisition of operations and shares excl. liquid funds | – | -1,436 | -2,375* | -5,475 |
| Investment in intangible fixed assets | -366 | -972 | -1,821 | -1,547 |
| Investment in tangible fixed assets | -581 | -863 | -1,828 | -1,720 |
| Cash flow from investment operations | -947 | -3,271 | -6,024 | -8,742 |
| FINANCING OPERATIONS | | | | |
| Repayment of loans | -3,400 | -1,700 | -6,800 | -6,800 |
| Change of overdraft facility | 8,667 | 5,893 | 5,338 | 14,942 |
| Dividends paid | – | – | -1,200 | – |
| Cash flow from financing operations | 5,267 | 4,193 | -2,662 | 8,142 |
| Cash flow for the period | 47 | -55 | -612 | 70 |
| Liquid funds at start of period | 514 | 1,211 | 1,260 | 487 |
| Exchange differences in liquid funds | 326 | 104 | 239 | 703 |
| Liquid funds at end of period | 886 | 1,260 | 886 | 1,260 |

*) Refers to paid additional considerations.

| KEY RATIOS, TSEK | 2017 Q 4 | 2016 Q 4 | 2017 Full year | 2016 Full year |
|---|---------------------|---------------------|---------------------------|---------------------------|
| Profit margin depreciation/amortization and write downs/EBITDA | 2.1 % | -3.3 % | 3.5 % | 0.5 % |
| Operating margin/EBIT | 1.0 % | -4.6 % | 2.2 % | -1.0 % |
| Profit margin | 0.8 % | -5.0 % | 2.0 % | -1.0 % |
| <i>Number of shares outstanding at close of report period, thousand</i> | | | | |
| before and after dilution | 10,102 | 10,102 | 10,102 | 10,102 |
| <i>Average number of shares outstanding, thousand</i> | | | | |
| before and after dilution | 10,102 | 10,102 | 10,102 | 10,102 |
| Profit per share before and after dilution | 0.10 SEK | -0.71 SEK | 1.06 SEK | -0.73 SEK |
| Equity per share before and after dilution | | | 14.58 SEK | 13.54 SEK |
| Equity ratio | | | 41 % | 39 % |
| Return on capital employed, % | | | 7.9 % | -2.5 % |
| Return on equity, % | | | 8.0 % | -4.4 % |
| Average number of employees | | | 510 | 539 |
| Number of working days | | | 251 | 253 |
| Turnover per employee in TSEK | | | 1,441 | 1,292 |

Definitions of key ratios, see page 35 in Prevas' annual report 2016.

Accounts, parent company

| STATEMENT OF OPERATIONS in summary, TSEK | 2017 Q 4 | 2016 Q 4 | 2017 Full year | 2016 Full year |
|--|---------------------|---------------------|---------------------------|---------------------------|
| Net turnover | 136,983 | 143,712 | 549,142 | 535,265 |
| Capitalized work | 155 | 711 | 930 | 711 |
| Other external costs | -56,574 | -59,489 | -211,244 | -189,256 |
| Personnel costs | -84,892 | -88,639 | -331,332 | -346,213 |
| Amortization and write downs intangible fixed assets | -897 | -1,233 | -4,537 | -4,868 |
| Depreciation tangible fixed assets | -164 | -171 | -690 | -720 |
| Operating profit/loss | -5,389 | -5,109 | 2,269 | -5,081 |
| Profit from participation in group companies | – | -5,083 | 2,995 | -10,200 |
| Interest income and similar profit items | 356 | 1,862 | 713 | 2,153 |
| Interest costs and similar profit items | -736 | -560 | -1 967 | -1,728 |
| Profit after financial items | -5,769 | -8,890 | 4,010 | -14,856 |
| Tax | 864 | 859 | -1,123 | 711 |
| Profits for the period | -4,905 | -8,031 | 2,887 | -14,145 |

| BALANCE SHEET in summary, TSEK | 2017 31st Dec | 2016 31st Dec |
|--|--------------------------|--------------------------|
| Intangible fixed assets | 4,035 | 7,260 |
| Tangible fixed assets | 1,387 | 1,315 |
| Financial fixed assets | 64,134 | 63,763 |
| Current receivables | 158,098 | 158,192 |
| Cash and Bank | 2 | 12 |
| Total assets | 227,656 | 230,542 |
| Restricted equity | 36,719 | 42,948 |
| Non-restricted equity | 2,100 | -7,016 |
| Equity | 38,819 | 35,932 |
| Provisions | 3,391 | 3,764 |
| Long term interest bearing liabilities | – | 1,900 |
| Current interest bearing liabilities | 56,528 | 57,990 |
| Other interest bearing liabilities | 128,918 | 130,956 |
| Total liabilities and Equity | 227,656 | 230,542 |

Prevas started in 1985 and is a partner to companies in many sectors. Our passion is resolving technical challenges in developing smart products and smart factories. With cutting-edge expertise in product development, embedded systems and industrial IT and automation, Prevas contributes innovative solutions and services that create growth.

Prevas has offices in Sweden, Denmark, Norway and India, and approximately 550 employees. Prevas has been listed on NASDAQ Stockholm since 1998.



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