

New product category and good order intake

| SEK in millions | 2017 Q3 | 2016 Q3 | Δ % | 2017 Jan-Sep | 2016 Jan-Sep | Δ % |
|----------------------------|-------------|------------|-----|-----------------|-----------------|-----|
| Revenue | 75.5 | 85.6 | -12 | 247.6 | 248.7 | 0 |
| Gross profit | 42.4 | 45.1 | -6 | 131.2 | 130.6 | 0 |
| Gross margin, % | 56.2 | 52.7 | | 53.0 | 52.5 | |
| EBITDA | 15.2 | 29.0 | -48 | 54.6 | 77.2 | -29 |
| Operating profit/loss | 14.3 | 27.7 | -49 | 51.3 | 73.5 | -30 |
| Operating margin, % | 18.9 | 32.4 | | 20.7 | 29.5 | |
| Profit/loss for the period | 13.1 | 29.9 | -56 | 47.4 | 75.5 | -37 |
| Earnings per share, SEK | 0.30 | 0.70 | -58 | 1.08 | 1.77 | -39 |

“INVISIO is broadening its product offer and increasing its market presence. During the quarter we presented our intercom system for communication in vehicles and strengthened our organization with more employees and a new sales office in Italy. Performance should be seen in light of our expansion. We are building a larger company with a broader product portfolio, more markets, stronger customer relations and even better future prospects.”

Lars Højgård Hansen, CEO

IMPORTANT EVENTS DURING THE QUARTER

- INVISIO announced a new product category for communication in vehicles. The first product is an intercom system that is expected to be commercially available to customers in defense and security in the second half of 2018.
- INVISIO won a two-year contract with the American Department of Defense and received an initial order of SEK 60 million.
- The order book at the close of the quarter was SEK 171.1 million (162.3).

New product category and good order intake

INVISIO is continuing its strategic initiative to become an even larger company with a broader product offer and a stronger market presence. Last year we announced the launch of a new product category in 2017 and in September this year we presented our brand new solution for communication in vehicles. During the quarter we also strengthened our organization with more employees, as well as establishing a sales office in Italy. The order book increased as a result of a new contract with the US Department of Defense and a number of orders from both existing and new customers.

After nine months sales are on a level with the previous year and our gross margin continues to be sound at 53.0 per cent (52.5). The operating profit was SEK 51.3 million (73.5), corresponding to an operating margin of 20.7 per cent (29.5). The change in operating profit is explained by the above growth initiatives, and hence cost increases for research and development as well as sales and marketing.

In accordance with customer requests we are changing the color scheme on our products to better suit other equipment, which in the short term will lead to agreed deferment of some deliveries. Third quarter sales were partly affected by the color change and decreased by 12 per cent in relation to the strong comparative quarter in 2016, when growth was 52 per cent.

The gross margin was strong in the third quarter, 56.2 per cent (52.7).

The order book at the end of the period was SEK 171.1 million (162.3). As we have often underlined earlier, order intake and sales are characterized by fluctuation in our industry.

New contract with the US Department of Defense

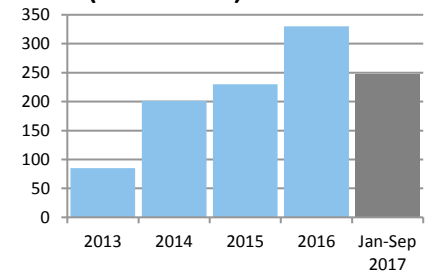
We work continually to increase sales to existing customers and are pleased that there is demand among customers for our communication and hearing protection solutions for new users within their organizations. In August we were awarded a new larger contract with the US Department of Defense, with an initial order of about SEK 60 million. The contract runs for two years with a potential value of up to SEK 105 million.

Continued market initiatives

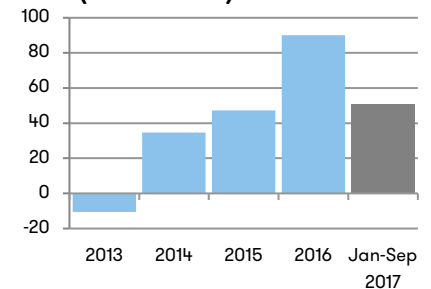
INVISIO's growth plan also includes further strengthening market presence. Earlier in 2017 we built up our own sales teams at the subsidiaries in the USA and France and in the third quarter of the year expansion continued to Italy, where we also see good long-term growth opportunities. As in many other countries, the Italian armed forces are continually modernizing their soldiers' equipment to achieve better security and improved operational capacity.

Local knowledge and customer proximity are crucial factors driving INVISIO's growth. Our strategy is to assess country by country and select channels according

Sales (SEK million)



EBIT (SEK million)



Good order intake and strong gross margin



Own sales team in place in the USA, France and Italy

to the local market conditions. This means that we sell both via partners and resellers, as well as establishing our own sales organizations.

Innovative intercom system presented

During the quarter INVISIO presented a brand new product category for communication in vehicles. The first product in the category is an intercom system that makes communication simpler and more effective for users that move in and outside various vehicles and other means of transport such as boats and helicopters.

The product is now in the completion phase with planned user tests in the spring, and is expected to be commercially available in the latter part of 2018.

The intercom system was developed for stand-alone use or together with INVISIO's existing communication systems, permanently mounted in a vehicle or portably in a backpack. The system is plug-and-play and offers the customer an innovative, simple, cost-effective and considerably more flexible solution than can be found on the market today. We recently received a very positive response from potential users at the major defense and security exhibitions; the DSEi in London and the AUSA i Washington.

A clear trend in defense and security is the focus on modern radio communication. In combination with the industry's high requirements concerning flexibility and user-friendliness, this means that we believe the new product category has the potential to create important business opportunities and make an important contribution to INVISIO's continued development over time. Our current target market of SEK 5 billion annually does not include the new product category for communication in vehicles. We estimate that the market for the new intercom system in the long run may be at least as great as the current market.

The new intercom system further sharpens the contours of a new and larger company.

Lars Højgård Hansen, CEO

The intercom system is expected to be commercially available in the latter part of 2018.

Positive feedback from potential users in the USA and England

Great market potential for communication in vehicles

INVISIO in brief

INVISIO develops and sells advanced communication systems with hearing protection that enable professionals in noisy and mission critical environments to communicate and work effectively. The systems consist of headsets and control units that connect for example to an external group radio or a vehicle's intercom.

The systems give operational advantages and increased safety for military and security personnel. They also contribute to reducing the costs of hearing loss for individuals and society.

Innovative product development

Product development in the Group is based on a good understanding of the users' and units' work environment and their specific needs. By combining different technologies and skills in acoustics, electronics, mechanics and software, INVISIO creates innovative and customised solutions that are better than traditional communication systems. Manufacturing is done mainly by contract manufacturers.

New product category for communication in vehicles

An intercom system for fixed or portable use in vehicles is currently being completed. The system has been developed for stand-alone use or together with INVISIO's existing communication systems and is aimed at making communication simpler and more effective for users whose movements alternate between being inside and outside of vehicles. The new intercom system is expected to be commercially available in the latter part of 2018.

Growing niche market

INVISIO's current customers are primarily in defense and police forces. At present more than 90 per cent of INVISIO's income is from military customers. Industry statistics show that globally there are about 50 million soldiers, of which 20 million are deemed to be active. The largest number of soldiers are in countries in Asia, but their defense forces do not yet invest in advanced communication and hearing protection systems.²

Technologically mature countries with awareness of hearing protection issues, and whose soldiers have access to advanced radio communication in operations, constitute INVISIO's primary target group. About two million potential users are serving in these countries' defense forces.³

The percentage of radio users is growing continually and is mainly driven by the increased operational capacity, safety and efficiency requirements of defense forces. In addition INVISIO drives growth by developing new, innovative solutions that gradually raise the industry's performance, functionality and user experience requirements.



INVISIO's solutions reduce harmful noise while amplifying weak sounds and retaining the user's perception of sound direction.

Users retain situational awareness and can act according to what is going on around them.



Hearing loss is a common problem for employees of the armed forces. Soldiers serving abroad suffer in particular.

Statistics show that the problems cost the American defense forces billions every year (USD).¹

¹Researchers evaluate true effects of hearing loss for Soldiers, United States Army website, Dec 2015. | The 2015 Annual Benefits Report, US Department of Veteran Affairs, Veteran Benefits Administration. | Bullerskador ökar bland officerare (Hearing impairment due to high noise levels increasing among officers), Officerstidningen, No 1 2014.

² The Military Balance, the International Institute for Strategic Studies. 2017.

³ Countries Ranked by Military Strength (2017). Global Firepower. 2017. | The Global Information Technology Report 2015, World Economic Forum. | Democracy Index 2016, The Economist Intelligence Unit.

Current target market

Defense customers normally invest in INVISIO's systems when they modernize their communication equipment. The value of the global market for INVISIO's current products is estimated to be about SEK 20 billion. As a rule, our customers carry out procurements at four-year intervals, which means that the average annual target market for INVISIO's products is about SEK 5 billion. Consequently, there is great potential for continued growth in the target market.

The current target market does not include the coming product category for communication in vehicles. The new category broadens INVISIO's product offer to the defense and security industry and the company considers that it has the potential to make a material contribution to the company's future development. We estimate that the market for the new intercom system in the long run may be at least as great as the current market.

Sales

Sales are primarily via a global network of partners and resellers, as well as from the headquarters in Copenhagen and the sales offices in the USA, France and Italy. The business is normally conducted via procurements. The Group has long-term framework contracts with defense authorities in the USA, the UK, Canada, Australia and Denmark, among others.

Uneven order flow and sales over the year

INVISIO's market is characterized by large procurements, often with long lead times due to extensive processes with customer tests both in laboratories and among end users. This means that the order intake and sales for individual quarters may vary and have an effect on the full year figures.

Financial targets and strategies

The company's sales are to increase on average by 20 per cent per year. The operating margin must be at least 15 per cent To achieve the financial targets INVISIO uses the following strategies:

- Increase market share in existing markets in Europe, North America and Oceania.
- Geographical expansion to emerging markets with long-term potential, including South East Asia and parts of the Middle East and South America.
- Product development referring to both new and further developed products for current target groups.
- Cost effectiveness in the company and in manufacturing.



Hearing and communication are important components of critical operations and have been subject to modernization for a number of years, mainly in the defense forces but also in police services.

Sales and profit

January–September 2017

Sales for the period January–September 2017 were SEK 247.6 million (248.7). In comparable currencies sales increased by three per cent.

Sales on international markets are mainly in USD, EUR and GBP. INVISIO hedges large orders to offset currency fluctuations in the short term.

At the close of the period the order book amounted to SEK 171.1 million (163.2). INVISIO's market is characterized by large procurements, often with long lead times due to extensive processes with customer tests, both in laboratories and among users. This means that the order intake and sales for individual quarters may vary and have an effect on the full year figures.

Gross profit was SEK 131.2 million (130.6) and the gross margin was 53.0 per cent (52.5).

Operating expenses for the period were SEK 79.9 million (57.1). The increase refers to the larger organization and increased activities in accordance with INVISIO's growth strategy.

During the period development costs for the future products of SEK 9.3 million (4.5) were capitalized. Depreciation of capitalized development costs of SEK 2.4 million (3.5) were included in operating expenses.

Operating profit for the period was SEK 51.3 million (73.5) and the operating margin was 20.7 per cent (29.5).

Net financial income was SEK -2.7 million (-0.1). Net financial income for the period was affected negatively by exchange rate effects.

Profit before tax amounted to SEK 48.5 million (73.4) and profit for the period was SEK 47.4 million (75.5). Earnings per share were SEK 1.08 (1.77).

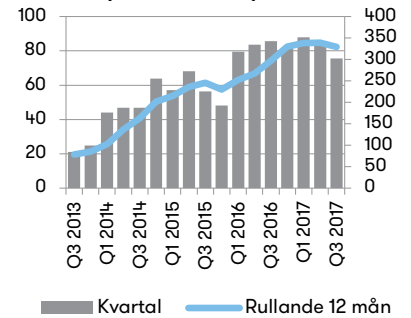
Third quarter 2017

Sales in July–September 2017 amounted to SEK 75.5 million (85.6), a decrease of 12 per cent compared with the corresponding period in the previous year. Sales were partly affected by agreed deferments of some deliveries as a consequence of an ongoing color scheme change for products. In comparable currencies sales decreased by nine per cent.

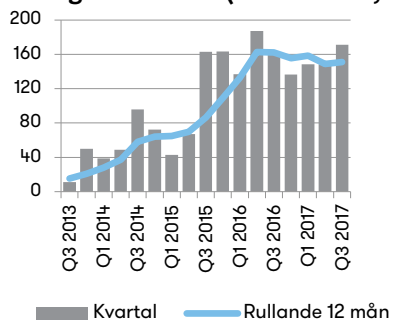
Gross profit was SEK 42.4 million (45.1), which corresponds to a gross margin of 56.2 per cent (52.7). Gross margin may vary between the quarters depending on the product mix and the share of direct sales to end-customers.

Operating expenses for the quarter were SEK 28.2 million (17.4). The increase is mainly attributable to higher staff costs as a result of a number of new recruitments.

Sales per quarter and rolling 12 months (SEK million)



Order book per quarter and rolling 12 months (SEK million)



During the quarter development costs of SEK 3.5 million (1.6) were capitalized. Operating expenses include depreciation of capitalized development costs of SEK 0.6 million (1.1).

The operating profit for the quarter was SEK 14.3 million (27.7), which corresponds to an operating margin of 18.9 per cent (32.4).

Net financial income was SEK 0.0 million (0.0).

Profit before tax amounted to SEK 14.3 million (27.7) and profit for the period was SEK 13.1 million (29.9). Earnings per share were SEK 0.30 (0.70).

Cash flow, investments and financial position

Cash flow and investments

The Group's cash flow for the period January–September 2017 was SEK -32.3 million (56.5), of which cash flow from operating activities was SEK -2.8 million (58.9). Changes in operating receivables were SEK -51.1 million (-17.6) during the period. Projects with longer agreed payment terms have resulted in unusually high trade receivables during the period, which has had a negative impact on cash flow. Payments for these projects will be received in Q4. Cash flow from investing activities amounted to SEK -11.2 million (-5.5). Cash flow from financing activities was SEK -18.3 million (3.1), of which SEK 21.7 million was dividend paid.

During the period the Group's investments amounted to SEK 11.2 million (5.5), of which SEK 9.3 million (4.5) was capitalized development costs and SEK 1.8 million (1.0) was net investment in property, plant and equipment.

Cash and cash equivalents and financial position

The Group's cash and cash equivalents amounted to SEK 100.7 million (88.3) at the close of the period. INVISIO has sound financial strength and the Group had no loans at the close of the period.

Group equity at the close of the period amounted to SEK 238.6 million (191.4), which gave an equity/assets ratio of 82 per cent (79). During the year SEK 3.4 million was added to equity through exercising stock options in connection with the employee stock option program 2013/2017 Tranche 3. The employee stock option program is thereby closed. The employee stock option program is presented in INVISIO's annual report for 2016, on page 57, Note 8.

Income tax

Capitalized deferred tax assets in the balance sheet are SEK 34.3 million, attributable to the Danish subsidiary. Deferred tax assets referring to tax loss carry forwards are recognized to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. An individual assessment is made of each subsidiary with reference to historical performance and possibilities of utilizing the loss carry-forwards. Danish legislation limits the yearly utilisation of loss carry-forwards, which means that the Danish subsidiary will pay tax in 2017. Total loss carry-forwards as at December 31, 2016 were SEK 252 million, of which SEK 156 million are capitalized. The remaining unutilized loss carry-forwards amounted to SEK 96 million and refer to other

companies and cannot be capitalized at present. All loss carry-forwards have an unlimited life.

Parent Company

Net income for the parent company during the period January–September 2017 amounted to SEK 0.0 million (0.0). The operating result was SEK -3.8 million (-4.7). Profit for the period amounted to SEK -4.0 million (-4.7).

At the close of the period the parent company's cash and bank balances amounted to SEK 30.3 million (26.4). Equity amounted to SEK 90.0 million (81.3), which gave an equity/assets ratio of 78.0 per cent (73.8). The number of employees in the parent company was 1 (1).

Employees

The number of employees in the Group, restated as full time positions, was 73 (52) at the close of the period. Of the employees, 58 were men (40) and 15 women (12).

Other information

Accounting policies

The interim report for the Group was prepared in accordance with IAS 34, the Swedish Financial Reporting Board's Recommendation RFR 1, Supplementary Accounting Rules for Groups, and the Annual Accounts Act. The Parent Company's accounts have been prepared in accordance with RFR2, Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting policies that are described in INVISIO's 2016 Annual Report have been applied.

Two new standards come into force on January 1, 2018: IFRS 15 Revenue from contracts with customers and IFRS 9 Financial Instruments. On the basis of the analysis of effects that INVISIO carried out during the year the assessment is that introduction of the new standards will not have any material impact on the Group's financial statements other than the supplementary disclosures. For more details on the new standards, please refer to INVISIO's annual report for 2016.

Material risks and uncertainties

INVISIO's business and earnings are affected by a number of external and internal factors. A continuous process is conducted to identify all anticipated risks and to assess how each respective risk is to be managed. Risks can be divided into market, operational, and financial risks. For a more detailed description of these risks, please refer to pages 39–40 in INVISIO's annual report for 2016.

Financial key figures, alternative performance measures and other definitions

INVISIO's financial statements include both financial key figures that are specified in current financial reporting rules, alternative performance measures ("APM") in accordance with ESMA's definition and other key figures related to the business. The APMs are regarded as relevant for an investor who wants to understand the company's results and financial position better. Definitions and reconciliation of the APMs that are not directly reconcilable with the financial statements can be found

on the company's website: www.invisio.com/IR. Reconciliation is against the closest comparable IFRS financial measure.

Financial instruments

The fair value of the Group's financial assets and liabilities is estimated to be equal to the book value.

Nominating Committee for the Annual General Meeting in 2018

The Nominating Committee prior to the 2018 Annual General Meeting comprises of Elisabet Jamal Bergström, chairing the Nominating Committee and representing Handelsbanken Fonder, Lennart Franck, representing Swedbank Robur fonder, Lage Jonason, representing himself and family and companies, and Chairman of the Board Lars Röckert.

Shareholders who wish to submit proposals to the Nominating Committee can email to elja04@handelsbanken.se, or ordinary mail to: The Nominating Committee, INVISIO Communications AB, P O Box 151, SE 201 21 Malmö. To enable the Nominating Committee to process proposals submitted, they should have been received by the Nominating Committee at the latest by December 31, 2017.

Annual General Meeting 2018

INVISIO's Annual General Meeting in 2018 will be held in Stockholm on April 26, 2018 at 13:00.

Shareholders wishing to have a matter considered at the Annual General Meeting can send a written request by email to ir@invisio.com or by ordinary mail addressed to: The Board of Directors, INVISIO Communications AB, P O Box 151, SE 201 21 Malmö. Any request must have been received at least seven weeks before the Meeting in order to be included in the notice to attend and thus the agenda of the Annual General Meeting.

Financial calendar

Year-end report 2017

February 16, 2018

Interim reports and annual reports are available at www.invisio.com.

Stockholm, October 30, 2017

Lars Röckert
Chairman of Board

Annika Andersson
Board Member

Charlotta Falvin
Board Member

Lage Jonason
Board Member

Anders Persson
Board Member

Mats Warstedt
Board Member

Lars Højgård Hansen
CEO

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Publication

This information is information that INVISIO Communications AB (publ) is obliged to disclose under the EU Market Abuse Regulation and the Securities Market Act. The information was released for public disclosure, through the agency of the President/CEO, on October 30, 2017, at 8.30 CET.

Address

INVISIO Communications AB | P O Box 151 | SE 201 21 Malmö

INVISIO Communications AB is a Swedish limited company listed on Nasdaq Stockholm. The company's share is traded under the ticker name IVSO and the ISIN code is SE0001200015.

Auditor's report

Introduction

We have reviewed the condensed interim financial information (interim report) of INVISIO Communications AB (publ) as of 30 September 2017 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish 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 the International Standard on Review Engagements ISRE 2410, "Review of Interim Report Performed by the Independent Auditor of the Entity". A review 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, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do 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, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, October 30, 2017

PricewaterhouseCoopers

Mats Åkerlund
Authorized Public Accountant

Condensed consolidated income statement and consolidated statement of comprehensive income

| SEK in millions | 2017 Q3 | 2016 Q3 | 2017 Jan-Sep | 2016 Jan-Sep | 2016 Full year |
|--|-------------|-------------|-----------------|-----------------|-------------------|
| Revenue | 75.5 | 85.6 | 247.6 | 248.7 | 330.0 |
| Cost of goods sold | -33.1 | -40.5 | -116.4 | -118.2 | -159.0 |
| Gross profit | 42.4 | 45.1 | 131.2 | 130.6 | 171.0 |
| Operating expenses* | -28.2 | -17.4 | -79.9 | -57.1 | -80.6 |
| Operating profit/loss | 14.3 | 27.7 | 51.3 | 73.5 | 90.4 |
| Net financial items | 0.0 | 0.0 | -2.7 | -0.1 | -0.1 |
| Profit/loss before tax | 14.3 | 27.7 | 48.5 | 73.4 | 90.3 |
| Income tax | -1.2 | 2.1 | -1.2 | 2.1 | 1.5 |
| Profit/loss for the period | 13.1 | 29.9 | 47.4 | 75.5 | 91.8 |
| OTHER COMPREHENSIVE INCOME | | | | | |
| <i>Items that may subsequently be reclassified to profit and loss</i> | | | | | |
| Translation differences | -2.3 | 2.9 | -0.1 | 7.1 | 5.7 |
| Comprehensive income for the period | 10.8 | 32.7 | 47.3 | 82.6 | 97.4 |
| <i>(Profit/loss attributable to equity holders of the parent company.)</i> | | | | | |
| *Depreciation incl. in operating expenses | -0.9 | -1.3 | -3.4 | -3.8 | -7.5 |
| Per-share data | | | | | |
| Earnings per share, SEK | 0.30 | 0.70 | 1.08 | 1.77 | 2.14 |
| Earnings per share after dilution, SEK | 0.30 | 0.68 | 1.07 | 1.71 | 2.08 |
| Shareholders' equity per share, SEK | 5.41 | 4.47 | 5.41 | 4.47 | 4.82 |
| Shareholders' equity per share after dilution, SEK | 5.41 | 4.47 | 5.41 | 4.47 | 4.75 |
| Equity ratio, % | 82 | 79 | 82 | 79 | 80 |
| Number of shares, thousand | 44,098 | 42,844 | 44,098 | 42,844 | 43,449 |
| Average number of outstanding shares, thousand | 44,098 | 42,721 | 43,808 | 42,602 | 42,781 |
| Average number of outstanding shares after dilution, thousand | 44,098 | 44,138 | 44,098 | 44,138 | 44,112 |
| Share price at year-end, SEK | 83.50 | 67.50 | 83.50 | 67.50 | 63.75 |

Condensed consolidated statement of financial position

SEK in millions

| Assets | 30/09/2017 | 30/09/2016 | 31/12/2016 |
|-------------------------------|-------------------|-------------------|-------------------|
| Capitalized development costs | 24.4 | 18.9 | 17.5 |
| Equipment | 4.2 | 1.3 | 3.3 |
| Deposits for rent, long-term | 1.5 | 1.1 | 1.5 |
| Deferred tax assets | 34.3 | 34.9 | 34.3 |
| Inventories | 27.9 | 33.2 | 25.9 |
| Trade receivables | 93.7 | 59.7 | 39.4 |
| Other short-term receivables | 2.8 | 4.9 | 5.9 |
| Cash and cash equivalents | 100.7 | 88.3 | 133.2 |
| Total assets | 289.4 | 242.3 | 260.9 |

Shareholders' equity and liabilities

| | | | |
|---|--------------|--------------|--------------|
| Shareholders' equity | 238.6 | 191.4 | 209.5 |
| Trade payables | 23.7 | 23.5 | 26.0 |
| Other short-term liabilities | 27.1 | 27.4 | 25.4 |
| Total shareholders' equity and liabilities | 289.4 | 242.3 | 260.9 |

Condensed consolidated statement of changes in equity

| | 2017 | 2016 | 2016 |
|---|----------------|----------------|------------------|
| | Jan-Sep | Jan-Sep | Full year |
| Opening balance | 209.5 | 105.6 | 105.6 |
| New issue through exercising employee stock options | 3.4 | 3.1 | 6.2 |
| Employee stock option program | 0.1 | 0.2 | 0.2 |
| Dividend | -21.7 | - | - |
| Comprehensive income for the period | 47.3 | 82.6 | 97.4 |
| Closing balance | 238.6 | 191.4 | 209.5 |

Condensed consolidated statement of cash flow

| SEK in millions | 2017 Q3 | 2016 Q3 | 2017 Jan-Sep | 2016 Jan-Sep | 2016 Full year |
|--|--------------|--------------|-----------------|-----------------|-------------------|
| Operating activities | | | | | |
| Profit/loss before tax | 14.2 | 27.7 | 48.5 | 73.4 | 90.3 |
| Adjustments for non-cash items | 0.7 | -0.1 | 4.0 | 3.5 | 13.2 |
| Income tax paid | 0.0 | -0.2 | -0.6 | -0.2 | -5.1 |
| Cash flow from operating activities before changes in working capital | 15.0 | 27.4 | 51.9 | 76.6 | 98.4 |
| Changes in inventories | -0.5 | 8.5 | -2.0 | -11.8 | -4.9 |
| Changes in operating receivables | -32.8 | -37.9 | -51.1 | -17.6 | 1.1 |
| Changes in operating liabilities | -4.5 | 0.1 | -1.6 | 11.7 | 11.2 |
| <i>Cash flow from changes in working capital</i> | <i>-37.8</i> | <i>-29.3</i> | <i>-54.7</i> | <i>-17.7</i> | <i>7.5</i> |
| Cash flow from operating activities | -22.8 | -1.9 | -2.8 | 58.9 | 105.8 |
| Investing activities | | | | | |
| Capitalization of development costs | -3.5 | -1.6 | -9.3 | -4.5 | -6.8 |
| Acquisition of property, plant, and equipment | -0.3 | 0.0 | -1.8 | -1.0 | -3.1 |
| Acquisition of financial assets | 0.0 | - | 0.0 | - | -0.6 |
| Cash flow from investing activities | -3.8 | -1.6 | -11.2 | -5.5 | -10.5 |
| Financing activities | | | | | |
| New issues through exercising employee stock options | - | - | 3.4 | 3.1 | 6.2 |
| Dividend | - | - | -21.7 | - | - |
| Cash flow from financing activities | - | - | -18.3 | 3.1 | 6.2 |
| CASH FLOW FOR THE PERIOD | -26.6 | -3.5 | -32.3 | 56.5 | 101.5 |
| Cash and cash equivalents at start of period | 128.7 | 90.8 | 133.2 | 29.4 | 29.4 |
| Translation differences in cash and cash equivalents | -1.5 | 1.0 | -0.2 | 2.4 | 2.3 |
| Cash and cash equivalents at end of period | 100.7 | 88.3 | 100.7 | 88.3 | 133.2 |

Condensed parent company income statement

| SEK in millions | 2017 Q3 | 2016 Q3 | 2017 Jan-Sep | 2016 Jan-Sep | 2016 Full year |
|--|-------------|-------------|-----------------|-----------------|-------------------|
| Revenue | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Operating expenses | -1.2 | -1.5 | -3.8 | -4.8 | -7.0 |
| Operating profit/loss | -1.2 | -1.5 | -3.8 | -4.7 | -6.9 |
| Net financial items** | -0.2 | 0.0 | -0.3 | 0.0 | 30.0 |
| Profit/loss before tax | -1.4 | -1.5 | -4.0 | -4.7 | 23.1 |
| Income tax | - | - | - | - | - |
| Profit/loss for the period | -1.4 | -1.5 | -4.0 | -4.7 | 23.1 |
| **Of which, dividend from subsidiaries | - | - | - | - | 30.0 |

Condensed parent company balance sheet

| SEK in millions | 30/09/2017 | 30/09/2016 | 31/12/2016 |
|-----------------------------------|--------------|--------------|--------------|
| Assets | | | |
| Participations in Group companies | 83.4 | 83.2 | 83.2 |
| Receivables from Group companies | 1.3 | - | 2.5 |
| Other short-term receivables | 0.4 | 0.6 | 0.5 |
| Cash | 30.3 | 26.4 | 28.2 |
| Total assets | 115.4 | 110.1 | 114.4 |

Shareholders' equity and liabilities

| | | | |
|---|--------------|--------------|--------------|
| Restricted shareholders' equity | 65.7 | 64.4 | 65.0 |
| Non-restricted shareholders' equity | 24.3 | 16.8 | 47.5 |
| Trade payables | 0.2 | 0.4 | 0.6 |
| Liabilities to Group companies | 23.4 | 27.1 | 0.1 |
| Other short-term liabilities | 1.8 | 1.3 | 1.4 |
| Total shareholders' equity and liabilities | 115.4 | 110.1 | 114.4 |

| | 2017 Jan-Sep | 2016 Jan-Sep | 2016 Full year |
|---|-----------------|-----------------|-------------------|
| Parent company changes in shareholders' equity | | | |
| Opening balance | 112.3 | 82.7 | 82.7 |
| New issues through exercising employee stock options | 3.4 | 3.1 | 6.2 |
| Employee stock option program | 0.1 | 0.2 | 0.2 |
| Dividend | -21.7 | - | - |
| Profit/loss for the period** | -4.0 | -4.7 | 23.1 |
| Closing balance | 90.0 | 81.3 | 112.3 |

**Of which, dividend from subsidiaries

Overview - past eight quarters

| | 2015 | 2016 | 2016 | 2016 | 2016 | 2017 | 2017 | 2017 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| SEK in millions | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
| Revenue | 48.1 | 79.5 | 83.6 | 85.6 | 81.3 | 87.9 | 84.2 | 75.5 |
| Cost of goods sold | -25.5 | -37.3 | -40.4 | -40.5 | -40.9 | -39.7 | -43.7 | -33.1 |
| Gross profit | 22.7 | 42.2 | 43.2 | 45.1 | 40.4 | 48.2 | 40.5 | 42.4 |
| Operating expenses | -18.6 | -18.7 | -21.0 | -17.4 | -23.5 | -25.5 | -26.2 | -28.2 |
| Operating profit/loss | 4.0 | 23.5 | 22.2 | 27.7 | 16.9 | 22.7 | 14.3 | 14.3 |
| Net financial items | 0.1 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | -2.7 | 0.0 |
| Profit/loss before tax | 4.2 | 23.4 | 22.2 | 27.7 | 16.9 | 22.7 | 11.6 | 14.3 |
| Income tax | -0.6 | - | - | 2.1 | -0.6 | - | - | -1.2 |
| Profit/loss for the period | 3.6 | 23.4 | 22.2 | 29.9 | 16.3 | 22.7 | 11.6 | 13.1 |
| Cash flow from operating activities | -11.6 | 15.2 | 45.6 | -1.9 | 46.9 | 24.7 | -4.7 | -22.8 |
| Gross margin, % | 47.1 | 53.1 | 51.7 | 52.7 | 49.7 | 54.9 | 48.1 | 56.2 |
| Operating margin, % | 8.4 | 29.6 | 26.6 | 32.4 | 20.8 | 25.8 | 17.0 | 18.9 |
| Profit margin % | 7.4 | 29.5 | 26.6 | 34.9 | 20.0 | 25.8 | 13.8 | 17.3 |
| Equity ratio, % | 75 | 77 | 76 | 79 | 80 | 86 | 81 | 82 |
| Earnings per share, SEK* | 0.08 | 0.55 | 0.52 | 0.70 | 0.38 | 0.52 | 0.26 | 0.30 |
| Shareholders' equity per share, SEK* | 2.50 | 3.08 | 3.70 | 4.47 | 4.82 | 5.33 | 5.16 | 5.41 |

* Before dilution