

INTERIM REPORT 1 JANUARY – 30 SEPTEMBER 2017

“Strong organic growth during summer quarter!”

1 JULY – 30 SEPTEMBER 2017 (3 MONTHS)

- Net sales rose by 26 percent to SEK 517 million (409), of which organic growth totalled 9 percent and acquired growth totalled 18 percent.
- EBITA rose by 39 percent to SEK 44 million (31), corresponding to an EBITA-margin of 8.5 percent (7.7).
- Profit after tax rose by 22 percent and amounted to SEK 22 million (18).
- Cash flow from operating activities amounted to SEK 27 million (28).

1 JANUARY – 30 SEPTEMBER 2017 (9 MONTHS)

- Net sales rose by 25 percent to SEK 1,665 million (1,327), of which organic growth totalled 8 percent and acquired growth totalled 16 percent.
- EBITA rose by 37 percent to SEK 155 million (113), corresponding to an EBITA-margin of 9.3 percent (8.5).
- Profit after tax rose by 27 percent and amounted to SEK 80 million (63).
- Earnings per share amounted to SEK 3.28 (2.79). For the 12-month period, earnings per share amounted to SEK 5.29 (4.13).
- Cash flow from operating activities amounted to SEK 111 million (37).
- The equity ratio amounted to 38 percent (49).
- Return on working capital (P/WC) amounted to 65 percent (55).
- Three acquisitions have been carried out during the interim period, TM Techno Medica AB, Hepro AS and Krabat AS, with a combined annual sale of about SEK 225 million.

SEKm	3 months ending			9 months ending			12 months ending	
	30 Sep 17	30 Sep 16	change	30 Sep 17	30 Sep 16	change	30 Sep 17	31 Dec 16
Net sales	517	409	26 %	1,665	1,327	25 %	2,276	1,938
EBITA	44	31	39 %	155	113	37 %	231	189
EBITA-margin, %	8.5	7.7		9.3	8.5		10.1	9.7
Profit before tax	25	22	14 %	101	81	25 %	162	142
Profit for the period	22	18	22 %	80	63	27 %	129	112
Earnings per share SEK	0.88	0.72	22 %	3.27	2.79	17 %	5.29	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 32 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 and laboratory analysis.

Comments by the CEO

Strong summer quarter!

Sales in the quarter rose 26 percent to SEK 517 million and organic sales growth was an impressive 9 percent. EBITA rose 39 percent and the EBITA margin strengthened to 8.5 percent (7.7). Organic growth was high in the quarter, showing that our value proposition is in demand and that we are steadily capturing market share. One of our major strengths in the market is that we can offer pan-Nordic solutions for our suppliers. We serve as an independent operator and can offer our customers both high expertise and a wide range of advanced products

Market trends

The public debate continues on how health care and social services will manage the increased challenges of a growing and aging population with chronic diseases requiring lengthy treatment. There is clearly a growing need for active cooperation between society, research and the business community. AddLife's value proposition for researchers, health care and home care is attractive in the market and makes a difference in terms of both new treatment options and technical aids.

The business situation in Sweden has developed positively and we see increased demand for our offering. Research grants from both the public and private sectors continue to drive the growing demand in several of our companies. Life Science is a high-priority growth area in Sweden, which can also be seen in the increased interest from both the private and the public sectors. Our ever-growing range of healthcare products has enabled us to submit both larger and more tenders. During the quarter we began to streamline our warehouse and logistics function within Medtech, including the coordination of certain functions between Sweden and Denmark.

Demand in Denmark has developed well in the third quarter from both health care and research. The major investments being made in Denmark in projects such as large new hospitals have increased the demand for several of our companies in both diagnostics and healthcare products. However, some caution remains from the pharmaceutical industry with respect to instrument investments.

The positive trend has continued in Norway in the third quarter. Demand was robust in health care, especially within primary care and home care. The Norwegian government is investing in strengthening Life Science research in various segments, which also increased the demand for our offering.

The market developed favourably in Finland for both research and diagnostic laboratories, though the healthcare sector was slightly weaker. The delay in the comprehensive health care reform has led to some uncertainty and planned investments can also be expected to be postponed as a result.

Exports of our own products in health care and home care have developed well, but demand for our own advanced instruments has been weaker than expected during the quarter.

The Group reorganised the management team during the third quarter in order to shorten decision-making pathways between business area managers and the CEO. The reorganisation was carried out in conjunction with the decision by the VP to leave the company.

Acquisitions

On 13 July, we acquired Krabat AS, which develops, designs and markets assistive equipment for children and young people with special needs. Krabat has sales of about NOK 30 million and is primarily active in Norway. During the first nine months of the year we carried out a total of three acquisitions. In addition to Krabat we acquired Techno Medica on 12 January and the Hepro Group on 1 March. Techno Medica is mainly active in enteral nutrition and in the second quarter, the company was integrated into Medioplast. 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 225 million in annual sales. All acquisitions are included in the Medtech business area.

Kristina Willgard
President and CEO



Group development in the quarter

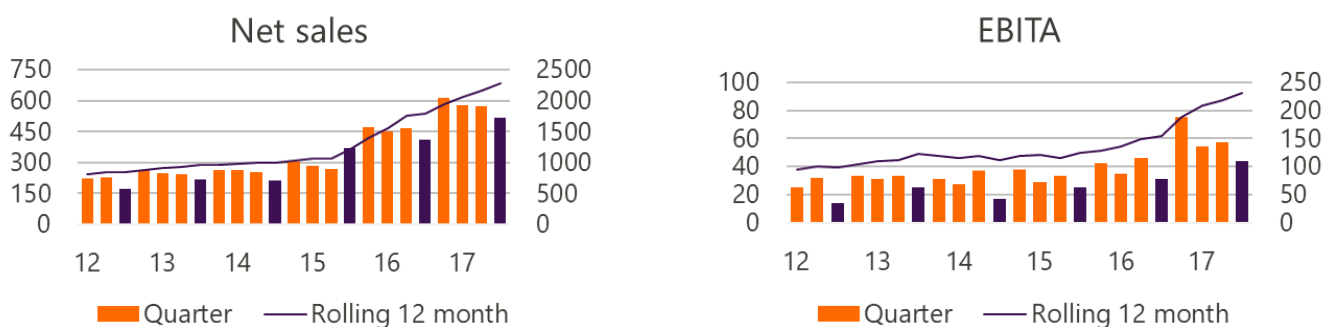
Net sales in the third quarter increased by 26 percent to SEK 517 million (409). Organic growth totalled 9 percent and acquired growth totalled 18 percent. Exchange rate changes had a negative effect on net sales of 1 percent, corresponding to SEK 4 million, and a negative effect on EBITA of 2 percent corresponding to SEK 1 million.

EBITA increased by 39 percent to SEK 44 million (31) and EBITA-margin amounted to 8.5 percent (7.7). The increase in profit is both related to the acquisitions and to the existing companies. During the quarter, SEK 10 million has been recognized as other operating income due to estimated contingent considerations deviated from the actual outcome and costs amounting to SEK 7 million for coordination of warehousing and logistics. Net financial items amounted to SEK -1 million (1) and profit after financial items reached SEK 25 million (22). Profit after tax for the quarter increased by 22 percent to SEK 22 million (18).

Group development during the interim period

During the interim period net sales increased by 25 percent to SEK 1,665 million (1,327). Organic growth totalled 8 percent and acquired growth totalled 16 percent. Exchange rate changes had a positive effect on net sales of 1 percent, corresponding to SEK 20 million, and a positive effect on EBITA of 2 percent corresponding to SEK 2 million.

EBITA increased by 37 percent to SEK 155 million (113) and EBITA-margin amounted to 9.3 percent (8.5). The increase in profit is related to organic growth and acquisitions. Net financial items amounted to SEK -5 million (-3) and profit after financial items reached SEK 101 million (81). Profit after tax for the interim period increased by 27 percent to SEK 80 million (63) and the effective tax rate was 21 percent (22).



Development in the business areas

Labtech

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

SEKm	3 months ending			9 months ending			12 months ending	
	30 Sep 17	30 Sep 16	change	30 Sep 17	30 Sep 16	change	30 Sep 17	31 Dec 16
Net sales	299	246	21 %	978	816	20 %	1,380	1,218
EBITA	25	21	21 %	99	88	13 %	161	150
EBITA-margin, %	8.6	8.6		10.2	10.8		11.7	12.3

Labtechs net sales increased in the third quarter by 21 percent to SEK 299 million (246), of which organic growth totalled 14 percent and acquired growth totalled 9 percent. EBITA increased by 21 percent to SEK 25 million (21), corresponding to an EBITA-margin of 8.6 percent (8.6). Net sales increased during the interim period by 20 percent to SEK 978 million (816), of which organic growth totalled 10 percent and acquired growth totalled 8 percent. EBITA increased by 13 percent to SEK 99 million (88), corresponding to an EBITA-margin of 10.2 percent (10.8).

Business conditions for our Labtech companies improved both in the third quarter and the entire period. Overall, our diagnostics companies continue to develop positively. Our increased focus on, and high proficiency within, molecular biology and microbiology have been favourably received by both suppliers and customers. Our traditional areas, such as blood gas, have

performed well since consumption of our previously installed instruments is high and we continued to deliver more and more new instruments. Business conditions in Sweden remained stable in the third quarter, while our Finnish companies continued to report strong performances.

The continued research grants stimulate the market and several Life Science clusters and research centres are being started by both the private sector and the government primarily in Sweden and Norway. Several major investments are underway in next-generation gene sequencing (NGS), a technology area in which our companies can offer a variety of solutions. In Denmark activity is lower within the pharmaceutical industry and somewhat cautious with respect to instrument investments. Overall, demand is good in advanced research reagents, instruments and microscopes for our companies in the Nordic region. Demand for our own high-tech instruments has been weaker than expected in the quarter, especially in the US where we are experiencing greater resistance towards completing business deals in the academic setting.

Medtech

The Medtech business area consists of 14 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			9 months ending			12 months ending	
	30 Sep 17	30 Sep 16	change	30 Sep 17	30 Sep 16	change	30 Sep 17	31 Dec 16
Net sales	218	163	34 %	687	511	34 %	896	720
EBITA	22	12	80 %	64	38	69 %	83	57
EBITA-margin, %	9.8	7.3		9.3	7.4		9.2	7.9

In the third quarter Medtech's net sales increased by 34 percent to SEK 218 million (163), of which organic growth totalled by 3 percent and acquired growth totalled 31 percent. EBITA increased by 80 percent and reached SEK 22 million (12), corresponding to an EBITA-margin of 9.8 percent (7.3). The increased result and EBITA-margin in the quarter is related to the acquisitions made within the business area. During the quarter, SEK 10 million has been recognized as other operating income due to estimated contingent considerations deviated from the actual outcome and costs amounting to SEK 7 million for coordination of warehousing and logistics. Net sales increased during the interim period by 34 percent to SEK 687 million (511) of which organic growth totalled 5 percent and acquired growth totalled 29 percent. EBITA increased by 69 percent to SEK 64 million (38), corresponding to an EBITA-margin of 9.3 percent (7.4).

The summer quarter influences business conditions in Medtech – activity is substantially reduced during several weeks because of the summer holidays, with hospital wards closed for the summer and fewer surgeries scheduled. Nevertheless, we see an increase in underlying demand in Sweden, Denmark, Norway and the Benelux countries, though the trend is somewhat weaker in Finland. Our ever-growing range of healthcare products, through Medline, has enabled us to submit both larger and more tenders in the Nordic countries. The percentage of our own products was somewhat lower in the product mix in the third quarter than previously during the year. During the quarter we began to streamline our warehouse and logistics function within Medtech, including the coordination of certain functions between Sweden and Denmark.

Demand for, and interest in, our value propositions within home care developed positively. We are investing in sales resources and further development of our own products in order to expand the offer to more countries. During the quarter, the Norwegian company Krabat AS was added to the business area, thereby further strengthening the product range in home care. Krabat develops, designs and sells assistive technology for children with special needs worldwide.

Financial position and cash flow

At the end of the interim period the equity ratio stood at 38 percent (49) and equity per share totalled SEK 29.47 (26.92). The return on equity at the end of the interim period was 18 percent (20). Return on working capital, P/WC (EBITA in relation to working capital) amounted to 65 percent (55). The change in return on working capital is primarily related to the improved result on EBITA.

The Group's interest-bearing net debt at the end of the period stood at SEK 666 million (314), including pension liabilities of SEK 60 million (70). The net debt/equity ratio, calculated on the basis of net debt including provisions for pensions, totalled 0.9, compared to 0.5 at the beginning of the financial year. The increase in interest bearing net debt and net debt/equity ratio, is due to financing of acquisitions.

Cash and cash equivalents, consisting of cash and bank balances, together with approved but non-utilised credit facilities, totalled SEK 162 million on 30 September 2017.

Cash flow from operating activities reached SEK 111 million (37) during the interim period. The improved cash flow is related to improved profit after financial items as well as a more efficient working capital management. Acquisitions of companies amounted to SEK 296 million (42). Investments in non-current assets during the interim period amounted to SEK 28 million (40). Disposals of non-current assets totalled SEK 1 million (1). Repurchase of treasury shares amounted SEK 37 million (33) and call

options issued on repurchased shares amounted to SEK 3 million (-). Dividends paid to the shareholders of the Parent Company totalled SEK 37 million (277). Last year's dividend of SEK 277 million is related to acquisition of subsidiaries from Addtech.

Employees

At the end of the period, the number of employees was 589, compared to 545 at the beginning of the interim period. During the period, implemented acquisitions led to an increase of 58 in the number of employees. The average number of employees during the latest 12-month period was 551 (434).

Acquisitions

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

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business area
V-Tech AB and 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
Krabat AS, Norway	July, 2017	30	13	Medtech

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

During the interim period three company acquisitions have been completed:

On 12 January 2017, all shares in TM Techno Medica AB were acquired to the business area Medtech. The company has 5 employees and net sales of approximately SEK 30 million. The acquisition represents 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 and welfare technology.

On July 13 2017, Krabat AS was acquired. The company will be part of the business area Medtech. The company has 13 employees and annual net sales totals about SEK 30 million. Krabat develops, manufactures and markets high quality aids for children and youths with special needs.

The combined effect of the acquisitions on the AddLife Group's net sales was SEK 110 million, on EBITA SEK 19 million, on operating profit SEK 9 million and on profit after tax for the period SEK 6 million. Had the acquisitions been completed on 1 January 2017, their impact would have been approximately SEK 148 million on consolidated net sales, on EBITA about SEK 25 million and on operating profit about SEK 12 million and SEK 8 million on profit after tax for the interim 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 January – September 2017 were as follows:

	Fair value
Intangible non-current assets	210
Other non-current assets	2
Inventories	32
Other current assets	51
Deferred tax liability/tax asset	-46
Other liabilities	-54
Acquired net assets	195
Goodwill	115
Consideration 1)	310
Less: cash and cash equivalents in acquired businesses	-8
Less: acquired debt to acquired companies	-5
Contingent consideration not yet paid	-13
Effect on the Group's cash and cash equivalents	284

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.

During the quarter, SEK 3 million has been recognized as other operating income due to estimated contingent considerations, relating to previous acquisitions, deviated from the actual outcome. Revaluation of liabilities for contingent consideration added income of SEK 7 million during the interim period, which is recognized as other operating income.

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	-445,000
Total number of shares after repurchases	24,172,093

The own holding of 445,000 Class B shares corresponds to 1.8 percent of the total number of shares and 1.3 percent of the votes. The treasury shares cover the company's undertaking in outstanding call options program from 2016 and 2017. The average purchase price for shares held in treasury amounts to SEK 158.53 per share. The average number of treasury shares held during the year was 245,782 (10 074). The share price at 29 September 2017 was SEK 164.50 and the most recent price paid for the AddLife share on 25 October 2017 was SEK 168.00.

In accordance with a resolution of the May 2017 AGM, 27 members of management were offered the opportunity to acquire 215,000 call options on repurchased shares. The programme was fully subscribed. If fully exercised, the number of B shares outstanding will increase by 215,000, equivalent to about 0.9 percent of the total number of shares and about 0.6 percent of the votes in the Company. The call options were transferred at a price of SEK 13.70 per option, equivalent to the market value of the options based on an independent valuation conducted in accordance with the Black-Scholes model. The redemption price of the call options is SEK 222.50, corresponding to 120 percent of the average share price during the measurement period 30 May – 12 June 2017. Expiration period is from 16 June 2020 through 28 February 2021.

Issued call options for treasury shares have resulted in a dilution effect of 0.1 percent (-) during the interim period.

Parent company

The Parent Company's net sales for the interim period amounted to SEK 21 million (17) and profit after financial items for the interim period amounted to SEK -14 million (-14). At the end of the interim period the Parent Company's net financial debt stood at SEK 887 million (569). The share capital at the end of the interim period was SEK 50.1 million (50.1)

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.

Nomination committee

The 2017 AGM authorised the Board Chairman to establish a nomination committee for upcoming elections to the Board, by appointing members from among representatives of the five shareholders who controlled the largest number of votes in the Company at 30 September 2017, to serve with the Chairman on the nomination committee. In accordance with the above, the Committee comprises these appointed members: Johan Sjö, (Chairman of the Board), Tom Hedelius, Håkan Roos (appointed by RoosGruppen AB), Martin Wallin (appointed by Lannebo Fonder), Monica Åsmyr (appointed by Swedbank Robur Fonder) and Johan Strandberg (appointed by SEB Investment Management). Information on how to contact the Nomination Committee is available on the AddLife website, www.add.life/en/investors/.

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 administration 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, 26 October 2017

Kristina Willgård
President and CEO

Financial calendar

The year-end report for 1 January – 31 December 2017 will be published on 13 February 2018.
The interim report for the period 1 January - 31 March 2018 will be published on 27 April 2018.
The Annual General Meeting (AGM) of AddLife AB (publ.) will be held on 31 May 2018, Stockholm.
The interim report for the period 1 January - 30 June 2018 will be published on 13 July 2018.
The interim report for the period 1 January - 30 September 2018 will be published on 7 November 2018.
The year-end report for 1 January – 31 December 2018 will be published on 5 February 2019.

Teleconference

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

The teleconference will be at 10:00 a.m. on 26 October 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

For further information, please contact:
Kristina Willgård, President and CEO, +46 70 510 12 23
Martin Almgren, CFO, +46 70 228 15 45

Review report

AddLife AB (publ.)
Corp. id. 556995-8126

Introduction

We have reviewed the summary interim financial information (interim report) of AddLife AB (publ.) as of 30 September 2017 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

Conclusion

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

Stockholm 25 October 2017

KPMG AB

KPMG AB

Håkan Olsson Reising
Authorized Public Accountant
Auditor in charge

Jonas Eriksson
Authorized Public Accountant

Business areas

Net sales by business area	2017				2016			
	Quarterly data, SEKm		Q3	Q2	Q 1	Q 4	Q 3	Q 2
Labtech	299	336	343	402	246	282	288	
Medtech	218	236	233	209	163	183	165	
Parent Company and Group items	-	-	-	-	-	-	-	-
AddLife Group	517	572	576	611	409	465	453	

EBITA by business area	2017				2016			
	Quarterly data, SEKm		Q3	Q2	Q 1	Q 4	Q 3	Q 2
Labtech	25	39	35	62	21	35	32	
Medtech	22	21	21	19	12	14	12	
Parent Company and Group items	-3	-3	-2	-5	-2	-2	-9	
EBITA	44	57	54	76	31	47	35	
Depreciation intangible assets	-18	-17	-14	-12	-10	-10	-9	
Operating profit	26	40	40	64	21	37	26	
Finance income and expenses	-1	-2	-2	-3	1	-2	-2	
Profit after financial items	25	38	38	61	22	35	24	

Net sales by business area	3 months ending		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
SEKm	299	246	978	816	1,380	1,218
Labtech	218	163	687	511	896	720
Medtech	-	-	-	-	-	-
Parent Company and Group items	-	-	-	-	-	-
AddLife Group	517	409	1,665	1,327	2,276	1,938

EBITA and EBITA-margin by business area and operating profit for the Group	3 months ending				9 months ending				12 months ending			
	30 Sep 17	%	30 Sep 16	%	30 Sep 17	%	30 Sep 16	%	30 Sep 17	%	31 Dec 16	%
SEKm	25	8.6	21	8.6	99	10.2	88	10.8	161	11.7	150	12.3
Labtech	22	9.8	12	7.3	64	9.3	38	7.4	83	9.2	57	7.9
Medtech	-3		-2		-8		-13		-13		-18	
Parent Company and Group items												
EBITA	44	8.5	31	7.7	155	9.3	113	8.5	231	10.1	189	9.7
Depreciations of intangible non-current assets	-18		-10		-49		-29		-61		-41	
Operating profit	26	5.0	21	5.2	106	6.4	84	6.3	170	7.5	148	7.6
Financial income and expenses	-1		1		-5		-3		-8		-6	
Profit after financial items	25		22		101		81		162		142	

Group summary

Income statement SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
Net sales	517	409	1,665	1,327	2,276	1,938
Cost of sales	-336	-272	-1,069	-866	-1,471	-1,268
Gross profit	181	137	596	461	805	670
Selling expenses	-124	-95	-381	-295	-501	-415
Administrative expenses	-36	-23	-105	-84	-134	-113
Research and Development	-5	-	-13	-	-15	-2
Other operating income and expenses	10	2	9	2	15	8
Operating profit	26	21	106	84	170	148
Financial income and expenses	-1	1	-5	-3	-8	-6
Profit after financial items	25	22	101	81	162	142
Tax	-3	-4	-21	-18	-33	-30
Profit for the period	22	18	80	63	129	112
<i>Attributable to:</i>						
Equity holders of the Parent Company	22	18	80	63	129	112
Non-controlling interest	-	-	-	-	-	-
Earnings per share (EPS), SEK*	0.88	0.72	3.28	2.79	5.29	4.87
Diluted EPS, SEK*	0.88	0.72	3.27	2.79	5.28	4.87
Average number of shares '000s	24,340	24,587	24,371	22,467	24,375	22,950
Number of shares at end of the period, '000	24,172	24,387	24,172	24,387	24,172	24,387

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

EBITA	44	31	155	113	231	189
Depreciations included in operating expenses						
- property, plant and equipment	-6	-4	-15	-12	-21	-18
- intangible non-current assets from acquisitions	-15	-9	-41	-25	-51	-35
- other intangible non-current assets	-3	-1	-8	-4	-10	-6

Statement of comprehensive income SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
Profit for the period	22	18	80	63	129	112
<i>Components that will be reclassified to profit for the year</i>						
Foreign currency translation differences for the period	-1	6	-14	16	-15	15
<i>Components that will not be reclassified to profit for the year</i>						
Revaluations of defined benefit pension plans	-	-8	-	3	5	8
Tax attributable to items not to be reversed in profit or loss	-	1	-	-1	-1	-2
Other comprehensive income	-1	-1	-14	18	-11	21
Total comprehensive income	21	17	66	81	118	133
<i>Attributable to:</i>						
Equity holders of the Parent Company	21	17	66	81	118	133
Non-controlling interests	-	-	-	-	-	-

Balance sheet, SEKm	30 Sep 17	31 Dec 16	30 Sep 16
Goodwill	646	524	497
Other intangible non-current assets	520	346	269
Property, plant and equipment	78	68	67
Financial non-current assets	15	11	12
Total non-current assets	1,259	949	845
Inventories	295	252	243
Current receivables	312	361	251
Cash and cash equivalents	17	15	11
Total current assets	624	628	505
Total assets	1,883	1,577	1,350
Total equity	712	717	663
Interest-bearing provisions	60	60	70
Non-interest-bearing provisions	78	40	55
Non-current interest-bearing liabilities	7	11	158
Non-current non-interest-bearing liabilities	1	0	0
Total non-current liabilities	146	111	283
Non-interest-bearing provisions	4	6	11
Current interest-bearing liabilities	616	310	97
Current non-interest-bearing liabilities	405	433	296
Total current liabilities	1,025	749	404
Total equity and liabilities	1,883	1,577	1,350

Statement of change in Group equity, SEKm	1 Jan 17 – 30 Sep 17		1 Apr 16 – 31 Dec 16		1 Jan 16 – 30 Sep 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	300	-	300
Issue expenses	-	-	-1	-1	-1	-	-1
Call options issued	3	3	2	2	-	-	-
Repurchase of treasury shares	-37	-37	-33	-33	-33	-	-33
Dividend	-37	-37	-	-	-	-	-
Change non-controlling interests	-	-	-	-	-5	-0	-5
Total comprehensive income	66	66	102	102	81	-	81
Amount at the end of the period	712	712	717	717	663	-	663

Cash flow statement SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
Profit after financial items	25	22	101	81	162	142
Adjustment for items not included in cash flow	23	19	62	54	63	55
Income tax paid	-8	-12	-24	-34	-27	-37
Changes in working capital	-13	-1	-28	-64	9	-27
Cash flow from operating activities	27	28	111	37	207	133
Net investments in non-current assets	-9	-5	-27	-39	-32	-44
Acquisitions and disposals	-47	-6	-296	-42	-408	-154
Cash flow from investing activities	-56	-11	-323	-81	-440	-198
Dividend paid to shareholders	-	-	-37	-277	-37	-277
Rights issue	-	-	-	299	-	299
Call options issued	3	-	3	-	3	2
Repurchase of treasury shares	-37	-33	-37	-33	-37	-33
Other financing activities	60	11	287	-69	312	-46
Cash flow from financing activities	26	-22	216	-80	241	-55
Cash flow for the period	-3	-5	4	-124	8	-120
Cash and cash equivalents at beginning of period	22	13	15	130	11	130
Exchange differences on cash and cash equivalents	-2	3	-2	5	-2	5
Cash and cash equivalents at end of the period	17	11	17	11	17	15

Fair values on financial instruments SEKm	30 Sep 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	0	0	-	-	-	-
Contingent considerations	16	-	16	13	-	13
Total financial liabilities at fair value per level	16	0	16	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		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
Carrying amount, opening balance	26	17	13	6	11	6
Acquisitions during the year	-	-	13	11	19	17
Consideration paid	-	-6	-	-6	-	-6
Reversed through profit or loss	-10	0	-10	0	-15	-5
Interest expenses	1	0	1	0	2	1
Exchange differences	-1	0	-1	0	-1	0
Carrying amount, closing balance	16	11	16	11	16	13

Key financial indicators	12 months ending				
	30 Sep 17	31 Dec 16	30 Sep 16	31 Mar 16	31 Mar 15**
Net sales, SEKm	2,276	1,938	1,799	1,562	1,057
EBITA, SEKm	231	189	155	135	120
EBITA margin, %	10.1	9.7	8.6	8.7	11.3
Profit growth, EBITA, %	49	47	20	13	4
Return on working capital (P/WC), %	65	62	55	64	94
Profit for the period, SEKm	129	112	90	78	80
Return on equity, %*	18	21	20	25	30
Financial net liabilities, SEKm	666	366	314	538	19
Financial net liabilities/EBITDA, multiple	2.7	1.8	1.8	3.6	0.1
Net debt/equity ratio, multiple*	0.9	0.5	0.5	1.6	0.1
Equity ratio, %*	38	45	49	27	41
Average number of employees	551	452	434	370	284
Number of employees at end of the period	589	545	453	427	286

* 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				
	30 Sep 17	31 Dec 16	30 Sep 16	31 Mar 16	31 Mar 15
Earnings per share (EPS), SEK	5.29	4.87	4.13	4.15	5.06
Diluted EPS, SEK	5.28	4.87	4.13	-	-
Cash flow per share, SEK	8.49	5.79	4.53	6.27	7.58
Shareholders' equity per share, SEK*	29.47	29.40	26.92	17.60	16.46
Average number of shares after repurchases, '000s	24,375	22,950	21,770	18,749	15,892
Average number of shares adjusted for repurchases and dilution, '000s	24,392	22,950	21,770	-	-
Number of shares outstanding at end of the period, '000s	24,172	24,387	24,387	19,694	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 SEKm	3 months ending		9 months ending		12 months ending	
	30 Sep 17	30 Sep 16	30 Sep 17	30 Sep 16	30 Sep 17	31 Dec 16
Net sales	7	6	21	17	27	23
Administrative expenses	-17	-7	-38	-30	-48	-39
Operating profit/loss	-10	-1	-17	-13	-21	-16
Profit/loss from shares in group companies	-	-	-	-	75	75
Interest income/expenses and similar items	2	1	3	-1	4	1
Profit/loss after financial items	-8	0	-14	-14	58	60
Appropriations	-	-	-	35	46	80
Profit/loss before taxes	-8	0	-14	21	104	140
Income tax expense	2	0	3	-5	-6	-14
Profit/loss for the period	-6	0	-11	16	98	126

Balance sheet, SEKm	30 Sep 17	31 Dec 16	30 Sep 16
Intangible non-current assets	0	0	0
Tangible non-current assets	0	0	0
Non-current financial assets	1,522	1,165	1,119
Total non-current assets	1,522	1,165	1,119
Current receivables	16	151	50
Total current assets	16	151	50
Total assets	1,538	1,316	1,169
Equity	606	688	577
Untaxed reserves	19	19	5
Interest-bearing long-term liabilities	126	65	202
Non-interest-bearing long-term liabilities	1	0	-
Total long-term liabilities	127	65	202
Interest-bearing short-term liabilities	761	514	367
Non-interest-bearing short-term liabilities	25	30	18
Total short-term liabilities	786	544	385
Total equity and liabilities	1,538	1,316	1,169

Note. Pledged assets and contingent liabilities for parent company

SEKm	30 Sep 17	31 Dec 16	30 Sep 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.		
	2017-09-30	2016-12-31	2016-09-30
Profit/loss for the period	129	112	90
Average equity	711	545	463
Return on equity	129/711 = 18%	112/545 = 21%	90/463 = 19%
Return on working capital (P/WC)	EBITA in relation to average working capital.		
	2017-09-30	2016-12-31	2016-09-30
Operating profit before amortization of intangible assets	231	189	155
EBITA, (P)			
Average working capital (WC)	356	304	284
P/WC	231/356 = 65%	189/304 = 62%	155/284 = 55%
EBITA	Operating profit before amortization of intangible assets.		
	2017-09-30	2016-12-31	2016-09-30
Operating profit	170	148	118
Depreciation of intangible assets	61	41	37
Operating profit before amortization of intangible assets	231	189	155
EBITA margin	EBITA in percentage of net sales.		
	2017-09-30	2016-12-31	2016-09-30
Operating profit before amortization of intangible assets	231	189	155
Net sales	2,276	1,938	1,790
EBITA margin	231/2,276 = 10.1%	189/1,938 = 9.7%	155/1,790 = 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 in order to understand and evaluate AddLifes business and financial position. The key figures are presented in the "Key financial indicators" table on page 13 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 October 26, 2017.



AddLife AB (publ), Box 3145, Birger Jarlsgatan 43, SE-103 62 Stockholm. info@add.life, www.add.life, org.nr. 556995-8126