

# 2016 INTERIM REPORT 1

## JANUARY–MARCH 2016

- Net sales increased by 3% to SEK 3,427 million (3,325)
- The order backlog was up 10% to SEK 7,135 million (6,502)
- Operating profit was up 15% to SEK 175 million (152)
- The operating margin was improved to 5.1% (4.6)
- Adjusted operating profit was SEK 175 million (172). Specific costs\* was SEK 0 million (20). The adjusted operating margin was 5.1% (5.2)
- Profit after tax was SEK 123 million (62)
- Cash flow from operating activities was SEK 13 million (289) due to very strong cash flow in the fourth quarter
- Net debt was SEK 2,416 million (2,441)
- Two acquisitions were completed in the quarter, adding annual sales of SEK 107 million
- Earnings per share\*\* was SEK 0.61 (0.31)

\*For further information, see Note 3

\*\* In the third quarter of 2015, a reverse 1:2 split of the company's shares was carried out, following which there are 201,566,598 shares. Earnings per share from previous periods have been recalculated in this interim report.

## FINANCIAL OVERVIEW

SEK MIL.	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Net sales	3,427	3,325	14,206
Operating profit/loss	175	152	782
Operating margin, %	5.1	4.6	5.5
Adjusted operating profit/loss	175	172	878
Adjusted operating margin, %	5.1	5.2	6.2
Profit/loss before tax	159	84	422
Cash flow from operating activities	13	289	841
Operating cash flow	57	352	988
Interest coverage ratio	11.7	1.9	2.5
Equity/assets ratio, %	32.2	29.5	31.2
Order intake	3,469	3,236	14,249
Order backlog	7,135	6,502	7,092



A leading multi-technical  
service provider in the Nordics





# CEO STATEMENT

## LOWER SALES GROWTH MAINLY DUE TO NEGATIVE EASTER EFFECT

A short fall in production is normal during the Easter weeks because of public holidays and holiday leave, which have a negative impact on net sales. The 2016 Easter holiday fell in the first quarter, unlike the previous year when Easter occurred in the second quarter. On Group level we estimate the negative impact from the Easter effect to 4-5 percent on net sales.

The Norwegian operations and net sales were particularly affected by the Easter effect, which was part of the reason for the lower net sales in Norway. We are also seeing weak demand in the Southwest region, due to lower activity in the oil and gas sector. We are taking action to adjust capacity due to the lower demand. Overall demand in Norway continues to be good, supported by a strong order backlog which was up 6 percent.

## CONTINUED FOCUS ON MARGIN OVER VOLUME

The underlying operating margin, excluding Finland, improved from 5.3 percent to 5.5 percent. Operating profit in Sweden increased by 16 percent, the operating margin in Norway was stable, while the operating margin in Denmark decreased due to certain project write-downs. The market is gradually improving. Given this situation, project selection is important and margin always takes precedence over volume for Bravida.

Our work on the operational efficiency initiatives continues. In terms of our productivity initiatives, it is now implemented in 83 percent of our branches, within the purchasing initiative several contracts were renegotiated and are now being imple-

mented in our branches. Within the service initiative training has started during the first quarter and the impact on sales is expected to show in the second half in 2016.

## ORDER INTAKE REMAINS STRONG AND ORDER BACKLOG AT RECORD LEVELS

Order intake rose by 6 percent. This helped us maintain a good order backlog at a record high level, at just over SEK 7.1 billion. Compared with the first quarter of 2015, the order backlog in Norway increased by 6 percent in local currency, by 2 percent in Denmark and by 9 percent in Sweden. This healthy order backlog points to continued stable operations.

## SHARP IMPROVEMENT IN EARNINGS PER SHARE

Earnings per share rose by 99 percent to SEK 0.61 (0.31). This was partly because the first quarter of 2016 was not burdened by specific costs, which amounted to SEK 20 million in 2015. It was also because the refinancing and settlement of currency and interest rate hedges in autumn 2015 improved net financial items by SEK 53 million, of which net interest items improved by SEK 46 million. Dividend proposal to the annual general meeting SEK 1 per share is above the financial target.

**Mattias Johansson,**  
Stockholm, April 2016



**MARKET, NET SALES AND ORDER INTAKE**

(SEE NOTE 2 AND 4)

**January–March**

The market is benefitting from continued healthy demand for construction of housing, public-sector buildings and infrastructure projects. Construction firms' order backlogs are stable. The overall construction market is strong in Sweden, and improvements are being seen in Denmark and Finland. In Norway, demand is lower in the Southwest region due to lower activity in the oil and gas sector but the construction market is otherwise stable.

Net sales in the first quarter totalled SEK 3,427 million (3,325), an increase of 3 percent compared with the first quarter of 2015. Adjusted for currency fluctuations and acquisitions, sales decreased by 3 percent. Currency fluctuations reduced net sales by 2 percent in the quarter, while acquisitions contributed an 8 percent increase in net sales. The 2016 Easter holiday fell in the first quarter, unlike the previous year when Easter occurred in the second quarter. This has a negative impact on the comparison of net sales.

Acquisitions took place in Norway and Denmark in the first quarter of 2016, while in 2015 there were acquisitions in all countries.

In Sweden, net sales were SEK 2,098 million (2,001), an increase of 5 percent. In Norway, net sales were SEK 657 mil-

lion (821), a decrease of 20 percent; in local currency sales decreased by 12 percent. In Denmark, net sales were unchanged at SEK 510 million (510). In Finland, net sales were SEK 162 million (0). No comparative figures are available as the Finnish operations were established in June 2015.

Order intake in the first quarter totalled SEK 3,469 million (3,236), an increase of 6 percent, which was due in particular to strong order intake in Denmark. In Sweden, order intake rose by 2 percent. In Norway, order intake decreased by 1 percent in local currency. In Denmark, order intake rose by 12 percent. The order backlog at 31 March was SEK 7,135 million (6,502), an increase of 10 percent and a new record level for Bravida.

**EARNINGS** (SEE NOTE 3)**January–March**

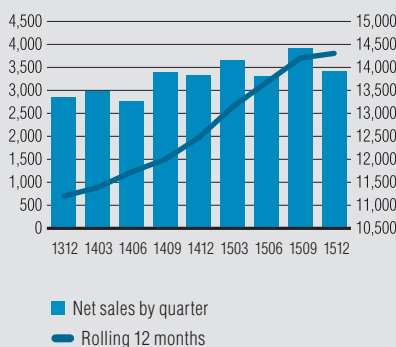
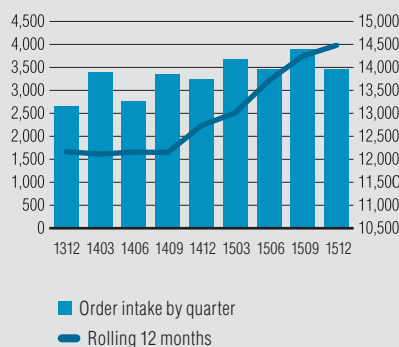
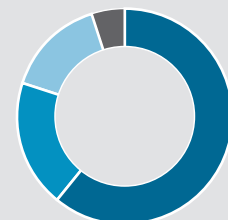
Operating profit in the first quarter rose by 15 percent to SEK 175 million (152), resulting in an operating margin of 5.1 percent (4.6). Operating profit in Sweden increased by 16 percent to SEK 113 million (97). As a result of lower net sales, operating profit in Norway was SEK 38 million (49). Operating profit in Denmark decreased to SEK 18 million (25) owing to project write-downs. Operating income in Finland was negative at SEK -3 million (-3). Costs in the Finnish business in 2015

mainly related to costs for management in Finland, who were employed at the end of 2014. Group-wide operating profit was SEK 8 million (-15). Specific costs of SEK 20 million impacted operating profit in the first quarter of 2015 (Note 3). Adjusted operating profit was SEK 175 million (172) and the adjusted operating margin was 5.1 percent (5.2). Establishment of the Finnish business during the period resulted in a 0.4 (0.1) percent dilution of the operating margin; accounting for this, the adjusted operating margin was 5.5 percent (5.3).

Net financial items in the first quarter amounted to SEK -15 million (-49) and the impact on earnings from the market-based measurement of currency and interest rate hedges was SEK 0 million (-20). In October 2015, the Group refinanced its debt by replacing bond financing with bank financing, with bonds and related currency and interest rate hedges being repaid. Profit after financial items was SEK 159 million (84). Profit after tax was SEK 123 million (62). Earnings per share for the first quarter were SEK 0.61 (0.31).

**DEPRECIATION AND AMORTISATION**

Depreciation and amortisation of machinery, equipment and intangible assets in the first quarter amounted to SEK 6 million (5).

**NET SALES (SEK MIL.)****ORDER INTAKE (SEK MIL.)****NET SALES BY COUNTRY, JANUARY–MARCH 2016**

SEK MIL.

- 2,098 Sweden
- 657 Norway
- 510 Denmark
- 162 Finland



## TAX

The tax expense for the first quarter was SEK -36 million (-22). Profit before tax was SEK 159 million (84). The effective tax rate for the quarter was 23 (26) percent. The tax rate in Sweden is 22 percent, in Norway it is 25 percent, in Denmark 22 percent and in Finland 20 percent. Tax paid amounted to SEK 30 million (3).

## CASH FLOW

Cash flow from operating activities in the first quarter was SEK 13 million (289). Cash flow from investing activities was SEK -13 million (-65). Cash flow from financing activities was SEK -200 million (-57).

Investments in machinery and equipment in the first quarter amounted to SEK -1 million (-4). Acquisitions of subsidiaries and businesses amounted to SEK -11 million (-66). The cash flow was weak due to a very strong cash flow in the last quarter in 2015. Working capital was still on a good level -7.2 percent of net sales in the end of the quarter. Tax paid in the quarter was SEK 30 million (3).

## ACQUISITIONS

(SEE NOTE 5)

Bravida made two acquisitions in the first quarter, one in Norway and one in Denmark. VVS Engineering AS was acquired on 1 January 2016 and has operations in Oslo. The company has annual sales of SEK 69 million and 35 employees and

offers heating, cooling and sprinkler installation services. On 1 March 2016, the electrical business of EnergiMidt was acquired. This business has annual sales of SEK 38 million and 25 employees. Business operations are conducted in Jutland in Denmark. They encompass service and installation in the areas of electrical systems, energy optimisation, solar PV and low-voltage systems. The acquired businesses have estimated annual sales of SEK 107 million and a total of 60 employees.

## FINANCIAL POSITION

Bravida had net debt of SEK 2,416 million (2,441) at 31 March 2016. Currency fluctuations had only a marginal effect on net debt. The equity/assets ratio was 32.2 percent (29.5). Net financial items for the first quarter amounted to SEK -15 million (-49), of which SEK -15 million (-60) was a net interest expense. Net financial items also included exchange differences of SEK 1 million (11). The revaluation of currency and interest rate hedges amounted to SEK 0 million (-20); all currency and interest rate hedges were settled in conjunction with the refinancing carried out in October 2015.

Consolidated cash and cash equivalents were SEK 390 million (991) at 31 March.

Interest-bearing liabilities amounted to SEK 2,805 million (3,397) at 31 March. Bravida's credit facility totals SEK 4,021 million, SEK 2,805 million of which

was utilised at 31 March 2016. Equity amounted to SEK 3,640 million (3,357) at the end of the period.

## EMPLOYEES

The average number of employees rose by 7 percent compared with the year-earlier period, totalling 9,419 (8,798).

## PARENT COMPANY

Revenues in the first quarter were SEK 0 million (0). Income before tax for the first quarter was SEK -20 million (-9). This change in income was due to increased administrative costs and overall net financial expenses.

## OTHER EVENTS DURING THE PERIOD

Mikael Lidström, head of Bravida Division North (Sweden) and member of the Management Group, has given notice that he will leave Bravida, his successor has not yet been appointed. Mikael remains with the company until 29 April and Thommy Lundmark will become acting Head of Division North.

## DIVIDEND

The Board of Directors proposes a dividend for 2015 of SEK 1 per share.

Bravida's dividend policy is to distribute at least 50 percent of net profit. The proposed dividend corresponds to 52 percent of adjusted earnings per share.

## NET SALES AND GROWTH

SEK MIL.	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Net sales	3,427	3,325	14,206
Change	102	477	2,205
Change, %	3.1	16.7	18.4
Of which			
Organic growth, %	-3	5	7
Acquisitions/divestments, %	8	11	12
Currency effects, %	-2	1	-1



### EVENTS SINCE THE END OF THE PERIOD

On 8 April 2016, the remaining 25 percent of shares in HS:Vagle Elektro AS and HS:Vagle Rör AS in Sandnes, Norway were acquired. The acquisition will enable synergies with other Bravida units in the Stavanger area.

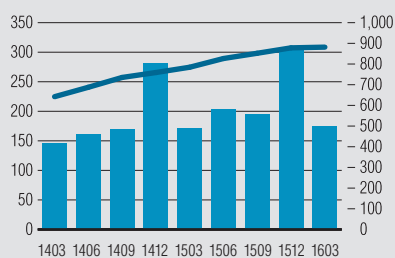
Bravida acquired 75 percent of shares in HS:Vagle Elektro AS and HS:Vagle Rör in December 2014.

### MATERIAL RISKS IN THE GROUP AND PARENT COMPANY

Changes in market conditions, financial uncertainty and political decisions are the external factors that mainly affect demand for new construction of housing and commercial property, as well as investment from industry and the public sector. Demand for service and maintenance is less sensitive to economic fluctuations. Operating risks are related to day-to-day business operations such as tendering, price risks, capacity utilisation and revenue recognition. Management of these risks is part of Bravida's ongoing business process. The percentage-of-completion method is used for projects and is based on the extent of completion of each project and the expected date of completion. A well-developed process

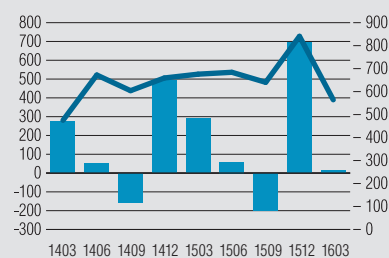
for the monitoring of projects is essential in limiting the risk of incorrect revenue recognition. Bravida continually monitors the financial status of each project to ensure that individual project calculations are not exceeded. The Group is also exposed to impairment loss risks in fixed-price contracts and various types of financial risk such as currency, interest rate and credit risk. These material risks and uncertainties apply to both parent company and the consolidated Group.

### ADJUSTED OPERATING PROFIT (SEK MIL.)



■ Adjusted operating profit by quarter  
— Adjusted operating profit, rolling 12 months

### CASH FLOW FROM OPERATING ACTIVITIES (SEK MIL.)



■ Cash flow by quarter  
— Cash flow, rolling 12 months



## OPERATIONS IN SWEDEN

### MARKET

Construction activity in Sweden is stable due to healthy demand from public-sector new-builds and renovation and new-builds and renovations of housing. Construction activity is benefiting from urbanisation and low interest rate levels. Economic indicators for the construction industry are at a historically high level and the production index for the construction sector shows stable growth. Bravida estimates demand for multi-technical services to be strong in the metropolitan areas and in the university towns and to be good in the rest of Sweden, except for the most northern parts where the demand is weaker. Bravida Sweden's customers largely consist of construction firms, 12 percent from property companies, 11 percent from public-sector customers, with the remainder coming from other business sectors.

### NET SALES AND EARNINGS

Net sales in Sweden in the first quarter rose by 5 percent to SEK 2,098 million (2,001). Operating profit rose by 16 percent to SEK 113 million (97), resulting in an operating margin of 5.4 percent (4.9).

### ORDER INTAKE AND ORDER BACKLOG

Order intake in Sweden increased by 2 percent in the first quarter. The order backlog at the end of the period was SEK 4,003 million (3,681), which is a 9 percent increase on the year-earlier period.

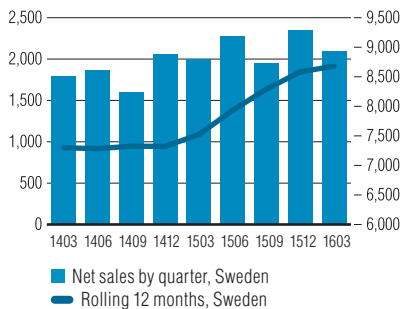
Bravida Sweden received a number of medium-sized orders in the first quarter with an order value of SEK 10–15 million. The orders relate to housing and office premises, as well as a leisure centre and an industrial building. A large order was received in relation to the renovation and extension of Värnamo hospital, for which Bravida has been commissioned to install electrical systems, heating and plumbing and sprinklers, with an order value of SEK 100 million.

### NUMBER OF EMPLOYEES

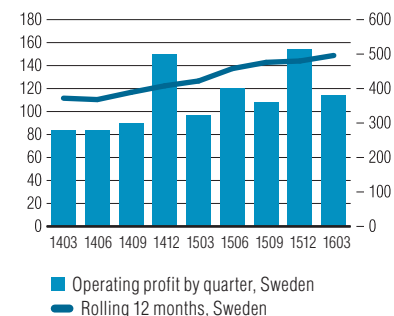
The average number of employees during the period was 5,136 (5,032).



### NET SALES (SEK MIL.)



### OPERATING PROFIT (SEK MIL.)



SEKMIL.

	Jan–Mar 2016	Jan–Mar 2015*	Jan–Dec 2015
Net sales	2,098	2,001	8,583
Operating profit (EBIT)	113	97	480
Operating margin, %	5.4	4.9	5.6

\* Segment converting from Division to country



**Skolfastigheter i Stockholm AB, SISAB**, owns most of the properties used by Stockholm's schools and pre-schools. SISAB aims to offer well-maintained, pleasant and appropriate educational environments. Bravida TSM carries out all electrical and HVAC service and technical services management at the properties and has incorporated its remediation system into SISAB's existing IT systems to provide efficient fault reporting that leads to quick repairs.



## OPERATIONS IN NORWAY

### MARKET

The Norwegian economy has weakened over the past year because of the fall in the price of oil. However, as a result of increased investments in public-sector construction and infrastructure and housing, the Norwegian construction sector was stable in 2015. The construction of commercial facilities and housing has increased in the first few months of 2016 by 10 percent and 16 percent, respectively, compared with the year-earlier period. Bravida estimates demand for multi-technical services to be strong in the Oslo area and in northern Norway and to be good in the rest of Norway, except for the Southwest area where demand is weaker.

The customer base in Norway is well diversified. In the first quarter of 2016, 21 percent of net sales came from construction firms, 20 percent from public-sector customers, remaining 59 percent coming from other business sectors.

### NET SALES AND EARNINGS

Net sales for the first quarter decreased by 20 percent to SEK 657 million (821). In local

currency, net sales decreased by 12 percent. The lower sales were mainly due to lower demands in the Southwest region, due to lower activity in the oil and gas sector and to Easter falling in March 2016 rather than April as it did in 2015. Easter results in production losses owing to public holidays and holiday leave and consequently results in lower net sales.

Operating profit in Norway was SEK 38 million (49), which equates to an operating margin of 5.8 percent (6.0). In Norwegian kroner, operating profit decreased by 15 percent.

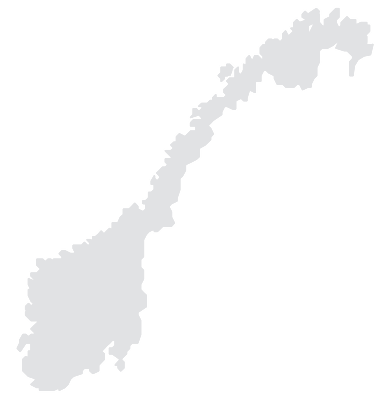
### ORDER INTAKE AND ORDER BACKLOG

Order intake was reduced by 1 percent, due to the lower demand in the Southwest area. At the end of the period, the order backlog was SEK 1,420 million (1,454), a decrease of 2 percent. In local currency, however, the order backlog increased by 6 percent. Bravida Norway received a number of large orders in the first quarter relating to office buildings ordered for public-sector use and an industrial building. The majority of order intake in the

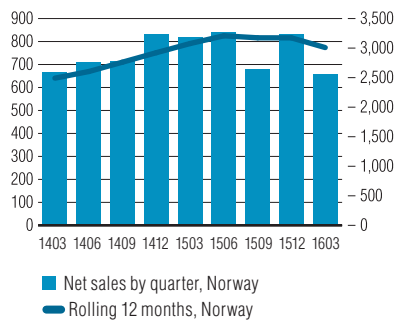
first quarter, however, related to small and medium-sized installation projects and service.

### NUMBER OF EMPLOYEES

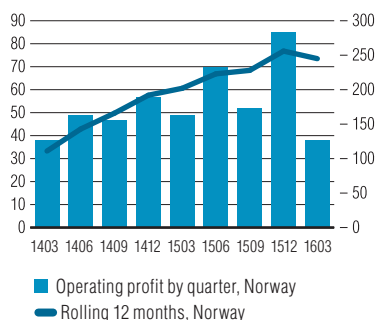
The average number of employees during the period was higher than the previous year, at 2,348 (2,333).



### NET SALES (SEK MIL.)



### OPERATING PROFIT (SEK MIL.)



SEKMIL.

	Jan–Mar 2016	Jan–Mar 2015*	Jan–Dec 2015
Net sales	657	821	3,173
Operating profit (EBIT)	38	49	256
Operating margin, %	5.8	6.0	8.1

\* Segment converting from Division to country



**Northern Europe's largest charging facility** for electric cars has been completed in Bærum, Norway, enabling employees of Det Norske Veritas, DNV, to charge their vehicles. Bravida has installed 100 new type-two charging stations in the car park in Høvik. Bravida also provided voltage regulation, which reduced the number of main cables and overload protection.



## OPERATIONS IN DENMARK

### MARKET

The Danish construction market has improved during the last year. This is through increased new construction and renovation of public-sector buildings such as hospitals, universities, schools and investments in infrastructure, as well as increased new construction and renovation of housing. However, the confidence indicator for the Danish construction sector is still slightly below the normal level, although there has been a gradual improvement over the past year. Bravida estimates demand for multi-technical services to be good in the Copenhagen area and in the larger cities, in the rest of Denmark the market is weaker. Bravida Denmark largely has public-sector customers. In the first quarter of 2016, 44 percent of net sales came from public-sector customers, 17 percent from industrial companies and 15 percent from construction firms, with the remaining 24 percent coming from other business sectors.

### NET SALES AND EARNINGS

Net sales were unchanged in the first quarter at SEK 510 million (510).

Operating profit was SEK 18 million (25), which equates to an operating margin of 3.5 percent (4.8). The weaker operating profit in the first quarter was attributable to two project write-downs.

### ORDER INTAKE AND ORDER BACKLOG

The strong trend in order intake from the end of last year continued during the first quarter, order intake increased by 12 percent. The good order intake was explained by increased service revenues and many small and medium-sized installation orders.

At the end of the quarter, the order backlog was SEK 1,398 million (1,366), which was an increase by 2 percent. Examples of orders during the first quarter were; an order from a hospital for the installation of heating and plumbing and sprinkler, an order for the installation of

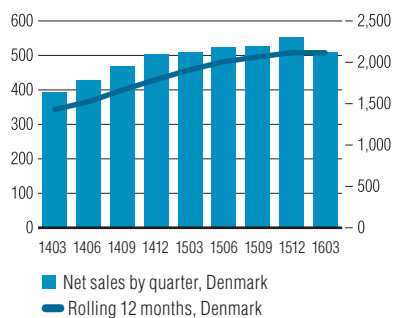
HVAC and cooling systems in an industrial plant and an order for HVAC and heating and plumbing installations for the renovation of apartments.

### NUMBER OF EMPLOYEES

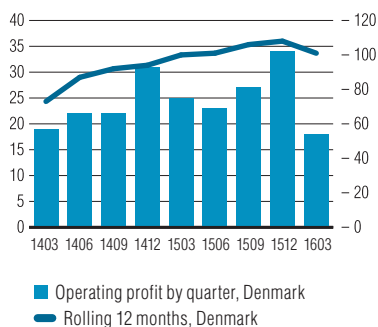
The average number of employees in the first quarter of 2016 was 1,482 (1,364).



### NET SALES (SEK MIL.)



### OPERATING PROFIT (SEK MIL.)



SEKMIL.

	Jan–Mar 2016	Jan–Mar 2015*	Jan–Dec 2015
Net sales	510	510	2,116
Operating profit (EBIT)	18	25	108
Operating margin, %	3.5	4.8	5.1



**The Port of Aalborg** has launched an initiative to reduce electricity consumption at the port. As part of this, Bravida has installed new 200 W LED lighting in a large area of the port, resulting in savings of over 80,000 kWh/year. And the fact that the system can be remotely controlled means it is possible to switch from guide lighting to work lighting using internet or a smartphone app.





## OPERATIONS IN FINLAND

### MARKET

The construction sector in Finland has been weak for a long period. Although, the confidence indicator for the Finnish construction industry show that market conditions are gradually improving. It is encouraging that construction firms' sales increased by almost 8 percent in the final quarter of 2015.

### NET SALES AND EARNINGS

Net sales for the first quarter were SEK 162 million (0).

Operating income was SEK -3 million (-3), which equates to an operating margin of -1.8 percent (0). Costs in the first quarter of 2015 mainly related to personnel costs for management in Finland who were employed at the end of 2014.

Bravida Finland was formed in 2015 through the acquisition of the installation and service divisions of Peko Group

in June 2015 and Halmesvaara Oy in July 2015. Ongoing work is being undertaken within the business to make productivity improvements, optimise the organisation and integrate business operations.

### ORDER INTAKE AND ORDER BACKLOG

Order intake for the first quarter was SEK 109 million (0). Order intake mainly consisted of smaller installation orders and service. Bravida Finland's orders included an assignment from Tampere City Council to carry out installation work in the City Library and several technical service management contracts. The order backlog at the end of the quarter was SEK 313 million (0).

### NUMBER OF EMPLOYEES

The average number of employees in the first quarter of 2016 was 383 (4).



SEKMIL.	Jan–Mar 2016	Jan–Mar 2015	Jan–Dec 2015
Net sales	162	–	358
Operating profit (EBIT)	-3	-3	0
Operating margin, %	-1.8	–	0.0



**Tampere City Library Metso** was constructed in 1986. The building is a valued cultural site that is known for its architecture. The library was recently renovated and Bravida was contracted to carry out all the electrical installations.

**CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME, SUMMARY**

SEK MIL.	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015	Apr 2015 -Mar 2016
<b>Net sales</b>	<b>3,427</b>	<b>3,325</b>	<b>14,206</b>	<b>14,308</b>
Production costs	-2,948	-2,854	-12,081	-12,175
<b>Gross profit/loss</b>	<b>479</b>	<b>471</b>	<b>2,124</b>	<b>2,133</b>
Selling and administrative expenses	-305	-318	-1,342	-1,328
<b>Operating profit/loss</b>	<b>175</b>	<b>152</b>	<b>782</b>	<b>805</b>
Net financial items	-15	-49	-227	-194
Revaluation of currency and interest hedges	–	-20	-133	-113
<b>Profit/loss before tax</b>	<b>159</b>	<b>84</b>	<b>422</b>	<b>497</b>
Tax on profit/loss for the period	-36	-22	-135	-149
<b>Profit/loss for the period</b>	<b>123</b>	<b>62</b>	<b>287</b>	<b>348</b>
<b>Other comprehensive income</b>				
Items transferred or that can be transferred to profit or loss				
Translation differences for the year from the translation of foreign operations	21	-13	-89	-55
Change in hedging reserve	–	2	171	169
Items that cannot be transferred to profit or loss				
Revaluation of defined-benefit pensions	-77	–	248	171
Tax attributable to items in other comprehensive income	17	0	-92	-75
<b>Comprehensive income for the period</b>	<b>84</b>	<b>51</b>	<b>525</b>	<b>558</b>
<b>Comprehensive income for the period attributable to:</b>				
Equity holders of the parent	82	51	519	549
Non-controlling interests	3	-1	5	9
<b>Comprehensive income for the period</b>	<b>84</b>	<b>51</b>	<b>525</b>	<b>558</b>
Earnings per share for the period, SEK	0.61	0.31	1.42	1.73
<b>Order</b>				
Orderintake	3 469	3 236	14 249	14 482
Order backlog	7 135	6 502	7 092	
Number of shares in parent company, after reversed split*	201,566,598	201,566,598	201,566,598	201,566,598

\* In the third quarter of 2015, a reverse 1:2 split of the company's shares was carried out, following which there are 201,566,598 shares. Earnings per share from previous periods have been recalculated in this interim report.

SEK MIL.	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015	Apr 2015 -Mar 2016
Adjustments relating to special costs	–	20	96	76
<b>Adjusted operating profit</b>	<b>175</b>	<b>172</b>	<b>878</b>	<b>881</b>

**CONSOLIDATED BALANCE SHEET, SUMMARY**

<b>SEK MIL.</b>	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>	<b>31 Dec 2015</b>
Goodwill	7,239	7,016	7,211
Other non-current assets	141	367	219
<b>Total non-current assets</b>	<b>7,379</b>	<b>7,386</b>	<b>7,429</b>
Trade receivables	2,041	1,829	2,165
Income accrued but not invoiced	1,001	854	813
Other current assets	479	322	415
Cash and cash equivalents	390	991	573
<b>Total current assets</b>	<b>3,911</b>	<b>3,996</b>	<b>3,967</b>
<b>Total assets</b>	<b>11,290</b>	<b>11,379</b>	<b>11,396</b>
Equity	3,640	3,357	3,555
Non-current liabilities	2,874	3,814	2,877
Trade payables	1,226	1,104	1,399
Income invoiced but not accrued	1,328	1,278	1,287
Current liabilities	2,222	1,826	2,278
<b>Total liabilities</b>	<b>7,650</b>	<b>8,022</b>	<b>7,842</b>
<b>Total equity and liabilities</b>	<b>11,290</b>	<b>11,379</b>	<b>11,396</b>
Of which interest-bearing liabilities	2,805	3,397	3,005
<b>Equity attributable to:</b>			
Equity holders of the parent	3,632	3,349	3,543
Non-controlling interests	9	8	11
<b>Total equity</b>	<b>3,640</b>	<b>3,357</b>	<b>3,555</b>

**STATEMENT OF CHANGES IN EQUITY**

<b>SEK MIL.</b>	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>	<b>31 Dec 2015</b>
<b>Consolidated equity</b>			
Opening balance	3,555	3,06	3,306
Comprehensive income for the period	84	51	525
Dividend	–	–	-277
Cost shareholder programme	1	–	1
<b>Closing balance</b>	<b>3,640</b>	<b>3,357</b>	<b>3,555</b>

**CONSOLIDATED CASH FLOW STATEMENT, SUMMARY**

<b>SEK MIL.</b>	<b>Jan-Mar 2016</b>	<b>Jan-Mar 2015</b>	<b>Jan-Dec 2015</b>
Cash flow from operating activities			
Profit/loss before tax	159	84	422
Adjustment for non-cash items	-12	5	278
Income taxes paid	-30	-3	-10
Changes in working capital	-105	203	150
<b>Cash flow from operating activities</b>	<b>13</b>	<b>289</b>	<b>841</b>
<b>Investing activities</b>			
Acquisition of subsidiaries and businesses	-11	-66	-235
Other	-1	1	-27
<b>Cash flow from investing activities</b>	<b>-13</b>	<b>-65</b>	<b>-262</b>
<b>Financing activities</b>			
Repayment of loans from Group companies	–	-54	–
Repayment of loan	-200	–	-3 441
New loan	–	–	3 002
Payment in connection with refinancing	0	-3	-6
Change in utilisation of overdraft facility	–	–	-46
Dividend paid	–	–	-277
<b>Cash flow from financing activities</b>	<b>-200</b>	<b>-57</b>	<b>-767</b>
<b>Cash flow for the period</b>	<b>-200</b>	<b>167</b>	<b>-189</b>
Cash and cash equivalents at start of year	573	828	828
Translation difference in cash and cash equivalents	17	-4	-66
<b>Cash and cash equivalents at end of period</b>	<b>390</b>	<b>991</b>	<b>573</b>

**OPERATING CASH FLOW**

<b>SEK MIL.</b>	<b>Jan-Mar 2016</b>	<b>Jan-Mar 2015</b>	<b>Jan-Dec 2015</b>
Operating profit/loss	175	152	782
Depreciation and amortisation	6	5	21
Other adjustments for non-cash items	-17	-10	62
Capital expenditure	-1	1	-27
Changes in working capital	-105	203	150
<b>Operating cash flow</b>	<b>57</b>	<b>352</b>	<b>988</b>

**PARENT COMPANY INCOME STATEMENT, SUMMARY**

SEK MIL.	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
<b>Net sales</b>	–	–	<b>71</b>
Selling and administrative expenses	-17	-13	-103
<b>Operating profit/loss</b>	<b>-17</b>	<b>-13</b>	<b>-32</b>
Net financial items	-3	4	-111
<b>Profit/loss before tax</b>	<b>-20</b>	<b>-9</b>	<b>-143</b>
Net Group contribution	–	–	490
Transfer to/from untaxed reserves	–	–	-78
<b>Profit/loss before tax</b>	<b>-20</b>	<b>-9</b>	<b>269</b>
Tax on profit/loss for the period	–	–	-81
<b>Profit/loss for the period</b>	<b>-20</b>	<b>-9</b>	<b>188</b>

**PARENT COMPANY BALANCE SHEET, SUMMARY**

SEK MIL.	31 Mar 2016	31 Mar 2015	31 Dec 2015
Shares in subsidiaries	7,341	7,341	7,341
Deferred tax asset	–	8	–
<b>Total non-current assets</b>	<b>7,341</b>	<b>7,349</b>	<b>7,341</b>
Receivables from Parent company	–	54	–
Receivables from Group companies	2,572	2,532	1,897
Current receivables	70	3	45
<b>Total current receivables</b>	<b>2,642</b>	<b>2,589</b>	<b>1,942</b>
Cash and bank balances	280	891	456
<b>Total current assets</b>	<b>2,923</b>	<b>3,480</b>	<b>2,397</b>
<b>Total assets</b>	<b>10,264</b>	<b>10,829</b>	<b>9,739</b>
Restricted equity	4	4	4
Non-restricted equity	4,576	4,673	4,595
<b>Equity</b>	<b>4,580</b>	<b>4,677</b>	<b>4,599</b>
Untaxed reserves	78	–	78
Provisions	–	5	–
Bond loan	–	3,390	–
Liabilities to credit institutions	2,700	–	2,700
<b>Total non-current liabilities</b>	<b>2,700</b>	<b>3,390</b>	<b>2,700</b>
Short-term loans	100	–	300
Liabilities to Group companies	2,692	2,722	1,920
Current liabilities	114	36	142
<b>Total current liabilities</b>	<b>2,906</b>	<b>2,758</b>	<b>2,362</b>
<b>Total equity and liabilities</b>	<b>10,264</b>	<b>10,829</b>	<b>9,739</b>
Of which interest-bearing liabilities	2,800	3,390	3,000
Number of shares	201,566,598	403,133,196	201,566,598



## Quarterly data

<b>PROFIT/LOSS IN SEK MIL.</b>	<b>Jan-Mar 2016</b>	<b>Oct-Dec 2015</b>	<b>Jul-Sept 2015</b>	<b>Apr-Jun 2015</b>	<b>Jan-Mar 2015</b>	<b>Jan-Dec 2015</b>	<b>Jan-Dec 2014</b>
Net sales	3,427	3,919	3,302	3,660	3,325	14,206	12,000
Production costs	-2,948	-3,272	-2,821	-3,135	-2,854	-12,081	-10,173
<b>Gross profit/loss</b>	<b>479</b>	<b>647</b>	<b>481</b>	<b>525</b>	<b>471</b>	<b>2,124</b>	<b>1,827</b>
Administrative and selling expenses	-305	-372	-312	-339	-318	-1,342	-1,123
<b>Operating profit/loss</b>	<b>175</b>	<b>275</b>	<b>168</b>	<b>187</b>	<b>152</b>	<b>782</b>	<b>705</b>
Adjustment of costs of a specific nature	–	33	27	17	20	96	54
<b>Operating profit/loss after adjustment of costs of a specific nature</b>	<b>175</b>	<b>308</b>	<b>195</b>	<b>203</b>	<b>172</b>	<b>878</b>	<b>759</b>
Net financial items	-15	-202	-32	-58	-69	-360	-265
<b>Profit/Loss after financial items (EBT)</b>	<b>159</b>	<b>74</b>	<b>136</b>	<b>129</b>	<b>84</b>	<b>422</b>	<b>440</b>
Tax	-36	-18	-28	-68	-22	-135	-120
<b>Profit/loss for the period</b>	<b>123</b>	<b>56</b>	<b>109</b>	<b>61</b>	<b>62</b>	<b>287</b>	<b>320</b>

<b>BALANCE SHEET IN SEK MIL.</b>	<b>31 Mar 2016</b>	<b>31 Dec 2015</b>	<b>30 Sept 2015</b>	<b>30 Jun 2015</b>	<b>31 Mar 2015</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Goodwill	7,239	7,211	7,185	7,120	7,016	7,211	6,940
Other non-current assets	141	219	313	342	367	219	386
Current assets	3,521	3,395	3,536	3,334	3,005	3,395	3,911
Cash and cash equivalents	390	573	408	715	991	573	828
<b>Total assets</b>	<b>11,290</b>	<b>11,396</b>	<b>11,443</b>	<b>11,512</b>	<b>11,379</b>	<b>11,395</b>	<b>11,064</b>
Equity	3,640	3,555	3,306	3,152	3,357	3,555	3,306
Borrowings	2,700	2,700	3,420	3,374	3,390	2,700	3,441
Other non-current liabilities	174	177	330	407	424	177	421
Current liabilities	4,776	4,964	4,389	4,579	4,209	4,964	3,897
<b>Total equity and liabilities</b>	<b>11,290</b>	<b>11,396</b>	<b>11,443</b>	<b>11,512</b>	<b>11,379</b>	<b>11,396</b>	<b>11,064</b>

<b>CASH FLOWS IN SEK MIL.</b>	<b>Jan-Mar 2016</b>	<b>Oct-Dec 2015</b>	<b>Jul-Sept 2015</b>	<b>Apr-Jun 2015</b>	<b>Jan-Mar 2015</b>	<b>Jan-Dec 2015</b>	<b>Jan-Dec 2014</b>
Cash flow from operating activities	13	694	-201	59	289	841	659
Cash flow from investing activities	-13	-58	-95	-44	-65	-262	-136
Cash flow from financing activities	-200	-431	-1	-279	-57	-767	-545
<b>Cash flow for the period</b>	<b>-200</b>	<b>205</b>	<b>-296</b>	<b>-264</b>	<b>167</b>	<b>-189</b>	<b>-22</b>

## KEY FIGURES

Operating margin, %	5.1	7.0	5.1	5.1	4.6	5.5	5.9
Adjusted operating margin, %	5.1	7.9	5.9	5.6	5.2	6.2	6.3
Profit margin, %	4.6	1.9	4.1	3.5	2.5	3.0	3.7
Return on equity,* %	9.7	8.4	12.1	10.4	10.8	8.4	9.1
Net debt	2,416	2,433	2,972	2,675	2,441	2,433	2,595
Net debt/EBITDA, LTM	2.7	2.7	3.4	3.2	3.0	2.7	3.3
Cash conversion,* %	85	125	113	124	128	125	128
Interest coverage ratio	11.7	4.3	2.7	2.3	1.9	2.5	2.2
Equity/assets ratio, %	32.2	31.2	28.9	27.4	29.5	31.2	29.9
Order intake	3,469	3,886	3,458	3,669	3,236	14,249	12,149
Order backlog	7,135	7,092	7,099	6,875	6,502	7,092	6,580
Average no. of employees	9,419	9,359	9,374	8,874	8,798	9,359	8,213
Net sales per employee	0.366	0.419	0.352	0.412	0.378	1.518	1.461
Administrative expenses as % of sales	8.9	9.5	9.5	9.3	9.6	9.4	9.4
Working capital as % of sales	-7.2	-7.9	-5.7	-8.5	-8.6	-7.9	-7.1
Earnings per share after reversed split	0.61	0.28	0.54	0.30	0.31	1.42	1.59

\* Last twelve month calculation



# NOTES

## NOTE 1. ACCOUNTING POLICIES

This interim report for the group has been prepared in accordance with IAS 34 Interim Reporting and appropriate sections of Chapter 9, Interim Reporting, of the Swedish Annual Accounts Act. The parts of the interim report that relate to the parent company have been prepared in accordance with Section 9, Interim Reporting, of the Swedish Annual Accounts Act.

Unless otherwise stated, the accounting principles and calculation methods that have been used in the interim report correspond to those applied in preparing the most recent annual report. New and amended IFRS standards and interpretations from the IFRS Interpretations Committee that apply from 1 January 2015 have no significant effect on Bravida Holding AB's financial reporting.

## NOTE 2. BUSINESS COMBINATIONS

Bravida's segments are countries, i.e. Sweden, Norway, Denmark and Finland.

### NET SALES BY COUNTRY

SEKMIL.	Jan-Mar 2016	Distribution	Jan-Mar 2015	Distribution	Jan-Dec 2015	Distribution
Sweden	2,098	61%	2,001	60%	8,583	60%
Norway	657	19%	821	25%	3,173	22%
Denmark	510	15%	510	15%	2,116	15%
Finland*	162	5%	–	0%	358	3%
Group and eliminations	-1		-8		-24	
<b>Total</b>	<b>3,427</b>		<b>3,325</b>		<b>14,206</b>	

### OPERATING PROFIT/LOSS, OPERATING MARGIN AND PROFIT/LOSS BEFORE TAX

SEKMIL.	Jan-Mar 2016	Margin	Jan-Mar 2015	Margin	Jan-Dec 2015	Margin
Sweden	113	5.4%	97	4.9%	480	5.6%
Norway	38	5.8%	49	6.0%	256	8.1%
Denmark	18	3.5%	25	4.8%	108	5.1%
Finland*	-3	-1.8%	-3		0	0.0%
Group	8		-15		-62	
<b>Operating profit/loss</b>	<b>175</b>	<b>5.1%</b>	<b>152</b>	<b>4.6%</b>	<b>782</b>	<b>5.5%</b>
Adjustments (specific costs)**	–		20		96	
<b>Adjusted operating profit/loss</b>	<b>175</b>	<b>5.1%</b>	<b>172</b>	<b>5.2%</b>	<b>878</b>	<b>6.2%</b>
Net financial items	-15		-49		-227	
Revaluation of currency and interest hedges	–		-20		-133	
<b>Profit/loss before tax</b>	<b>159</b>		<b>84</b>		<b>422</b>	

### AVERAGE NUMBER OF EMPLOYEES

	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Sweden	5,136	5,032	5,102
Norway	2,348	2,333	2,359
Denmark	1,482	1,364	1,446
Finland*	383	–	387
Group	70	69	65
<b>Total</b>	<b>9,419</b>	<b>8,798</b>	<b>9,359</b>

\* Finland only included a part of the financial year 2015.

\*\* Specific costs have only been charged to the group segment.

**NOTE 3. SPECIFIC COSTS**

Specific costs are costs that are limited in time and relate mainly to improvement programmes, acquisition costs and the IPO.

**NOTE 4. SEASONAL VARIATIONS**

Bravida's business is affected by seasonal variations in the construction industry and employees' annual holiday. Bravida usually has a lower level of activity in the third quarter as it is the main holiday period.

**NOTE 5. ACQUISITION OF OPERATIONS** (see page 4 regarding acquisitions)

Bravida made the following acquisitions during the period January to March 2016:

Acquired unit	Country	Type	Month of acquisition	Percentage of votes	No. of employees	Estimated annual sales in SEK MIL.
Heating and plumbing business, Oslo	Norway	Company	January	100%	35	69
Electrical business, Jutland	Denmark	Assets and liabilities	March	100%	25	38

**Effects of acquisitions in 2016**

Acquisitions have the following effects on consolidated assets and liabilities

	Fair value recognised in the Group SEK MIL.
Intangible assets	1,766
Other current assets	9,849
Cash and cash equivalents	4,154
Non-current liabilities	-321
Current liabilities	-14,230
Sum net identifiable assets and liabilities	1,218
<b>Consolidated goodwill</b>	<b>12,662</b>
Acquisition price	13,880
Cash and cash equivalents (acquired)	4,154
<b>Net effect on cash and cash equivalents</b>	<b>9,726</b>

**Calculation of cost**

Cash consideration paid	10,365
Consideration recognised as a liability	3,515
Acquisition price	13,880

**NOTE 6. FINANCIAL INSTRUMENTS**

Currency and interest hedges have been valued by an external party using the cash flow model, which is based on observable data for the currency and fixed-income markets.

The fair value of interest rate hedges are calculated using market value on the basis of listed prices. Based on the input data used, valuation can be classified as follows:

– Level 1 refers to fully observable data, unadjusted listed prices on an active market for identical assets and liabilities to which the company has access at

the time of valuation.

– Level 2 refers to observable data, other than the listed prices of level 1, which is directly or indirectly observable.

– Level 3 refers to non-observable data for assets or liabilities. An asset or liability is included in its entirety in one of the three levels, based on the lowest level of input data that is material to the valuation.

Currency and interest hedges of the Group and the parent company which were ended during 2015 belonged to level 2.





Stockholm, 28 April 2016  
Bravida Holding AB

**Mattias Johansson**  
CEO and Group President

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This interim report has not been reviewed by Bravida's auditors. Bravida Holding AB publishes this interim report in compliance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication on 28 April 2016 at 07.30 CET.

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This report contains information and opinions on future prospects for Bravida's business activities. The information is based on Group management's current expectations and estimates. Actual future outcomes may vary considerably from the forward-looking statements in this report, partly because of changes in economic, market and competitive conditions.

**2016 FINANCIAL REPORTING DATES**

Annual General Meeting	3 May 2016
Interim report for second quarter 2016	22 July 2016
Interim report for third quarter of 2016	28 October 2016

The Annual General Meeting will be held on 3 May at 3 p.m. CET at 7A Konferens, Odengatan 65, Stockholm.

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# DEFINITIONS

## FINANCIAL DEFINITIONS

### CASH CONVERSION

12-month EBITDA +/- change in working capital and investments in machinery and equipment in relation to 12-month EBIT.

### NET SALES

Net sales are recorded in accordance with the principle of percentage-of-completion method. These revenues are recognised in proportion to the degree of completion of projects.

### NET DEBT

Interest-bearing liabilities less cash and cash equivalents.

### OPERATING CASH FLOW

Operating profit/loss adjusted for non-cash items, investments in machinery and equipment and changes in working capital.

### ORDER INTAKE

The value of projects received and changes to existing projects during the period in question.

### ORDER BACKLOG

The value of remaining, not yet accrued, project revenues from orders on hand at the end of the period.

### INTEREST COVERAGE RATIO

Profit/loss after financial items, plus interest charges, divided by interest expenses.

### OPERATING MARGIN

Operating profit in percentage of net sales.

### EQUITY/ASSETS RATIO

Equity plus, in the parent company, the equity share of untaxed reserves, as a percentage of total assets at year-end.

### PROFIT MARGIN

Profit/loss after financial items as a percentage of net sales.

## OPERATIONAL DEFINITIONS

### NUMBER OF EMPLOYEES

Calculated as the average number of employees during the year, taking account of the percentage of full-time employment.

### INSTALLATION/CONTRACTING

The installation and refurbishment of technical systems in properties, facilities and infrastructure.

### SERVICE

The operation, maintenance and minor refurbishment of installations in properties, facilities and infrastructure.

### ELECTRICAL

Power supply, lighting, heating, control and surveillance systems.

Telecom and other low-voltage installations. Fire and intruder alarm systems and products, access control systems, CCTV and integrated security systems.

### HVAC

Comfort ventilation and comfort cooling through air treatment, air conditioning and climate control. Commercial cooling in freezer and cold rooms. Process ventilation control systems. Energy audits and energy saving through integrated energy systems, heat pumps, etc.

### HEATING & PLUMBING

Water, waste water, heating, sanitation, cooling and sprinkler systems. District heating and cooling.

Industrial piping with expertise in all types of pipe welding. Energy saving through integrated energy systems.



# BRAVIDA OVERVIEW

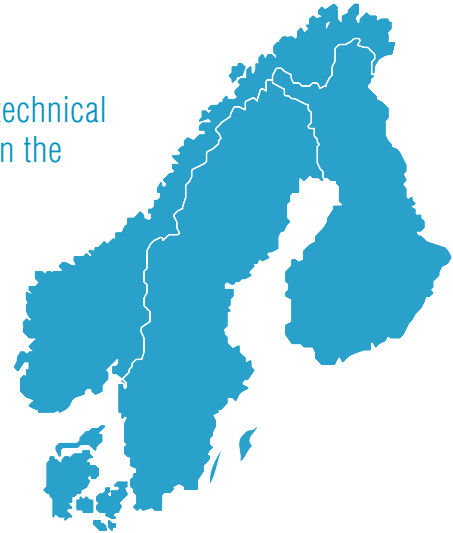
## WE BRING BUILDINGS TO LIFE

Bravida is a leading multi-technical service provider in the Nordics, with around 9,000 employees and annual sales of around SEK 14,000 million. Bravida provides specialist services and integrated solutions in the installation and service of three main areas of technology: electrical, heating & plumbing and HVAC (heating, ventilation and air conditioning). It also offers modern facility management services, fire and security systems technology, sprinkler systems, cooling and project management services for the construction and property industries.

Bravida is present in 140 locations around the the Nordic region, offering everything from integrated solutions with turnkey management, through long-term service agreement to smaller-scale contracting and servicing. It has both private and public sector customers.

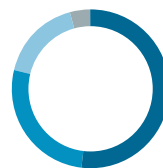
Bravida's shares are listed on Nasdaq Stockholm since October 16 2015.

“A leading multi-technical service provider in the Nordics”



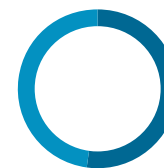
## BREAKDOWN OF INCOME IN 2015

TECHNICAL AREA  
PERCENTAGE OF BRAVIDA'S SALES



**54%** Electrical  
**24%** Heating & Plumbing  
**16%** HVAC  
**6%** Other

INSTALLATION/SERVICE  
PERCENTAGE OF BRAVIDA'S SALES



**54%** Installation  
**46%** Servicing

## INCOME BY GEOGRAPHICAL MARKET IN 2015

	TECHNICAL AREA						
	Servicing	Installation	Electrical	Heating & plumbing	HVAC	Specialist areas	
Sweden	45%	55%	45%	28%	19%	8%	
Norway	51%	49%	74%	15%	3%	8%	
Denmark	44%	56%	56%	23%	21%	–	
Finland	24%	76%	32%	35%	22%	11%	

# WE BRING BUILDINGS TO LIFE

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