



**Interim report.**  
January–June 2016

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Mårten Andersson, CEO

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# Interim report Jan–Jun 2016.

## Q2 April–June 2016.

- Net sales amounted to SEK 926.5m (467.3)
- EBITDA amounted to SEK 134.8m (62.6)
- EBITA amounted to SEK 117.4m (54.2)
- Net profit after tax amounted to SEK 86.4m (30.9)
- Net profit attributable to the Parent Company's shareholders amounted to SEK 86.4m (5.4)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.23 (0.00)
- Cash flows from operating activities amounted to to SEK 115.3m (6.4)
- On 8 April, Besikta acquired all the shares in ClearCar AB, which has annual sales of about SEK 82m
- On 16 May, Lomond Industrier acquired all the shares in Pagnol Gruppen AB, which has annual sales of about SEK 100m

## January–June 2016 period.

- Net sales amounted to SEK 1,587.8m (872.0)
- EBITDA amounted to SEK 188.3m (104.3)
- EBITA amounted to SEK 155.8m (87.8)
- Net profit after tax amounted to SEK 103.8m (41.5)
- Net profit attributable to the Parent Company's shareholders amounted to SEK 102.1m (24.1)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.24 (0.09)
- Cash flows from operating activities amounted to to SEK 99.0m (17.9)

## Events after the reporting period.

- The Board has decided to investigate the possibility of a future listing of Volati's common share
- An extraordinary general meeting will be held 15 September 2016 to make resolutions related to a potential common share listing and the election of a Board member
- On 25 April, Kellfri acquired all the shares in Lantbutiken AB, which has annual sales of about SEK 45m

## Key figures.

	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net sales, SEKm	926.5	467.3	1,587.8	872.0	2,903.4	2,187.6
EBITDA, SEKm	134.8	62.6	188.3	104.3	358.5	274.5
EBITA, SEKm	117.4	54.2	155.8	87.8	295.3	227.3
EBITA margin, %	12.7	11.6	9.8	10.1	10.2	10.4
EBIT, SEKm	112.9	51.3	147.4	82.0	279.7	214.3
Net debt/EBITDA, ratio	2.3	0.8	2.3	0.8	2.3	2.3
Cash flows from operating activities, SEKm	115.3	6.4	99.0	17.9	328.1	247
Earnings per common share, SEK	0.23	0.00	0.24	0.09	0.44	0.27
Equity per common share, SEK	0.88	1.02	0.88	1.02	0.88	1.1
Return on equity, %	-	-	17.7	21.6	17.7	27.8
Weighted Avg. No. of common shares outstanding <sup>1)</sup>	297.7	202.0	287.2	202.0	244.5	202.0
Common shares outstanding <sup>1)</sup>	297.7	202.0	297.7	202.0	297.7	202.0
Weighted Avg. No. of common shares outstanding after dilution <sup>1)</sup>	301.9	202.0	290.5	202.0	246.3	202.0
Number of preference shares outstanding <sup>1)</sup>	8.0	8.0	8.0	8.0	8.0	8.0

**+117%**  
EBITA  
Q2 2016

**5.1x**  
Cash flow/  
preference  
share dividend,  
LTM

<sup>1)</sup> Expressed in millions of shares. In January 2016, a share swap was carried out, whereby 95,722,508 common shares were issued, after which the total number of common shares outstanding was 297,722,508, and, at the same time, 4,174,570 warrants were issued.

## COMMENTS FROM THE CEO

## Strong earnings trend and further acquisitions.



The second quarter trend was very positive. Net sales rose 98% to SEK 927m and EBITA increased 117% to SEK 117m. Due to the growing number of companies in the Group, we have chosen to organise operations into three business areas. The new organization enables continued acquisition-driven growth and provides us with enhanced prerequisites for retaining the entrepreneurial management of each business unit. The Board has decided to investigate the possibility of a future listing of Volati's common share. An issue of common shares would further expand the scope for acquisitions already created by our strong cash flow.

We are able to report a strong second quarter with substantial increases in sales and earnings. All business areas posted positive trends and organic EBITA growth was 57% in the second quarter. Particularly noteworthy were the results from the Industry Business Area, where Corroventa noted exceptionally strong sales and rentals driven by the extensive flooding that struck large areas of Europe. Corroventa's growth was boosted by the fact that 2015 was an exceptionally dry year with weak sales and rentals.

For the first time, the preference share capital has been included in the basis for calculation of the return on equity for the entire period. Return on equity has therefore, as expected, decreased temporarily to 18%, which is below our target of 20%. When we include the full-year effect of the acquisition of Lomond Industrier in the fourth quarter, the return on equity target of 20% should be met, once again.

#### Further acquisitions

On an ongoing basis, Volati evaluates opportunities to accelerate our companies' strategies through acquisitions. In the first half of the year, we completed three acquisitions and after the end of the reporting period, Kellfri, which is included in the Trading Business Area, acquired all shares in the Swedish e-commerce business Lantabutiken, with products for use in agriculture and by people living in the countryside. The acquisition of Lantabutiken accelerates Kellfri's transition from physical mail order to e-commerce.

It is pleasing to note that we continue to acquire healthy companies at reasonable valuations. In parallel, we noted that transactions during the year in the Swedish market have been completed at surprisingly high acquisition multiples. High acquisition multiples complicate value creation

and increase risk. We will keep to our strategy of making acquisitions at reasonable valuations and have increased our focus on identifying our own acquisition candidates and, not least, add-on acquisitions.

During the quarter, all ClearCar motor vehicle inspection stations were incorporated into Besikta's organization and brand, thus embracing all of the stations under Besikta's accreditation from Swedac. A natural follow-on of this is that the Administrative Court has dismissed the case regarding ClearCar's accreditation.

#### New corporate governance structure

Over the past 12 months, Volati has completed five acquisitions and sales have grown from SEK 1.7bn to a pro forma figure of SEK 3.2bn at the end of the interim period. Volati currently has some 40 operating companies in 15 countries. Due to the increasing number of companies in the Group, we have decided to organise operations into three business areas: Trading, Industry and Consumer. The new organization enables continued acquisition-driven growth and provides us with enhanced prerequisites for retaining the entrepreneurial management of each business unit.

#### Preparations for listing the common share

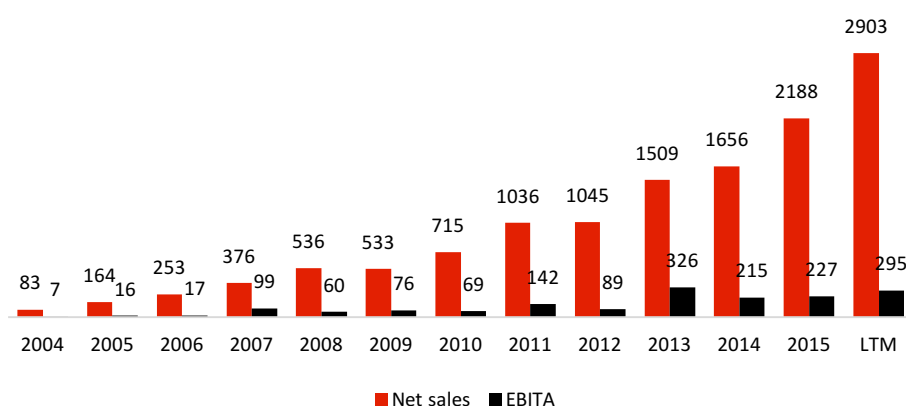
As announced previously, we intend to move our preference share to Nasdaq Stockholm's main list and have already started this process. The Board has also decided to investigate the prerequisites for listing Volati's common share. The reason for this decision is that we have identified continued opportunities to acquire stable companies at reasonable valuations. An issue of common shares would further expand the scope for acquisitions already created by our strong cash flow.

*Mårten Andersson, CEO*

# About Volati.

Volati is a Swedish industrial group that acquires stable companies at reasonable valuations and develops these with emphasis on long-term value creation. Acquisitions focus on well-managed, Nordic companies, often in conjunction with a generation change. Considerable weight is placed on identifying development potential for growth and improved cash flows.

Since 2003, Volati has built an industrial group that, as of 30 June 2016, comprised some 15 subsidiary groups with around 40 operating companies that were organised under the three business areas Trading, Industry and Consumer. Volati has operations in 15 countries and a total of 1,193 employees. The financial trend since the start of operations is presented in the adjacent diagram (in SEKm).



## Financial targets

- Average growth in EBITA is to exceed 15% per year. A combination of acquisitions and organic growth will be used to meet the growth target. In the second quarter of 2016, EBITA rose 117% year-on-year. Calculated as a rolling five-year average, annual EBITA growth averaged 61% at the end of 2015.
- Average return on equity is to exceed 20% per year. At the end of the second quarter of 2016, the return on equity was 18% for the last 12 months as a result of the inclusion of the preference share capital for the entire calculation period.
- Normally, net debt in relation to EBITDA (“ND/EBITDA”) for the last 12 months should be a ratio of between 2.0 and 3.5. At the end of the second quarter of 2016, the ND/EBITDA was 2.3.
- Each year, the preference shares receive a dividend of SEK 8.00. Furthermore, the target is to pay an annual dividend on the common shares corresponding to between zero and 30% of net profit after tax.

## Consolidated financial trend

**+82%**  
Net sales  
H1 2016

### Sales

In the first half of the year, consolidated net sales were SEK 1,587.8m (872.0), corresponding to a year-on-year increase of 82.0%. This was primarily due to the acquisition of Lomond Industrier in mid-August 2015, which contributed SEK 612.6m. Organic growth was 17.7% and the exchange-rate effect was a negative 2.2%. Acquisitions and divestments had an impact of 66.7% on growth. Organic growth was mainly attributable to increased sales in the Trading and Industry business areas.

In the second quarter, consolidated net sales were SEK 926.5m (467.3), corresponding to a year-on-year increase of 98.2%. The increase was mainly due to healthy organic growth of 28.4% in all business areas and acquired growth of 72.3% primarily attributable to the acquisitions of Lomond Industrier, Pagnol Gruppen and ClearCar.

### Earnings

In the first half of the year, EBITA amounted to SEK 155.8m (87.8), corresponding to an increase of 77.4%. The earnings increase was attributable to organic growth in profitability and acquired growth through actions including the acquisition of Lomond Industrier. EBITA posted organic growth of 33% during the period due to raised profitability, mainly in the Industry Business Area, where flooding in Europe positively impacted demand for Corroventa's products. In parallel, earnings were negatively impacted by the announced restructuring costs of SEK 7.2m related to the integration of ClearCar, which was acquired by Besikta in April 2016.

Net profit after tax increased 50.1% to SEK 103.8m (41.5) for the quarter. Net profit after tax attributable to the Parent Company's owners increased to SEK 102.1m (24.1) during the period. The minority share of net sales was SEK 1.7m (17.4)

In the second quarter, consolidated EBITA amounted to SEK 117.4m (54.2), corresponding to a year-on-year increase of 116.6%. Organic growth amounted to 57%, and was mainly attributable to robust growth in the Industry Business Area.

### Acquisitions during and after the period

Acquisitions comprise a core element of Volati's strategy for creating long-term value growth and the company continuously evaluates complementary companies and companies in entirely new business areas. In Volati's assessment, risk levels with add-on acquisitions are lower than for platform acquisitions in new business areas, since in-depth industry know-how and an organization for receiving the acquired company are already in place.

### Acquisition of ClearCar AB

On 8 April, Besikta acquired all the shares in ClearCar AB, which has about 80 motor vehicle inspection stations across Sweden. In 2015, ClearCar recorded sales of about SEK 82m. Since it was founded in 2011, ClearCar has grown rapidly and established 28 new stations in 2015. The add-on acquisition of ClearCar means motor vehicle inspection operations under the Consumer Business Area can leverage synergies across the companies. Combining this station network with Besikta's infrastructure provides the preconditions for realising economies of scale in terms of IT and quality initiatives. The purchase price for ClearCar was about SEK 40m on a cash-free and debt-free basis. Integration entailed restructuring costs of SEK 7.2m, which were charged to the second quarter of 2016. In total, the acquisition is expected to have a slightly negative earnings impact for Volati in the current financial year. The integration of ClearCar's stations was completed in

early July. In 2017, the acquired operations are expected to reach margins corresponding to those for Besikta and, thereby, contribute positively to earnings.

### Acquisition of Pagnol Gruppen AB

On 16 May 2016, all of the shares in Pagnol Gruppen AB in Malmö were acquired, Pagnol Gruppen has annual sales of about SEK 100m and earnings of about SEK 17m. Pagnol Gruppen includes Miljöcenter i Malmö AB and Bröderna Berglund AB. The acquisition adds to the Trading Business Area with a complementary range in home and garden products and new customer segments. The purchase price for all of the shares, including net cash, was SEK 114.3m. The net cash amounted to SEK 26.3m on the acquisition date. The acquisition is expected to have a positive earnings impact for Volati in the current financial year.

### Acquisition of Lantbutiken AB

After the end of the period, Kellfri acquired all of the shares in Lantbutiken Sverige AB. Lantbutiken is a fast-growing e-commerce company with an extensive range in the agriculture, forestry, construction, leisure and poultry categories. For the 1 July 2015 to 30 June 2016 period, Lantbutiken reported sales of about SEK 45m, corresponding to year-on-year growth of around 65%. EBITDA was about SEK 2.3m for the same period. The purchase price for Lantbutiken was about SEK 10.2m on a cash-free and debt-free basis. In total, the acquisition is expected to have a marginally positive earnings impact for Volati in the current financial year. All of the shares were acquired as of 25 July 2016.

### Cash flow

Cash flows from operating activities amounted to SEK 99.0m (17.9) in the first half of the year. The year-on-year change in cash flows was mainly attributable to the Group's increased profitability while tied-up working capital did not increase in line with sales growth. Cash flow from investing activities totalled a negative SEK 134.4m (neg: 43.9). Cash flow from investing activities was mainly impacted by acquisitions of SEK 126.8m completed during the period. Investments in non-current assets in subsidiary groups amounted to SEK 18.2m (42.1) and pertained primarily to ongoing investments in machinery and development of certain products and systems. Sales of financial fixed assets totalled SEK 9.8m (-) and pertained to the sale of shares and receipt of the repayment of the vendor's loan from the acquisition of Sandberg & Söner. Cash flow from financing activities totalled a negative SEK 44.9m (pos: 86.6). Cash flow from financing activities was mainly impacted by dividends of SEK 32.1m to holders of preference shares and of SEK 23.8m to holders of common shares during the period. Total cash flows for the interim period were a negative SEK 80.2m (pos: 60.6). Over the last 12 months, cash flows from operating activities were 5.1 times higher than the dividend to preference shareholders over the same period.

In the second quarter, cash flows from operating activities came to SEK 115.3m (6.4). The increase was mainly attributable to optimization of the working capital and the strengthening in earnings during the quarter.

### Equity

Total equity for the Group amounted to SEK 1,088.9m (1,050.9) at the end of the period. The change in Group equity was primarily attributable to comprehensive income for the period, the adopted dividend to preference shareholders and the dividend paid to holders of common shares. During the period, equity attributable to the Parent Company's shareholders increased from SEK 969.8m at 31 December 2015 to SEK 1,078.3m at 30 June

5.1x

Cash flow/  
preference  
share dividend  
LTM

2016. The change was due to the simplification of the ownership structure within the Group that was implemented in January 2016.

The return on equity for the last 12 months was 17.7% (27.8). The change in the return on equity for the last 12 months was mainly due to inclusion of the preference share capital in the basis for calculation for the entire period. The issue of preference share capital was completed in June 2015 and was used, essentially, to finance the acquisition of Lomond Industrier, which was carried out in mid-August 2015. Accordingly, the lower return was primarily an effect of the capital not being invested for a period of almost three months after completion of the issue. Over the remainder of 2016, return on equity will be positively impacted by the consolidation of Lomond Industrier's results from August 2015 as well as the consolidation of other acquisitions made over the last 12 months into the results. As a result of the completed acquisitions, the equity ratio declined slightly to 34.5% compared with 37.2% at the end of 2015. As a consequence of the share swap completed in January 2016, the number of Volati's issued shares increased and, accordingly, the equity per common share was diluted to SEK 0.88 compared with SEK 1.10 at year-end 2015.

### Net debt

At the end of the period, external bank financing totalled SEK 992.2m compared with SEK 951.7m at 31 December 2015. Total liabilities amounted to SEK 2,070.6m compared with SEK 1,774.9m at 31 December 2015. At the end of the period, interest-bearing liabilities including pension provisions were SEK 1,089.6m compared with SEK 1,042.5m at 31 December 2015. At the end of the period, cash and cash equivalents and unutilised credit facilities amounted to SEK 375.1m, of which SEK 200.0m was the unutilised portion of the overdraft facility, SEK 50.0m the unutilised portion of the revolving credit facility and SEK 125.1m cash and cash equivalents. Net debt totalled SEK 869.9m (756.1) at the end of the period.

### Seasonal variations

Volati's business areas operate in several different branches and markets. Overall, the Group is impacted by seasonal variations in terms of cash flow and earnings, where the fourth quarter generally has the strongest cash flow and earnings, and the first quarter, the lowest cash flow and earnings.



**2.3x**  
Net debt/  
EBITDA

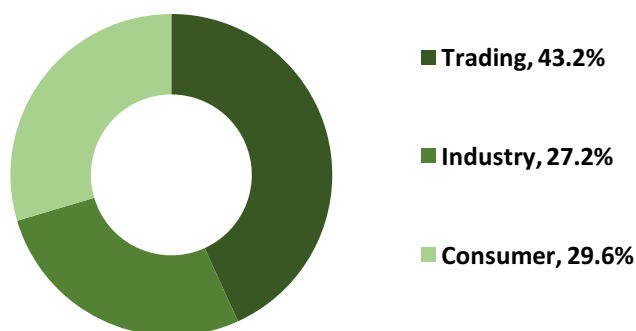
## Volati's business areas.

From the second quarter of 2016, Volati has organised its approximately 40 subsidiaries into three business areas: Trading, Industry and Consumer. With a growing number of companies in the Group, the new organization is expected to create expanded scope for continued acquisition-driven growth and to provide enhanced prerequisites for retaining the entrepreneurial management of each business unit. Segment reporting has been adapted to the new business area structure.

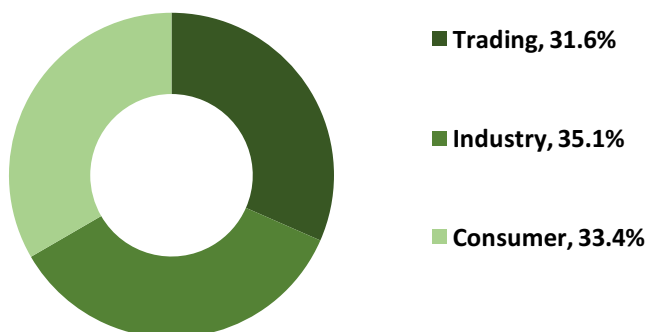
### Breakdown of Volati's net sales and earnings by business area

For the July 2015 – June 2016<sup>1</sup> period

Sales SEK 2,903m



EBITA SEK 295m



1) The business area's share has not been calculated pro forma for the acquisition of Lomond Industrier, which was only included in the above calculation for the 17 August 2015 to 30 June 2016 period.





## Trading

The Trading Business Area comprises seven business units with a total of 17 operating companies in eight countries. The companies apply similar business models and focus primarily on two customer segments: building materials sector, and agriculture and forestry farmers. The Trading Business Area has a shared service centre for, among other things, warehousing, logistics and finance.

Net sales in the first six months increased to SEK 715.0m (108.4) and EBITA rose to SEK 60.9m (3.3). The strong growth was mainly an effect of the acquisition of Lomond Industrier in August 2015. Lomond has posted strong organic growth following the acquisition. Pagnol Gruppen was acquired in the first six months of 2016 and Lantbutiken AB after the close of the reporting period.

	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net sales, SEKm	419.1	65.2	715.0	108.4	1,254.9	648.2
EBITDA, SEKm	54.9	4.7	66.3	4.9	117.5	56.1
EBITA, SEKm	52.0	3.9	60.9	3.3	107.5	49.9
EBITA margin, %	12.4	6.0	8.5	3.1	8.6	7.7
EBIT, SEKm	50.6	3.8	58.3	3.1	103	47.8



## Industry

The Industry Business Area comprises four B2B business units with a total of 18 operating companies in 13 countries.

Net sales in the first six months increased to SEK 404.4m (318.0) and EBITA rose to SEK 62.7m (29.6). The extensive flooding that struck large areas of Europe in the second quarter resulted in extremely high demand for Corroventa's equipment for managing water damage. While flooding normally occurs every year, it is seldom of such proportions.

	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net sales, SEKm	254.9	182.9	404.4	318.0	788.6	702.2
EBITDA, SEKm	54.1	25.4	75.4	39.5	146.7	110.8
EBITA, SEKm	47.7	20.3	62.7	29.6	119.3	86.2
EBITA margin, %	18.7	11.1	15.5	9.3	15.1	12.3
EBIT, SEK m	47.3	20.0	62.0	29.0	118.1	85.0



## Consumer

The Consumer Business Area has three B2C business units comprising a total of nine operating companies in five countries.

Net sales in the first six months increased to SEK 468.9m (446.8) and EBITA rose to SEK 66.2m (69.8). Net sales growth was mainly attributable to the acquisition of ClearCar in April 2016, but was also attributable to organic growth at Besikta. EBITA declined slightly as a result of increased depreciation when depreciation of Besikta's business system started.

	<b>Apr–Jun 2016</b>	<b>Apr–Jun 2015</b>	<b>Jan–Jun 2016</b>	<b>Jan–Jun 2015</b>	<b>Last 12 months</b>	<b>Full-year 2015</b>
Net sales, SEKm	252.5	220.2	468.9	446.8	860.5	838.4
EBITDA, SEKm	49.7	41.8	80.2	74.6	138.1	132.5
EBITA, SEKm	41.7	39.3	66.2	69.8	113.5	117.1
EBITA margin, %	16.5	17.9	14.1	15.6	13.2	14.0
EBIT, SEK m	39.0	36.8	61.1	64.8	103.7	107.4

## Head Office

Head Office comprises the Parent Company Volati AB and associated operations including the acquisition costs or other non-operational items arising in the Group. In the first six months, Head Office posted an EBITA of negative SEK 34.0m (neg: 14.9). The increase in costs was mainly attributable to restructuring costs of SEK 7.2m related to the acquisition of ClearCar and the revaluation of the earn-out of SEK 3.9m. In addition, specific costs related to the Board decision to prepare for moving the listing of the preference shares to Nasdaq Stockholm's main list were charged to Head Office.

## Other information

### Share capital

Volati has two classes of shares – common shares, which are unlisted, and preference shares which have been listed on Nasdaq First North Premier under the symbol VOLO PREF since 8 June 2015. At the end of the second quarter, the number of preference shareholders was 3,239. Each preference share entitles the holder to a preferential annual dividend of SEK 8.00, which is payable in an amount of SEK 2.00 each quarter.

The number of common shares outstanding was 297,772,508 at the end of the period. Accordingly, the share capital amounted to SEK 7.6m at 30 June 2016. In addition, Volati has issued 4,174,570 warrants to senior executives.

### 2016 Annual General Meeting

Volati AB's 2016 Annual General Meeting (AGM) was held 18 May 2016 in Stockholm. The AGM resolved to adopt the proposed resolutions regarding, inter alia, the distribution of profit, instructions for the establishment of a nomination committee, the election of the Board, including the election of Louise Nicolin as a new member, authorisation for the acquisition and transfer of treasury shares as well as the adoption of the Parent Company's and the Group's income statement and balance sheet for the 2015 financial year.

### Extraordinary General Meeting

The Board of Volati AB have decided to call an extraordinary general meeting (EGM) for 15 September 2016, at 4:00 p.m. in Stockholm at the Summit T House, Engelbrektsplan 1, SE-114 34 Stockholm, Sweden. The entrance to the meeting hall will open at 3:45 p.m. The aim of the EGM is to elect a member to Volati's Board and to resolve on certain issues pertaining to the Board's decision to investigate the possibilities for a future listing of the common share. Please refer to the separate information in the notice of the EGM.

### Dividends in 2016

The AGM in May 2016 resolved to distribute a dividend totalling SEK 23,817,800.64, corresponding to SEK 0.08 per share, to the holders of common shares in Volati AB and SEK 64,150,936, corresponding to SEK 8.00 per share, to the preference shareholders.

### Preparations for listing the common share

As announced previously, Volati intends to move the company's preference share from Nasdaq First North to Nasdaq Stockholm's main list and has already started this process. The Board has decided to investigate the possibility of a future listing of Volati's common share. The reasons underlying this decision include the company's identification of continued opportunities to acquire stable companies at reasonable valuations and the fact that an issue of common shares would further increase scope for future acquisitions.

## Shareholder structure 30 June 2016

### Voting rights and percentage of share capital

Class of shares	Number	Voting rights per share	No. of votes	Share of votes	Percentage of share capital
Common shares	297,722,508	1.0	297,722,508	99.7%	97.4%
Preference shares	8,018,867	0.1	801,887	0.3%	2.6%
Total	305,741,375		298,524,395	100.0%	100.0%

### Shareholders by country

	Number	Share of votes
Sweden	3,189	99.95%
Other countries	50	0.1%
Total	3,239	100.0%

### Number of shareholders

Number of shares	Number of shareholders
1-500	2,403
501-1,000	299
1,001-10,000	456
10,001-	81
Total	3,239

### Shareholder structure <sup>1)</sup>

Name	Number of shares		Share capital	Votes
	Common shares	Preference shares		
Karl Perlhagen <sup>2)</sup>	172,200,000	1,020,866	56.66%	57.72%
Patrik Wahlén	96,958,912	53,170	31.73%	32.48%
Mårten Andersson	14,281,798	9,434	4.67%	4.78%
Mattias Björk	14,281,798	9,434	4.67%	4.78%
Försäkringsaktiebolaget Avanza Pension	-	644,973	0.21%	0.02%
SEB S.A. Client Assets UCITS	-	350,000	0.11%	0.01%
Nordea Liv & Pension	-	276,995	0.09%	0.01%
Nordnet Pensionsförsäkring AB	-	267,395	0.09%	0.01%
Skandinaviska Enskilda Banken S.A.	-	251,087	0.08%	0.01%
Nordea Investment Funds	-	236,103	0.08%	0.01%
AB 1909 i Sigtuna	-	224,700	0.07%	0.01%
JP Morgan Bank Luxemburg	-	150,000	0.05%	0.01%
Catella Bank Filial	-	123,921	0.04%	0.01%
Fibonacci Asset Management	-	111,920	0.04%	0.01%
Erik Salén	-	100,000	0.03%	0.01%
Total, 15 largest shareholders	297,722,508	3,836,192	98.62%	99.85%
Other shareholders	-	4,182,675	1.38%	0.15%
Total	297,722,508	8,018,867	100.00%	100.00%

1) The shareholder structure is based on information from Euroclear Sweden as of 30 June 2016.

2) Includes ownership exercised directly or indirectly through companies.

### Related-party transactions

In conjunction with the share swap completed 16 January 2016, further legal simplification of the Group structure was carried out, whereby a smaller shareholding in Urb-it AB was divested to Volati shareholders for SEK 3.6m with no capital gain and the shares outstanding in the part-owned subsidiary Volati Ventures AB, which were owned by shareholders of Volati AB, were acquired for SEK 20,600. In January 2016, Corroventa's CEO Per Ekdahl acquired 4.0% of the shares in Corroventa. All related-party transactions were carried out at market rates. No related-party transactions took place in the second quarter.

### Financial calendar

Volati AB's financial calendar follows:

- Third quarter of 2016 11 November 2016
- Year-end report 2016 21 February 2017

### Distribution of dividend to preference shareholders

Each preference share entitles the holder to a preferential annual dividend of SEK 8.00, which is payable in an amount of SEK 2.00 each quarter. The following table sets out the dates for payment of the preference share dividends:

#### August 2016

- Last day of trading before the share goes ex-dividend 3 August 2016
- The record date for dividend payments 5 August 2016
- The expected date for payments from Euroclear<sup>1</sup> 10 August 2016

#### November 2016

- Last day of trading before the share goes ex-dividend 2 November 2016
- The record date for dividend payments 4 November 2016
- The expected date for payments from Euroclear<sup>1</sup> 9 November 2016

#### February 2017

- Last day of trading before the share goes ex-dividend 1 February 2017
- The record date for dividend payments 3 February 2017
- The expected date for payments from Euroclear<sup>1</sup> 8 February 2017

#### May 2017

- Last day of trading before the share goes ex-dividend 3 May 2017
- The record date for dividend payments 5 May 2017
- The expected date for payments from Euroclear<sup>1</sup> 10 May 2017

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<sup>1</sup>The dividend is normally distributed on the third bank day after the record date for Swedish issuers. Euroclear Sweden administers the payment, which means Volati exercises no control over this date.

The Board of Directors and the CEO hereby certify that the interim report provides a fair view of the Parent Company's and the Group's operations, position and performance and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Volati AB (publ)  
The Board of Directors and CEO  
Stockholm, 16 August 2016

Karl Perlhagen  
Chairman of the Board

Patrik Wahlén  
Board member

Björn Garat  
Board member

Anna-Karin Eliasson Celsing  
Board member

Louise Nicolin  
Board member

Mårten Andersson  
CEO

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

This interim report is a translated version of the Swedish original.

The information contained in this report is such that Volati AB is obliged to disclose under the Market Abuse Regulation (MAR). This information was submitted for publication at 8:30 a.m., 16 August 2016.

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## Financial statements.

### Consolidated income statement

SEKm	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
<b>Operating revenue</b>						
Net sales	926.5	467.3	1,587.8	872.0	2,903.4	2,187.6
<b>Operating costs</b>						
Raw materials and supplies	-450.8	-167.5	-760.7	-297.2	-1,396.6	-933.1
Other external costs	-135.4	-105.4	-254.5	-208.0	-459.6	-413.0
Personnel costs	-208.2	-137.6	-381.5	-268.4	-695.2	-582.1
Other operating revenue	2.7	5.7	3.4	5.9	15.9	18.4
Other operating costs	-0.1	0.0	-6.1	-0.1	-9.3	-3.3
<b>EBITDA</b>	134.8	62.6	188.3	104.3	358.5	274.5
Depreciation	-17.4	-8.4	-32.5	-16.5	-63.3	-47.2
<b>EBITA</b>	117.4	54.2	155.8	87.8	295.3	227.3
Acquisition-related amortizations and write-downs	-4.5	-2.9	-8.4	-5.8	-15.5	-12.9
<b>EBIT</b>	112.9	51.3	147.4	82.0	279.7	214.3
<b>Financial income and costs</b>						
Financial income	6.5	8.5	10.8	9.6	23.7	22.6
Financial costs	-16.8	-19.7	-31.5	-34.7	-72.4	-75.6
<b>Profit before tax</b>	102.6	40.2	126.8	57.0	231.1	161.3
Tax	-16.3	-9.3	-23.0	-15.5	-42.9	-35.4
<b>Net profit</b>	86.4	30.9	103.8	41.5	188.2	125.9
Attributable to:						
Parent Company's owners	84.6	5.4	102.1	24.1	170.7	92.7
Minority owners	1.8	25.5	1.7	17.4	17.5	33.3
Earnings per common share, SEK <sup>1)</sup>	0.23	0.00	0.24	0.12	0.44	0.27
Earnings per common share after dilution, SEK	0.23	0.03	0.24	0.12	0.44	0.27
No. of common shares	297,722,508	202,000,000	297,722,508	202,000,000	297,722,508	202,000,000
No. of common shares after dilution	301,897,078	202,000,000	301,897,078	202,000,000	301,897,078	202,000,000
Avg. No. of common shares	297,722,508	202,000,000	287,203,551	202,000,000	244,485,058	202,000,000
Avg. No. of common shares after dilution	301,897,078	202,000,000	290,460,633	202,000,000	246,337,881	202,000,000
No. of preference shares	8,018,867	8,018,867	8,018,867	8,018,867	8,018,867	8,018,867
Preference share dividend, SEK <sup>2)</sup>	2.00	-	4.00	-	8.00	4.00

1) Calculation of the earnings per common share deducts preference share dividends of SEK 16.0m per quarter for the period after 8 June 2015.

2) The annual preference share dividend totals SEK 8.00 per preference share and is paid in an amount of SEK 2.00 per quarter.

### Consolidated statement of comprehensive income

SEKm	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net profit	86.4	30.9	103.8	41.5	188.2	125.9
<b>Other comprehensive income</b>						
Translation differences for the period	12.3	-7.2	21.6	-6.8	-5.3	-33.7
Other comprehensive income for the period	12.3	-7.2	21.6	-6.8	-5.3	-33.7
Total comprehensive income for the period	98.7	23.7	125.4	34.7	182.9	92.2
Total comprehensive income for the period attributable to:						
Parent Company's owners	96.6	17.7	123.2	20.9	179.2	77.0
Minority owners	2.0	6.0	2.2	13.8	3.6	15.2

### Key figures

	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net sales, SEKm	926.5	467.3	1,587.8	872.0	2,903.4	2,187.6
EBITDA, SEKm	134.8	62.6	188.3	104.3	358.5	274.5
EBITA, SEKm	117.4	54.2	155.8	87.8	295.3	227.3
EBITA margin, %	12.7	11.6	9.8	10.1	10.2	10.4
EBIT, SEKm	112.9	51.3	147.4	82.0	279.7	214.3
Earnings per common share, SEK	0.23	0.00	0.24	0.09	0.44	0.27
Equity per common share, SEK	0.88	1.02	0.88	1.02	0.88	1.10
Return on equity, % <sup>1)</sup>	-	-	17.7	21.6	17.7	27.8
Equity ratio, %	34.5	52.5	34.5	52.5	34.5	37.2
Net debt/EBITDA, ratio	2.3	0.8	2.3	0.8	2.3	2.3
No. of employees	-	-	1,193.0	805.0	1,193.0	1,038.0
No. of common shares outstanding	297,722,508	202,000,000	297,722,508	202,000,000	297,722,508	202,000,000
No. of common shares outstanding after dilution	301,897,078	202,000,000	301,897,078	202,000,000	301,897,078	202,000,000
Weighted Avg. No. of common shares outstanding	297,722,508	202,000,000	287,203,551	202,000,000	244,485,058	202,000,000
Weighted Avg. No. of common shares outstanding after dilution	301,897,078	202,000,000	290,460,633	202,000,000	246,337,881	202,000,000
No. of preference shares outstanding	8,018,867	8,018,867	8,018,867	8,018,867	8,018,867	8,018,867

1) The calculation of earnings per common share deducts preference share dividends during the period of SEK 16.0m per quarter for the period after 8 June 2015.



Quarterly summary

SEKm	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014
<b>Operating revenue</b>									
Net sales	926.5	661.3	731.4	584.2	467.3	404.7	439.2	442.3	414.9
<b>Operating costs</b>									
Raw materials and consumables	-450.8	-309.9	-353.8	-282.2	-167.5	-129.7	-144.7	-159.6	-137.3
Other external costs	-135.4	-119.2	-105.6	-99.5	-105.4	-102.6	-95.2	-89.6	-82.0
Personnel costs	-208.2	-173.3	-176.9	-136.8	-137.6	-130.8	-135.7	-114.0	-134.7
Other operating revenue	2.7	0.7	1.7	10.8	5.7	0.2	0.6	0.9	0.6
Other operating costs	-0.1	-6.0	-2.1	-1.1	0.0	-0.1	-1.1	-0.5	0.3
<b>EBITDA</b>	134.8	53.5	94.7	75.5	62.6	41.7	63.1	79.5	61.8
Depreciation/amortization	-17.4	-15.1	-19.3	-11.4	-8.4	-8.1	-8.5	-8.7	-8.4
<b>EBITA</b>	117.4	38.4	75.4	64.0	54.2	33.6	54.6	70.8	53.4
Amortization attributable to acquired surplus values	-4.5	-3.9	-3.8	-3.4	-2.9	-2.9	-4.6	-1.6	-0.9
Goodwill impairment	-	-	-	-	-	-	-52.5	-	-
<b>EBIT</b>	112.9	34.5	71.6	60.7	51.3	30.7	-2.5	69.2	52.5
Financial income and expenses									
Financial income	6.5	4.2	3.9	6.3	8.5	1.1	-4.2	7.3	0.6
Financial expenses	-16.8	-14.6	-19.8	-18.4	-19.7	-15.0	-39.1	-23.4	-19.3
<b>Profit before tax</b>	102.6	24.1	55.7	48.6	40.2	16.8	-45.8	53.1	33.8
Tax	-16.3	-6.8	-10.9	-9.0	-9.3	-6.2	14.2	-13.0	-1.7
<b>Net profit/loss</b>	86.4	17.4	44.8	39.6	30.9	10.6	-31.6	40.1	32.1
Attributable to:									
Parent Company's owners	84.6	17.5	35.4	33.2	21.3	2.8	-27.5	26.4	15.2
Minority owners	1.8	-0.1	9.4	6.4	9.6	7.8	-4.2	13.7	16.9

**Consolidated statement of financial position**

SEKm	30 Jun 2016	30 Jun 2015	31 Dec 2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible fixed assets	1,816.4	1,183.9	1,688.6
Tangible fixed assets	198.5	124.8	180.2
Financial fixed assets	10.9	19.4	20.3
Deferred tax assets	46.5	22.4	32.8
<b>Total non-current assets</b>	<b>2,072.3</b>	<b>1,350.5</b>	<b>1,921.9</b>
<b>Current assets</b>			
Inventories	400.9	186.7	327.7
Current assets	561.1	216.3	375.8
Current interest-bearing securities	-	0.7	-
Cash and cash equivalents	125.1	215.4	200.4
<b>Total current assets</b>	<b>1,087.2</b>	<b>619.1</b>	<b>903.8</b>
<b>Total assets</b>	<b>3,159.5</b>	<b>1,969.6</b>	<b>2,825.8</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7.6	5.3	5.3
Other capital contributions	828.1	829.1	828.1
Other reserves	7.2	-1.4	-13.9
Retained earnings including net profit	235.4	70.3	150.3
Non-controlling interests	10.6	131.0	81.1
<b>Total equity</b>	<b>1,088.9</b>	<b>1,034.3</b>	<b>1,050.9</b>
<b>Liabilities</b>			
Non-current interest-bearing liabilities	1,032.1	319.9	908.1
Non-current non-interest-bearing liabilities	53.7	-	66.3
Provisions for pensions	2.1	1.1	1.8
Contingent liabilities	5.1	4.7	4.9
Deferred tax liabilities	121.0	81.3	111.7
<b>Total non-current liabilities</b>	<b>1,213.9</b>	<b>407.0</b>	<b>1,092.8</b>
Current interest-bearing liabilities	55.4	101.0	132.6
Current non-interest-bearing liabilities	801.3	427.3	549.5
<b>Total current liabilities</b>	<b>856.7</b>	<b>528.3</b>	<b>682.1</b>
<b>Total liabilities</b>	<b>2,070.6</b>	<b>935.3</b>	<b>1,774.9</b>
<b>Total equity and liabilities</b>	<b>3,159.5</b>	<b>1,969.6</b>	<b>2,825.8</b>

**Consolidated cash-flow statement**

SEKm	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
<b>Operating activities</b>						
Profit after financial items	102.6	40.1	126.8	57.0	231.1	161.3
Adjustments for non-cash items, etc.	5.7	-5.4	8.7	-3.5	46.4	34.2
Cash flows from operating activities before changes in working capital	108.3	34.7	135.4	53.5	277.4	195.5
<b>Cash flows from changes in working capital</b>						
Change in inventories	-5.3	-5.7	-46.3	-27.9	-0.5	17.9
Change in operating receivables	-95.2	-14.2	-120.6	-41.8	-95.2	-16.4
Change in operating liabilities	107.5	-8.4	130.5	34.1	146.4	50.0
Cash flows from changes in working capital	7.0	-28.3	-36.4	-35.6	50.6	51.4
Cash flows from operating activities	115.3	6.4	99.0	17.9	328.1	247.0
<b>Investing activities</b>						
Investments in tangible and intangible assets	-10.0	-23.6	-18.2	-42.1	-44.6	-68.5
Divested tangible and intangible assets	0.4	0.2	0.8	0.6	1.5	1.4
Investments in subsidiaries	-124.2	-12.2	-126.8	-13.6	-719.0	-605.8
Investments in financial assets	-	-0.4	-	-3.0	-1.5	-4.5
Divested financial assets	0.2	-	9.8	-	13.2	3.4
Divested subsidiaries	-	-	-	14.1	-	14.1
Cash flow from investing activities	-133.7	-35.9	-134.4	-43.9	-750.4	-660.0
<b>Financing activities</b>						
Dividends paid	-40.5	-16.0	-56.6	-16.0	-88.6	-48.1
New share issue	-	843.5	1.0	843.5	-19.4	823.1
Shareholders' contributions	-	-	0.5	-	13.4	12.9
Change in pension liability	-	-	-	-	-77.6	-77.6
Change in borrowings	18.3	-713.7	10.2	-740.9	513.1	-237.9
Cash flow from financing activities	-22.2	113.8	-44.9	86.6	340.9	472.4
Cash flow for the period	-40.6	84.3	-80.2	60.6	-81.5	59.3
Opening cash and cash equivalents	162.1	132.1	200.4	156.2	215.4	156.2
Exchange-rate differences in cash and cash equivalents	3.6	-1.0	4.9	-1.4	-8.8	-15.1
Closing cash and cash equivalents	125.1	215.4	125.1	215.4	125.1	200.4

Consolidated statement of changes in equity

SEKm	Share capital	Share premium account	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2015	5.1	-	1.8	119.1	73.4	199.4
Comprehensive income for the period	-	-	-15.7	92.7	15.3	92.2
Dividends	-	-	-	-72.2	-7.9	-80.2
New issue of preference shares	0.2	828.1	-	-	-	828.3
Shareholders' contributions	-	-	-	5.9	58.0	63.9
Remeasurement of non-controlling interests	-	-	-	6.1	-58.3	-52.3
Other transactions with owners	-	-	-	-1.1	0.7	-0.5
Closing balance 31 Dec 2015	5.3	828.1	-13.9	150.3	81.1	1,050.8

SEKm	Share capital	Share premium account	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2015	5.1	-	1.8	119.1	73.4	199.4
Comprehensive income for the period	-	-	-3.2	24.1	13.8	34.7
Dividends	-	-	-	-71.7	-8.5	-80.2
New issue of preference shares	0.2	829.1	-	-	-	829.3
Shareholders' contributions	-	-	-	-	51.1	51.1
Transactions with owners	-	-	-	-1.2	1.2	0.0
Closing balance 30 Jun 2015	5.3	829.1	-1.4	70.3	131.0	1,034.3

SEKm	Share capital	Share premium account	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2016	5.3	828.1	-13.9	150.3	81.1	1,050.9
Comprehensive income for the period	-	-	21.1	102.1	2.2	125.4
Non-cash issue <sup>1)</sup>	-	-	-	-88.6	-	-88.6
Warrants issue	2.4	-	-	69.0	-71.6	-0.2
Remeasurement of non-controlling interests	-	-	-	1.0	-	1.0
Other transactions with owners	-	-	-	1.6	-1.6	0.0
Closing balance 30 Jun 2016	7.6	828.1	7.2	235.4	10.6	1,088.9

1) Pertains to an issue completed in January 2016 in conjunction with a share swap involving Volati 2 AB shares.

## Notes to the consolidated accounts:

### Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34. The accounting policies are based on the International Financial Reporting Standards as adopted by the EU. Furthermore, the appropriate provisions of the Swedish Annual Accounts Act have been applied. No significant changes have occurred in the accounting policies compared with the 2015 Annual Report, with the exception of the introduction of segment reporting, which is set out under Note 3. This interim report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. Some figures in this report have been rounded off, which means that certain tables do not always add up correctly. This applies where figures are stated in thousands, millions or billions. Pages 1-16 of this report comprise an integrated part of the interim report.

### Note 2 Risks and uncertainties

A detailed description of the Group's material risks and uncertainties is provided in the 2015 Annual Report. No significant, new or changed risks and uncertainties have been identified following the publication of the 2015 Annual Report.

### Note 3 Segment reporting

During the second quarter, Volati has organised its eight subsidiary groups into three business areas based on type of activities. The Trading Business Area includes operations previously reported under Lomond Industrier and Kellfri. The Industry Business Area includes operations previously reported under Corroventa, Ettikettoprintcom and Tornum. The Consumer Business Area includes operations previously reported under Besikta, NaturaMed Pharma and me&i.

	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Last 12	Full-year	Full-year	Full-year
Net sales, SEKm	2016	2015	2016	2015	months	2015	2014	2013
Trading	419.1	65.2	715.0	108.4	1,254.9	648.2	205.3	178.2
Industry	254.9	182.9	404.4	318.0	788.6	702.2	615.4	653.8
Consumer	252.5	220.2	468.9	446.8	860.5	838.4	798.7	397.8
Divested operations	0.0	0.0	0.0	0.0	0.0	0.0	36.2	279.6
Internal eliminations	0.0	-1.0	-0.5	-1.2	-0.5	-1.2	0.0	0.0
Total net sales	926.5	467.2	1,587.8	872.0	2,903.6	2,187.6	1,655.6	1,509.4

	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Last 12	Full-year	Full-year	Full-year
EBITDA, SEKm	2016	2015	2016	2015	months	2015	2014	2013
Trading	54.9	4.7	66.3	4.9	117.5	56.1	20.6	7.2
Industry	54.1	25.4	75.4	39.5	146.7	110.8	93.5	100.8
Consumer	49.7	41.8	80.2	74.6	138.1	132.5	157.8	61.5
Divested operations	0.0	0.0	0.0	0.0	0.0	0.0	3.4	26.5
Capital gain divestment TeamOlmed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	189.0
Parent Company/Other	-23.9	-9.3	-33.6	-14.7	-43.8	-24.9	-26.3	-26.5
Total EBITDA	134.8	62.6	188.3	104.3	358.5	274.5	249.0	358.6

EBITA, SEKm	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Last 12	Full-year	Full-year	Full-year
	2016	2015	2016	2015	months	2015	2014	2013
<b>Trading</b>	52.0	3.9	60.9	3.3	107.5	49.9	18.1	5.5
<b>Industry</b>	47.7	20.3	62.7	29.6	119.3	86.2	75.1	84.1
<b>Consumer</b>	41.7	39.3	66.2	69.8	113.5	117.1	148.0	54.1
Divested operations	0.0	0.0	0.0	0.0	0.0	0.0	0.8	20.1
Capital gain divestment TeamOlmed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	189.0
Parent Company/Other	-24.0	-9.4	-34.0	-14.9	-44.9	-25.8	-26.7	-26.7
<b>Total EBITA</b>	<b>117.4</b>	<b>54.2</b>	<b>155.8</b>	<b>87.8</b>	<b>295.3</b>	<b>227.3</b>	<b>215.3</b>	<b>326.1</b>
Amortization attributable to acquired surplus values	-4.5	-10.1	-8.4	-5.8	-15.6	-12.9	-7.7	-6.9
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	-52.5	0.0
Net financial items	-10.3	-39.1	-20.7	-25.0	-48.6	-53.0	-93.7	-52.3
<b>Profit before tax</b>	<b>102.6</b>	<b>5.0</b>	<b>126.8</b>	<b>57.0</b>	<b>231.1</b>	<b>161.3</b>	<b>61.3</b>	<b>267.0</b>

EBIT, SEKm	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Last 12	Full-year	Full-year	Full-year
	2016	2015	2016	2015	months	2015	2014	2013
<b>Trading</b>	50.6	3.8	58.3	3.1	103.0	47.8	17.7	5.1
<b>Industry</b>	47.3	20.0	62.0	29.0	118.1	85.0	73.4	82.2
<b>Consumer</b>	39.0	36.8	61.1	64.8	103.7	107.4	142.3	54.1
Divested operations	0.0	0.0	0.0	0.0	0.0	0.0	0.6	15.5
Capital gain divestment TeamOlmed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	189.0
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	-52.5	0.0
Parent Company/Other	-24.3	-9.4	-34.3	-14.9	-45.2	-25.9	-26.5	-26.7
<b>Total EBIT</b>	<b>112.6</b>	<b>51.3</b>	<b>147.1</b>	<b>82.0</b>	<b>279.4</b>	<b>214.3</b>	<b>155.1</b>	<b>319.3</b>

#### Note 4 Business and company acquisitions

During the first six months, Volati acquired three companies: Ventotech AB, Pagnol Gruppen AB and ClearCar AB.

Ventotech was acquired 1 March 2016 and comprises an add-on acquisition to Corroventa's operations in the Industry Business Area which provides patents, systems and know-how regarding controlled ventilation of confined spaces, such as unheated attics, to avoid moisture damage. The acquisition allows the strengthening of Corroventa's offering to construction and decontamination companies in the Nordic region. In 2015, Ventotech AB recorded sales of SEK 0.3m.

Pagnol Gruppen AB was acquired 16 May 2016. The acquisition is part of a long-term strategy to broaden activities in the Trading Business Area through a presence in new market segments, thereby broadening the customer base and the product offering in home and garden as well as generating greater leverage of the warehouse and logistics platform. Pagnol Gruppen AB includes Bröderna Berglund AB and Miljöcenter i Malmö AB, which are leading home and garden product suppliers. In 2015, Pagnol Gruppen AB posted sales of about SEK 100m.

ClearCar AB was acquired 8 April 2016. The acquisition of ClearCar was an add-on acquisition to Besikta Bilprovning's operations under the Consumer Business Area. The acquisition strengthened Besikta's position in compulsory inspections of motor vehicles and provides potential to increase growth and profitability. In 2015, ClearCar recorded sales of about SEK 82m.

Following the end of the reporting period, all of the shares were acquired in Lantbutiken AB, an add-on acquisition to Kellfri's operations under the Trading Business Area. The acquisition analysis for Lantbutiken AB will be presented in conjunction with Volati's third quarter financial report.

<b>Balance sheet impact of acquisitions, SEKm</b>	<b>30 June 2016</b>
Intangible assets	41.9
Tangible assets	27.9
Deferred tax assets	8.0
Inventories	24.0
Accounts receivable	19.0
Other receivables	6.1
Cash and cash equivalents	15.2
Deferred tax liabilities	-11.3
Non-current interest-bearing liabilities	-3.4
Current interest-bearing liabilities	-19.5
Current liabilities	-39.8
	68.1
<b>Goodwill</b>	<b>74.7</b>
Acquisition value	142.9
Unpaid earn-out	-0.9
Cash and cash equivalents in acquired operations on acquisition date	-15.2
Impact on consolidated cash and cash equivalents	126.8

Since their acquisition, the acquired companies' sales in 2016 were SEK 44.9m, EBITDA totalled negative SEK 3.4m, EBITA amounted to negative SEK 5.3m and the operating loss was SEK 5.8m. Restructuring costs attributable to the business combinations of SEK 7.2m were charged to the second quarter's earnings. In addition, transaction costs for the acquisitions of SEK 1.4m were charged to consolidated earnings. If the business combinations had been consolidated as of 1 January 2016, including the restructuring costs of SEK 7.2m, their contribution to the consolidated income statement would have been: sales of SEK 95.6m for the first six months of 2016 and SEK 54.3m for Q2 2016; EBITDA of negative SEK 3.6m for the first six months of 2016 and negative SEK 0.9m for Q2 2016; EBITA of negative SEK 7.2m for the first six months of 2016 and negative SEK 2.9m for Q2 2016; and an operating loss of SEK 8.7m for the first six months of 2016 and SEK 3.5m for Q2 2016.

## Note 5 Alternative performance measures

The new guidelines from the European Securities and Markets Authority (ESMA) regarding alternative performance measures entered force for the 2016 financial year. Therefore, Volati is publishing an explanation of how these performance measures should be used, definitions and comparisons between the alternative performance measures and reporting in line with IFRS.

The financial reports published by Volati specify the alternative performance measures used, which supplement the metrics defined or specified in the applicable rules for financial reporting, such as revenue, profit or loss and earnings per share. Alternative performance measures are specified when they, in their context, provide clearer or more in-depth data than those metrics defined in the applicable rules for financial reporting. The basis for alternative performance measures is that they must be used by management to assess financial performance and can thus be considered to give analysts and other stakeholders valuable information. To provide preference shareholders with data regarding the relationship between cash flows from operating activities and the dividends to which preference shareholders are entitled, Volati has chosen to highlight the cash flow/preference dividend ratio since it is deemed important for these shareholders' analysis of Volati.

Volati regularly uses alternative performance measures as a complement to the key metrics that comprise generally accepted accounting policies. The alternative performance measures derive from Volati's consolidated accounts and do not comprise measures of financial performance or liquidity in accordance with IFRS and, accordingly, should

not be considered as alternatives to net income, operating profit or other key metrics that are derived pursuant to IFRS or as an alternative to cash flow as a measure of consolidated liquidity.

The following table sets out definitions for Volati's key figures. The calculation of alternative performance measures is presented separately below.

<b>Return on equity</b>	Net income (including share attributable to non-controlling interests) divided by the weighted average of equity (including share attributable to non-controlling interests)
<b>EBIT</b>	Earnings before interest and tax
<b>EBITA</b>	Earnings before interest, tax and amortization attributable to acquired surplus values and impairment.
<b>EBITDA</b>	Earnings before interest, tax, amortization, depreciation and impairment.
<b>Equity per share</b>	Equity on the reporting date in relation to the number of common shares at the end of the period after deducting the preference share capital.
<b>Cash flow/preference share dividend</b>	Pertains to the relationship between cash flows from operating activities LTM and the preference share dividend paid during the same period.
<b>Net debt/EBITDA</b>	Pertains to interest-bearing, non-current and current liabilities, including pensions, less interest-bearing, non-current and current assets, adjusted for subordinated shareholder loans in relation to EBITDA pro forma LTM.
<b>Organic growth</b>	This is calculated as the sum of each subsidiary group's development for the period, in other words excluding Head Office, compared with the corresponding year-earlier period on the basis that the subsidiary group is treated as if it had been owned for the full term of the comparative period.
<b>Preference share capital</b>	Calculated as equity per preference share multiplied by the number of preference shares outstanding.
<b>EBITDA pro forma LTM</b>	Calculated for the key metric: Net debt/EBITDA. This is calculated as pro forma EBITDA LTM for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period and adjusted for transaction-related costs, restructuring costs, remeasurements of earn-outs, capital gains/losses on the sale of operations and other revenue and costs deemed of a non-recurring nature.
<b>EBITA pro forma LTM</b>	This is calculated as pro forma EBITA LTM for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period and adjusted for transaction-related costs, restructuring costs, remeasurements of earn-outs, capital gains/losses on the sale of operations and other revenue and costs deemed of a non-recurring nature.
<b>LTM</b>	Last 12 months at the actual reporting date.
<b>Earnings per share</b>	This is defined as net income attributable to the Parent Company's shareholders after deduction for accrued and/or paid dividends on preference shares during the period in relation to the average number of common shares. Earnings per share is an IFRS key metric.
<b>Equity ratio</b>	Equity (including share attributable to non-controlling interests) as a percentage of total assets.



Calculation of return on equity	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
<b>Net income, last 12 months including non-controlling interests</b>	<b>188.2</b>	<b>50.0</b>	<b>188.2</b>	<b>125.9</b>
Opening equity including share attributable to non-controlling interests	1,034.3	189.7	1,034.3	199.4
Closing equity including share attributable to non-controlling interests before adjustment of preference share issue capital	1,088.9	1,088.9	1,088.9	1,050.9
Total preference share capital	-	829.3	-	828.3
No. of months where preference share capital is excluded from equity	-	11.0	-	5.0
Adjustment of the preference share issue capital's share of equity for the period	-	760.2	-	345.1
Closing equity including share attributable to non-controlling interests after adjustment of preference share issue capital	1,088.9	274.1	1,088.9	705.7
<b>Average equity including share attributable to non-controlling interests</b>	<b>1,061.6</b>	<b>231.9</b>	<b>1,061.6</b>	<b>452.6</b>
<b>Return on equity, %</b>	<b>17.7</b>	<b>21.6</b>	<b>17.7</b>	<b>27.8</b>

Calculation of Equity per share	30 June 2016	30 June 2015	30 June 2016	30 June 2015	Last 12 months	31 Dec 2015
Closing equity including share attributable to non-controlling interests	1,088.9	1,034.3	1,088.9	1,034.3	1,088.9	1,050.9
Preference share capital	828.3	828.3	828.3	828.3	828.3	828.3
<b>Closing equity including share attributable to non-controlling interests after adjustment of preference share capital</b>	<b>260.6</b>	<b>206.0</b>	<b>260.6</b>	<b>206.0</b>	<b>260.6</b>	<b>222.6</b>
<b>No. of common shares at the end of the period</b>	<b>297,722,508</b>	<b>202,000,000</b>	<b>297,722,508</b>	<b>202,000,000</b>	<b>244,485,058</b>	<b>202,000,000</b>
<b>Equity per common share, SEK</b>	<b>0.88</b>	<b>1.02</b>	<b>0.88</b>	<b>1.02</b>	<b>0.88</b>	<b>1.10</b>

Calculation of Net debt/EBITDA	30 June 2016	30 June 2015	31 Dec 2015
Cash and cash equivalents	-125.1	-215.4	-200.4
Current interest-bearing investments	0.0	-0.7	0.0
Pension provisions	2.1	1.1	1.8
Non-current interest-bearing liabilities	1,032.1	319.9	908.1
Current interest-bearing liabilities	55.4	101.0	132.6
Unrealised derivative contracts	2.8	5.9	4.1
Pension assets	-2.1	-1.1	-1.2
Adjustment for shareholder loans	-95.2	-1.5	-88.9
<b>Net debt</b>	<b>869.9</b>	<b>209.1</b>	<b>756.1</b>
EBITDA last 12 months	358.5	246.9	274.5
Business and company acquisitions	16.9	4.1	61.3
Restructuring costs	7.2	-	-
Transaction costs	4.4	4.2	5.5
Earn-out revaluation	-4.5	-	-8.4
<b>EBITDA pro forma last 12 months</b>	<b>382.6</b>	<b>255.2</b>	<b>332.9</b>
<b>Net debt/EBITDA, ratio</b>	<b>2.3</b>	<b>0.8</b>	<b>2.3</b>

Calculation of EBITA pro forma last 12 months	30 June 2016
Pro forma EBITDA	382.6
Pro forma depreciation/amortization on intangible and tangible assets	-68.8
<b>Pro forma EBITA</b>	<b>313.8</b>

Calculation of organic growth	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015
Net sales	926.5	467.27	1,587.8	872.0
Net sales acquired	-337.9		-581.4	
Currency effects	11.2		19.6	
	599.8		1,026.0	
<b>Organic growth in net sales</b>	<b>28.4%</b>		<b>17.7%</b>	
EBITA	117.4	54.2	155.8	87.8
Adjustments for head office, transaction and restructuring costs	20.1	9.4	34.0	15.0
Adjusted EBITA	137.5	63.6	189.8	102.7
Acquired EBITA	-38.5		-54.5	
Currency effects	1.0		1.4	
	100.1		136.7	
<b>Organic growth in EBITA</b>	<b>57.3%</b>		<b>33.0%</b>	

Calculation of preference share capital	30 June 2016	30 June 2015	30 June 2016	30 June 2015	31 Dec 2015
No. of preference shares	8,018,867	8,018,867	8,018,867	8,018,867	8,018,867
Preference share capital per preference share, SEK	103.29	103.29	103.29	103.29	103.29
<b>Total preference share capital, SEKm</b>	<b>828.3</b>	<b>828.3</b>	<b>828.3</b>	<b>828.3</b>	<b>828.3</b>

Calculation of earnings per share	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net profit attributable to Parent Company's owners, SEKm	84.62	5.44	102.09	24.06	170.69	92.67
Deduction for preference share dividend, SEKm	16.0	5.3	32.1	5.3	64.2	37.4
<b>Adjusted net profit, SEKm</b>	<b>68.6</b>	<b>0.1</b>	<b>70.0</b>	<b>18.7</b>	<b>106.5</b>	<b>55.2</b>
<b>Weighted Avg. No. of common shares outstanding</b>	<b>297,722,508</b>	<b>202,000,000</b>	<b>287,203,551</b>	<b>202,000,000</b>	<b>244,485,058</b>	<b>202,000,000</b>
<b>Earnings per common share, SEK</b>	<b>0.23</b>	<b>0.00</b>	<b>0.24</b>	<b>0.09</b>	<b>0.44</b>	<b>0.27</b>

Calculation of equity ratio	30 June 2016	30 June 2015	31 Dec 2015
Equity including share attributable to non-controlling interests	1,088.9	1,034.3	1,050.9
Total assets	3,159.5	1,969.6	2,825.8
<b>Equity ratio, %</b>	<b>34.5</b>	<b>52.5</b>	<b>37.2</b>

### Parent Company Volati AB (publ)

The Parent Company Volati AB acts as a holding company and Volati's management have been employed by the Parent Company from 2016. Since the Group's external borrowings are not recognised in the Parent Company, it mostly recognises interest income on internal receivables. From January 2016, the Parent Company has been charged with the majority of the Group's head office costs.

### Parent Company income statement

SEKm	Apr–Jun 2016	Apr–Jun 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Operating revenue	3.8	5.7	7.8	6.5	13.6	12.3
Operating costs	-11.9	-9.5	-22.2	-10.6	-34.2	-22.7
Operating loss	-8.0	-3.8	-14.4	-4.1	-20.7	-10.4
Profit from financial investments	49.1	12.0	66.8	12.9	97.0	43.1
Profit after financial items	41.1	8.2	52.4	8.8	76.4	32.7
Net profit	38.0	7.7	49.4	8.1	67.8	26.6

### Parent Company statement of financial position

SEKm	30 June 2016	31 Dec 2015
Non-current assets	782.0	388.7
Current assets	955.7	905.1
Total assets	1,737.7	1,293.7
Equity	1,653.1	1,238.9
Untaxed reserves	12.4	12.4
Non-current liabilities	-	-
Current liabilities	72.1	42.4
Total equity and liabilities	1,737.7	1,293.7