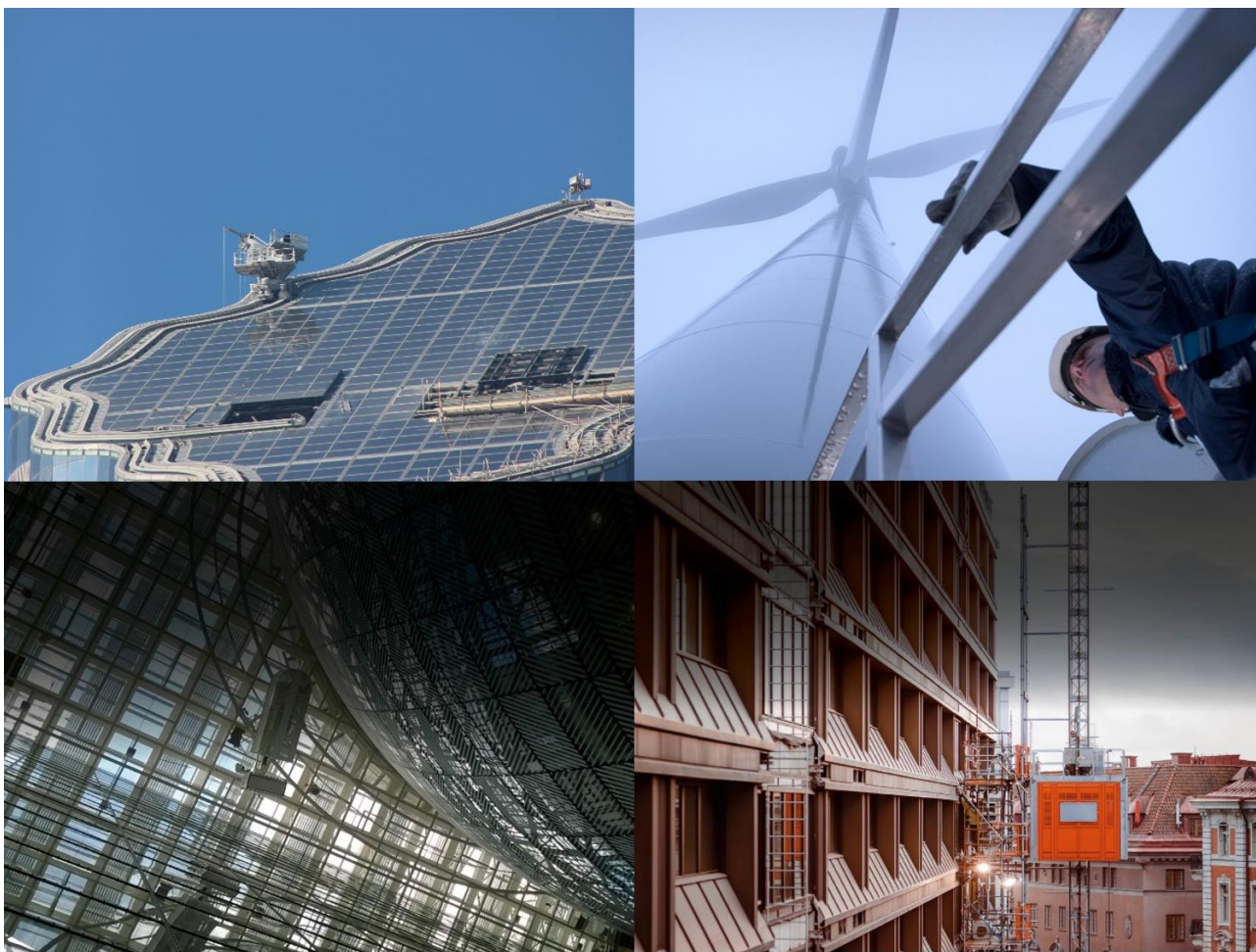


# Interim Report

January – December 2017

# Q4



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## Q4 2017 – Solid finish of a strong 2017

### FOURTH QUARTER

- Order intake increased by 111% to MSEK 1,096 (519) with organic decrease of 6%
- Revenue increased by 76% to MSEK 1,050 (598) with organic growth of 4%
- EBITA adj. increased to MSEK 145 (105), margin 13.8% (17.6)
- EBITA increased to MSEK 127 (75), margin 12.1% (12.6)
- EBIT increased to MSEK 113 (75), margin 10.8% (12.6)
- Net profit amounted to MSEK 91 (48)
- Earnings per share amounted to SEK 1.67 (1.02)
- Operating cash flow amounted to MSEK 174 (135)

### JANUARY–DECEMBER

- Order intake increased by 91% to MSEK 4,101 (2,144) with organic growth of 7%
- Revenue increased by 95% to MSEK 4,001 (2,049) with organic growth of 9%
- EBITA adj. increased to MSEK 510 (331), margin 12.8% (16.1), negatively impacted by the non-cash PPA adjustment of MSEK 17 from Q3\*
- EBITA increased to MSEK 465 (308), margin 11.6% (15.0), negatively impacted by the PPA adjustment\*
- EBIT increased to MSEK 417 (307), margin 10.4% (15.0), negatively impacted by the PPA adjustment\*
- Net profit amounted to MSEK 292 (194)
- Earnings per share amounted to SEK 5.58 (4.10)
- Operating cash flow improved to MSEK 335 (224)
- The Board of Directors proposes a dividend of SEK 2.30 per share based on existing number of shares

\*The adjustment relates to the fair value on acquired inventory in Avanti. Normally this fair value effect impacts the income statement (as a cost) during the period when the inventory is sold. However, as the inventory acquired already has been sold the full effect of MSEK 17 has been recorded as a cost in the third quarter.

Management assessment: If the acquired companies would have been fully consolidated in the Group by 1 January 2016, the order intake growth during January–December 2017 would have been 5% and the revenue growth 5% compared to the same period 2016 (please find proforma figures on page 18, table 2).

| KEY FIGURES, GROUP                   | Q4 2017 | Q4 2016 | Δ    | Jan-Dec 2017 | Jan-Dec 2016 | Δ   |
|--------------------------------------|---------|---------|------|--------------|--------------|-----|
| Order intake, MSEK                   | 1,096.3 | 518.8   | 111% | 4,101.2      | 2,143.9      | 91% |
| Revenue, MSEK                        | 1,050.0 | 597.5   | 76%  | 4,000.7      | 2,048.6      | 95% |
| Whereof:                             |         |         |      |              |              |     |
| Volume & price, %                    | 4.0%    | -1.1%   |      | 9.0%         | 1.2%         |     |
| Exchange rate, %                     | -4.1%   | 2.8%    |      | -0.3%        | -0.6%        |     |
| Acquisition & divestment, %          | 75.8%   | 0.0%    |      | 86.5%        | 0.0%         |     |
| EBITA adj, MSEK <sup>2</sup>         | 144.7   | 105.0   | 38%  | 510.2        | 330.7        | 54% |
| EBITA margin adj, % <sup>2</sup>     | 13.8%   | 17.6%   |      | 12.8%        | 16.1%        |     |
| EBITA, MSEK                          | 126.7   | 75.4    | 68%  | 464.7        | 307.9        | 51% |
| EBITA margin, %                      | 12.1%   | 12.6%   |      | 11.6%        | 15.0%        |     |
| EBIT, MSEK                           | 113.1   | 75.1    | 51%  | 416.8        | 306.8        | 36% |
| EBIT margin, %                       | 10.8%   | 12.6%   |      | 10.4%        | 15.0%        |     |
| Net profit, MSEK                     | 90.5    | 48.4    | 87%  | 291.6        | 194.0        | 50% |
| Earnings per share, SEK <sup>1</sup> | 1.67    | 1.02    | 63%  | 5.58         | 4.10         | 36% |
| Cash flow from operations, MSEK      | 173.8   | 134.6   | 29%  | 335.4        | 224.0        | 50% |

<sup>1</sup> Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017

<sup>2</sup> Before items affecting comparability

# Comments by the CEO

## In focus

- Increased revenues for the Group in the quarter
- EBITA margin adj. in Q4 at 13.8%
- Significant contribution by the acquired companies to Group order intake and sales



Alimak Group ended 2017 with positive developments in many areas, creating a solid foundation for 2018. On a Group level, the full year organic growth in order intake was above 7%, giving good support to the set mid-term revenue target. Organic revenue grew by 9% during 2017 while reported revenue grew by 91%, showing the importance of the acquisitions made in the beginning of the year. The Group's underlying EBITA margin adj. for the full year was 13.2%, excluding the one-time PPA adjustment in Q3, a good step towards our mid-term target of 15%. The integration project is underway and showing positive effects in our key areas procurement, after sales and general cost savings.

The fourth quarter showed organic growth in revenue of 4%. This lower growth rate in the quarter is closely connected to timing in projects. I am happy to see the come-back in Construction revenue while unfavourable timing had an impact on the order side in the business area. For the whole Group this meant order intake organically decreased 6% compared to the same quarter last year. The EBITA margin adj. increased to 13.8% in the quarter mainly due to increased profitability in the Construction and Industrial business areas.

**Construction Equipment** showed an organic revenue increase of 11% and a strong EBITA margin adj. of 17.8% due to volume and favourable product mix. After a 24% growth in organic order intake January-September, organic order intake decreased by 40% in the fourth quarter, bringing the full year organic growth down to 8%. A good growth rate but a bit disappointing compared to my expectations after Q3. The drop in Q4 is market driven, coming from longer decision processes on identified projects while the general market activity remains at a good level.

**Industrial Equipment** showed an organic decrease in order intake of 18% though reported order intake grew by 669%, including the Sydney Harbour Bridge order, the largest in the Group's history. Organic revenue decreased by 14% due to the timing of projects over quarters. EBITA margin adj. improved to 4.8%, with positive development both organically and in the acquired businesses.

After a very strong first half of the year the wind market had a challenging second half with global turbulence. It did however show signs of recovery in the last weeks of 2017 as several OEM customers took large orders for turbines. I think this gives good reasons for a positive view on the market conditions for 2018. Oil & Gas is starting to move again, as shown by the order received from Statoil in the beginning of 2018. This gives us reason for cautious optimism for a gradual recovery.

**After Sales** showed good organic order intake growth of 28% and an increase in organic revenues of 7%. The EBITA margin adj. was somewhat lower than previous quarters in the year at 25.0% due to revenue mix and lower utilization.

**Rental** had a good development with organic order intake growth of 25% year-over-year in the quarter while organic revenue increased by 5%. The EBITA margin adj. remained on the same level as in the third quarter of the year at 11.3%.

Our ambition for 2018 is to continue increasing our market share and achieve continued, sustainable, profitable growth in a market supported by urbanisation, health and safety as well as an increased focus on operational efficiency.

**Tormod Gunleiksrud, President & CEO**

# Key figures Q4 and January – December 2017

## FOURTH QUARTER 2017

- Organic order intake decreased 6%, while reported order intake grew 111%
- Organic revenue growth was 4%, while reported revenue increased 76%
- EBITA margin adj. of 13.8% (17.6), due to dilution from the acquired businesses

## JANUARY – DECEMBER 2017

- Organic order intake growth was 7%, while reported order intake grew 91%
- Organic revenue growth was 9%, while reported revenue increased 95%
- EBITA margin adj. of 12.8% (16.1), due to dilution from the acquired business and negatively impacted by the non-cash PPA adjustment of MSEK 17 from Q3

*Management assessment: If the acquired companies would have been fully consolidated in the Group by 1 January 2016, the order intake growth during January-December 2017 would have been 5% and the revenue growth 5% compared to the same period 2016 (please find proforma figures on page 18, table 2).*

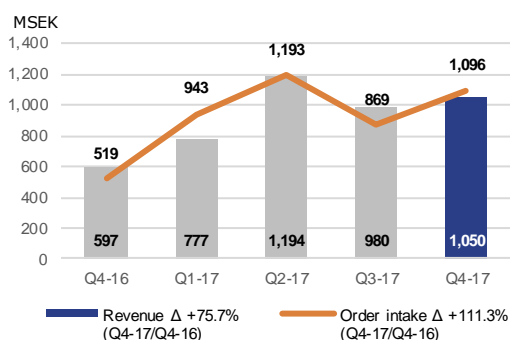
| ORDER INTAKE                | Q4             |              | Jan-Dec        |                |
|-----------------------------|----------------|--------------|----------------|----------------|
|                             | 2017           | 2016         | 2017           | 2016           |
| <b>Orders, MSEK</b>         | <b>1,096.3</b> | <b>518.8</b> | <b>4,101.2</b> | <b>2,143.9</b> |
| Change, MSEK                | 577.4          | 93.2         | 1,957.3        | 34.8           |
| Change, %                   | 111.3%         | 21.9%        | 91.3%          | 1.7%           |
| <b>Whereof:</b>             |                |              |                |                |
| Volume & price, %           | -5.7%          | 19.1%        | 7.4%           | 2.6%           |
| Exchange rate, %            | -4.6%          | 2.8%         | -0.2%          | -1.0%          |
| Acquisition & divestment, % | 121.6%         | 0.0%         | 84.1%          | 0.0%           |

| REVENUE                     | Q4             |              | Jan-Dec        |                |
|-----------------------------|----------------|--------------|----------------|----------------|
|                             | 2017           | 2016         | 2017           | 2016           |
| <b>Revenue, MSEK</b>        | <b>1,050.0</b> | <b>597.5</b> | <b>4,000.7</b> | <b>2,048.6</b> |
| Change, MSEK                | 452.5          | 9.9          | 1,952.1        | 12.3           |
| Change, %                   | 75.7%          | 1.7%         | 95.3%          | 0.6%           |
| <b>Whereof:</b>             |                |              |                |                |
| Volume & price, %           | 4.0%           | -1.1%        | 9.0%           | 1.2%           |
| Exchange rate, %            | -4.1%          | 2.8%         | -0.3%          | -0.6%          |
| Acquisition & divestment, % | 75.8%          | 0.0%         | 86.5%          | 0.0%           |

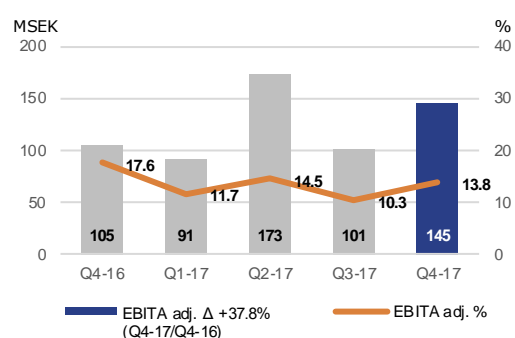
| EBIT & EBITA adj. <sup>1</sup> | Q4           |              | Jan-Dec      |              |
|--------------------------------|--------------|--------------|--------------|--------------|
|                                | 2017         | 2016         | 2017         | 2016         |
| <b>EBIT, MSEK</b>              | <b>113.1</b> | <b>75.1</b>  | <b>416.8</b> | <b>306.8</b> |
| <b>EBIT margin, %</b>          | <b>10.8%</b> | <b>12.6%</b> | <b>10.4%</b> | <b>15.0%</b> |
| <b>EBITA adj, MSEK</b>         | <b>144.7</b> | <b>105.0</b> | <b>510.2</b> | <b>330.7</b> |
| <b>EBITA margin adj, %</b>     | <b>13.8%</b> | <b>17.6%</b> | <b>12.8%</b> | <b>16.1%</b> |
| Change, MSEK                   | 39.7         | -1.0         | 179.5        | -21.3        |
| Change, %                      | 37.8%        | -1.0%        | 54.3%        | -6.0%        |
| <b>Whereof:</b>                |              |              |              |              |
| Volume & price, %              | 25.1%        | -2.6%        | 37.4%        | -6.3%        |
| Exchange rate, %               | -2.3%        | 1.6%         | 0.2%         | 0.3%         |
| Acquisition & divestment, %    | 15.0%        | 0.0%         | 16.7%        | 0.0%         |

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue by quarters



## EBITA adj. & EBITA margin adj. by quarters



### OPERATING PROFIT/LOSS

EBIT in the fourth quarter amounted to MSEK 113 (75).

EBITA adj. was MSEK 145 (105).

Items affecting comparability amounted to MSEK 18 (30) related to expenses for acquisition and integration of the acquired businesses. Items affecting comparability last year related mainly to the acquisitions and divestments made. Amortization increased to MSEK 14 (0) related entirely to the acquired businesses.

EBIT for the period January to December 2017 was MSEK 417 (307), negatively impacted by the non-cash PPA adjustment of MSEK 17 from Q3.

EBITA adj. for the period January to December 2017 was MSEK 510 (331), negatively impacted by the non-cash PPA adjustment of MSEK 17 from Q3.

Items affecting comparability amounted to MSEK 45 (23) related to expenses for acquisition and integration of the acquired businesses. Amortization increased to MSEK 48 (1) related to the acquired businesses.

### NET PROFIT

Profit after tax for the fourth quarter increased to MSEK 91 (48). Net financial items were MSEK -15 (-2) reflecting the acquisitions. Tax for the period was MSEK 8 (26). The low tax rate in Q4 of 8% (34%) is affected by revaluation triggered by the new, lower tax rate in the US.

Profit after tax for the period January to December 2017 was MSEK 292 (194). Net financial items amounted to MSEK -28 (-25) impacted by a positive revaluation effect related to the acquisition loans. Tax expense was MSEK 97 (87) and the tax rate was 25% (31%) impacted by a favourable Q4. The Group now has many new companies added and a country by country tax review is being conducted during 2018.

### INVESTMENTS

Net investments in fixed assets in the fourth quarter totalled MSEK 9 (19). Net investments in fixed assets during January to December amounted to MSEK 37 (37), affected by ongoing integration activities.

### FINANCIAL POSITION

Net debt totalled MSEK 910 (295) as of 31 December 2017. The equity ratio was 55.6% (67.2).

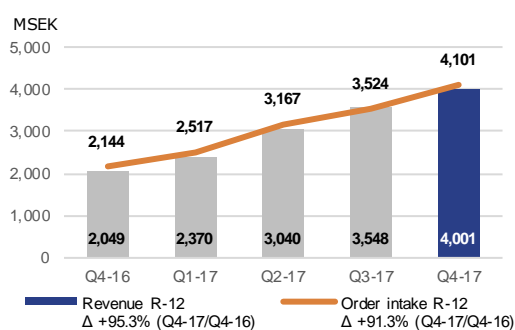
### CASH FLOW

Cash flow from operating activities in the fourth quarter was MSEK 174 (135). For the period January to December, cash flow from operating activities was MSEK 335 (224). The improved cash flow in the quarter, compared to previous quarters in the year, was mainly coming from the conversion of the acquisition loans and of the positive working capital development related to collections and milestone payments. Taxes paid year-to-date are mainly driven by taxes in the acquired companies as is the impact from depreciation and amortization.

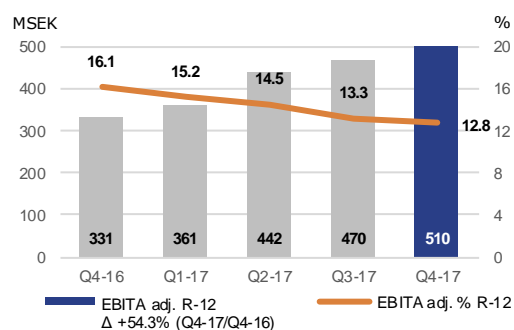
### EMPLOYEES

As of 31 December 2017, there were 2,439 (1,171) FTEs in the Group.

### Order intake & Revenue by R4 quarters



### EBITA adj. & EBITA margin adj. by R4 quarters



# Construction Equipment

- Low order intake caused by longer decision processes in the market
- Organic revenue growth of 11% driven by Europe and Middle East
- Very strong EBITA margin adj. of 17.8% (13.8)

Order intake decreased to MSEK 113, mainly due to timing of order placement in Europe and Americas but also a somewhat slower South East Asian market. In general, we still see high activity on the construction market but signs of slightly longer decision-making processes.

Revenue grew organically by 11% year-over-year to MSEK 228 with good development in Europe and in the Middle East. The increased volumes together with a favourable product mix resulted in EBITA adj. ending up at MSEK 41, and a margin of 17.8% (13.7) in the quarter.

For the full year, the business area delivered an 8% growth in organic order intake and an organic revenue growth of 17%.

*Business area Construction Equipment is not directly affected by the acquired companies.*

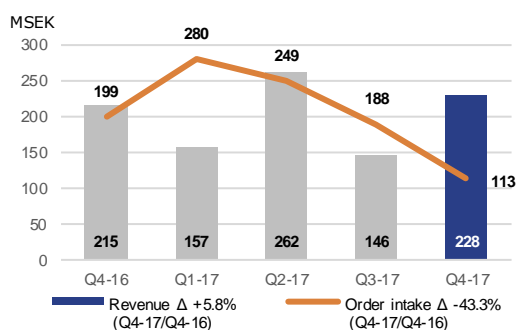
| ORDER INTAKE                | Q4           |              | Jan-Dec      |              |
|-----------------------------|--------------|--------------|--------------|--------------|
|                             | 2017         | 2016         | 2017         | 2016         |
| <b>Orders, MSEK</b>         | <b>113.0</b> | <b>199.3</b> | <b>830.2</b> | <b>779.1</b> |
| Change, MSEK                | -86.3        | 65.5         | 51.1         | 231.8        |
| Change, %                   | -43.3%       | 49.0%        | 6.6%         | 42.4%        |
| <b>Whereof:</b>             |              |              |              |              |
| Volume & price, %           | -39.5%       | 50.8%        | 8.0%         | 45.7%        |
| Exchange rate, %            | -3.8%        | -1.8%        | -1.4%        | -3.3%        |
| Acquisition & divestment, % | 0.0%         | 0.0%         | 0.0%         | 0.0%         |

| REVENUE                     | Q4           |              | Jan-Dec      |              |
|-----------------------------|--------------|--------------|--------------|--------------|
|                             | 2017         | 2016         | 2017         | 2016         |
| <b>Revenue, MSEK</b>        | <b>228.1</b> | <b>215.5</b> | <b>792.5</b> | <b>685.8</b> |
| Change, MSEK                | 12.6         | 59.1         | 106.7        | 132.5        |
| Change, %                   | 5.8%         | 37.8%        | 15.6%        | 24.0%        |
| <b>Whereof:</b>             |              |              |              |              |
| Volume & price, %           | 10.6%        | 36.1%        | 17.2%        | 25.4%        |
| Exchange rate, %            | -4.7%        | 1.7%         | -1.6%        | -1.4%        |
| Acquisition & divestment, % | 0.0%         | 0.0%         | 0.0%         | 0.0%         |

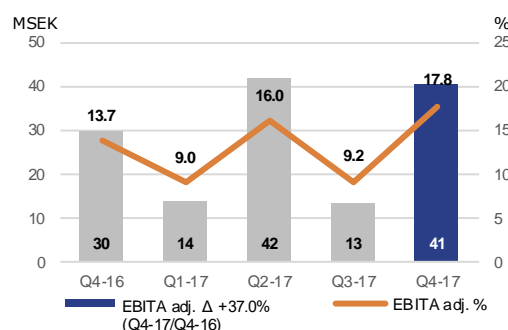
| EBITA adj. <sup>1</sup>     | Q4           |              | Jan-Dec      |              |
|-----------------------------|--------------|--------------|--------------|--------------|
|                             | 2017         | 2016         | 2017         | 2016         |
| <b>EBITA adj, MSEK</b>      | <b>40.5</b>  | <b>29.6</b>  | <b>110.0</b> | <b>83.5</b>  |
| <b>EBITA margin adj, %</b>  | <b>17.8%</b> | <b>13.7%</b> | <b>13.9%</b> | <b>12.2%</b> |
| Change, MSEK                | 10.9         | 10.0         | 26.4         | 24.7         |
| Change, %                   | 37.0%        | 51.2%        | 31.7%        | 42.0%        |
| <b>Whereof:</b>             |              |              |              |              |
| Volume & price, %           | 38.7%        | 49.4%        | 32.1%        | 40.4%        |
| Exchange rate, %            | -1.8%        | 1.8%         | -0.5%        | 1.7%         |
| Acquisition & divestment, % | 0.0%         | 0.0%         | 0.0%         | 0.0%         |

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue by quarters



## EBITA adj. & EBITA margin adj. by quarters



# Industrial Equipment

- Strong growth in the acquired businesses. Organic order intake decrease of 18%
- Organic revenue decrease of 14% in the quarter due to timing of projects in backlog
- Increased EBITA margin adj. of 4.8% (1.9) with positive development both organically and in the acquired businesses

Order intake decreased organically by 18% in the quarter while reported order intake, including the acquired businesses, increased 669%. The latter mainly driven by the BMU business, which apart from the Sydney Harbour Bridge contract also received other significant orders across a number of markets.

Wind experienced turbulence among its customers in the fourth quarter, but the market started to pick up in the last weeks of the quarter.

Revenue increased to MSEK 448 with an organic decrease of 14% due to timing of projects in backlog. The EBITA margin adj. improved to 4.8% (1.9) – with improvements both organically and in the acquired businesses. The profitability in the organic business increased due to activities to reduce cost and improved project execution.

*Management assessment: If the acquired companies had been fully consolidated in the Group by 1 January 2016, order intake growth during January-December 2017 would have been 3% and revenue would have decreased 1% compared to the same period in 2016 (please find quarterly figures on page 18, table 2).*

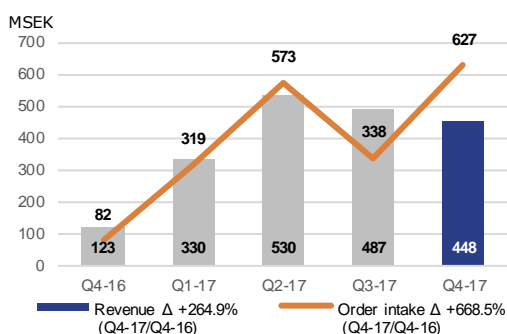
| ORDER INTAKE                | Q4           |             | Jan-Dec        |              |
|-----------------------------|--------------|-------------|----------------|--------------|
|                             | 2017         | 2016        | 2017           | 2016         |
| <b>Orders, MSEK</b>         | <b>627.0</b> | <b>81.6</b> | <b>1,857.1</b> | <b>342.8</b> |
| Change, MSEK                | 545.4        | -2.1        | 1,514.3        | -188.2       |
| Change, %                   | 668.5%       | -2.5%       | 441.8%         | -35.4%       |
| <b>Whereof:</b>             |              |             |                |              |
| Volume & price, %           | -17.7%       | -5.2%       | -6.4%          | -35.4%       |
| Exchange rate, %            | -3.9%        | 2.7%        | 0.0%           | 0.0%         |
| Acquisition & divestment, % | 690.1%       | 0.0%        | 448.1%         | 0.0%         |

| REVENUE                     | Q4           |              | Jan-Dec        |              |
|-----------------------------|--------------|--------------|----------------|--------------|
|                             | 2017         | 2016         | 2017           | 2016         |
| <b>Revenue, MSEK</b>        | <b>448.4</b> | <b>122.9</b> | <b>1,795.2</b> | <b>373.5</b> |
| Change, MSEK                | 325.5        | -45.5        | 1,421.7        | -112.0       |
| Change, %                   | 264.9%       | -27.0%       | 380.6%         | -23.1%       |
| <b>Whereof:</b>             |              |              |                |              |
| Volume & price, %           | -14.5%       | -28.4%       | 8.3%           | -22.8%       |
| Exchange rate, %            | -2.7%        | 1.4%         | 0.2%           | -0.3%        |
| Acquisition & divestment, % | 282.0%       | 0.0%         | 372.1%         | 0.0%         |

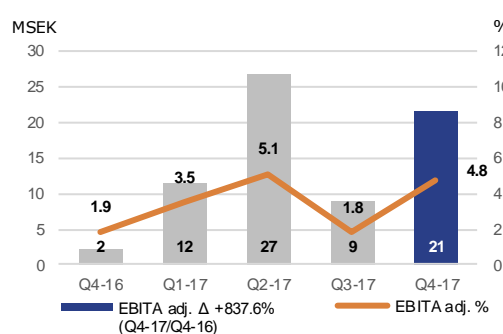
| EBITA adj. <sup>1</sup>     | Q4          |             | Jan-Dec     |              |
|-----------------------------|-------------|-------------|-------------|--------------|
|                             | 2017        | 2016        | 2017        | 2016         |
| <b>EBITA adj, MSEK</b>      | <b>21.4</b> | <b>2.3</b>  | <b>68.6</b> | <b>-13.2</b> |
| <b>EBITA margin adj, %</b>  | <b>4.8%</b> | <b>1.9%</b> | <b>3.8%</b> | <b>-3.5%</b> |
| Change, MSEK                | 19.1        | -14.2       | 81.9        | -56.0        |
| Change, %                   | 837.6%      | -86.1%      | 618.6%      | -130.9%      |
| <b>Whereof:</b>             |             |             |             |              |
| Volume & price, %           | 373.6%      | -82.8%      | 398.3%      | -131.5%      |
| Exchange rate, %            | 13.9%       | -3.2%       | -2.6%       | 0.6%         |
| Acquisition & divestment, % | 450.0%      | 0.0%        | 223.0%      | 0.0%         |

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue by quarters



## EBITA adj. & EBITA margin adj. by quarters



# After Sales

- Strong growth of 28% in organic order intake in the quarter
- Revenue with solid momentum across all areas except Wind. US pilot running during the quarter
- Lower EBITA margin adj. of 25.0% (34.3) in the quarter due to dilution from the acquired businesses, revenue mix and lower utilization in some units

Strong organic order intake growth of 28% with spare parts and refurbishments being key drivers. In the fourth quarter, the US pilot project in After Sales was ongoing, with roll out to further markets continuing in 2018.

Revenue increased across all areas except Wind. Organic revenue grew 7% with most geographical markets showing solid momentum.

EBITA adj. increased to MSEK 74, which resulted in a lower margin of 25.0% (34.3) due to dilution from acquired businesses, revenue mix and lower utilization.

*Management assessment: If the acquired companies had been fully consolidated in the Group by 1 January 2016, the order intake growth during January-December 2017 would have been 12% and the revenue growth would have been 12% compared to the same period in 2016 (please find quarterly figures on page 18, table 2).*

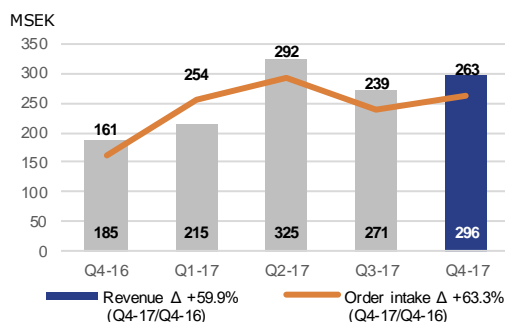
| ORDER INTAKE                | Q4    |       | Jan-Dec |       |
|-----------------------------|-------|-------|---------|-------|
|                             | 2017  | 2016  | 2017    | 2016  |
| Orders, MSEK                | 263.3 | 161.2 | 1,048.4 | 652.5 |
| Change, MSEK                | 102.1 | 2.5   | 395.9   | -49.5 |
| Change, %                   | 63.3% | 1.6%  | 60.7%   | -7.0% |
| <b>Whereof:</b>             |       |       |         |       |
| Volume & price, %           | 27.6% | -1.6% | 16.7%   | -6.3% |
| Exchange rate, %            | -6.7% | 3.1%  | -0.2%   | -0.7% |
| Acquisition & divestment, % | 42.5% | 0.0%  | 44.1%   | 0.0%  |

| REVENUE                     | Q4    |       | Jan-Dec |       |
|-----------------------------|-------|-------|---------|-------|
|                             | 2017  | 2016  | 2017    | 2016  |
| Revenue, MSEK               | 296.5 | 185.5 | 1,107.7 | 680.3 |
| Change, MSEK                | 111.0 | 8.2   | 427.4   | -8.7  |
| Change, %                   | 59.9% | 4.6%  | 62.8%   | -1.3% |
| <b>Whereof:</b>             |       |       |         |       |
| Volume & price, %           | 7.1%  | 1.2%  | 3.7%    | -0.5% |
| Exchange rate, %            | -4.8% | 3.4%  | -0.1%   | -0.7% |
| Acquisition & divestment, % | 57.5% | 0.0%  | 59.2%   | 0.0%  |

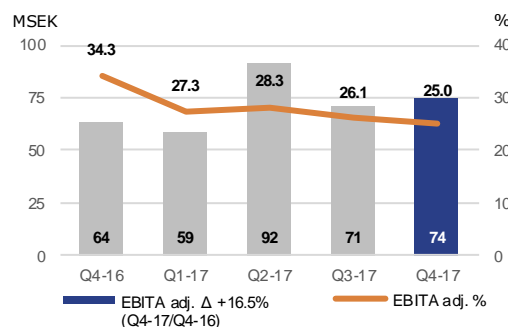
| EBITA adj. <sup>1</sup>     | Q4    |       | Jan-Dec |       |
|-----------------------------|-------|-------|---------|-------|
|                             | 2017  | 2016  | 2017    | 2016  |
| EBITA adj, MSEK             | 74.1  | 63.6  | 295.5   | 224.0 |
| EBITA margin adj, %         | 25.0% | 34.3% | 26.7%   | 32.9% |
| Change, MSEK                | 10.5  | 6.0   | 71.5    | 0.6   |
| Change, %                   | 16.5% | 10.3% | 31.9%   | 0.3%  |
| <b>Whereof:</b>             |       |       |         |       |
| Volume & price, %           | 3.1%  | 8.0%  | 3.6%    | 0.6%  |
| Exchange rate, %            | -3.0% | 2.3%  | 0.1%    | -0.3% |
| Acquisition & divestment, % | 16.4% | 0.0%  | 28.2%   | 0.0%  |

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue by quarters



## EBITA adj. & EBITA margin adj. by quarters





# Rental

- Strong organic growth in order intake of 25%, driven by the European rental fleet
- Organic revenue growth of 8%
- Stable EBITA-margin adj. of 11.3% (13.0) in line with Q3 2017

In the fourth quarter of 2017, Rental delivered strong organic growth in order intake of 25%, mainly driven by orders from the European market. The full year organic order intake increased by 3% and last year's comparable numbers are impacted by the divestment of the US Rental Operation during Q3, 2016.

Revenues improved organically by 8% year-over-year with positive contribution from most markets.

EBITA adj. for the quarter was MSEK 9, a margin of 11.3% (13.0) – which is on the same level as in the third quarter 2017.

*Business area Rental is not directly affected by the acquired companies.*

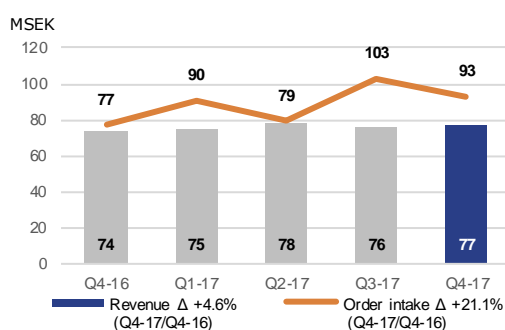
| ORDER INTAKE                | Q4          |             | Jan-Dec      |              |
|-----------------------------|-------------|-------------|--------------|--------------|
|                             | 2017        | 2016        | 2017         | 2016         |
| <b>Orders, MSEK</b>         | <b>93.0</b> | <b>76.8</b> | <b>365.4</b> | <b>369.5</b> |
| Change, MSEK                | 16.2        | 27.3        | -4.0         | 40.7         |
| Change, %                   | 21.1%       | 55.1%       | -1.1%        | 12.4%        |
| <b>Whereof:</b>             |             |             |              |              |
| Volume & price, %           | 24.9%       | 40.5%       | 2.6%         | 11.7%        |
| Exchange rate, %            | -3.2%       | 14.6%       | 1.9%         | 0.7%         |
| Acquisition & divestment, % | -0.5%       | 0.0%        | -5.7%        | 0.0%         |

| REVENUE                     | Q4          |             | Jan-Dec      |              |
|-----------------------------|-------------|-------------|--------------|--------------|
|                             | 2017        | 2016        | 2017         | 2016         |
| <b>Revenue, MSEK</b>        | <b>77.0</b> | <b>73.6</b> | <b>305.3</b> | <b>308.9</b> |
| Change, MSEK                | 3.4         | -11.9       | -3.6         | 0.5          |
| Change, %                   | 4.6%        | -13.9%      | -1.2%        | 0.2%         |
| <b>Whereof:</b>             |             |             |              |              |
| Volume & price, %           | 7.8%        | -20.1%      | 3.4%         | -0.4%        |
| Exchange rate, %            | -2.7%       | 6.2%        | 1.9%         | 0.5%         |
| Acquisition & divestment, % | -0.5%       | 0.0%        | -6.5%        | 0.0%         |

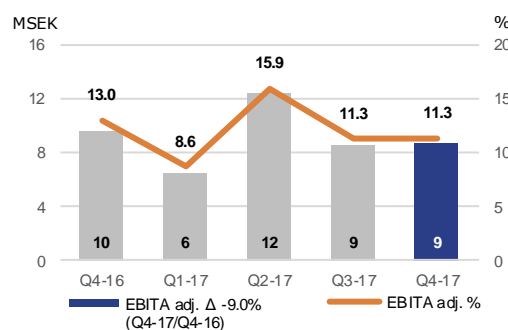
| EBITA adj. <sup>1</sup>     | Q4           |              | Jan-Dec      |              |
|-----------------------------|--------------|--------------|--------------|--------------|
|                             | 2017         | 2016         | 2017         | 2016         |
| <b>EBITA adj, MSEK</b>      | <b>8.7</b>   | <b>9.6</b>   | <b>36.1</b>  | <b>36.3</b>  |
| <b>EBITA margin adj, %</b>  | <b>11.3%</b> | <b>13.0%</b> | <b>11.8%</b> | <b>11.8%</b> |
| Change, MSEK                | -0.9         | -2.8         | -0.2         | 9.4          |
| Change, %                   | -9.0%        | -22.8%       | -0.6%        | 34.9%        |
| <b>Whereof:</b>             |              |              |              |              |
| Volume & price, %           | -0.5%        | -28.0%       | 3.6%         | 33.2%        |
| Exchange rate, %            | -2.6%        | 5.1%         | 2.0%         | 1.7%         |
| Acquisition & divestment, % | -5.8%        | 0.0%         | -6.2%        | 0.0%         |

<sup>1</sup> Before items affecting comparability

## Order intake & Revenue by quarters



## EBITA adj. & EBITA margin adj. by quarters



# Group summary

## PARENT COMPANY

Revenue for the fourth quarter 2017 amounted to MSEK 2 (3) and profit/loss for the period was MSEK 165 (121).

## SIGNIFICANT EVENTS DURING THE YEAR

### RIGHTS ISSUE

On 8 March 2017, the Board resolved to undertake a share issue with preferential rights for existing shareholders. A prospectus was published on 13 March 2017 and the subscription price was set at SEK 73.0 per share for a maximum of 10,831,572 shares. The subscription period ended on 31 March 2017 and the share issue was fully subscribed. Alimak thus received proceeds amounting to approximately MSEK 791 before issue costs.

### NUMBER OF SHARES AND VOTES IN ALIMAK GROUP

The number of shares and votes in Alimak Group AB changed as a result of the right issue completed in April 2017. There are in total 54,157,861 shares in the company, entitling to a total of 54,157,861 votes. The company holds no own shares.

### DIVIDEND 2016

The Annual General Meeting decided on a dividend of 86,652,578 SEK corresponding to 1.60 SEK per share for a total of 54,157,861 shares being the number of shares entitled to dividend following completion of the registration of the fully subscribed issue of new shares.

### REPAYMENT OF BRIDGE LOAN FACILITY

The acquisition of Avanti Wind Systems was financed by a bridge loan facility of MSEK 800, to be repaid with proceeds from the issue of new shares. The loan was repaid in full in April 2017.

### MANAGEMENT CHANGES

Per Ekstedt resigned from the position as CFO of Alimak Group on 6 September 2017 and is currently on sick leave. The company's former CFO, Stefan Rinaldo was appointed acting CFO, in addition to his current role as COO. The process to find a successor is ongoing.

Charlotte Brogren was appointed Chief Technology Officer for Alimak Group in October 2017.

## THE NOMINATION COMMITTEE APPOINTED

The new Nomination Committee was appointed in September 2017 and comprise of the following members: Anders Mörck, Latour, Chairman of the Nomination Committee, Johan Lannebo, Lannebo Fonder, Åsa Nisell, Swedbank Robur Fonder, Michael Green, Handelsbanken Fonder and Anders Jonsson, Alimak Group's Chairman of the Board

The Nomination Committee shall prepare proposals for the 2018 Annual General Meeting regarding the Chairman of the Meeting, number of Board members, fees to be paid to each of the Board members, election of Board members and Board Chairman, remuneration to the auditor, election of auditor and, if necessary, proposal for changes in the instruction for the Nomination Committee.

## EXTRAORDINARY GENERAL MEETING

On November 1, 2017, Alimak Group held an Extraordinary General Meeting of shareholders where Carl Johan Falkenberg from Triton resigned his duties and was replaced by Jan Svensson from Latour as member of the board.

## SYDNEY HARBOUR BRIDGE

In October 2017, Alimak Group signed the largest contract in the Group's history – a contract for a vertical access maintenance solution for the Sydney Harbour Bridge with an order value of MSEK 170.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

### MANAGEMENT CHANGES

Per January 1, 2018, Alimak Group decided on a new composition of the Group Management Team (GMT). The GMT now consists of the President and CEO, COO and CFO, CTO as well as Global BA heads.

### DIVIDEND 2017

The Board of Directors proposes a dividend of SEK 2.30 per share based on existing number of shares.

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# Financial targets and policies

## FINANCIAL TARGETS

The financial targets were revised in February 2017 due to the acquisitions of Facade Access Group and Avanti Wind Systems which affected the business mix. The company aims to gradually reach its mid-term financial targets over a time span of 3-4 years. The Group's mid-term target is to have an average annual organic revenue growth of at least 6%. The Group's mid-term target is to reach an operating EBITA margin of at least 15%. The company will also maintain an effective capital structure with a net debt of around 2x EBITDA. The capital structure will be flexible and allow for strategic initiatives.

## DIVIDEND POLICY

The company has a target of paying a dividend of approximately 50% of its net profit for the current period to its shareholders. Decisions on dividend payment will take account of the company's financial position, cash flow, acquisition opportunities, strategic considerations and prospects.

## RISKS

For a description of risks and uncertainties please refer to Alimak Group AB's 2016 Annual Report.

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## DECLARATION

The Board of Directors and the CEO declare that the interim report presents a true and fair view of the operations, financial position and results of the Parent Company and Group, and describes the significant risks and uncertainties facing the Parent Company and the companies forming part of the Group.

Stockholm, 23 February 2018

Alimak Group AB (publ) corporate identity number 556714-1857

Anders Jonsson  
Chairman of the Board

Jan Svensson  
Board member

Anders Thelin  
Board member

Eva Lindqvist  
Board member

Helena Nordman-Knutson  
Board member

Joakim Rosengren  
Board member

Örjan Fredriksson  
Employee representative

Greger Larsson  
Employee representative

Tormod Gunleiksrud  
President and CEO

This interim report has not been reviewed by the company's auditors.

# Condensed statement of comprehensive income, Group

| Amounts in MSEK   | Q4 2017      | Q4 2016      | Jan-Dec 2017   | Jan-Dec 2016 |
|---|--------------|--------------|----------------|--------------|
| Revenue   | 1,050.0      | 597.5        | 4,000.7        | 2,048.6      |
| Cost of goods sold  | -695.4       | -379.5       | -2,657.8       | -1,230.7     |
| <b>Gross Profit</b>                                       | <b>354.6</b> | <b>217.9</b> | <b>1,342.9</b> | <b>817.9</b> |
| Total operating expenses                                  | -241.5       | -142.8       | -926.1         | -511.1       |
| <b>Operating profit (EBIT)</b>                            | <b>113.1</b> | <b>75.1</b>  | <b>416.8</b>   | <b>306.8</b> |
| Net financial items                                       | -14.9        | -1.6         | -28.3          | -25.4        |
| <b>Result before tax (EBT)</b>                            | <b>98.2</b>  | <b>73.5</b>  | <b>388.6</b>   | <b>281.4</b> |
| Tax on profit for the period                              | -7.7         | -25.1        | -97.0          | -87.4        |
| <b>Profit for the period</b>                              | <b>90.5</b>  | <b>48.4</b>  | <b>291.6</b>   | <b>194.0</b> |
| Attributable to the parent company's shareholders         | 90.5         | 48.4         | 291.6          | 194.0        |
| Earnings per share, SEK <sup>1</sup>                      | 1.67         | 1.02         | 5.58           | 4.10         |
| <b>Other comprehensive income for the period</b>          |              |              |                |              |
| <b>Items that will be returned to net income</b>          |              |              |                |              |
| Translation differences                                   | 31.8         | 32.6         | -93.8          | 66.8         |
| Cash flow hedging   | 2.0          | -0.2         | 2.2            | -2.5         |
| Hedging of net investments                                | -0.5         | -            | -0.5           | -            |
| Deferred tax attributable to hedging                      | -            | -            | -              | 0.5          |
| <b>Total</b>  | <b>33.4</b>  | <b>32.4</b>  | <b>-92.1</b>   | <b>64.8</b>  |
| <b>Items not to be returned to net income</b>             |              |              |                |              |
| Revaluation of pension plans                              | 13.9         | -1.6         | 11.1           | -27.9        |
| Deferred tax attributable to revaluation of pension plans | -2.8         | 0.3          | -2.2           | 5.6          |
| <b>Total</b>  | <b>11.1</b>  | <b>-1.3</b>  | <b>8.9</b>     | <b>-22.3</b> |
| <b>Other comprehensive income, net after tax</b>          | <b>44.5</b>  | <b>31.1</b>  | <b>-83.2</b>   | <b>42.5</b>  |
| <b>Total comprehensive income for the period</b>          | <b>135.1</b> | <b>79.5</b>  | <b>208.4</b>   | <b>236.5</b> |
| Attributable to the parent company's shareholders         | 135.1        | 79.5         | 208.4          | 236.5        |

<sup>1</sup> Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017

# Condensed statement of financial position, Group

| Amounts in MSEK                        | 31 Dec 2017    | 31 Dec 2016    |
|--|----------------|----------------|
| <b>ASSETS</b>                          |                |                |
| Intangible fixed assets                | 2,896.0        | 1,789.2        |
| Tangible fixed assets                  | 360.4          | 258.7          |
| Financial and other non-current assets | 103.5          | 48.0           |
| <b>Total non-current assets</b>        | <b>3,359.9</b> | <b>2,095.9</b> |
| Inventories                            | 816.6          | 394.6          |
| Trade receivables                      | 893.6          | 408.8          |
| Other receivables                      | 165.6          | 146.4          |
| Cash and cash equivalents              | 341.3          | 230.6          |
| <b>Total current assets</b>            | <b>2,217.1</b> | <b>1,180.3</b> |
| <b>TOTAL ASSETS</b>                    | <b>5,577.0</b> | <b>3,276.2</b> |
| <b>EQUITY AND LIABILITIES</b>          |                |                |
| <b>Shareholders equity</b>             | <b>3,099.3</b> | <b>2,202.1</b> |
| <b>Non-current liabilities</b>         |                |                |
| Interest bearing debts                 | 1,205.0        | 446.5          |
| Other long term liabilities            | 381.7          | 128.5          |
| <b>Total non-current liabilities</b>   | <b>1,586.7</b> | <b>575.0</b>   |
| <b>Current liabilities</b>             |                |                |
| Interest bearing debts                 | 46.0           | 78.7           |
| Accounts payable                       | 533.0          | 219.3          |
| Other current liabilities              | 312.0          | 201.2          |
| <b>Total current liabilities</b>       | <b>891.1</b>   | <b>499.1</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>    | <b>5,577.0</b> | <b>3,276.2</b> |

# Condensed statement of changes in equity, Group

| Amounts in MSEK                       | Share capital | Other paid-in capital | Translation reserve | Hedging reserve | Retained earnings and profit for the period | Total equity   |
|---------------------------------------|---------------|-----------------------|---------------------|-----------------|---|----------------|
| <b>Opening balance, 1 Jan 2016</b>    | <b>0.9</b>    | <b>2,175.4</b>        | <b>91.4</b>         | <b>0.4</b>      | <b>-216.0</b>                               | <b>2,052.1</b> |
| Profit for the period                 |               |                       |                     |                 | 194.0                                       | 194.0          |
| Changes of fair value                 |               |                       |                     | -2.5            | -22.3                                       | -24.7          |
| Tax attributable to cash flow hedging |               |                       |                     | 0.5             |   | 0.5            |
| Translation difference                |               |                       | 66.8                |                 |   | 66.8           |
| <b>Total comprehensive income</b>     | <b>0.0</b>    | <b>0.0</b>            | <b>66.8</b>         | <b>-1.9</b>     | <b>171.7</b>                                | <b>236.6</b>   |
| Dividend                              |               |                       |                     |                 | -86.7                                       | -86.7          |
| <b>Closing balance, 31 Dec 2016</b>   | <b>0.9</b>    | <b>2,175.4</b>        | <b>158.3</b>        | <b>-1.5</b>     | <b>-130.9</b>                               | <b>2,202.1</b> |
| <b>Opening balance, 1 Jan 2017</b>    | <b>0.9</b>    | <b>2,175.4</b>        | <b>158.3</b>        | <b>-1.5</b>     | <b>-130.9</b>                               | <b>2,202.1</b> |
| Share issue <sup>1</sup>              | 0.2           | 775.3                 |                     |                 |   | 775.5          |
| Profit for the period                 |               |                       |                     |                 | 291.6                                       | 291.6          |
| Changes of fair value                 |               |                       |                     | 2.2             | 9.0   | 11.2           |
| Tax attributable to hedging           |               |                       |                     | -0.5            |   | -0.5           |
| Translation difference                |               |                       | -93.9               |                 |   | -93.9          |
| <b>Total comprehensive income</b>     | <b>0.0</b>    | <b>0.0</b>            | <b>-93.9</b>        | <b>1.7</b>      | <b>300.6</b>                                | <b>208.4</b>   |
| Dividend                              |               |                       |                     |                 | -86.7                                       | -86.7          |
| <b>Closing balance, 31 Dec 2017</b>   | <b>1.1</b>    | <b>2,950.6</b>        | <b>64.4</b>         | <b>0.2</b>      | <b>83.1</b>                                 | <b>3,099.3</b> |

<sup>1</sup>A new issue of 10,831,572 shares for SEK 73.0 per share was fully completed and registered on 12 April 2017. Other paid-in capital is reported net for issue costs of MSEK 15.2.

# Cash flow statement, Group

| Amounts in MSEK   | Q4 2017       | Q4 2016      | Jan-Dec 2017    | Jan-Dec 2016  |
|---|---------------|--------------|-----------------|---------------|
| <b>Operating activities:</b>  |               |              |                 |               |
| Profit before tax   | 98.2          | 73.5         | 388.6           | 281.4         |
| Reversal of depreciation and amortisation                                   | 30.0          | 12.1         | 112.6           | 50.5          |
| Taxes paid  | -28.0         | -4.3         | -99.3           | -39.3         |
| Adjustments for other non-cash items  | 5.0           | -20.3        | -39.7           | -31.8         |
| <b>Cash flow from operating activities before change in working capital</b> | <b>105.3</b>  | <b>61.0</b>  | <b>362.1</b>    | <b>260.8</b>  |
| <b>Change in working capital:</b>   |               |              |                 |               |
| Change in inventory   | -8.3          | 24.4         | -31.1           | -40.5         |
| Change in operating receivables   | 86.8          | 14.0         | -60.9           | -29.5         |
| Change in operating liabilities   | -10.1         | 35.2         | 65.3            | 33.2          |
| <b>Cash flow from working capital</b>                                       | <b>68.5</b>   | <b>73.6</b>  | <b>-26.7</b>    | <b>-36.8</b>  |
| <b>Cash flow from operating activities</b>                                  | <b>173.8</b>  | <b>134.6</b> | <b>335.4</b>    | <b>224.0</b>  |
| <b>Investing activities:</b>  |               |              |                 |               |
| Business acquisitions, net of cash acquired                                 | 43.7          | 0.0          | -1,086.1        | 0.0           |
| Investment in intangible fixed assets                                       | 0.0           | 0.2          | -0.2            | -0.1          |
| Investment in tangible fixed assets   | -10.4         | -17.8        | -43.2           | -57.0         |
| Sales/disposal of tangible fixed assets                                     | 1.7           | -1.0         | 6.0             | 20.1          |
| <b>Cash flow from investing activities</b>                                  | <b>35.2</b>   | <b>-18.6</b> | <b>-1,123.4</b> | <b>-36.9</b>  |
| <b>Financing activities:</b>  |               |              |                 |               |
| Dividend  | 0.0           | 0.0          | -86.7           | -86.7         |
| Rights issue  | 0.0           | 0.0          | 775.5           | 0.0           |
| New loans and repayments, net   | -181.7        | -92.4        | 214.0           | -338.9        |
| <b>Cash flow from financing activities</b>                                  | <b>-181.7</b> | <b>-92.4</b> | <b>902.8</b>    | <b>-425.5</b> |
| <b>Cash flow for the period</b>   | <b>27.2</b>   | <b>23.5</b>  | <b>114.9</b>    | <b>-238.4</b> |
| Cash & cash equivalents at beginning of period                              | 292.3         | 200.7        | 230.6           | 450.0         |
| Translation differences   | 21.8          | 6.3          | -4.1            | 18.9          |
| Cash & cash equivalents at end of period                                    | 341.3         | 230.6        | 341.3           | 230.6         |



# Key figures

| Quarterly data   | 2017     |          |          |          | 2016     |          |          |          |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
|  | Q4       | Q3       | Q2       | Q1       | Q4       | Q3       | Q2       | Q1       |
| Order intake, MSEK   | 1,096.3  | 868.8    | 1,193.3  | 942.8    | 518.8    | 512.5    | 543.1    | 569.4    |
| Revenue, MSEK  | 1,050.0  | 979.8    | 1,194.3  | 776.6    | 597.5    | 471.4    | 524.5    | 455.3    |
| EBITA adj, MSEK  | 144.7    | 101.3    | 173.2    | 90.9     | 105.0    | 73.0     | 92.4     | 60.3     |
| EBITA margin adj, %  | 13.8%    | 10.3%    | 14.5%    | 11.7%    | 17.6%    | 15.5%    | 17.6%    | 13.2%    |
| EBITA, MSEK  | 126.7    | 81.6     | 170.5    | 85.8     | 75.4     | 79.8     | 92.4     | 60.3     |
| EBITA margin, %  | 12.1%    | 8.3%     | 14.3%    | 11.0%    | 12.6%    | 16.9%    | 17.6%    | 13.2%    |
| EBIT, MSEK   | 113.1    | 68.7     | 156.1    | 79.0     | 75.1     | 79.6     | 92.1     | 60.0     |
| EBIT, %  | 10.8%    | 7.0%     | 13.1%    | 10.2%    | 12.6%    | 16.9%    | 17.6%    | 13.2%    |
| Net profit, MSEK   | 90.5     | 72.1     | 78.6     | 50.4     | 48.4     | 51.2     | 65.2     | 29.2     |
| Total comprehensive income, MSEK                                 | 135.1    | 2.6      | 24.3     | 46.4     | 79.5     | 63.8     | 76.0     | 17.3     |
| Cash flow from operations, MSEK                                  | 173.8    | 74.1     | 44.0     | 43.6     | 134.6    | -7.6     | 66.5     | 30.5     |
| Total cash flow, MSEK  | 27.2     | 6.4      | -13.9    | 95.3     | 23.5     | -40.5    | -62.2    | -159.2   |
| Number of shares, thousands <sup>1</sup>                         | 54,157.9 | 54,157.9 | 54,157.9 | 43,326.3 | 43,326.3 | 43,326.3 | 43,326.3 | 43,326.3 |
| Average number of shares, thousands                              | 54,157.9 | 54,157.9 | 52,729.5 | 43,326.3 | 43,326.3 | 43,326.3 | 43,326.3 | 43,326.3 |
| Earnings per share, SEK <sup>2</sup>                             | 1.67     | 1.33     | 1.48     | 1.07     | 1.02     | 1.08     | 1.38     | 0.62     |
| Earnings per share, SEK, as per numbers of shares at 31 Dec 2017 | 1.67     | 1.33     | 1.45     | 0.93     | 0.89     | 0.95     | 1.20     | 0.54     |
| Total cash flow per share, SEK <sup>2</sup>                      | 0.50     | 0.12     | -0.26    | 2.02     | 0.50     | -0.86    | -1.32    | -3.37    |
| Equity per share, SEK <sup>2</sup>                               | 57.23    | 54.73    | 54.71    | 52.49    | 46.57    | 44.89    | 43.54    | 43.76    |
| Total assets, MSEK   | 5,577.0  | 5,550.5  | 5,654.2  | 5,998.6  | 3,276.2  | 3,291.2  | 3,204.4  | 3,187.3  |
| Cash and cash equivalents end of period, MSEK                    | 341.3    | 292.3    | 293.1    | 331.2    | 230.6    | 200.7    | 232.3    | 287.3    |
| Equity, MSEK   | 3,099.3  | 2,964.2  | 2,962.8  | 2,482.1  | 2,202.1  | 2,122.5  | 2,058.8  | 2,069.3  |
| Capital employed, MSEK   | 4,009.0  | 4,011.6  | 4,103.1  | 4,387.7  | 2,496.7  | 2,521.8  | 2,443.7  | 2,419.9  |
| Net debt, MSEK   | 909.7    | 1,047.3  | 1,140.3  | 1,905.6  | 294.6    | 399.3    | 385.0    | 350.6    |
| Equity ratio, %  | 55.6%    | 53.4%    | 52.4%    | 41.4%    | 67.2%    | 64.5%    | 64.2%    | 65.0%    |
| Return on equity, %  | 11.0%    | 9.8%     | 9.1%     | 9.5%     | 9.1%     | 10.7%    | 10.3%    | 10.7%    |
| Return on capital employed goodwill excluded, %                  | 33.5%    | 29.9%    | 30.3%    | 23.2%    | 43.3%    | 45.0%    | 45.3%    | 39.8%    |
| Return on capital employed, %                                    | 12.8%    | 11.6%    | 11.9%    | 9.6%     | 12.5%    | 13.6%    | 13.3%    | 11.7%    |
| Interest coverage ratio, times                                   | 5.20     | 6.14     | 11.08    | 2.76     | 6.64     | 7.05     | 7.35     | 4.49     |
| Net debt/EBITDA ratio  | 1.72     | 2.21     | 2.44     | 4.92     | 0.82     | 1.02     | 1.02     | 1.04     |
| Number of employees  | 2,439    | 2,340    | 2,351    | 2,325    | 1,171    | 1,193    | 1,204    | 1,166    |

<sup>1</sup> There are no financial instrument or other contract that may entitle its holder to potential shares, thus there is no potential dilution

<sup>2</sup> Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017

| Rolling 4 Quarters               | 2017    |         |         |         | 2016    |         |         |         |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
|                                  | Q4      | Q3      | Q2      | Q1      | Q4      | Q3      | Q2      | Q1      |
| Order intake, MSEK               | 4,101.2 | 3,523.8 | 3,167.4 | 2,517.3 | 2,143.9 | 2,050.7 | 2,022.9 | 2,142.7 |
| Revenue, MSEK                    | 4,000.7 | 3,548.2 | 3,039.8 | 2,370.0 | 2,048.6 | 2,038.7 | 2,001.6 | 2,029.3 |
| EBITA adj, MSEK                  | 510.2   | 470.5   | 442.1   | 361.3   | 330.7   | 331.7   | 324.7   | 336.2   |
| EBITA margin adj, %              | 12.8%   | 13.3%   | 14.5%   | 15.2%   | 16.1%   | 16.3%   | 16.2%   | 16.6%   |
| EBIT, MSEK                       | 416.8   | 378.8   | 389.7   | 325.8   | 306.8   | 336.2   | 322.6   | 284.2   |
| EBIT, %                          | 10.4%   | 10.7%   | 12.8%   | 13.7%   | 15.0%   | 16.5%   | 16.1%   | 14.0%   |
| Net profit, MSEK                 | 291.6   | 249.4   | 228.5   | 215.2   | 194.0   | 217.7   | 202.7   | 159.5   |
| Total comprehensive income, MSEK | 208.4   | 152.8   | 213.9   | 265.6   | 236.5   | 268.2   | 253.1   | 194.8   |
| Cash flow from operations, MSEK  | 335.4   | 296.2   | 214.6   | 237.1   | 224.0   | 207.9   | 282.0   | 257.4   |
| Total cash flow, MSEK            | 114.9   | 111.2   | 64.4    | 16.2    | -238.4  | -142.0  | -151.7  | -61.9   |

# Historical quarterly data 2015 – 2017

| Amounts in MSEK        | 2017         |            |              |            | 2016       |            |            |            | 2015       |            |            |            |
|------------------------|--------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                        | Q4           | Q3         | Q2           | Q1         | Q4         | Q3         | Q2         | Q1         | Q4         | Q3         | Q2         | Q1         |
| <b>Order Intake</b>    |              |            |              |            |            |            |            |            |            |            |            |            |
| Construction Equipment | 113          | 188        | 249          | 280        | 199        | 213        | 188        | 179        | 134        | 134        | 119        | 161        |
| Industrial Equipment   | 627          | 338        | 573          | 319        | 82         | 41         | 111        | 109        | 84         | 84         | 277        | 87         |
| After Sales            | 263          | 239        | 292          | 254        | 161        | 166        | 161        | 165        | 159        | 159        | 175        | 209        |
| Rental                 | 93           | 103        | 79           | 90         | 77         | 93         | 83         | 117        | 50         | 108        | 92         | 80         |
| <b>Total</b>           | <b>1,096</b> | <b>869</b> | <b>1,193</b> | <b>943</b> | <b>519</b> | <b>512</b> | <b>543</b> | <b>569</b> | <b>426</b> | <b>485</b> | <b>663</b> | <b>536</b> |
| <b>Revenue</b>         |              |            |              |            |            |            |            |            |            |            |            |            |
| Construction Equipment | 228          | 146        | 262          | 157        | 215        | 147        | 166        | 157        | 156        | 91         | 179        | 127        |
| Industrial Equipment   | 448          | 487        | 530          | 330        | 123        | 79         | 105        | 67         | 168        | 102        | 116        | 99         |
| After Sales            | 296          | 271        | 325          | 215        | 185        | 165        | 172        | 158        | 177        | 167        | 179        | 165        |
| Rental                 | 77           | 76         | 78           | 75         | 74         | 80         | 82         | 73         | 86         | 74         | 78         | 71         |
| <b>Total</b>           | <b>1,050</b> | <b>980</b> | <b>1,194</b> | <b>777</b> | <b>597</b> | <b>471</b> | <b>524</b> | <b>455</b> | <b>588</b> | <b>434</b> | <b>552</b> | <b>462</b> |
| <b>EBITA adj.</b>      |              |            |              |            |            |            |            |            |            |            |            |            |
| Construction Equipment | 41           | 13         | 42           | 14         | 30         | 17         | 23         | 14         | 20         | 4          | 24         | 12         |
| Industrial Equipment   | 21           | 9          | 27           | 12         | 2          | -6         | 2          | -11        | 16         | 7          | 13         | 6          |
| After Sales            | 74           | 71         | 92           | 59         | 64         | 54         | 59         | 47         | 58         | 49         | 61         | 55         |
| Rental                 | 9            | 9          | 12           | 6          | 10         | 8          | 9          | 10         | 12         | 6          | 6          | 3          |
| <b>Total</b>           | <b>145</b>   | <b>101</b> | <b>173</b>   | <b>91</b>  | <b>105</b> | <b>73</b>  | <b>92</b>  | <b>60</b>  | <b>106</b> | <b>66</b>  | <b>104</b> | <b>76</b>  |
| <b>EBIT</b>            |              |            |              |            |            |            |            |            |            |            |            |            |
| Construction Equipment | 40           | 6          | 42           | 14         | 19         | 17         | 23         | 14         | 20         | 4          | 5          | 9          |
| Industrial Equipment   | 1            | -14        | 10           | 1          | -6         | -6         | 2          | -11        | 16         | 7          | -1         | 5          |
| After Sales            | 63           | 68         | 91           | 58         | 57         | 54         | 59         | 47         | 57         | 49         | 49         | 55         |
| Rental                 | 9            | 9          | 12           | 6          | 5          | 15         | 9          | 10         | 12         | 6          | 0          | 3          |
| <b>Total</b>           | <b>113</b>   | <b>69</b>  | <b>156</b>   | <b>79</b>  | <b>75</b>  | <b>80</b>  | <b>92</b>  | <b>60</b>  | <b>104</b> | <b>66</b>  | <b>54</b>  | <b>72</b>  |

## MANAGEMENT ASSESSMENT (PROFORMA), UNAUDITED, ONLY FOR REFERENCE\* 2016 - 2017

| Amounts in MSEK        | 2017         |            |              |              | 2016         |              |              |              |
|------------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                        | Q4           | Q3         | Q2           | Q1           | Q4           | Q3           | Q2           | Q1           |
| <b>Order Intake</b>    |              |            |              |              |              |              |              |              |
| Construction Equipment | 113          | 188        | 249          | 280          | 199          | 213          | 188          | 179          |
| Industrial Equipment   | 627          | 338        | 573          | 622          | 448          | 566          | 593          | 485          |
| After Sales            | 263          | 239        | 292          | 290          | 240          | 250          | 244          | 234          |
| Rental                 | 93           | 103        | 79           | 90           | 77           | 93           | 83           | 117          |
| <b>Total</b>           | <b>1,096</b> | <b>869</b> | <b>1,193</b> | <b>1,281</b> | <b>963</b>   | <b>1,121</b> | <b>1,108</b> | <b>1,015</b> |
| <b>Revenue</b>         |              |            |              |              |              |              |              |              |
| Construction Equipment | 228          | 146        | 262          | 157          | 215          | 147          | 166          | 157          |
| Industrial Equipment   | 448          | 487        | 530          | 504          | 512          | 459          | 523          | 502          |
| After Sales            | 296          | 271        | 325          | 255          | 273          | 257          | 262          | 228          |
| Rental                 | 77           | 76         | 78           | 75           | 74           | 80           | 82           | 73           |
| <b>Total</b>           | <b>1,050</b> | <b>980</b> | <b>1,194</b> | <b>990</b>   | <b>1,074</b> | <b>943</b>   | <b>1,033</b> | <b>961</b>   |

## Income statement, parent company

| Amounts in MSEK                          | Q4 2017      | Q4 2016      | Jan-Dec 2017 | Jan-Dec 2016 |
|--|--------------|--------------|--------------|--------------|
| Revenue                                  | 2.5          | 2.6          | 10.0         | 8.0          |
| Operating expenses                       | -11.3        | -6.5         | -53.2        | -27.5        |
| <b>Operating profit/loss (EBIT)</b>      | <b>-8.8</b>  | <b>-3.9</b>  | <b>-43.2</b> | <b>-19.5</b> |
| Net financial items                      | 5.0          | -0.9         | 10.8         | -4.0         |
| <b>Profit/loss after financial items</b> | <b>-3.8</b>  | <b>-4.8</b>  | <b>-32.4</b> | <b>-23.5</b> |
| Group contribution                       | 215.0        | 160.1        | 215.0        | 160.1        |
| <b>Result before tax (EBT)</b>           | <b>211.2</b> | <b>155.3</b> | <b>182.6</b> | <b>136.6</b> |
| Tax on profit/loss for the period        | -46.4        | -34.3        | -36.9        | -30.3        |
| <b>Profit/loss for the period</b>        | <b>164.8</b> | <b>120.9</b> | <b>145.7</b> | <b>106.3</b> |

## Balance sheet, parent company

| Amounts in MSEK                           | 31 Dec 2017    | 31 Dec 2016    |
|---|----------------|----------------|
| <b>Non-current assets</b>                 |                |                |
| Shares in group companies                 | 1,898.4        | 1,898.4        |
| Other non-current assets                  | 1.0            | 3.2            |
| <b>Total non-current assets</b>           | <b>1,899.5</b> | <b>1,901.7</b> |
| <b>Current assets</b>                     |                |                |
| Receivables from group companies          | 1,554.0        | 558.2          |
| Other short term receivables              | 216.3          | 1.7            |
| Cash and cash equivalents                 | 0.0            | 41.6           |
| <b>Total current assets</b>               | <b>1,770.3</b> | <b>601.5</b>   |
| <b>TOTAL ASSETS</b>                       | <b>3,669.8</b> | <b>2,503.2</b> |
| <b>EQUITY AND LIABILITIES</b>             |                |                |
| Shareholders equity                       | 3,041.0        | 2,205.4        |
| Non-current liabilities, interest bearing | 63.9           | -              |
| Current liabilities, interest bearing     | 13.2           | -              |
| Liabilities to group companies            | 500.7          | 287.6          |
| Other current liabilities                 | 51.0           | 10.2           |
| <b>TOTAL EQUITY AND LIABILITIES</b>       | <b>3,669.8</b> | <b>2,503.2</b> |

# Notes

## NOTE 1. ACCOUNTING POLICIES

This Interim Report was prepared in accordance with IFRS, applying IAS 34, Interim Financial Reporting. The same accounting and valuation policies were applied as in the most recent annual report except for new and revised standards and interpretations effective from January 1, 2017. Non-IFRS measures are also presented in the report since they are considered to be important supplemental measures of the company's performance. The definition of these can be found on the Group's homepage.

IFRS 9 and 15 are the most important of the standards, new interpretations and amendments effective from January 1, 2018. The impact on consolidated level from changes in IFRS 9 and 15 as well as from the other new requirements has been assessed to be minor and of no significance. IFRS 16 that applies from 2019 has been assessed to be of significance on consolidated level.

Alimak Group AB is the Parent Company of the Alimak Group. The Interim Report for the parent company has been prepared in accordance with the Annual Accounts Act and with standard RFR 2 Reporting by a legal entity, issued by the Swedish Financial Reporting Board. The same accounting principles and methods of computation are followed in the interim financial statements as compared with the most recent annual report.

## NOTE 2. FINANCIAL INSTRUMENTS

| Amounts in MSEK                  | Total carrying amount |              | Fair value     |              |
|----------------------------------|-----------------------|--------------|----------------|--------------|
|                                  | 31 Dec 2017           | 31 Dec 2016  | 31 Dec 2017    | 31 Dec 2016  |
| <b>FINANCIAL ASSETS</b>          |                       |              |                |              |
| Derivative financial instruments | 4.2                   | 4.9          | 4.9            | 4.9          |
| Other financial receivables      | 893.6                 | 509.6        | 893.6          | 509.6        |
| Cash and cash equivalents        | 341.3                 | 230.6        | 341.3          | 230.6        |
| <b>Total</b>                     | <b>1,239.1</b>        | <b>745.1</b> | <b>1,239.1</b> | <b>745.1</b> |
| <b>FINANCIAL LIABILITIES</b>     |                       |              |                |              |
| Derivative financial instruments | 4.2                   | 7.7          | 4.2            | 7.7          |
| Interest bearing debts           | 1,251.0               | 525.2        | 1,257.1        | 529.1        |
| Other financial liabilities      | 393.0                 | 265.5        | 393.0          | 265.5        |
| <b>Total</b>                     | <b>1,648.2</b>        | <b>798.5</b> | <b>1,654.3</b> | <b>802.4</b> |

**FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE**

| 31 Dec 2017                  | Level 2    |
|------------------------------|------------|
| <b>Financial assets</b>      |            |
| Currency derivatives         | 4.2        |
| <b>Total</b>                 | <b>4.2</b> |
| <b>Financial liabilities</b> |            |
| Currency derivatives         | 4.2        |
| <b>Total</b>                 | <b>4.2</b> |

| 31 Dec 2016                  | Level 2    |
|------------------------------|------------|
| <b>Financial assets</b>      |            |
| Currency derivatives         | 4.9        |
| <b>Total</b>                 | <b>4.9</b> |
| <b>Financial liabilities</b> |            |
| Currency derivatives         | 7.7        |
| <b>Total</b>                 | <b>7.7</b> |

**Level 1** - quoted prices in active markets for identical financial instruments

**Level 2** - inputs other than quoted prices included in level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirect (i.e. derived from prices).

**Level 3** – inputs for the financial instrument that are not based on observable market data (unobservable inputs)

Currency derivatives are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

**NOTE 3. ACQUISITIONS**

In the first quarter of 2017 the acquisitions of Avanti Wind Systems and Facade Access Group were finalized. The acquisitions broaden and diversify the product portfolio of Alimak Group's business area Industrial Equipment and offer an expansion into the growing area of renewable energy. They also provide a good foundation for continued expansion of the After Sales service and support portfolio offered by the Alimak Group across brands. Opportunities to achieve cost synergies in the supply chain as well as an expanded after sales offering will be captured.

Goodwill related to both acquisitions is mainly pertaining to cost synergies in the supply chain area, leveraging of the after sales business model, know-how and additional sales to non-relationship customers.

**Avanti Wind Systems**

The acquisition of Avanti Wind Systems, was finalized on 30 January 2017. The acquisition of Avanti comprises 100% of the voting shares and the business is consolidated as of 1 February 2017. Acquisition costs of approximately MSEK 3.5 have been charged to the consolidated operating costs for 2017. For the fourth quarter 2016 such costs amounted to MSEK 10.

Avanti is the global market leader in vertical access solutions for wind turbine towers and has more than 30,000 service lifts installed globally. Avanti's revenue for the year 2016 totaled MSEK 918.

The purchase price allocation is presented below. The purchase price and the fair values are definitive.

| <b>Purchase Price Allocation</b>   | MSEK         |
|--|--------------|
| <b>Consideration transferred - Cash</b>                                  | <b>698.5</b> |
| <i>Fair value of identified assets acquired and liabilities assumed:</i> |              |
| Tangible fixed assets  | 28.7         |
| Trade name   | 189.4        |
| Customer relationships   | 123.1        |
| Technology   | 28.4         |
| Net working capital  | 274.5        |
| Cash and cash equivalents  | 90.9         |
| Deferred tax liability   | -81.5        |
| Interest bearing liabilities   | -228.4       |
| Assets acquired and liabilities assumed, net                             | 425.3        |
| Goodwill   | 273.2        |
| <b>Total consideration transferred</b>                                   | <b>698.5</b> |

*From the date of acquisition 1 February 2017, Avanti Wind Systems has contributed MSEK 902 of revenue. If the acquisition had taken place at the beginning of the year, the contribution to revenue would have been MSEK 971.*

### Facade Access Group

The acquisition of Facade Access Group, was finalized on 28 February 2017. The acquisition of Facade Access Group comprises 100% of the voting shares and the business is consolidated as of 1 March 2017. Acquisition costs of approximately MSEK 12.2 have been charged to the consolidated operating costs for 2017. For the fourth quarter 2016 such costs amounted to MSEK 20.

With the trademarks CoxGomyl and Manntech, Facade Access Group is a global market leader in permanently installed facade maintenance solutions (Building Maintenance Units – BMUs). Revenue for Facade Access Group for the calendar year 2016 was MSEK 1,044 (proforma).

The purchase price allocation has been finalized. The purchase price and the fair values are definitive.

| <b>Purchase Price Allocation</b>   | MSEK         |
|--|--------------|
| <b>Consideration transferred - Cash</b>                                  | <b>511.6</b> |
| <i>Fair value of identified assets acquired and liabilities assumed:</i> |              |
| Tangible fixed assets  | 127.0        |
| Trade name   | 265.6        |
| Customer relationships   | 55.9         |
| Order backlog  | 24.5         |
| Technology   | 24.5         |
| Net working capital  | 275.2        |
| Cash and cash equivalents  | 34.2         |
| Deferred tax liability   | -97.9        |
| Interest bearing liabilities   | -313.0       |
| Provision for pensions   | -40.5        |
| Other provisions   | -86.8        |
| Assets acquired and liabilities assumed, net                             | 268.5        |
| Goodwill   | 243.0        |
| <b>Total consideration transferred</b>                                   | <b>511.6</b> |

*From the date of acquisition 1 March 2017, Facade Access Group has contributed MSEK 890 of revenue. If the acquisition had taken place at the beginning of the year, the contribution to revenue would have been MSEK 1,040.*

## FINANCIAL CALENDAR

- The Annual Report for 2017 will be published on 24 April 2018.
- The Interim Report for the first quarter of 2018 will be published on 25 April 2018.
- The Annual General Meeting will be held on 16 May 2018 at 17.00 CET in Kreugersalen, Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm.
- The Interim Report for the second quarter of 2018 will be published on 21 August 2018.
- The Interim Report for the third quarter of 2018 will be published on 25 October 2018.

Alimak Group's financial calendar is available at [www.alimakgroup.com](http://www.alimakgroup.com)

## WELCOME TO ALIMAK GROUP'S PRESENTATION OF THE INTERIM REPORT FOR JANUARY – DECEMBER 2017

A telephone conference will be held on Friday 23 February at 10.00 CET. CEO Tormod Gunleiksrud and COO and acting CFO Stefan Rinaldo will present and comment on the report. The presentation, that will be held in English, can also be followed via audiocast.

### To participate by phone – please call:

SE: +46856642662  
UK: +442030089809  
US: +18557532235

### Link to audiocast:

<https://tv.streamfabriken.com/alimak-group-q4-2017>

## DEFINITIONS

Alimak presents certain financial measures that are not defined in the interim report in accordance with IFRS. Alimak believes that these measures provide useful supplemental information to investors and the company's management when they allow evaluation of trends and the company's performance. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. For definitions of key figures that Alimak uses, please visit [www.alimakgroup.com](http://www.alimakgroup.com)

### For further information, contact:

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*This information is information that Alimak Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CET at 23 February 2018.*

### About Alimak Group

Alimak Group is a world-leading provider of vertical access solutions for the industry and construction sectors. With a presence in more than 100 countries, Alimak develops, manufactures, sells and provides service to vertical access solutions with focus on adding customer value through greater safety, higher productivity and improved cost efficiency. The Group's products and solutions are sold under the brands Alimak Hek, CoxGomyl, Manntech and Avanti. Alimak has an installed base of more than 67,000 elevators, hoists, platforms, service lifts and building maintenance units around the world. Founded in Sweden 1948, Alimak has its headquarters in Stockholm, 12 manufacturing facilities in 8 countries and 2,400 employees around the world. [www.alimakgroup.com](http://www.alimakgroup.com).