

INTERIM REPORT 1 JANUARY - 31 MARCH 2017

"A strong start of the year"

1 JANUARY – 31 MARCH 2017 (3 MONTHS)

- Net sales in the first quarter rose by 27 percent to SEK 576 million (453), of which organic growth totalled 12 percent and acquired growth totalled 14 percent.
- EBITA rose by 53 percent to SEK 54 million (35) and EBITA-margin amounted to 9.3 percent (7.8).
- Profit after tax rose by 54 percent and amounted to SEK 29 million (19).
- Cash flow from operating activities amounted to SEK 47 million (15)
- Earnings per share before dilution amounted to SEK 1.18 (0.95). For the 12-month period, earnings per share amounted to SEK 5.05 (4.15).
- The equity ratio amounted to 40 percent (27).
- Return on working capital (P/WC) amounted to 65 percent (64).
- Two acquisitions have been carried out during the quarter with a combined annual sale of about SEK 195 million

SEKm	3 months ending		change	12 months ending	
	31 Mar 17	31 Mar 16		31 Mar 17	31 Dec 16
Net sales	576	453	27%	2,061	1,938
EBITA	54	35	53%	208	189
EBITA-margin, %	9.3	7.8		10.1	9.7
Profit before tax	38	24	57%	156	142
Profit for the period	29	19	54%	122	112
Earnings per share before dilution, SEK	1.18	0.95	24%	5.05	4.87

AddLife in brief

AddLife is an independent provider in Life Science that offers high-quality products, services and advice to both the private and public sector, mainly in the Nordic region. The Group is divided into two business areas: Labtech and Medtech. The Group comprises 33 operating subsidiaries that provide equipment, instruments, medical devices and reagents, as well as advice and technical support to customers primarily in healthcare, research and academia, along with the food and pharmaceutical industries. The Company is mainly active in the Nordic countries and is also represented by smaller businesses in Germany, the Benelux countries, Estonia, Italy, UK, China and USA. AddLife is the market leader in the Nordic region in several well-defined niches in the market areas of diagnostics, medical devices, biomedical research, home care and laboratory analysis.

Comments by the CEO

A strong start of the year

The Group has started off the fiscal year with a strong performance, by increasing sales and profits. During the quarter, AddLife boosted sales 27 percent, to SEK 576 million. Organic growth remains strong, at 12 percent for the quarter. Our companies in both business areas continued growing during the quarter at a pace far exceeding the average market growth, which means that we are expanding our market shares in selected niches. EBITA increased 53 percent in the quarter, and the EBITA margin strengthened to 9.3 percent (7.8). Improved earnings were a result of sales growth as well as improved internal efficiency in our subsidiaries. Cash flow was strong this quarter, creating further possibilities for further development of in our operations.

Market trends

The Life Science market continues to develop favourably and AddLife with it. The apparent driver is a demographic trend throughout the Nordic region. Technical innovation in the market is also intense, with several start-up companies, a focus on digitising and eHealth, and several political initiatives to promote the development of the entire industry.

Healthcare systems in all Nordic countries continue to invest both in diagnostics and medical technology relating to instruments and consumables. Our long-term systematic efforts for public tenders have continued to pay off and during the quarter we secured several new contracts in our niches. Thanks to last year's acquisitions and the new businesses that we have integrated, Leica and Medline, our product offer to the market has also expanded.

Life Science research in Sweden continues to develop favourably, with grants being made for clinical projects from private and public sources. Major medical research projects have received funding from sources such as the Swedish Cancer Society and the Swedish Heart-Lung Foundation. In addition, the Swedish Foundation for Strategic Research (SSF) recently decided to allocate SEK 400 million to four different projects working towards more effective therapies for diseases, among other goals. The Norwegian market remained active, and the primary-care segment is developing well. In Norway, the appetite to invest in research is strong, as politicians are clearly demonstrating a greater desire to strengthen their Life Science industry with the various clusters that have been created. The market in Denmark remains positive with solid demand. In the Danish market, we have seen a normalisation of the purchasing pattern from the academic sector following last year's decision on cutbacks. During the quarter, further investment in instrumentation was somewhat restrained in the pharmaceuticals industry. The Finnish market is starting to turn around, after some weaker years. We see several positive signals from various customers, both private and public, which indicate the market is slowly recovering and the appetite to invest is increasing overall. Demand in home care was also robust, related to various medical devices and welfare technology that help elderly and disabled people continue to live at home.

On the whole, during the quarter growth was good outside the Nordic region. The proportion of own products has increased in selected niches through the acquisitions we have made in the past year and markets outside the Nordic countries are therefore of growing importance.

Acquisitions

We continued our long-term work to acquire interesting companies that complement our existing companies in selected niches, and during the quarter two businesses were acquired, Techno Medica and the Hepro group. Together these companies are estimated to contribute about SEK 195 million in annual sales. Techno Medica operates primarily in enteral nutrition and later this spring it will be integrated into Mediplast. The Hepro group is one of the leading companies in Norway in home care and welfare technology. Both acquisitions are part of the Medtech business area.

Kristina Willgård
President and CEO

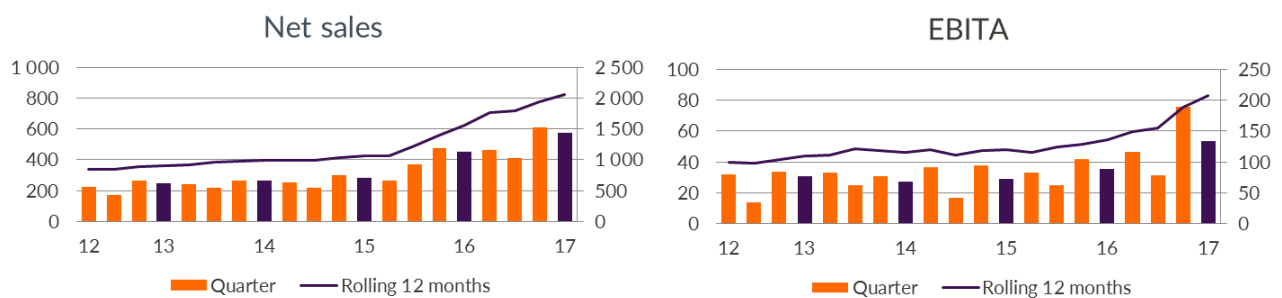


Group development in the quarter

Net sales in the first quarter increased by 27 percent to SEK 576 million (453). For comparable units, organic growth totalled 12 percent and acquired growth totalled 14 percent. Exchange rate changes had a positive effect on net sales of 1 percent, corresponding to SEK 8 million, and a positive effect on EBITA of 2 percent corresponding to SEK 1 million.

EBITA increased by 53 percent to SEK 54 million (35) and EBITA-margin amounted to 9.3 percent (7.8). The improved result is a combination of strong organic growth, acquisitions and an effect of cost efficiency in our companies. The previous year included listing costs of SEK 4 million in EBITA.

Net financial items amounted to SEK -2 million (-2) and profit after financial items reached SEK 38 million (24). Profit after tax for the quarter increased by 54 percent to SEK 29 million (19) and the effective tax rate was 23 percent (22).



Development in the business areas

Labtech

The Labtech business area consists of about 18 companies active in the market areas diagnostics, biomedical research and laboratory equipment.

SEKm	3 months ending		change	12 months ending	
	31 Mar 17	31 Mar 16		31 Mar 17	31 Dec 16
Net sales	343	288	19%	1,273	1,218
EBITA	35	32	12%	153	150
EBITA-margin. %	10.3	11.0		12.1	12.3

Labtechs sales increased in the first quarter by 19 percent to SEK 343 million (288), of which organic growth totalled 11 percent and acquired growth totalled 7 percent. EBITA increased to by 12 percent to SEK 35 million (32), corresponding to an EBITA-margin of 10.3 percent (11.0).

Business conditions for our companies in Labtech were strong during the quarter, especially for the companies in diagnostics. Flu season continued a bit into 2017, supporting sales of reagents to diagnostic laboratories in Sweden and Finland. The quarter also saw strong sales of consumables for instruments already delivered by the diagnostics companies. Growth was positive in the more traditional clinical chemistry area as well as molecular biology and microbiology.

Clinical projects continue to win grants from both the private and public sectors in all Nordic countries. Demand remained healthy especially for advanced instrumentation, such as microscopes for neurosurgery and various reagents for research.

The Swedish market developed well and several of our companies delivered strong growth for the quarter. We also see a number of positive signals from the Finnish market and our Finnish companies achieved healthy growth and earnings. Investment in university research in Denmark has returned after several quarters of deferred instrument purchases due to the Danish government's austerity programme. Slightly less activity was evident in the Danish pharmaceuticals industry during the quarter. In Norway, we have been successful at winning public tenders for diagnostic contracts in the niches where we operate. In addition to solid demand from academic research, we have seen increased interest from industry in Norway. Demand for our own high-tech instruments has been good in all markets except the United States, where our sales lost pace the first quarter as a result of organisational changes.

Medtech

The Medtech business area consists of about 15 companies that provide medical device products within the medtech market, with a focus on surgery, thoracic medicine, neurology, wound care, anaesthesia, intensive care, ear, nose and throat, ostomies, and home healthcare.

SEKm	3 months ending		change	12 months ending	
	31 Mar 17	31 Mar 16		31 Mar 17	31 Dec 16
Net sales	233	165	41%	788	720
EBITA	21	12	69%	66	57
EBITA-margin. %	8.8	7.4		8.2	7.9

Net sales increased in the first quarter by 41 percent to SEK 233 million (165), of which organic growth totalled 13 percent and acquired growth totalled 26 percent. EBITA increased to by 69 percent to SEK 21 million (12), corresponding to an EBITA-margin of 8.8 percent (7.4).

Demand from the medical services sector in the Nordic countries continued to develop very favourably during the quarter and we succeeded in winning several tenders. The market is challenging, with fierce competition for large, sometimes nationwide tenders, but our companies have skilfully managed this in the best way possible. During the quarter, growth was strongest in Sweden, the Benelux countries and Norway. The product portfolio was expanded by our takeover of Medline's business activities at the end of 2016, to which customers responded positively. Our product mix has improved, as demand continues to grow for our own products, particularly in the infusions and surgery segments as well as ear, nose and throat. Home care has advanced well in terms of the various medical devices and welfare technology that help elderly and disabled people continue to live at home.

Techno Medica and the Hepro group were acquired during the quarter for this business area. Techno Medica, which strengthens the product offering in enteral nutrition, will be integrated into Medioplast during spring 2017. The Hepro group is one of the leading companies in Norway in home care and welfare technology. Together these two businesses are expected to contribute about SEK 195 million in annual sales.

Financial position and cash flow

At the end of the period the equity ratio stood at 40 percent (27) and equity per share totalled SEK 30.23 (17.60). The return on equity at the end of the period was 19 percent (25). The decrease in return on equity relates primarily to the rights issue of SEK 300 million that was carried out last year. Return on working capital, P/WC (EBITA in relation to working capital) amounted to 65 percent (64).

The Group's interest-bearing net debt at the end of the period stood at SEK 596 million (538), including pension liabilities of SEK 60 million (63). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions, totalled 0.8 compared to 0.5 at the beginning of the interim period. The increase in net debt / equity ratio is attributable to the financing of acquisitions that were made during the quarter.

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 400 million (133) on 31 March 2017. In March 2017 AddLife signed an agreement for a credit facility of SEK 300 million in the form of a two-year credit facility with an option to extend for a maximum of an additional two years.

Cash flow from operating activities reached SEK 47 million (15) during the interim period. The improved cash flow relates to improved result. Acquisitions of companies amounted to SEK 249 million (4). Investments in non-current assets during the interim period amounted to SEK 8 million (25). Disposals of non-current assets totalled SEK 0 million (0).

Employees

At the end of the period the number of employees was 586 compared to 545 at the beginning of the interim period. During the period, implemented acquisitions led to an increase of 45 in the number of employees. The average number of employees during the latest 12-month period was 482 (370).

Acquisitions and divestments

Acquisitions as of the financial year 2016 are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
V-Tech AB och Esthe-Tech AB, Sweden	April, 2016	50	11	Medtech
Svan Care AB, Sweden	October, 2016	35	13	Medtech
Biolin Scientific AB, Sweden	December, 2016	100	68	Labtech
TM Techno Medica AB, Sweden	January, 2017	30	5	Medtech
Hepro AS, Norway	March, 2017	165	40	Medtech

* Refers to conditions at the time of acquisition on a full-year basis.

During the interim period two company acquisitions have been completed;

On 12 January 2017, all shares in TM Techno Medica AB was acquired to the business area Medtech. The company has 5 employees and sales of approximately SEK 30 million. The acquisitions represent an expansion in the areas of enteral nutrition, patient hygiene and incontinence

On 1 March 2017, all shares in Hepro AS, Mektron AS and Hepro Sverige AB were acquired to the business area Medtech. The companies have 40 employees and combined sales of approximately SEK 165 million. The acquisition represents an expansion into the field of home care.

The combined effect of the acquisitions on the AddLife Group's net sales was SEK 20 million, on EBITA SEK 4 million, on operating profit SEK 3 million and on profit after tax for the period SEK 2 million. Had the acquisitions been completed on 1 January 2017, their impact would have been approximately SEK 43 million on consolidated net sales SEK 6 million, on EBITA about SEK 4 million, on operating profit and about SEK 2 million on profit after-tax for the period.

The fair value of not yet paid contingent consideration for acquisitions made during the interim period is calculated to SEK 13 million, which is approximately 45 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions carried out during the first quarter 2017 were as follows:

	Fair value
Intangible non-current assets	176
Other non-current assets	1
Inventories	28
Other current assets	43
Deferred tax liability/tax asset	-40
Other liabilities	-44
Acquired net assets	164
Goodwill	97
Consideration 1)	261
Less: cash and cash equivalents in acquired businesses	-5
Less: acquired debt to acquired companies	-5
Contingent consideration not yet paid	-13
Effect on the Group's cash and cash equivalents	238

1) The consideration is stated excluding acquisition expenses.

The goodwill resulting from the acquisitions is attributable to expectations that the Group's position in the market in question for each acquisition will grow stronger and to the knowledge accumulated in the companies acquired. Transaction costs for the acquisitions totalled SEK 2 million and are recognized as selling expenses.

Shares structure

The share capital at the end of the interim period stood at SEK 50.1 million.

Share class	Number of shares
Class A shares	1,011,766
Class B shares	23,605,327
Total number of shares before repurchases	24,617,093
Of which repurchased class B shares	-230,000
Total number of shares after repurchases	24,387,093

The own holding of 230,000 Class B shares corresponds to 0.9 percent of the total number of shares and 0.7 percent of the votes. The repurchased shares cover the company's undertaking in outstanding call options programmes. The average purchase price for shares bought back amounts to SEK 143.93 per share. The average number of treasury shares held during the interim period was 230,000 (-). The share price at 31 March 2017 was SEK 165.50 and the most recent price paid for the AddLife share on 27 April 2017 was SEK 168.50.

In accordance with a resolution of the September 2016 AGM, 25 members of management were offered the opportunity to acquire 230,000 call options on repurchased shares. The programme was fully subscribed. If fully exercised, the number of B shares outstanding will increase by 230,000 equivalent to about 0.9 percent of the total number of shares and about 0.7 percent of the votes in the Company. The redemption price of the call options is SEK 148.10 and each call option entitles the holder to acquire one bought-back class B share during the period from 17 September 2018 through 28 February 2019.

Outstanding call option has during the quarter resulted in an estimated dilutive effect based on the quarter's average share price of approximately 0.05 percent (-).

Parent company

The Parent Company's net sales for the interim period amounted to SEK 7 million (5) and profit after financial items for the interim period amounted to SEK -3 million (33). At the end of the interim period the Parent Company's net financial debt stood at SEK 523 million (683). The share capital at the end of the interim period was SEK 50 million (40).

Accounting policies

This interim report was prepared as per IFRSs and IAS 34 Interim Financial Reporting. Information in accordance with IAS 34, 16A exist, except in the financial statements and the related notes also in other parts of the interim report. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528) in compliance with recommendation RFR 2 Accounting for Legal Entities, of the Swedish Financial Reporting Board. The accounting policies and basis for calculations applied in the 2016 annual report for AddLife AB were also used here. The new and revised IFRS standards and IFRIC interpretations effective from financial year 2017 have not had any material effect on the consolidated financial statements.

Alternative performance measures

AddLife presents certain financial measures in the interim report that are not defined according to IFRS. The Company believes that these measures provide valuable supplemental information to investors and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered to be a replacement for measurements as defined under IFRS. This report provides information in greater detail regarding definitions of financial performance measures.

Transactions with related parties

No transactions with related parties that materially affected the Group's position and earnings took place during the interim period.

Events after the reporting period

No other events of significance to the Group occurred after the end of the reporting period.

Risks and uncertainties

AddLife's earnings and financial position as well as its strategic position are affected by various internal factors within AddLife's control and various external factors over which AddLife has limited influence. AddLife's most significant external risks are the state of the economy and market trends combined with public sector contracts and policy decisions, as well as competition. The risks and uncertainties are the same as in previous periods. For more information, see the section "Risks and uncertainties" in the management report (37-40), in AddLife's annual report 2016. The Parent Company is indirectly affected by the above risks and uncertainties through its function in the Group.

Stockholm 28 April 2017

Kristina Willgård
President and CEO

This report has not been subject to review by the company's auditor.

Financial calendar

The Annual General Meeting (AGM) of AddLife AB (publ) will be held at 4.00 p.m. on Monday, 29 May 2017 at IVA, Grev Turegatan 16, Stockholm.

The interim report for 1 January – 30 June 2017 will be published on 17 July 2017, at 08:00 a.m.

The interim report for 1 January – 30 September 2017 will be published on 26 October 2017, at 08:00 a.m.

The year-end report for 1 January – 31 December 2017 will be published on 13 February 2018, at 08:00 a.m.

Teleconference

Investors, analysts and the media are invited to a teleconference at which CEO Kristina Willgård and CFO Martin Almgren will present the interim report. The presentation will be given in Swedish and take about 20 minutes. after which there will be an opportunity to ask questions.

The teleconference will be at 10:00 a.m. on 28 April 2017

The presentation will be available via the following link: <https://5569958126.globalmeet.com/MartinAlmgren>

Please call on: +46 8 22 90 90 code: 113242

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Business areas

Net sales by business area	2017		2016		
	Quarterly data, SEKm				
	Q1	Q4	Q3	Q2	Q1
Labtech	343	402	246	282	288
Medtech	233	209	163	183	165
Parent Company and Group items	-	-	-	-	-
AddLife Group	576	611	409	465	453

EBITA by business area	2017		2016		
	Quarterly data, SEKm				
	Q1	Q4	Q3	Q2	Q1
Labtech	35	62	21	35	32
Medtech	21	19	12	14	12
Parent Company and Group items	-2	-5	-2	-2	-9
EBITA	54	76	31	47	35
Depreciation intangible assets	-14	-12	-10	-10	-9
Operating profit	40	64	21	37	26
Finance income and expenses	-2	-3	1	-2	-2
Profit after financial items	38	61	22	35	24

Net sales by business area	3 months ending		12 months ending	
	SEKm			
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Labtech	343	288	1,273	1,218
Medtech	233	165	788	720
Parent Company and Group items	-	-	-	-
AddLife Group	576	453	2,061	1,938

EBITA and EBITA-margin by business area and operating profit for the Group

SEKm	3 months ending				12 months ending			
	31 Mar 17		31 Mar 16		31 Mar 17		31 Dec 16	
		%		%		%		%
Labtech	35	10.3	32	11.0	153	12.1	150	12.3
Medtech	21	8.8	12	7.4	66	8.2	57	7.9
Parent Company and Group items	-2		-9		-11		-18	
EBITA	54	9.3	35	7.8	208	10.1	189	9.7
Depreciations of intangible non-current assets	-14		-9		-46		-41	
Operating profit	40	6.9	26	5.8	162	7.8	148	7.6
Financial income and expenses	-2		-2		-6		-6	
Profit after financial items	38		24		156		142	

Group summary

Income statement SEKm	3 months ending		12 months ending	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Net sales	576	453	2,061	1,938
Cost of sales	-371	-293	-1,346	-1,268
Gross profit	205	160	715	670
Selling expenses	-126	-99	-442	-415
Administrative expenses	-37	-34	-116	-113
Research and development	-4	-	-6	-2
Other operating income and expenses	2	-1	11	8
Operating profit	40	26	162	148
Financial income and expenses	-2	-2	-6	-6
Profit after financial items	38	24	156	142
Tax	-9	-5	-34	-30
Profit for the period	29	19	122	112

<i>Attributable to:</i>				
Equity holders of the Parent Company	29	19	122	112
Non-controlling interest	-	-	-	-
Earnings per share (EPS), SEK*	1.18	0.95	5.05	4.87
Average number of shares '000s	24,387	19,694	24,116	22,950
Number of shares at end of the period, '000	24,387	19,694	24,387	24,387

* Calculated based on equity holders' portion of profit for the period

EBITA	54	35	208	189
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Depreciations included in operating expenses				
- Property, plant and equipment	-5	-4	-19	-18
- intangible non-current assets from acquisitions	-12	-8	-39	-35
- other intangible non-current assets	-2	-1	-7	-6

Statement of comprehensive income SEKm	3 months ending		12 months ending	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Periodens resultat	29	19	122	112
<i>Components that will be reclassified to profit for the year</i>				
Foreign currency translation differences for the period	-9	4	2	15
<i>Components that will not be reclassified to profit for the year</i>				
Revaluations of defined benefit pension plans	-	10	-2	8
Tax attributable to items not to be reversed in profit or loss	-	-2	0	-2
Other comprehensive income	-9	12	0	21
Total comprehensive income	20	31	122	133
<i>Attributable to:</i>				
Equity holders of the Parent Company	20	31	122	133
Non-controlling interests	-	-	-	-

Balance sheet, SEKm	31 Mar 17	31 Dec 16	31 Mar 16
Goodwill	630	524	479
Other intangible non-current assets	517	346	256
Property, plant and equipment	68	68	59
Financial non-current assets	13	11	11
Total non-current assets	1,228	949	805
Inventories	278	252	213
Current receivables	333	361	247
Cash and cash equivalents	22	15	12
Total current assets	633	628	472
Total assets	1,861	1,577	1,277
Total equity	737	717	347
Interest-bearing provisions	60	60	63
Non-interest-bearing provisions	78	40	53
Interest-bearing long-term liabilities	31	11	301
Non-interest-bearing long-term liabilities	1	0	-
Total non-current liabilities	170	111	417
Non-interest-bearing provisions	6	6	5
Current interest-bearing liabilities	528	310	185
Current non-interest-bearing liabilities	420	433	323
Total current liabilities	954	749	513
Total equity and liabilities	1,861	1,577	1,277

Statement of change in Group equity, SEKm	1 Jan 17 – 31 Mar 17		1 Apr 16 – 31 Dec 16		1 Jan 16 – 31 Mar 16		
	Equity excl. non-controlling interests	Total equity	Equity excl. non-controlling interests	Total equity	Equity excl. non-controlling interests	Non-controlling interests	Total equity
Amount at beginning of period	717	717	347	347	321	0	321
Rights issue	-	-	300	300	-	-	-
Issue expenses	-	-	-1	-1	-	-	-
Call options issued	-	-	2	2	-	-	-
Repurchase of treasury shares	-	-	-33	-33	-	-	-
Change non-controlling interests	-	-	-	-	-5	-0	-5
Total comprehensive income	20	20	102	102	31	-	31
Amount at the end of the period	737	737	717	717	347	-	347

Cash flow statement SEKm	3 months ending		12 months ending	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Profit after financial items	38	24	156	142
Adjustment for items not included in cash flow	21	18	58	55
Income tax paid	-9	-20	-26	-37
Changes in working capital	-3	-7	-23	-27
Cash flow from operating activities	47	15	165	133
Net investments in non-current assets	-8	-25	-27	-44
Acquisitions and disposals	-249	-4	-399	-154
Cash flow from investing activities	-257	-29	-426	-198
Dividend paid to shareholders	-	-277	-	-277
Rights issue	-	-	299	299
Repurchase of treasury shares	-	-	-33	-33
Other financing activities	219	173	2	-44
Cash flow from financing activities	219	-104	268	-55
Cash flow for the period	9	-118	7	-120
Cash and cash equivalents at beginning of period	15	130	12	130
Exchange differences on cash and cash equivalents	-2	-0	3	5
Cash and cash equivalents at end of the period	22	12	22	15

Fair values on financial instruments SEKm	31 Mar 2017			31 Dec 2016		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives held for trading purposes	-	-	-	0	0	-
Total financial assets at fair value per level	-	-	-	0	0	-
Derivatives held for trading purposes						
Contingent considerations	0	0	-	-	-	-
Total financial liabilities at fair value per level	26	-	26	13	-	13

The fair value and carrying amount are recognized in the balance sheet as shown in the table above. For quoted securities the fair value is determined on the basis of the asset's quoted price in an active market level 1. For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data level 2. For the Group's other financial assets and liabilities fair value is estimated to be the same as the carrying amount.

Contingent considerations SEKm	3 months ending.		12 months ending	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Carrying amount opening balance	13	6	6	6
Acquisitions during the year	13	-	30	17
Consideration paid	-	-	-6	-6
Reversed through profit or loss	-	-	-5	-5
Interest expenses	0	0	1	1
Exchange differences	-0	0	-0	0
Carrying amount closing balance	26	6	26	13

Key financial indicators	12 months ending				
	31 Mar 17	31 Dec 16	31 Mar 16	31 Mar 15**	31 Mar 14**
Net sales, SEKm	2,061	1,938	1,562	1,057	984
EBITA, SEKm	208	189	135	120	116
EBITA margin, %	10.1	9.7	8.7	11.3	11.8
Profit growth, EBITA %	53	47	13	4	6
Return on working capital (P/WC), %	65	62	64	94	97
Profit for the period, SEKm	122	112	78	80	78
Return on equity, %*	19	21	25	30	28
Financial net liabilities, SEKm	596	366	538	19	13
Financial net liabilities/EBITDA, multiple	2.6	1.8	3.6	0.1	0.1
Net debt/equity ratio, multiple*	0.8	0.5	1.6	0.1	0.0
Equity ratio, %*	40	45	27	41	44
Average number of employees	482	452	370	284	276
Number of employees at end of the period	586	545	427	286	280

* Key financial indicators are calculated based on equity that includes non-controlling interests. For definitions of key financial indicators, see below.

** The comparative years have been prepared as combined financial statements. For accounting policies relating to combined financial statements, see AddLife's Annual Report 2015/2016.

Key financial indicators per share	12 months ending				
	31 mar 17	31 dec 16	31 mar 16	31 mar 15	31 mar 14
Earnings per share (EPS), SEK	5.05	4.87	4.15	5.06	4.90
Diluted EPS, SEK	5.05	4.87	-	-	-
Cash flow per share, SEK	6.83	5.79	6.27	7.58	5.70
Shareholders' equity per share, SEK*	30.23	29.40	17.60	16.46	16.98
Average number of shares after repurchases, '000s	24,116	22,950	18,749	15,892	15,892
Average number of shares adjusted for repurchases and dilution, '000s	24,116	22,950	-	-	-
Number of shares outstanding at end of the period, '000s	24,387	24,387	19,694	15,892	15,892

* Calculations based on proportion of equity attributable to the equity holders.

In calculating the average number of shares outstanding it was assumed that the 500,000 shares at the time of AddLife AB's formation were present throughout the reporting periods. Subsequently, the bonus element of the bonus issue carried out in July 2015 was adjusted retroactively. Since there is no listed share price for AddLife during the historical financial years, the bonus issue element was calculated based on a value per share used in the time around the non-cash issue that occurred in connection with the acquisition of Mediplast. The non-cash issue itself carried out after the three historical financial periods, is assumed in the calculation of earnings per share to have been made at fair value and therefore does not affect earnings per share for the three periods.

Parent company summary

Income statement MSEK	3 months ending		12 months ending	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Dec 16
Net sales	7	5	25	23
Administrative expenses	-11	-13	-37	-39
Operating profit/loss	-4	-8	-12	-16
Profit/loss from shares in group companies	-	42	33	75
Interest income and expenses and similar items	1	-1	3	1
Profit/loss after financial items	-3	33	24	60
Appropriations	-	-7	87	80
Profit/loss before taxes	-3	26	111	140
Income tax expense	1	-6	-7	-14
Profit/loss for the period	-2	20	104	126

Balance sheet, SEKm	31 Mar 17	31 Dec 16	31 Mar 16
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	1,397	1,165	961
Total non-current assets	1,397	1,165	961
Current receivables	157	151	76
Cash and bank balances	-	-	-
Total current assets	157	151	76
Total assets	1,554	1,316	1,037
Equity	686	688	314
Untaxed reserves	19	19	5
Interest-bearing long-term liabilities	65	65	360
Non-interest-bearing long-term liabilities	0	0	-
Total long-term liabilities	84	84	365
Interest-bearing short-term liabilities	754	514	323
Non-interest-bearing short-term liabilities	30	30	35
Total short-term liabilities	784	544	358
Total equity and liabilities	1,554	1,316	1,037

Note. Pledged assets and contingent liabilities for parent company

SEKm	31 Mar 17	31 Dec 16	31 Mar 16
Pledged assets	40	40	-
Contingent liabilities	-	-	-

Definitions

Return on equity	Profit/loss after tax attributable to shareholders as a percentage of shareholders' proportion of average equity.		
	2017-03-31	2016-12-31	2016-03-31
Profit/loss for the period	122	112	78
Average equity	628	545	305
Return on equity	122/628 = 19%	111/545 = 21%	78/305 = 25%
Return on working capital (P/WC)	EBITA in relation to average working capital.		
	2017-03-31	2016-12-31	2016-03-31
Operating profit before amortization of intangible assets	208	189	135
EBITA, P			
Average working capital (WC)	319	304	211
P/WC	208/319 = 65%	189/304 = 62%	135/211 = 64%
EBITA	Operating profit before amortization of intangible assets.		
	2017-03-31	2016-12-31	2016-03-31
Operating profit	162	148	106
Depreciation of intangible assets	46	41	29
Operating profit before amortization of intangible assets	208	189	135
EBITA margin	EBITA in percentage of net sales.		
	2017-03-31	2016-12-31	2016-03-31
Operating profit before amortization of intangible assets	208	189	135
Net sales	2,061	1,938	1,562
EBITA margin	208/2,061 = 10.1%	189/1,938 = 9.7%	135/1,562 = 8.7%
EBITDA	Operating profit before depreciation and amortization of intangible assets and property, plant and equipment.		
Equity per share	Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period.		
Cash flow per share	Cash flow from operating activities, divided by the average number of shares.		
Net debt/equity ratio	Financial net liabilities in relation to shareholders' equity.		
Earnings per share (EPS)	Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding.		
Profit growth EBITA	This year's EBITA decreased by previous year's EBITA divided by previous year's EBITA.		
Financial net liabilities	Interest-bearing liabilities and interest-bearing provisions less cash and cash equivalents.		
Financial net liabilities/EBITDA	Financial net liabilities divided by EBITDA.		
Equity ratio	Equity as a percentage of total assets		

The key figures presented above are central to understand and evaluate AddLifes business and financial position. The key figures are presented in the "Key financial indicators" table and they are commented on pages 1- 4.

This information is information that AddLife AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the agency of the contact person set out above at 08:00 a.m. CET on April 28 2017.



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