



Full year and Q4 2016

Lars Højgård Hansen, CEO

Thomas Larsson, CFO

INVISIO®

Agenda

- CEO comments full year 2016 and Q4 2016
- Q&A
- Financial performance in further details

Record full year results and proposed dividend

"In 2016 we successfully implemented our strategy for profitable growth. For the full year our sales, operating profit and operating margin are the highest in the company's history. Our strong belief in the future is unchanged. The Board's proposed dividend should be seen in the light of our capacity to grow with sound profitability and retained financial strength in the coming years."

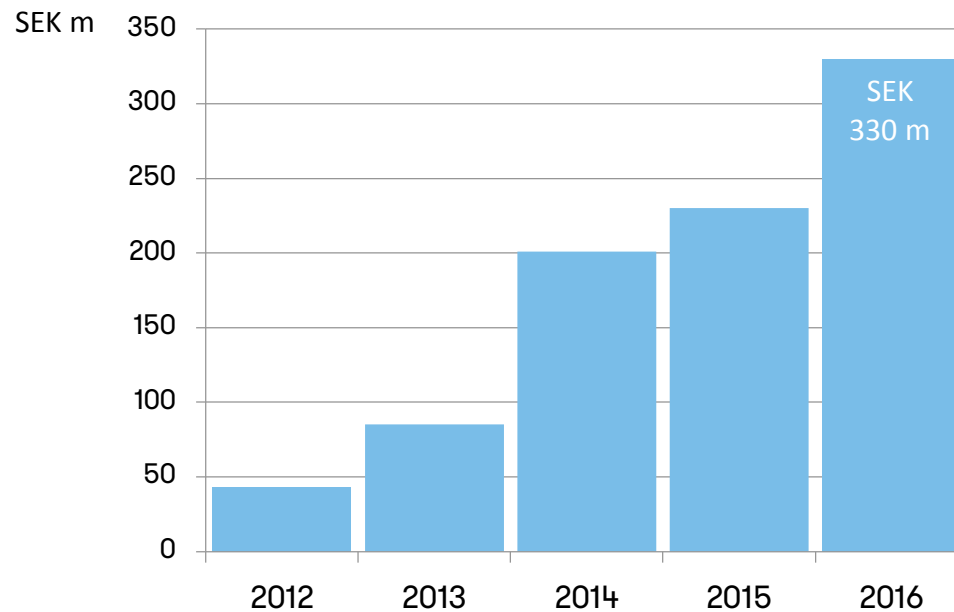
Lars Højgård Hansen, CEO

2016: Record full year results and increased operating margin

SEK in millions	2016 Q4	2015 Q4	Δ %	2016 Full year	2015 Full year	Δ %
Revenue	81.3	48.1	69	330.0	229.8	44
Gross Profit	40.4	22.7	78	171.0	118.3	45
Gross margin, %	49.7	47.1	6	51.8	51.5	1
EBITDA	20.6	4.8	327	97.8	52.9	85
Operating profit/loss	16.9	4.0	318	90.4	47.3	91
Operating margin, %	20.8	8.4	147	27.4	20.6	33
Profit/loss for the period	16.3	3.6	354	91.8	57.1	61
Earnings per share, SEK	0.38	0.08	348	2.14	1.35	59

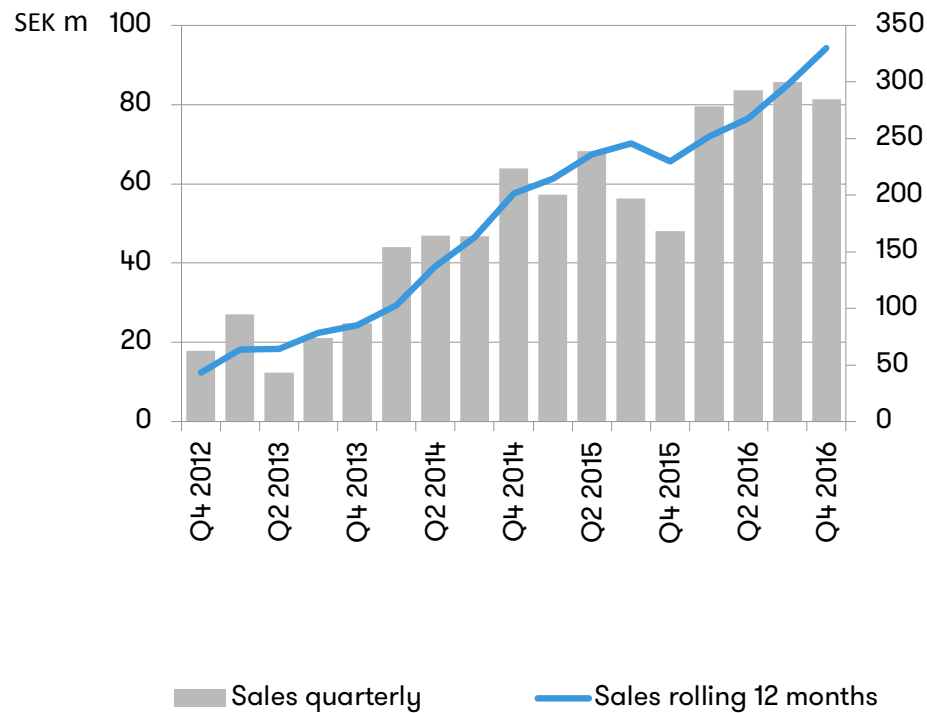
- Order book at the close of the period: SEK 136 million

Full year 2016: Sales increased by 44%

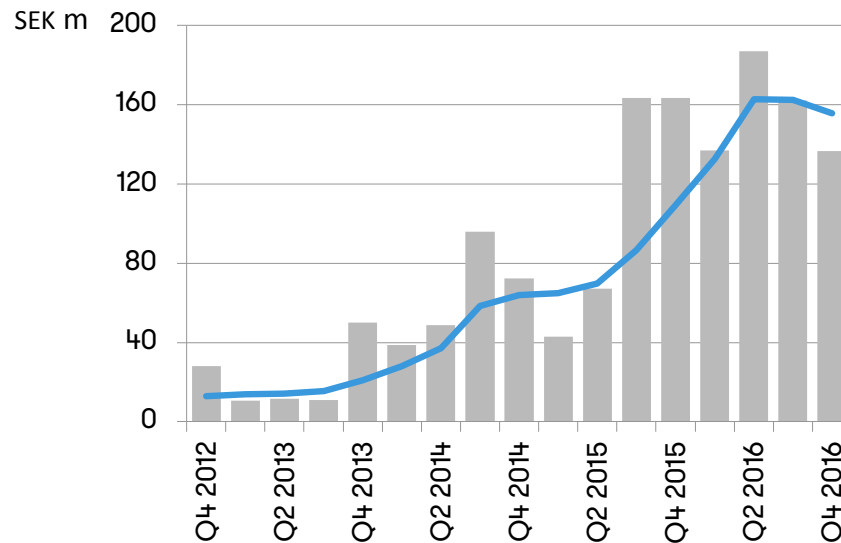


Ongoing deliveries to modernization programs contributed to sales in 2016.

Sales per quarter and rolling 12 months



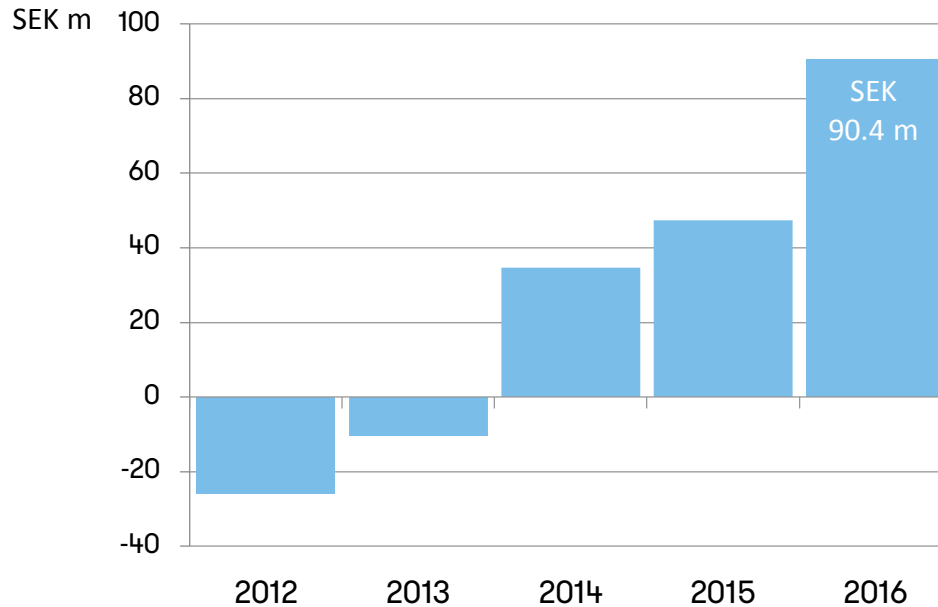
Order backlog per quarter and rolling 12 months



Order backlog: SEK 136 m

■ Order backlog quarterly — Order backlog rolling 12 months

Operating profit increased by 91 per cent to SEK 90.4 million



Strong growth together with our scalable business model lead to increased operating profit.

Operating margin: 27.4%

A larger company is beginning to take shape

Successful implementation of strategy for profitable growth



Strategy for profitable growth

- **Increase market share**
Existing markets in Europe, North America and Oceania.
- **Geographical expansion**
Strengthen presence in selected countries in Asia, the Middle East and South America.
- **Product development**
Both further developed and new products.
- **Cost efficiency**
Scalable business model of outsourced production.

Increased market share

- Follow-up orders from programs in the USA, UK and Australia.
- Sales to special forces and other defense customers increased, particularly in NATO.
- Deliveries of equipment to French security forces paved the way for additional orders from the French army – INVISIO's seventh army customer.
- Establishment of sales companies in France and the USA to enhance relationships with customers, partners and the industry.



Geographical expansion

- Ongoing activities for broadening the customer base in new geographical regions.
- Several new partners in Asia, South America and the Middle East.
- Lead times are long in our industry but we expect a good return over time from these investments.



Increased focus on product development

- The plan is to broaden our role as a supplier of smart and easy-to-use communication solutions to customers in defense and security
- Expand our product portfolio with new products in both existing and new product areas.
- Strengthening our R&D resources with more employees.



Proposed dividend

- The Board of Directors proposes a dividend of SEK 0.50 per share.
- Shows trust in our capacity to continue growing with sound profitability.



Q&A

Thank you!

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Financial performance in further details

January–December 2016

Condensed consolidated statement of comprehensive income

SEK 000s	2016 Q4	2015 Q4	2016 Full year	2015 Full year
Revenue	81,291	48,129	330,024	229,802
Cost of goods sold	-40,860	-25,475	-159,028	-111,474
Gross Profit	40,431	22,654	170,996	118,328
Operating expenses*	-23,514	-18,606	-80,619	-71,005
Operating profit/loss	16,917	4,048	90,377	47,323
Net financial items	-4	118	-102	-459
Profit/loss before tax	16,913	4,166	90,275	46,864
Income tax	-647	-586	1,482	10,224
Profit/loss for the period	16,266	3,580	91,757	57,088
Other comprehensive income				
<i>Items that may be reclassified subsequently to the income statement</i>				
Translation differences	-1,394	-3,774	5,680	-4,367
Comprehensive income for the period	14,872	-194	97,437	52,721
(Entirely attributable to equity holders of the parent)				
*Depreciation incl. in operating expenses	-3,675	-770	-7,463	-5,595

Condensed consolidated statement of financial position

SEK 000s

Assets	31/12/2016	31/12/2015
Intangible assets	17,508	16,853
Property, plant and equipment	3,289	600
Financial assets	1,450	755
Deferred tax assets	34,296	29,388
Inventories	25,891	19,937
Accounts receivable - trade	39,378	35,855
Other receivables	5,894	8,286
Cash and cash equivalents	133,193	29,367
Total assets	260,899	141,041
Shareholders' equity and liabilities		
Shareholders' equity	209,502	105,635
Accounts payable - trade	26,000	15,846
Other liabilities	25,397	19,560
Total shareholders' equity and liabilities	260,899	141,041

Condensed consolidated statement of cash flow

SEK 000s

	2016 Q4	2015 Q4	2016 Full year	2015 Full year
Cash flow				
Operating activities				
Profit/loss before tax	16,913	4,167	90,275	46,865
Adjustments for non-cash items	9,785	-589	13,240	4,587
Income tax paid	-4,930	-2,661	-5,145	-2,661
Cash flow from operating activities before changes in working capital	21,768	917	98,370	48,791
Cash flow from changes in working capital	25,159	-12,482	7,458	-18,869
Cash flow from operating activities	46,927	-11,565	105,828	29,922
Investing activities				
Capitalization of non-current assets	-2,216	-847	-6,750	-4,109
Acquisition of property, plant and equipment	-2,165	-316	-3,136	-592
Capitalization of financial assets	-649	-	-649	-
Cash flow from investing activities	-5,030	-1,163	-10,535	-4,701
Financing activities				
New issues	3,117	-	6,193	-
Change in financial assets	-	-3,979	-	-23,077
Cash flow from financing activities	3,117	-3,979	6,193	-23,077
Cash flow for the period	45,014	-16,707	101,486	2,144
Cash and cash equivalents at start of period	88,273	47,000	29,367	28,444
Translation differences in cash and cash equivalents	-94	-926	2,340	-1,221
Cash and cash equivalents at end of period	133,193	29,367	133,193	29,367