



## Interim report.

January–September 2017

“During the third quarter, Volati took a substantial growth leap with Akademibokhandeln as a new business area in the group. After the end of the period, we completed our third acquisition in 2017. Thus, this year, we have acquired companies that will contribute to Volati’s profitability by SEK 154m in annualised EBITA.”

volati.

## Interim report July–September 2017.

### Q3 July–September 2017.

- Net sales increased 45.8% to SEK 1,223.8m (839.1)
- EBITA increased 6.5% to SEK 95.6m (89.8)
- Net profit after tax increased 3.2% to SEK 52.9m (51.3)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.45 (0.56)
- Closing of the acquisition of the shares in Akademibokhandeln Holding AB and Silokonsult Göran Persson AB on 3 July and 5 July respectively

### January–September 2017 period.

- Net sales increased 17.0% to SEK 2,838.9m (2,426.9)
- EBITA declined 4.4% to SEK 234.8m (245.6)
- Net profit after tax decreased 3.9% to SEK 148.9m (155.0)
- Earnings per common share after deduction of preference share dividends amounted to SEK 1.24 (1.78)

### Events after the reporting period.

- An agreement was signed for the acquisition of T-Emballage, which has sales of SEK 584m and an EBITA of SEK 40m. The company will be included as a business unit under the Trading business area
- The acquisition of T-Emballage implies that companies have been acquired during the year with a total EBITA of SEK 154m on an annual basis, corresponding to annualised EBITA growth of 53%
- Volati has decided to investigate the prerequisites for conducting a bond issue of not less than SEK 750m with the aim of increasing the company's financial flexibility and acquisition capacity

### Key figures.

SEK m	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales	1,223.8	839.1	2,838.9	2,426.9	3,618.4	3,206.5
EBITDA	118.9	106.9	293.1	295.2	383.3	385.4
EBITA	95.6	89.8	234.8	245.6	307.6	318.4
Organic EBITA growth, %	-15.5	36.7	-14.4	35.9	-8.0	28.1
EBITA excl. items affecting comparability <sup>1)</sup>	95.1	97.3	236.4	268.8	319.8	352.2
EBIT	86.7	85.2	216.7	232.7	285.1	301.0
Net debt/Adjusted EBITDA, ratio	1.2	2.1	1.2	2.1	1.2	-0.6
Adjusted cash conversion LTM, %	83.8	86.4	83.8	86.4	83.8	90.9
Earnings per common share, SEK	0.45	0.56	1.24	1.78	1.59	2.07
Equity per common share, SEK	18.02	3.93	18.02	3.93	18.02	17.78
Return on adjusted equity, %	9.1	56.1	9.1	56.1	9.1	25.1
No. of common shares outstanding	80,406,571	59,544,502	80,406,571	59,544,502	80,406,571	80,406,571
No. of preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

**+46%**  
Net sales  
Q3 2017

**+6%**  
EBITA  
Q3 2017

1) EBITA excl. items affecting comparability is calculated excluding nonrecurring items, such as listing expenses and earn-out revaluations.

### The Volati Group.



## Comments from the CEO

# Growth and further acquisitions



“Our three acquisitions in 2017 will increase Volati’s profitability by SEK 154m in annualised EBITA, corresponding to EBITA growth of 53 percent.”

During the third quarter, Volati increased its net sales by 46%. In its first quarter as part of the group, Akademibokhandeln contributed to the large net sales increase, while the new business area has its largest earnings in the fourth quarter with higher sales levels around Christmas. After the end of the quarter, we completed the third acquisition of the year, T-Emballage, which with its solid profitability and strong offering in building materials and packaging solutions fits well into the Trading business area. Following the acquisition, Volati’s annual net sales grows to around SEK 5.5 billion and EBITDA to about SEK 541 million annually.

The Trading and Consumer business areas both posted higher EBITA figures. The negative earnings impact from lower rentals at Corroventa, which affected Q2, continued during Q3. The regular floods that occur in Corroventa’s markets failed to materialise in the late summer, which we described in the Q2 report. Over the last twelve month period, this means that organic EBITA growth altogether was a negative 8 percent. Of course, this is not something we are satisfied with, nor are we alarmed. We know that variations are natural in our business – since 2013, organic EBITA growth has averaged 9 percent on an annual basis. The effect of Corroventa’s year-on-year decline in rentals is expected to diminish in Q4.

### New acquisitions positively impact on the quarter

In July, we welcomed Akademibokhandeln together with online retailer Bokus to Volati as a new business area. It is fantastic to gain in-depth insight into the company and together with its management to start work on advancing an already well-functioning business even further. Akademibokhandeln, which has significant seasonal variations with Q4 clearly the strongest in terms of earnings, contributed to increased sales during the quarter. During the quarter, we also acquired Silokonsult, which will become part of the Tornum business unit, within the Industry business area, and where it will complement existing operations as a supplier of machinery and project planning for the grain and milling industries.

### Third acquisition of the year

Following the close of the third quarter, Volati signed an agreement to acquire an additional business unit, which we are both delighted and proud to have been given the oppor-

tunity to acquire. T-Emballage, with operations in building materials and logistics, is a well-run and profitable company with a good track record which had been on our internal list of companies we would like to acquire for some time. The fact that after 40 years as a family-run business, the owner gave us the opportunity to take over is something that we view as recognition that Volati is an attractive partner in the acquisitions market. T-Emballage is an excellent fit for the Trading business area, where opportunities exist to leverage the established sales channels in the Nordic region, and the established and efficient processes for integrating new companies.

#### **Robust EBITA growth from this year's acquisitions**

It will soon be one year since we listed our common shares on Nasdaq Stockholm, when we also set a new earnings target of reaching an adjusted EBITA of SEK 700m before the end of 2019. Following the acquisition of T-Emballage, Volati will have completed three acquisitions in 2017 that will together have contributed SEK 154m in EBITA on an annualised basis to Volati's profitability, corresponding to

acquired EBITA growth of 53%. As we deploy more capital through acquisitions, our return on equity will increase.

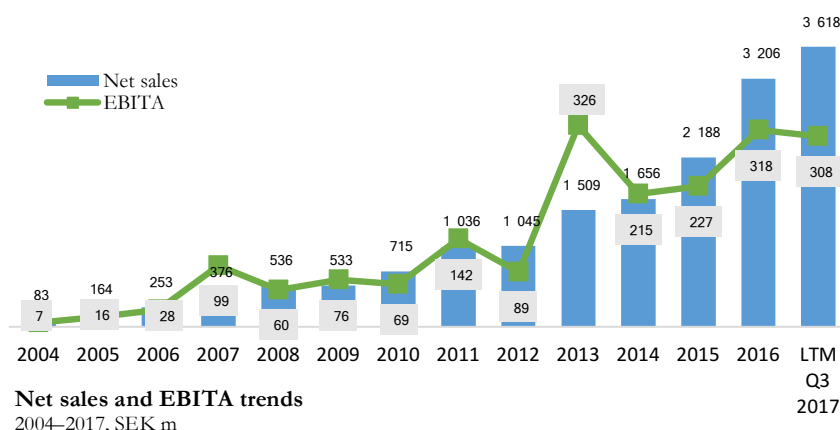
Work is ongoing with the continued progressive development of our existing operations towards increased profitability in parallel combined with our methodical evaluation of further acquisition opportunities at reasonable valuations. The weighted average acquisition multiple since the inception of Volati is at a low 6.0x. It is pleasing that the share of acquisition processes which we initiate ourselves, is increasing as a result of our long-term work of building good relations with business owners and entrepreneurs. To ensure we are well-prepared to continue to make acquisitions when we identify the right companies, we have decided to task Nordea and SEB with evaluating the prerequisites for further strengthening our financial flexibility and acquisition capacity through the issuance of a five-year SEK bond of not less than SEK 750m.

*Mårten Andersson, CEO*

# About Volati.

Volati is a Swedish industrial group that acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati's corporate-development strategy is based on retaining the entrepreneurial spirit of companies and contributing leadership skills, expertise, processes and financial resources. Identifying growth potential and improving cash flows is of great importance.

Since 2003, Volati has built an industrial group comprised of 13 business units with around 50 operating companies that are organised under the four business areas Trading, Consumer, Industry and Akademibokhandeln. Volati has operations in 16 countries and a total of around 1,700 employees. The financial trend since the start of operations is presented in the adjacent diagram.



## Financial targets

**Volati's overriding objective is to generate long-term increases in value by building an industrial group of profitable companies with solid cash flows and the capacity for continuous development. Volati's Board has adopted the following financial targets, which should be evaluated as a whole.**

**Earnings growth:** Volati's target is to reach an adjusted EBITA<sup>1</sup> of SEK 700m by the end of 2019. The target for average annual organic EBITA growth is 5%. At the close of Q3 2017, LTM adjusted EBITA was 407,1 Mkr, which is up 20% year-on-year, that is, calculated as if the company owned on 30 September 2017 had been owned for the entire 12-month period and the comparative period. For the same period, organic EBITA growth was negative 8%. Since 2013, organic EBITA growth has averaged 9% on an annual basis.

**Cash conversion:** Volati's target is to achieve a cash conversion rate in excess of 85% per year. At the end of Q3 2017, the LTM adjusted cash conversion rate was 84%.

**Capital structure:** Volati's long-term target is for a net debt ratio of less than three times LTM adjusted EBITDA. At the end of Q3, the Net debt/adjusted EBITDA was a multiple of 1.20.

**Dividend policy:** Volati's target for common shares is to distribute approximately 10–30% of the net earnings attributable to the Parent Company's shareholders. When assessing dividends, consideration is given to future acquisition potential, development potential in existing companies, the financial position and other factors deemed to be significant by Volati's Board of Directors. The common share dividend distributed in May 2017 was SEK 0.50 per common share, corresponding to 20% of the net profit for the period attributable to the Parent Company's owners. Dividends on preference shares are issued at an annual amount of SEK 40.00 per preference share, through quarterly payments of SEK 10.00.

**Return on adjusted equity:** Volati's long-term target is a return on adjusted equity (calculated as average equity over the last four quarters) in excess of 20%. At the end of Q3, the return on adjusted equity was 9.1%. The deviation from the financial target was due to the capital raised by the new issue in conjunction with listing in autumn 2016 being included in the common share capital and not, as yet, being fully invested.

<sup>1</sup> Adjusted EBITA — refer to the definition in the note for alternative performance measures on page 27.

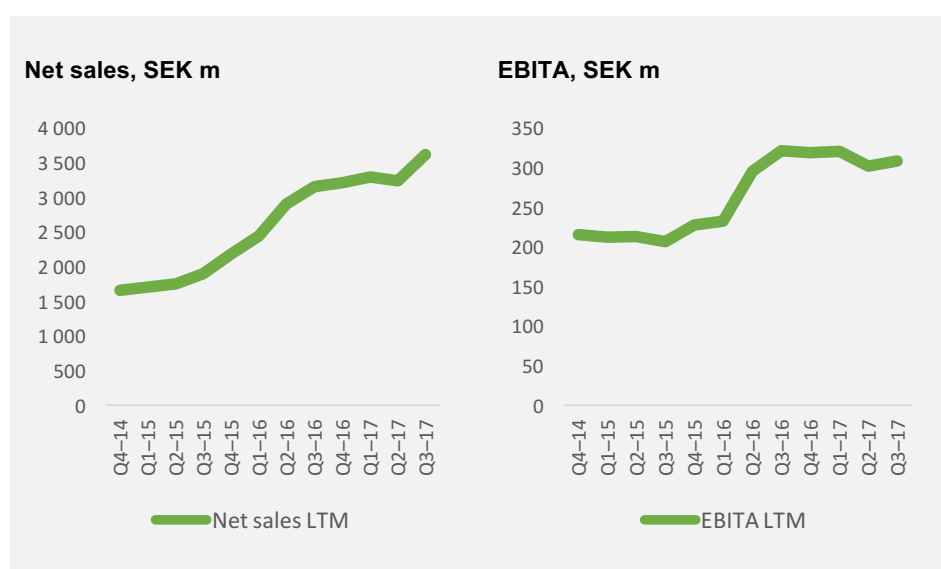
## Consolidated financial trend.

**+46%**  
Net sales  
Q3 2017

### Net sales

In the third quarter, consolidated net sales were SEK 1,223.8m (839.1), corresponding to a year-on-year increase of 45.8%. The increase was mainly attributable to the acquisition of Akademibokhandeln. The exchange-rate effect was 0.0%. Organic sales growth was a negative 2.9% and, as in the preceding quarter, was largely attributable to the Industry business area where, as in the preceding quarter, Corroventa's rental operations were negatively impacted by the lack of larger summer floods.

In the first nine months of the year, net sales were SEK 2,838.9m (2,426.9), corresponding to a year-on-year increase of 17.0%. Growth was attributable to the acquisitions completed in 2017, which contributed sales growth of 20.1% in combination with negative organic sales growth of 3.9%. The exchange-rate effect was a positive 0.8%.



**SEK  
96m**  
EBITA  
Q3 2017

### Earnings

In the third quarter, EBITA amounted to SEK 95.6m (89.8). Organic EBITA growth was negative 15.5% and was mainly due to the negative trend for the Industry business area where, as in the preceding quarter, Corroventa reported lower rental levels due to the failure of major floods to appear. The exchange-rate effect was a positive 0.3%. At the end of Q3, the LTM organic EBITA trend was a negative 8.0%.

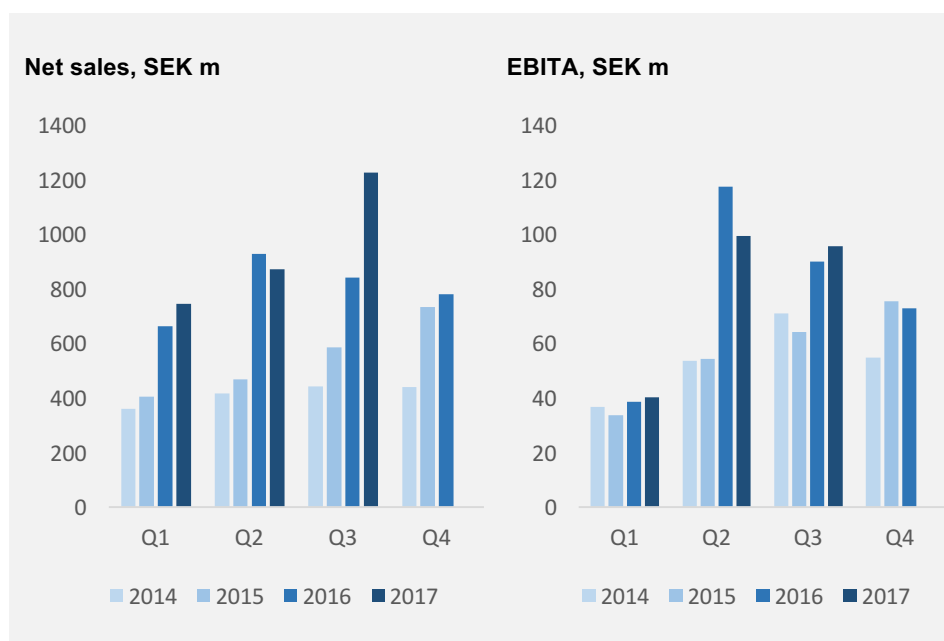
In the first nine months of the year, EBITA amounted to SEK 234.8m (245.6). Organic EBITA growth was negative -14.4%. The exchange-rate effect was a positive 0.4%.

In the third quarter, net profit after tax was SEK 52.9m (51.3). Net profit after tax attributable to the Parent Company's owners totalled SEK 52.3m (49.5). The minority share of earnings was SEK 0.6m (1.8). Earnings per common share after deduction of preference share dividends amounted to SEK 0.45 (0.56)

Net profit after tax amounted to SEK 148.9m (155.0) for the first nine months of the year. Net profit after tax attributable to the Parent Company's owners totalled SEK 147.6m (151.6). The minority share of earnings was SEK 1.3m (3.4). Earnings per common share after deduction of preference share dividends amounted to SEK 1.24 (1.78).

**Seasonal variations**

Volati’s business areas operate in several different branches and markets, and seasonal variations also affect any acquisitions completed by the Group during the financial year. Overall, the Group is impacted by seasonal variations in terms of cash flow and earnings, where — following the acquisition of Akademibokhandeln — the fourth quarter generally has the strongest cash flow and earnings, and the first quarter, the weakest cash flow and earnings. Volati’s cash flow and earnings are also impacted by the conditions in the business units’ respective markets, for example, the Corroventa business unit’s earnings which are closely linked to European weather conditions, and December sales for Akademibokhandeln and Bokus. This means that Volati’s operations, sales and earnings trends are best monitored on an LTM basis.

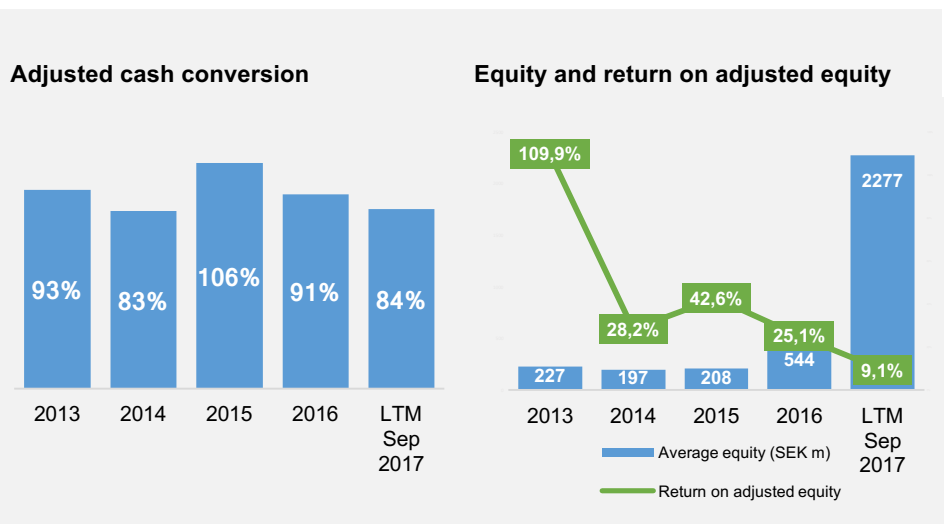


**Cash flow**

Cash flows from operating activities before changes in working capital amounted to SEK 89.9m (81.5) in the third quarter. Cash flows were impacted by changes in working capital during the quarter. Investments in non-current assets in the business units amounted to SEK 15.4m (6.6) and pertained primarily to investments in the development of IT systems. Investments in subsidiaries pertained primarily to the acquisition of Akademibokhandeln but also of Silokonsult. Total cash outflows for the third quarter of 2017 amounted to SEK 255.7m (inflows: 29.1) as a result of the acquisitions completed in the quarter.

**84%**

Adjusted Cash conversion, LTM, Q3 2017

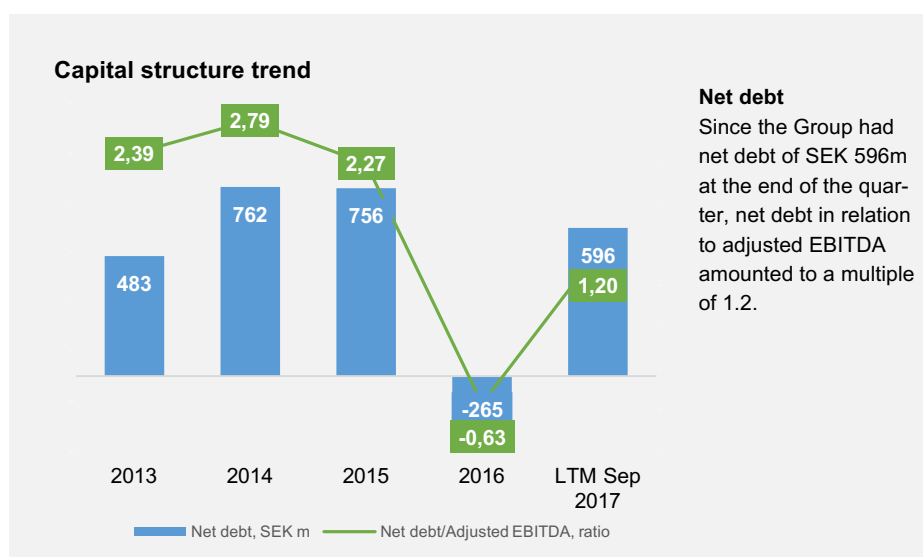


**Equity**

Total equity for the Group amounted to SEK 2,277.0m (2,257.5) at the end of the period. During the year, equity attributable to the Parent Company’s shareholders adjusted for preference share capital increased from SEK 1,411.7m at 31 December 2016 to SEK 1,435.9m at 30 September 2017. At 30 September 2017, the equity ratio was 52.6% compared with 69.6% at the end of 2016. During the quarter, borrowings increased as a result of the acquisitions of Akademibokhandeln and Silokonsult. At the end of the third quarter of 2017, the average LTM return on adjusted equity was 9.1% (25.1%).

**Net debt**

At the end of the third quarter of 2017, the Group had net debt of SEK 596.0m compared with net cash of SEK 264.5m at 31 December 2016. This was due to the investments in new subsidiaries during the quarter. At the end of the quarter, total liabilities amounted to SEK 2,054.4m compared with SEK 985.7m at 31 December 2016. At the end of the third quarter, interest-bearing liabilities including pension provisions were SEK 695.3m compared with SEK 129.4m at 31 December 2016. At the end of the third quarter, the unutilised portion of the overdraft facility amounted to SEK 187.2m, the unutilised portion of the revolving credit facility was SEK 550.0m, and cash and cash equivalents totalled SEK 76.4m.





### 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 acquisitions and acquisitions in entirely new business areas. In Volati's assessment, risk levels with add-on acquisitions are lower than for acquisitions in new business areas, since in-depth industry know-how and an organisation for receiving the acquired company are already in place. The weighted average acquisition multiple since Volati's inception amounts to 6,0x.

#### Akademibokhandeln

As mentioned in previous interim report, on 17 May 2017, Volati signed an agreement to acquire Akademibokhandeln Holding AB — Sweden's leading bookstore chain with a successful omnichannel strategy and the online book retailer Bokus. The acquisition was effective as of 3 July 2017 and, since that date, Akademibokhandeln has comprised a fourth business area of the Volati Group. Volati's holding amounts to 95.04% and the management of Akademibokhandeln has holdings of around 4.96% of the shares in Volati Bok, which is the parent company of Akademibokhandeln Holding AB. Akademibokhandeln is subject to significant seasonal variations with strong earnings in the fourth quarter of the year and weaker earnings in the first three quarters of the year.

#### Silokonsult

As mentioned in previous interim report, on 5 July 2017, the Tornum business unit within the Industry business area, acquired all of the shares in Silokonsult Göran Persson AB, which is the Swedish supplier of machinery and project planning for the grain and milling industries. The acquisition of Silokonsult Göran Persson AB strengthens Tornum's position as a supplier of grain handling systems to industrial customers in Sweden.

#### Other transactions

During the quarter, a non-controlling interest was acquired from a former minority shareholder, which resulted in the elimination of the minority in the subsidiary, Volati Tryck Holding, and Volati 2 now owns 100% of the shares in the subsidiary. Moreover, an earn-out of SEK 4m was paid to the minority shareholders in me&i during the quarter.

#### T-Emballage

After the end of the quarter, on 24 October, Volati signed an agreement to acquire the shares in T-Emballage Thureson AB. Volati's holding is 94% of the shares in the company, while the company's CEO and deputy CEO, who are remaining with the company, will become partners with a combined shareholding of 6%. T-Emballage Thureson AB develops and supplies products and solutions in three product areas: building products for builders' merchants and house manufacturers, packaging solutions for industry and sawmills, and logistic services. T-Emballage Thureson AB will become a new business unit within the Trading business area and is expected to be able to leverage the established sales channels of the business area's existing operations in the Nordic region. T-Emballage has 70 employees and, in 2016, reported sales of SEK 584m, an EBITDA of SEK 42m and an EBITA of SEK 40m.

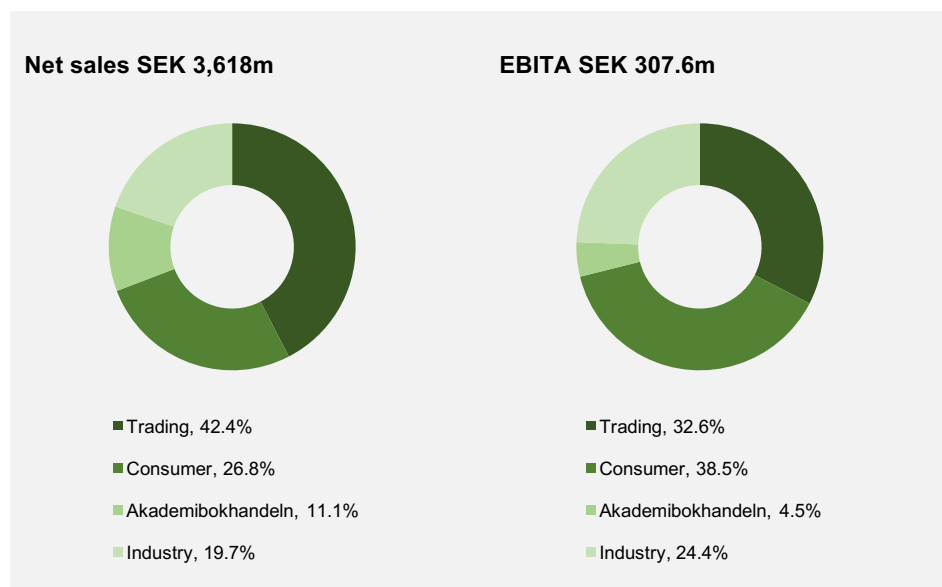
The acquisition will take place at an estimated enterprise value (EV) of about SEK 300m payable on completion, which means an EV/EBITDA multiple of around 7x based on the EBITDA for 2016. The purchase consideration for 100% of the shares amounts to SEK 330m and will be financed through Volati's existing credit facilities. Transfer of the shares will take place on November 10, 2017. The acquisition of T-Emballage is not expected to have any material impact on Volati's earnings in the current financial year.

## Volati's business areas.

Volati's 13 business units and some 50 operating companies are organised in four business areas: Trading, Consumer, Akademibokhandeln and Industry. From Q3 2017, Akademibokhandeln comprises a fourth business area for the Volati Group.

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

For the 12-month period from October 2016–September 2017<sup>1</sup>



1) The business areas' shares have not been calculated pro forma for the acquisitions carried out during the year, which is why the acquired operations in the above calculation are only included from the date possession was taken of the respective business and are calculated exclusive of central costs.



## Trading

The Trading business area comprises six business units with some 18 operating companies in six countries. The business area focuses on three market segments: the building materials sector, home and garden, and agriculture and forestry. The business units under Trading have similar business models and customers, and are integrated through several functions and spheres of cooperation. A logistics centre in Malmö enables coordination gains through the synchronisation of deliveries, flexibility in staffing schedules and cost advantages through bulk purchasing. Most of the operations also share an IT system, which allows for standardised processes and the coordination of purchases, support and service. Finance and other administrative functions are centrally coordinated, which generates cost advantages and the customer base, in parts shared between the business units, enables cross sales, cooperation between sellers and the opportunity to offer integrated customer solutions. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

Third-quarter net sales amounted to SEK 394.3m (405.5) and EBITA was SEK 42.0m (37.5). Organic EBITA posted a positive trend, up 12.2%, which was an effect of improved margins.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m	394.3	405.5	1,161.6	1,120.4	1,533.9	1,492.7
Organic net sales growth, %	-2.7	13.6	-2.3	26.0	0.5	15.5
EBITDA, SEK m	44.6	40.4	106.5	106.7	131.4	131.6
EBITA, SEK m	42.0	37.5	98.9	98.4	121.8	121.3
Organic EBITA growth, %	12.2	-6.9	-4.8	15.8	-6.2	-1.6
EBITA margin, %	10.7	9.2	8.5	8.8	7.9	8.1
EBIT, SEK m	40.5	36.1	94.6	94.4	116.1	115.9
ROCE excl. goodwill, %	35.7	38.0	35.7	38.0	35.7	41.1



## Consumer

The Consumer business area has three business units with a total of nine operating companies in six countries. The business units focus on various B2C niches and are driven by a combination of strong local entrepreneurship and cooperation in selected areas, such as database marketing, digitalisation and e-commerce. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

Third-quarter net sales amounted to SEK 222.4m (219.2) and EBITA was SEK 24.9m (23.3). During the quarter, organic EBITA growth was 5.8%, due to continued healthy growth in profitability at the business unit Besikta.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m	222.4	219.2	725.0	688.1	969.1	932.2
Organic net sales growth, %	1.4	10.6	1.6	3.8	2.9	3.7
EBITDA, SEK m	33.3	30.9	123.8	114.5	176.9	167.7
EBITA, SEK m	24.9	23.3	99.3	92.9	144.0	137.6
Organic EBITA growth, %	5.8	41.4	11.9	7.0	23.7	20.0
EBITA margin, %	11.2	10.6	13.7	13.5	14.9	14.8
EBIT, SEK m	22.2	20.6	91.1	85.1	133.0	127.0
ROCE excl. goodwill, %	220.5	175.4	220.5	175.4	220.5	196.1



## Akademibokhandeln

The Akademibokhandeln business area comprises one business unit, Akademibokhandeln, with a total of two operating companies in Sweden, Akademibokhandeln and Bokus. Akademibokhandeln is the market leading book retailer in Sweden with a strong offering for all product and delivery formats. With stores nationwide, together with online sales under the Akademibokhandeln and Bokus brands, the company operates modern and profitable sales channels focused on consumers, companies and public sector operations.

Third-quarter net sales amounted to SEK 402.3m and EBITA was SEK 16.6m. Net sales were slightly down during the third quarter compared to the same quarter previous year, mainly due to lower sales of books to students among others. The lower earnings are mainly explained by higher costs for marketing and business development. Since the business area was acquired during the quarter, no comparative figures are available. The ROCE is based on EBITA since its acquisition on 1 July 2017. Akademibokhandeln has significant seasonal variations, where Q4 has the strongest earnings.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m	402.3	-	402.3	-	402.3	-
Organic net sales growth, %	-	-	-	-	-	-
EBITDA, SEK m	22.1	-	22.1	-	22.1	-
EBITA, SEK m	16.6	-	16.6	-	16.6	-
Organic EBITA growth, %	-	-	-	-	-	-
EBITA margin, %	4.1	-	4.1	-	4.1	-
EBIT, SEK m	12.5	-	12.5	-	12.5	-
ROCE excl. goodwill, %	22.9	-	22.9	-	22.9	-



## Industry

The Industry business area comprises three business units with a total of 21 operating companies in 15 countries. The business area focuses on various B2B niches and is driven by the combination of strong local entrepreneurship with cooperation in selected areas, such as international expansion, lean manufacture and HR. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

Third-quarter net sales amounted to SEK 204.8m (214.5) and EBITA was SEK 30.8m (47.5). The negative trend in organic EBITA pertained to lower earnings for Corroventa where, unlike 2016, no major flooding occurred in Europe, which led to lower equipment leasing volumes.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m	204.8	214.5	550.0	618.9	713.4	782.2
Organic net sales growth, %	-4.7	14.7	-11.8	22.9	-12.6	11.6
EBITDA, SEK m	37.5	53.9	86.5	129.3	118.1	161.0
EBITA, SEK m	30.8	47.5	66.3	110.2	91.2	135.1
Organic EBITA growth, %	-35.3	63.1	-39.8	86.6	-33.7	56.3
EBITA margin, %	15.1	22.1	12.1	17.8	12.8	17.3
EBIT, SEK m	30.4	47.1	65.2	109.2	89.8	133.8
ROCE excl. goodwill, %	53.5	80.0	53.5	80.0	53.5	79.1

## Head office

Head Office comprises the central costs in the Parent Company Volati AB and associated operations including the acquisition costs or other non-operational items arising in the Group. In the third quarter, Head Office posted an EBITA of negative SEK 18.9m (neg: 18.5), which included transaction costs related to the acquisitions of Akademibokhandeln and Silokonsult of SEK 11.9m.

## Other information.

### Share capital

Volati has two classes of shares, common shares and preference shares, which are listed on Nasdaq Stockholm under the symbols VOLO and VOLO PEF respectively. At the end of the third quarter, the number of shareholders was 6,951.

The number of common shares outstanding was 80,406,571 and the number of preference shares outstanding was 1,603,774 at the end of the third quarter. Accordingly, the share capital amounted to SEK 10.3m at 30 September 2017. In addition, Volati has issued 4,174,570 warrants to senior executives, which carry entitlement to subscription for 834,914 common shares.

### Dividends 2017

The AGM resolved in line with the Board's proposal to distribute a dividend of SEK 0.50 per common share. Furthermore, the AGM resolved to distribute a dividend of SEK 40.00 per preference share, to be paid quarterly in an amount of SEK 10.00 per preference share. The record dates for distribution of the preference share dividends are 5 August 2017, 5 November 2017, 5 February 2018 and 5 May 2018, or the next following banking day, in accordance with the company's Articles of Association.

### Nomination Committee

A Nomination Committee for the 2018 AGM has been appointed in accordance with the instructions adopted at the 2017 AGM. The Nomination Committee comprises Carin Wahlén as Chairman representing Patrik Wahlén, Carl Gustafsson representing Didner & Gerge, and Karl Perlhagen as Chairman of the Board.

### Related-party transactions

No material transactions with related parties took place aside from those presented in the 2016 Annual Report and under Other transactions in this interim report. All related-party transactions were carried out at market rates. No other material transactions with related parties took place in the third quarter.

### Events after the close of the reporting period.

After the end of the quarter, on 24 October, Volati signed an agreement to acquire 94% of the shares in T-Emballage Thureson AB, which offers products and customised solutions in building materials and packaging for customers including builders' merchants, industry, sawmills and house manufacturers.

After the end of the reporting period, Volati's Board decided to evaluate the possibilities for further strengthening the company's financial flexibility and acquisition capacity through a bond issue of not less than SEK 750m. Nordea and SEB has been commissioned for this.

### Financial calendar

- Year-end report 2017 22 February 2018
- Interim report January–March 2018. 9 May 2018
- Annual General Meeting 2018 16 May 2018
- Interim report January–June 2018 17 August 2018
- Interim report January–September 2018 6 November 2018
- Year-end report 2018 21 February 2019

## Shareholder structure 30 September 2017

### 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	80,406,571	1.0	80,406,571	99.80%	98.04%
Preference Shares	1,603,774	0.1	160,377	0.20%	1.96%
Total	82,010,345		80,566,948	100.00%	100.0%

### Shareholders by country

	Number	Share of votes
Sweden	6,791	96.18%
Other countries	160	3.82%
Total	6,951	100.0%

### Number of shareholders

Number of shares	Number of shareholders
1–500	6,098
501–1,000	349
1,001–10,000	410
10,001–	94
Total	6,951

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

Name	Number of shares		Share of	
	Common shares	Preference shares	Share capital	Votes
Karl Perlhagen	34,440,000	204,174 <sup>2)</sup>	42.24%	42.77%
Patrik Wahlén	19,046,954	10,129	23.24%	23.64%
Didner & Gerge Fonder Aktiefbolag	4,317,154	-	5.26%	5.36%
The Fourth Swedish National Pension Fund (AP4)	3,656,490	-	4.46%	4.54%
Handelsbanken Fonder	3,493,051	-	4.26%	4.34%
Mårten Andersson	2,511,532	1,887	3.06%	3.12%
Mattias Björk	2,166,705	1,887	2.64%	2.69%
SEB Investment Management	1,752,536	-	2.14%	2.18%
Danske Capital Sverige AB	671,981	-	0.82%	0.83%
Mats Andersson	668,111	-	0.81%	0.83%
Catella Fondförvaltning	548,846	-	0.67%	0.68%
Försäkringsaktiefbolaget Avanza Pension	469,705	155,822	0.76%	0.60%
SEB Life International	400,000	-	0.49%	0.50%
Nordnet Pensionsförsäkring	361,321	45,291	0.50%	0.45%
JPMEL — Stockholm branch	350,000	-	0.43%	0.43%
Total, 15 largest shareholders	74,854,386	419,190	91.78%	92.96%
Other shareholders	5,552,131	1,184,584	8.22%	7.04%
Total	80,406,571	1,603,774	100.00%	100.00%

1) The shareholder structure is based on information from Euroclear Sweden as of 29 September 2017.

2) Includes ownership indirectly through companies.

The Board of Directors and the CEO hereby certify that this 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, 9 November 2017

Karl Perlhagen  
Chairman of the Board

Patrik Wahlén  
Board member

Björn Garat  
Board member

Louise Nicolin  
Board member

Christina Tillman  
Board member

Mårten Andersson  
CEO

This interim report was subject to review by the company's auditors, see the auditors' Report of Review on page 34.

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 7:45 a.m., 9 November 2017.

**For more information, please contact:**

Mårten Andersson, CEO, +46 (0)72-735 42 84, [marten.andersson@volati.se](mailto:marten.andersson@volati.se)  
Mattias Björk, CFO, +46 (0)70-610 80 89, [mattias.bjork@volati.se](mailto:mattias.bjork@volati.se)

Volati AB (publ)  
Corporate Registration Number: 556555-4317  
Engelbrektsplan 1  
SE-114 34 Stockholm  
Tel: +46 (0)8-21 68 40  
[www.volati.se](http://www.volati.se)



## Financial statements.

### Consolidated income statement

SEK m	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
<b>Operating revenue</b>						
Net sales	1,223.8	839.1	2,838.9	2,426.9	3,618.4	3,206.5
<b>Operating costs</b>						
Raw materials and supplies	-651.1	-414.7	-1,404.0	-1,175.4	-1,754.6	-1,526.0
Other external costs	-202.6	-129.3	-470.0	-383.8	-602.0	-515.8
Personnel costs	-252.6	-188.6	-668.9	-570.1	-869.8	-771.0
Other operating revenue	3.1	2.3	4.6	5.6	2.7	3.7
Other operating costs	-1.7	-2.0	-7.5	-8.1	-11.4	-11.9
<b>EBITDA</b>	118.9	106.9	293.1	295.2	383.3	385.4
Depreciation	-23.3	-17.1	-58.3	-49.6	-75.7	-67.0
<b>EBITA</b>	95.6	89.8	234.8	245.6	307.6	318.4
Acquisition-related amortisations and write-downs	-8.9	-4.6	-18.1	-12.9	-22.6	-17.4
<b>EBIT</b>	86.7	85.2	216.7	232.7	285.1	301.0
<b>Financial income and costs</b>						
Financial income	1.2	4.8	6.4	15.6	9.8	19.0
Financial costs	-15.8	-18.3	-28.6	-49.7	-45.1	-66.3
<b>Profit before tax</b>	72.2	71.8	194.6	198.5	249.8	253.8
Tax	-19.3	-20.5	-45.6	-43.5	-55.4	-53.3
<b>Net profit</b>	52.9	51.3	148.9	155.0	194.4	200.5
Attributable to:						
Parent Company's owners	52.3	49.5	147.6	151.6	192.3	196.2
Non-controlling interests	0.6	1.8	1.3	3.4	2.1	4.3
Earnings per common share, SEK	0.45	0.56	1.24	1.78	1.59	2.07
Earnings per common share after dilution, SEK	0.45	0.56	1.23	1.77	1.59	2.06
No. of common shares	80,406,571	59,544,502	80,406,571	59,544,502	80,406,571	80,406,571
No. of common shares after full dilution	81,241,485	60,379,416	81,241,485	60,379,416	81,241,485	81,241,485
Avg. No. of common shares	80,406,571	59,544,502	80,406,571	58,147,093	80,406,571	63,753,873
Avg. No. of common shares after dilution	80,834,047	59,955,001	80,834,047	58,505,156	80,834,047	64,197,604
No. of preference shares	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774
Preference share dividend, SEK	10.00	10.00	30.00	30.00	40.00	40.00

## Consolidated statement of comprehensive income

SEK m	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net profit	52.9	51.2	148.9	155.0	194.4	200.5
<b>Other comprehensive income</b>						
Remeasurement of net pension obligations	-	-	-	-	-0.7	-0.7
Deferred tax pertaining to net pension obligations	-	-	-	-	0.2	0.2
Translation differences for the period	7.0	28.1	-15.0	49.7	-15.6	49.1
Other comprehensive income for the period	7.0	28.1	-15.0	49.7	-16.1	48.5
<b>Total comprehensive income for the period</b>	<b>59.9</b>	<b>79.3</b>	<b>133.9</b>	<b>204.7</b>	<b>178.2</b>	<b>249.0</b>
Total comprehensive income for the period attributable to:						
Parent Company's owners	59.2	76.9	132.9	200.1	176.8	244.0
Non-controlling interests	0.7	2.4	1.0	4.6	1.4	5.0

## Key figures<sup>2</sup>

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m	1,223.8	839.1	2,838.9	2,426.9	3,618.4	3,206.5
Net sales growth, %	45.8	43.6	17.0	66.7	14.6	46.6
Organic growth in net sales, %	-2.9	13.0	-3.9	15.3	-2.4	9.7
EBITDA, SEK m	118.9	106.9	293.1	295.2	383.3	385.4
Adjusted EBITDA, SEK m	127.9	114.6	498.6	411.8	498.6	420.9
EBITA, SEK m	95.6	89.8	234.8	245.6	307.6	318.4
EBITA margin, %	7.8	10.7	8.3	10.1	8.5	9.9
EBITA growth, %	6.4	40.2	-4.4	61.7	-4.2	40.1
Adjusted EBITA, SEK m	104.5	97.5	407.1	339.7	407.1	352.4
EBITA excl. central costs and items affecting comparability, SEK m	114.4	108.3	281.2	301.5	373.7	394.0
Organic EBITA growth, %	-15.5	36.7	-14.4	35.9	-8.0	28.1
EBIT, SEK m	86.7	85.2	216.7	232.7	285.1	301.0
Earnings per common share before dilution, SEK <sup>1)</sup>	0.45	0.56	1.24	1.78	1.59	2.07
Earnings per common share after dilution, SEK <sup>1)</sup>	0.45	0.56	1.23	1.77	1.59	2.06
Equity per common share, SEK	18.02	3.93	18.02	3.93	18.02	17.78
Return on equity, %	8.6	18.7	8.6	18.7	8.6	14.6
Return on adjusted equity, %	9.1	56.1	9.1	56.1	9.1	25.1
Equity ratio, %	52.6	33.2	52.6	33.2	52.6	69.6
Cash conversion, %	78.5	84.0	78.5	84.0	78.5	89.1
Adjusted cash conversion LTM, %	83.8	86.4	83.8	86.4	83.8	90.9
Operating cash flow, SEK m	97.2	68.9	161.7	204.2	301.0	343.5
Adjusted operating cash flow, SEK m	97.6	71.3	181.4	210.4	321.3	350.4
Net debt/EBITDA, ratio	1.2	2.1	1.2	2.1	1.2	-0.6
No. of employees	1,676	1,195	1,676	1,195	1,676	1,164
No. of common shares outstanding	80,406,571	59,544,502	80,406,571	59,544,502	80,406,571	80,406,571
No. of common shares outstanding after dilution	81,241,485	60,379,416	81,241,485	60,379,416	81,241,485	81,241,485
Weighted Avg. No. of common shares outstanding	80,406,571	59,544,502	80,406,571	58,147,093	80,406,571	63,753,873
Weighted Avg. No. of common shares outstanding after dilution	80,834,047	59,955,001	80,834,047	58,505,156	80,834,047	64,197,604
No. of preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

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

2) All performance measures, except for net sales and earnings per share, are non-IFRS performance measures — refer to the alternative performance measures section below.

Quarterly summary

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
<b>Operating revenue</b>										
Net sales	1,223.8	871.5	743.6	779.5	839.1	926.5	661.3	731.4	584.2	467.3
<b>Operating costs</b>										
Raw materials and supplies	-651.1	-408.8	-344.1	-350.6	-414.7	-450.8	-309.9	-353.8	-282.2	-167.5
Other external costs	-202.6	-130.2	-137.2	-132.0	-129.3	-135.4	-119.2	-105.6	-99.5	-105.4
Personnel costs	-252.6	-214.2	-202.1	-200.9	-188.6	-208.2	-173.3	-176.9	-136.8	-137.6
Other operating revenue	3.1	0.7	0.8	-1.9	2.3	2.7	0.7	1.7	10.8	5.7
Other operating costs	-1.7	-2.1	-3.7	-3.9	-2.0	-0.1	-6.0	-2.1	-1.1	0.0
<b>EBITDA</b>	<b>118.9</b>	<b>116.9</b>	<b>57.3</b>	<b>90.2</b>	<b>106.9</b>	<b>134.8</b>	<b>53.5</b>	<b>94.7</b>	<b>75.5</b>	<b>62.6</b>
Depreciation	-23.3	-17.7	-17.2	-17.4	-17.1	-17.4	-15.1	-19.3	-11.4	-8.4
<b>EBITA</b>	<b>95.6</b>	<b>99.2</b>	<b>40.1</b>	<b>72.8</b>	<b>89.8</b>	<b>117.4</b>	<b>38.4</b>	<b>75.4</b>	<b>64.0</b>	<b>54.2</b>
Acquisition-related amortisations and write-downs	-8.9	-4.7	-4.5	-4.5	-4.6	-4.5	-3.9	-3.8	-3.4	-2.9
<b>EBIT</b>	<b>86.7</b>	<b>94.5</b>	<b>35.5</b>	<b>68.3</b>	<b>85.2</b>	<b>112.9</b>	<b>34.5</b>	<b>71.6</b>	<b>60.7</b>	<b>51.3</b>
<b>Financial income and costs</b>										
Financial income	1.2	1.8	3.3	3.4	4.8	6.5	4.2	3.9	6.3	8.5
Financial costs	-15.8	-6.6	-6.2	-16.5	-18.3	-16.8	-14.6	-19.8	-18.4	-19.7
<b>Profit before tax</b>	<b>72.2</b>	<b>89.7</b>	<b>32.7</b>	<b>55.2</b>	<b>71.8</b>	<b>102.6</b>	<b>24.1</b>	<b>55.7</b>	<b>48.6</b>	<b>40.2</b>
Tax	-19.3	-21.3	-5.0	-9.8	-20.5	-16.3	-6.8	-10.9	-9.0	-9.3
<b>Net profit</b>	<b>52.9</b>	<b>68.4</b>	<b>27.6</b>	<b>45.5</b>	<b>51.3</b>	<b>86.4</b>	<b>17.4</b>	<b>44.8</b>	<b>39.6</b>	<b>30.9</b>
Attributable to:										
Parent Company's owners	52.3	67.6	27.7	44.7	49.5	84.6	17.5	35.4	33.2	21.3
Non-controlling interests	0.6	0.8	-0.1	0.8	1.8	1.8	-0.1	9.4	6.4	9.6

Business areas — quarterly

Net sales, SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Trading	394.3	427.9	339.4	372.3	405.5	419.1	295.8	324.7	215.1	65.2
Industry	204.8	190.1	155.1	163.3	214.5	254.9	149.5	197.2	187.0	182.9
Akademibokhandeln	402.3	-	-	-	-	-	-	-	-	-
Consumer	222.4	253.5	249.1	244.1	219.2	252.5	216.4	209.5	182.1	220.2
Internal eliminations	0.0	-	-	-0.2	-	-	-0.5	-	-	-1.0
<b>Total net sales</b>	<b>1,223.8</b>	<b>871.5</b>	<b>743.6</b>	<b>779.5</b>	<b>839.1</b>	<b>926.5</b>	<b>661.3</b>	<b>731.4</b>	<b>584.2</b>	<b>467.3</b>
<b>EBITDA, SEK m</b>										
Trading	44.6	45.4	16.4	24.9	40.4	51.0	15.4	29.8	21.4	4.7
Industry	37.5	30.5	18.5	31.7	53.9	54.1	21.3	37.1	34.1	25.4
Akademibokhandeln	22.1	-	-	-	-	-	-	-	-	-
Consumer	33.3	54.7	35.9	53.2	34.3	49.7	30.5	35.8	22.1	41.8
Items affecting comparability	0.5	0.9	-2.9	-10.6	-12.1	-7.2	-3.9	-0.1	8.5	-
Central costs	-19.1	-14.5	-10.6	-8.9	-9.7	-12.7	-9.7	-7.9	-10.7	-9.3
<b>Total EBITDA</b>	<b>118.9</b>	<b>116.9</b>	<b>57.3</b>	<b>90.2</b>	<b>106.9</b>	<b>134.8</b>	<b>53.5</b>	<b>94.7</b>	<b>75.5</b>	<b>62.6</b>
<b>EBITA, SEK m</b>										
Trading	42.0	43.0	13.9	22.9	37.5	48.1	12.8	27.0	19.6	3.9
Industry	30.8	23.6	11.9	24.9	47.5	47.7	15.0	27.4	29.2	20.3
Akademibokhandeln	16.6	-	-	-	-	-	-	-	-	-
Consumer	24.9	46.3	28.0	44.7	26.7	41.7	24.5	29.8	17.5	39.3
Items affecting comparability	0.5	0.9	-2.9	-10.6	-12.1	-7.2	-3.9	-0.1	8.5	-
Central costs	-19.4	-14.7	-10.8	-9.1	-9.8	-12.9	-9.9	-8.6	-10.8	-9.4
<b>Total EBITA</b>	<b>95.6</b>	<b>99.2</b>	<b>40.1</b>	<b>72.8</b>	<b>89.8</b>	<b>117.4</b>	<b>38.4</b>	<b>75.4</b>	<b>64.0</b>	<b>54.2</b>

**Consolidated statement of financial position**

SEK m	30 Sep 2017	30 Sep 2016	31 Dec 2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	2,692.9	1,849.3	1,840.3
Tangible fixed assets	205.4	195.3	191.0
Financial fixed assets	7.6	7.7	7.9
Deferred tax assets	59.4	47.7	42.1
Total non-current assets	2,965.5	2,100.1	2,081.2
<b>Current assets</b>			
Inventories	596.8	402.0	386.7
Accounts receivable	435.0	399.7	301.7
Tax assets	88.1	64.1	10.4
Other current assets	40.8	18.4	18.1
Derivatives		0.3	-
Prepaid expenses and accrued income	128.9	50.5	74.4
Cash and cash equivalents	76.4	160.4	370.7
Total current assets	1,365.9	1,095.4	1,162.0
Total assets	4,331.4	3,195.5	3,243.2
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10.3	7.6	10.3
Other capital contributions	1,994.8	828.1	1,994.8
Other reserves	19.7	34.6	34.4
Retained earnings including net profit	239.3	178.6	200.3
Non-controlling interests	13.0	12.9	17.7
Total equity	2,277.0	1,061.9	2,257.5
<b>Liabilities</b>			
Non-current interest-bearing liabilities	582.4	1,028.1	54.0
Non-current non-interest-bearing liabilities	89.1	160.0	80.0
Pension provisions	2.2	2.1	2.5
Contingent liabilities	6.1	5.3	6.4
Deferred tax liabilities	215.7	120.7	123.7
Total non-current liabilities	895.6	1,316.2	266.6
Current interest-bearing liabilities	110.7	70.6	73.0
Deferred income	71.6	69.9	56.3
Accounts payable	438.8	227.7	267.4
Tax liabilities	109.5	97.2	34.6
Derivatives	0.2	1.4	-
Accrued expenses and deferred income	250.3	208.6	176.3
Other current liabilities	177.7	142.1	111.6
Total current liabilities	1,158.8	817.4	719.1
Total liabilities	2,054.4	2,133.6	985.7
Total equity and liabilities	4,331.4	3,195.5	3,243.2

**Consolidated cash-flow statement**

SEK m	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
<b>Operating activities</b>						
Profit after financial items	72.2	71.8	194.6	198.5	249.8	253.8
Adjustments for non-cash items, etc.	38.7	27.0	93.6	81.8	133.4	121.6
Interest paid	-9.3	-8.3	-10.9	-26.1	-24.0	-39.2
Interest received	0.3	0.2	0.8	0.6	0.7	0.5
Income tax paid	-12.4	-9.1	-43.9	-37.8	-47.5	-41.5
Cash flows from operating activities before changes in working capital	89.5	81.5	234.1	217.0	312.3	295.2
<b>Cash flows from changes in working capital</b>						
Change in inventories	-16.5	2.4	-59.9	-43.9	-44.8	-28.8
Change in operating receivables	-20.4	46.0	-115.1	-74.6	-41.6	-1.1
Change in operating liabilities	29.6	-79.3	74.3	51.1	43.2	20.0
Cash flows from changes in working capital	-7.3	-31.0	-100.7	-67.4	-43.2	-10.0
Cash flows from operating activities	82.2	50.5	133.5	149.6	269.1	285.2
<b>Investing activities</b>						
Investments in tangible and intangible assets	-15.4	-6.6	-34.4	-24.8	-43.0	-33.4
Divested tangible and intangible assets	0.9	0.3	3.6	1.1	4.0	1.4
Divestments of subsidiaries	1.2	-	1.2	-	1.2	-
Investments in subsidiaries	-262.5	-9.3	-262.5	-136.1	-387.8	-261.4
Investments in financial assets	-	-0.2	-	-0.2	-	-0.2
Divested financial assets	-	0.2	-	10.0	-	10.0
Cash flow from investing activities	-275.8	-15.6	-292.1	-150.0	-425.7	-283.6
<b>Financing activities</b>						
Dividend paid on preference share	-16.0	-16.0	-48.1	-48.1	-64.2	-64.2
Dividend paid on common share	-	-	-41.0	-24.5	-41.0	-24.5
New share issue	-0.9	-	-0.9	1.0	1174.9	1176.8
Shareholders' contributions	-	-	-	0.5	23.8	24.3
Change in borrowings	-45.3	10.2	-42.2	20.3	-1,016.0	-953.5
Cash flow from financing activities	-62.2	-5.9	-132.2	-50.8	77.5	158.9
Cash flow for the period	-255.7	29.1	-290.8	-51.1	-79.1	160.5
Opening cash and cash equivalents	331.6	125.1	370.7	200.4	160.4	200.4
Exchange-rate differences in cash and cash equivalents	0.5	6.2	-3.5	11.1	-4.9	9.8
Closing cash and cash equivalents	76.4	160.4	76.4	160.4	76.4	370.7

Consolidated statement of changes in equity

SEK m	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2017	10.3	1,994.8	34.4	200.3	17.7	2,257.5
Net profit	-	-	-	147.6	1.3	148.9
Other comprehensive income	-	-	-14.7	-	-0.3	-15.0
Comprehensive income for the period	-	-	-14.7	147.6	1.0	133.9
Dividends	-	-	-	-105.6	-	-105.6
Quotient value, issued common shares	-	-	-	-0.7	-	-0.7
Shareholders' contributions	-	-	-	12.5	-	12.5
Remeasurement of non-controlling interests	-	-	-	-13.0	-	-13.0
Other transactions with owners	-	-	-	-1.9	-5.7	-7.6
Closing balance 31 Sep 2017	10.3	1,994.8	19.7	239.3	13.0	2,277.0

SEK m	Share capital	Other capital contributions	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
Net profit	-	-	-	151.6	3.4	155.0
Other comprehensive income	-	-	48.5	-	1.1	49.7
Total comprehensive income	-	-	48.5	151.6	4.6	204.7
Dividends	-	-	-	-88.6	-	-88.6
Non-cash issue <sup>1)</sup>	2.4	-	-	69.0	-71.6	-0.2
Warrants issue	-	-	-	1.0	-	1.0
Remeasurement of non-controlling interests	-	-	-	-104.7	-1.6	-106.3
Other transactions with owners	-	-	-	0.0	0.5	0.5
Closing balance 30 Sep 2016	7.6	828.1	34.6	178.6	12.9	1,061.9

SEK m	Share capital	Other capital contributions	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
Net profit	-	-	-	196.2	4.3	200.5
Other comprehensive income	-	-	48.3	-0.5	0.7	48.5
Total comprehensive income	-	-	48.3	195.7	5.0	249.0
Dividends	-	-	-	-88.6	-	-88.6
Quotient value, issued common shares	2.6	1,166.7	-	-	-	1,169.3
Non-cash issue <sup>1)</sup>	2.4	-	-	69.0	-71.6	-0.2
Warrants issue	-	-	-	1.0	-	1.0
Shareholders' contributions	-	-	-	19.4	4.4	23.8
Remeasurement of non-controlling interests	-	-	-	-104.7	-1.6	-106.3
Other transactions with owners	-	-	-	-41.8	0.4	-41.3
Closing balance 31 Dec 2016	10.3	1,994.8	34.4	200.3	17.7	2,257.5

1) Pertains to the issue completed in January 2016 in conjunction with a swap of Volati 2 AB shares to Volati 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 2016 Annual Report. 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 1–15 of this report comprise an integrated part of the interim report.

### New accounting policies for 2018

From 1 January 2018, IFRS 15 — *Revenue from Contracts with Customers* and IFRS 9 — *Financial Instruments*. IFRS 15 — *Revenue from Contracts with Customers* The new standard's largest impact pertains to revenue recognition insofar as revenue is to be recognised when the customer obtains control of the sold goods or services and has the opportunity to use or obtain the benefits from the goods or service. During the fourth quarter, Volati will investigate the effect of the new standard but it is not expected to have any material impact on the Group's financial statements. IFRS 9 — *Financial Instruments* The new standard's largest impact pertains to the measurement of full lifetime expected credit losses. During the fourth quarter, Volati will investigate the effect of the new standard but it is not expected to have any material impact on the Group's financial statements.

### Note 2 Risks and uncertainties

A detailed description of the Group's material risks and uncertainties is provided in the 2016 Annual Report.

### Note 3 Segment reporting

At the end of the second quarter, Volati comprised 13 business units, organised into four business areas: Trading, Industry, Akademibokhandeln and Consumer.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
Net sales, SEK m						
Trading	394.3	405.5	1,161.6	1,120.4	1,533.9	1,492.7
Industry	204.8	214.5	550.0	618.9	713.4	782.2
Akademibokhandeln	402.3	-	402.3	-	402.3	-
Consumer	222.4	219.2	725.0	688.1	969.1	932.2
Internal eliminations	0.0	0.0	0.0	-0.5	-0.2	-0.7
Total net sales	1,223.8	839.1	2,838.9	2,426.9	3,618.4	3,206.5

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
EBITDA, SEK m						
Trading	44.6	40.4	106.5	106.7	131.4	131.6
Industry	37.5	53.9	86.5	129.3	118.1	161.0
Akademibokhandeln	22.1	-	22.1	-	22.1	-
Consumer	33.3	30.9	123.8	114.5	176.9	167.7
Items affecting comparability	0.5	-7.5	-1.5	-23.2	-12.1	-33.8
Central costs	-19.1	-10.8	-44.2	-32.2	-53.1	-41.1
Total EBITDA	118.9	106.9	293.1	295.2	383.3	385.4

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
EBITA, SEK m						
Trading	42.0	37.5	98.9	98.4	121.8	121.3
Industry	30.8	47.5	66.3	110.2	91.2	135.1
Akademibokhandeln	16.6	-	16.6	-	16.6	-
Consumer	24.9	23.3	99.3	92.9	144.0	137.6

Items affecting comparability	0.5	-7.5	-1.5	-23.2	-12.1	-33.8
Central costs	-19.4	-11.0	-44.8	-32.7	-54.0	-41.8
<b>Total EBITA</b>	<b>95.6</b>	<b>89.8</b>	<b>234.8</b>	<b>245.6</b>	<b>307.6</b>	<b>318.4</b>
Acquisition-related amortisations and write-downs	-8.9	-4.6	-18.1	-12.9	-22.6	-17.4
Net financial items	-14.5	-13.5	-22.2	-34.1	-35.2	-47.2
<b>Profit before tax</b>	<b>72.2</b>	<b>71.8</b>	<b>194.6</b>	<b>198.5</b>	<b>249.8</b>	<b>253.8</b>

<b>EBIT, SEK m</b>	<b>Jul-Sep 2017</b>	<b>Jul-Sep 2016</b>	<b>Jan-Sep 2017</b>	<b>Jan-Sep 2016</b>	<b>LTM</b>	<b>Full-year 2016</b>
<b>Trading</b>	40.5	36.1	94.6	94.4	116.1	115.9
<b>Industry</b>	30.4	47.1	65.2	109.2	89.8	133.8
<b>Akademibokhandeln</b>	12.5	-	12.5	-	12.5	-
<b>Consumer</b>	22.2	20.6	91.1	85.1	133.0	127.0
Items affecting comparability	0.5	-7.5	-1.5	-23.2	-12.1	-33.8
Central costs	-19.4	-10.8	-45.1	-32.8	-54.2	-42.0
<b>Total EBIT</b>	<b>86.7</b>	<b>85.5</b>	<b>216.7</b>	<b>232.7</b>	<b>285.1</b>	<b>301.0</b>

#### Note 4 Business and company acquisitions

In the January to September 2017 period, Volati acquired two companies: Akademibokhandeln Holding AB and Silokonsult Göran Persson AB. Furthermore, in the first quarter, possession was taken of label printing assets that were acquired in the fourth quarter of 2016 through an asset transfer.

Akademibokhandeln Holding AB — Sweden's leading bookstore chain with a successful omnichannel strategy and the online retailer Bokus — was acquired on 3 July 2017 and formed a fourth business area from the third quarter of 2017. Volati's holding amounts to 95.04% and the management of Akademibokhandeln has holdings of around 4.96% of the shares in Volati Bok, which is the parent company of Akademibokhandeln Holding AB. The acquisition is expected to have a positive impact on Volati's earnings and return on equity for 2017. In 2016, Akademibokhandeln had net sales of around SEK 1.8 billion.

Silokonsult Göran Persson AB was acquired on 5 July 2017. The acquisition of Silokonsult was an add-on acquisition to Tornum's operations under the Industry business area. Silokonsult Göran Persson AB is a Swedish supplier of machinery and project planning for the grain and milling industries. The acquisition of Silokonsult Göran Persson AB strengthens Tornum's position as a supplier of grain handling systems to industrial customers in Sweden.

<b>Balance sheet impact of acquisitions, SEK m</b>	<b>30 Sep 2017</b>
Intangible assets	808.5
Tangible fixed assets	29.0
Deferred tax assets	18.6
Inventories	153.7
Accounts receivable	20.0
Other receivables	104.5
Cash and cash equivalents	31.3
Deferred tax liabilities	-96.3
Non-current interest-bearing liabilities	-582.9
Current interest-bearing liabilities	-3.4
Current liabilities	-261.2
	227.5



Goodwill	80.2
Acquisition value	307.8
Non-cash issue	-12.5
Transactions with owners	2.3
Paid earn-outs	3.6
Unpaid earn-outs	-6.9
Cash and cash equivalents in acquired operations on acquisition date	-31.3
Impact on consolidated cash and cash equivalents	263.0

Income statement impact of acquisitions, SEK m	Net sales		EBITDA		EBITA		EBIT	
	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
Trading	-	-	-	-	-	-	-	-
Industry	2.9	2.9	0.2	0.2	0.2	0.2	0.2	0.2
Akademibokhandeln	402.3	402.3	22.1	22.1	16.6	16.6	12.5	12.5
Consumer	-	-	-	-	-	-	-	-
Volati Group	405.2	405.2	22.3	22.3	16.8	16.8	12.6	12.6

The acquired companies' contributed SEK 405.2m to Group sales, SEK 22.3m to EBITDA, SEK 16.8m to EBITA and SEK 12.6m to EBIT in 2017. In addition, SEK 11.9m was charged to consolidated earnings and SEK 0.4m was charged to equity in respect of transaction costs for the acquisitions. After excluding the transaction costs for the January to September 2017 period, if the acquisitions had been consolidated as of 1 January 2017, their contribution to the consolidated income statement for the January to September 2017 period would have been: sales of SEK 1,172.1m; an EBITDA of SEK 24.6m; an EBITA of SEK 8.2m and a negative EBIT of SEK 4.3m. Earnings for the January–June period were positively impacted by refunds from pension companies of SEK 12.5m. Goodwill corresponding to SEK 80.2m that arose in connection with the transactions is the result of several factors that are largely attributable to the market shares of the acquired companies.

During the quarter, a non-controlling interest was acquired from a former minority shareholder, which resulted in the elimination of the minority in the subsidiary, Volati Tryck Holding, and Volati 2 now owns 100% of the shares in the subsidiary.

After the end of the reporting period, Volati signed an agreement to acquire the shares of T-Emballage Thureson AB. T-Emballage Thureson AB will become a new business unit within the Trading business area and is expected to be able to leverage the revenue synergies of the business area's other business units, primarily through an expanded sales network. Transfer of the shares will take place on November 10, 2017 and an acquisition analysis for this acquisition will be presented in conjunction with the year-end report.

## Note 5 Alternative performance measures

The new guidelines from the European Securities and Markets Authority (ESMA) regarding alternative performance measures entered force from and including 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 (APMs) and reporting in line with IFRS.

The financial reports published by Volati specify the APMs 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. APMs 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 APMs 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.

Volati regularly uses APMs as a complement to the key metrics that comprise generally accepted accounting policies. The APMs 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 APMs is presented separately below.

Non-IFRS APMs and key metrics	Description	Reasoning
<b>Organic growth in net sales</b>	Calculated as net sales, adjusted for total acquired and divested net sales and currency effects, during the period compared with net sales in the year-earlier period, as if the business unit in question had been owned in the comparative period.	This metric is used by the management to monitor the underlying net sales growth in existing operations.
<b>Adjusted net sales</b>	This is calculated as net sales for the last 12-month period at the relevant reporting date for the companies included in the Group as of the reporting date, as if the companies had been owned for the past 12 months.	Together with adjusted EBITA, adjusted net sales and adjusted EBITDA provide management and investors with a picture of the size of the operations included in the Group at the reporting date.
<b>EBITDA</b>	Earnings before interest, tax, amortisation, depreciation and impairment.	Together with EBITA, EBITDA provides an image of the profit generated by operating activities.
<b>Adjusted EBITDA</b>	This is calculated as EBITDA for the relevant comparative period for the companies included in the Group at the reporting date, as if the companies had been owned for the relevant comparative 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.	Together with adjusted net sales and adjusted EBITA, adjusted EBITDA provides management and investors with a picture of the size of the operations included in the Group at the reporting date.
<b>EBITA</b>	Earnings before interest, tax and acquisition-related amortisations and write-downs.	Together with EBITDA, EBITA provides an image of the profit generated by operating activities.
<b>Adjusted EBITA</b>	This is calculated as adjusted EBITDA less acquisition-related amortisations and write-downs and impairment for the relevant comparative period for the companies included in the Group at the reporting date, as if the companies had been owned for the relevant comparative period.	Together with adjusted net sales and adjusted EBITDA, adjusted EBITA provides management and investors with a picture of the size of the operations included in the Group at the reporting date.
<b>EBITA excl. items affecting comparability</b>	This is calculated as EBITA adjusted for remeasurements of purchase considerations, capital gains/losses on the sale of operations and properties, and other revenue deemed of a non-recurring nature.	This is used by the management to monitor the underlying earnings growth of the Group.
<b>EBITA excl. central costs and items affecting comparability</b>	This is calculated as EBITA adjusted for central costs, remeasurements of purchase considerations, capital gains/losses on the sale of operations and properties, and other revenue and costs deemed of a non-recurring nature.	This is used by the management to monitor the underlying earnings growth of the operations in the Group.
<b>Organic EBITA growth</b>	Calculated as EBITA excluding central costs and items affecting comparability, adjusted for total acquired and divested EBITA and currency effects, during the period compared with EBITA excluding central costs and items affecting comparability in the year-earlier period, as if the business units in question had been owned in the comparative period.	This is used by the management to monitor the underlying earnings growth of existing operations.

Non-IFRS APMs and key metrics	Description	Reasoning
<b>Return on equity</b>	Net profit (including share attributable to non-controlling interests) divided by the weighted average of equity (including share attributable to non-controlling interests).	Shows the return generated on the total capital invested by all shareholders in the company.
<b>Return on adjusted equity</b>	Net profit (including share attributable to non-controlling interests) less the preference share dividend divided by the weighted average of equity for the last four quarters (including share attributable to non-controlling interests) less the preference share capital.	Shows the return generated on the common share capital invested by owners of common shares in the company.
<b>Return on capital employed (ROCE)</b>	Earnings before interest, tax and acquisition-related amortisations and write-downs excluding items affecting comparability for the last 12-month period in relation to average capital employed for the last 12-month period.	Shows the returns generated by the business area and the Group on capital employed without taking into consideration acquisition-related intangible assets with an indefinite useful life.
<b>Return on capital employed including goodwill (ROCE incl. GW)</b>	Earnings before interest, tax and acquisition-related amortisations and write-downs excluding items affecting comparability for the last 12-month period in relation to average capital employed including goodwill and other intangible assets with an indefinite useful life for the last 12-month period.	Shows the returns generated by the business area and the Group on capital employed.
<b>Equity ratio</b>	Equity (including share attributable to non-controlling interests) as a percentage of total assets.	The key metric can be used to assess financial risk.
<b>Cash conversion</b>	Calculated as LTM operating cash flow divided by EBITDA.	Cash conversion is used by the management to monitor how efficiently the company is managing working capital and ongoing investments.
<b>Adjusted cash conversion</b>	Calculated as LTM adjusted operating cash flow divided by EBITDA.	Adjusted cash conversion is used by the management to monitor how efficiently the company is managing working capital and normalised ongoing investments.
<b>Operating cash flow</b>	Calculated as EBITDA less net investments in and divested tangible and intangible assets, and after adjustment for cash flows from changes in working capital.	The operating cash flow is used by the management to monitor cash flows generated by operating activities.
<b>Adjusted operating cash flow</b>	Calculated as operating cash flow excluding material investments of a non-recurring nature, such as development expenditure related to Besikta Bilprovning's IT system and listing costs.	The adjusted operating cash flow is used by the management to monitor normalised cash flows generated by operating activities.
<b>Net debt/adjusted EBITDA</b>	Closing net debt in relation to adjusted EBITDA for the period.	The key metric can be used to assess financial risk.

The calculation of alternative performance measures is presented separately below.

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
<b>Calculation of organic growth in net sales</b>						
Net sales	1,223.8	839.1	2,838.9	2,426.9	3,618.4	3,206.5
Acquired/divested net sales	-409.0	-188.0	-487.0	-769.5	-536.8	-817.5
Currency effects	-0.3	9.3	-19.6	22.1	-	11.4
Comparative figures for preceding years	814.5	660.4	2,332.3	1,679.5	3,081.6	2,400.4
<b>Organic growth in net sales, %</b>	-2.9	13.0	-3.9	15.3	-2.4	9.7
<b>EBITA excl. central costs and items affecting comparability</b>						
EBITA	95.6	89.8	234.8	245.6	307.6	318.4
Adjustments for items affecting comparability	-0.5	7.5	1.5	23.2	12.1	33.8
<b>EBITA excl. items affecting comparability</b>	95.1	97.3	236.4	268.8	319.8	352.2
Adjustment for central costs	19.4	11.0	44.8	32.7	54.0	41.8
<b>EBITA excl. central costs and items affecting comparability</b>	114.4	108.3	281.2	301.5	373.7	394.0
<b>Adjusted net sales</b>						
Net sales L12M	3,618.4	3,158.3	3,618.4	3,158.3	3,618.4	3,206.5
Acquired companies	1,401.2	129.8	1,401.2	129.8	1,401.2	81.6
<b>Adjusted net sales</b>	5,019.6	3,288.2	5,019.6	3,288.2	5,019.6	3,288.0
<b>Adjusted EBITA and EBITDA</b>						
EBITDA	118.9	106.9	383.3	390.0	383.3	385.4
Acquired companies	-	-	104.0	-3.0	104.0	0.2
Restructuring costs	-	-	-0.3	7.2	-0.3	6.9
Integration costs	-	-	-	3.4	-	3.4
Transaction costs	9.5	0.2	13.2	1.5	13.2	1.5
Listing costs, common share	-0.5	2.8	6.2	3.9	6.2	9.9
One-off remuneration	-	4.7	-13.3	4.7	-13.3	5.4
Earn-out revaluation	-	-	5.5	4.0	5.5	8.2
<b>Adjusted EBITDA</b>	127.9	114.6	498.6	411.8	498.6	420.9
Depreciation	-23.3	-17.1	-75.7	-68.9	-75.7	-67.0
Acquired companies depreciation	-	-	-15.8	-3.2	-15.8	-1.5
<b>Adjusted EBITA</b>	104.5	97.5	407.1	339.7	407.1	352.4
<b>Calculation of organic growth in EBITA</b>						
EBITA	95.6	89.8	234.8	245.6	307.6	318.4
Adjustments for items affecting comparability	-0.5	7.5	1.5	23.2	12.1	33.8
Adjustment for central costs	19.4	11.0	44.8	32.7	54.0	41.8
<b>EBITA excl. central costs and items affecting comparability</b>	114.4	108.3	281.2	301.5	373.7	394.0
Total acquired/divested EBITA	-22.6	-18.8	-21.8	-73.3	-19.1	-70.6
Currency effects	-0.3	1.0	-1.3	1.5	-	0.8
Comparative figures for preceding years	91.5	90.5	258.1	229.6	354.7	324.3
<b>Organic growth in EBITA, %</b>	-15.5	36.7	-14.4	35.9	-8.0	28.1

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	LTM	Full-year 2016
<b>Earnings per common share before dilution</b>						
Net profit attributable to Parent Company's owners	52.3	49.5	147.6	151.6	192.3	196.2
Deduction for preference share dividend	16.0	16.0	48.1	48.1	64.2	64.2
<b>Net profit attributable to Parent Company's owners, adjusted for preference dividend</b>	36.2	33.4	99.5	103.5	128.1	132.1
Avg. No. of common shares	80,406,571	59,544,502	80,406,571	58,147,093	80,406,571	63,753,873
<b>Earnings per common share, SEK</b>	0.45	0.56	1.24	1.78	1.59	2.07
<b>Earnings per common share after dilution</b>						
Net profit attributable to Parent Company's owners, adjusted for preference share dividend	36.2	33.4	99.5	103.5	128.1	132.1
Avg. No. of common shares after dilution	80,834,047	59,955,001	80,834,047	58,505,156	80,834,047	64,197,604
<b>Earnings per common share after dilution, SEK</b>	0.45	0.56	1.23	1.77	1.59	2.06
<b>Equity per common share</b>						
Closing equity including share attributable to non-controlling interests	2,277.0	1,061.9	2,277.0	1,061.9	2,277.0	2,257.5
Preference share capital	828.1	828.1	828.1	828.1	828.1	828.1
Closing equity including share attributable to non-controlling interests after adjustment of preference share capital	1,448.9	233.8	1,448.9	233.8	1,448.9	1,429.4
No. of common shares at the end of the period	80,406,571	59,544,502	80,406,571	59,544,502	80,406,571	80,406,571
<b>Equity per common share, SEK</b>	18.02	3.93	18.02	3.93	18.02	17.78
<b>Calculation of return on equity</b>						
(A) Net profit, LTM, including non-controlling interests	194.4	199.9	194.4	199.9	194.4	200.5
Adjustment for preference share dividends, including accrued but as yet unpaid dividends	-64.2	-64.2	-64.2	-64.2	-64.2	-64.2
(B) Net profit, adjusted	130.2	135.7	130.2	135.7	130.2	136.3
(C) Average total equity	2,253.8	1,070.1	2,253.8	1,070.1	2,253.8	1,371.8
(D) Average adjusted equity	1,425.7	242.0	1,425.7	242.0	1,425.7	543.7
<b>(A/C) Return on total equity, %</b>	8.6	18.7	8.6	18.7	8.6	14.6
<b>(B/D) Return on adjusted equity, %</b>	9.1	56.1	9.1	56.1	9.1	25.1
<b>Calculation of equity ratio</b>						
Equity including share attributable to non-controlling interests	2,277.0	1,061.9	2,277.0	1,061.9	2,277.0	2,257.5
Total assets	4,331.4	3,195.5	4,331.4	3,195.5	4,331.4	3,243.2
<b>Equity ratio, %</b>	52.6	33.2	52.6	33.2	52.6	69.6

<b>Calculation of operating cash flow and cash conversion, %</b>	<b>LTM Sep 2017</b>	<b>LTM Sep 2016</b>	<b>Jul-Sep 2017</b>	<b>Jul-Sep 2016</b>	<b>Jan-Sep 2017</b>	<b>Jan-Sep 2016</b>	<b>Full-year 2016</b>
(A) EBITDA	383.3	390.0	118.9	106.9	293.1	295.2	385.4
Change in working capital	-43.2	-25.8	-7.3	-31.8	-100.7	-67.4	-10.0
Net investments in tangible and intangible fixed assets	-39.1	-36.7	-14.4	-6.2	-30.7	-23.7	-32.0
(B) Operating cash flow	301.0	327.5	97.2	68.9	161.7	204.2	343.5
Adjustment for net investments relating to Besikta							
Bilprovning's IT system	2.3	9.5	0.4	2.4	1.6	6.2	6.9
Adjustment for issue costs	18.0	-	-	-	18.0	-	-
(C) Adjusted operating cash flow	321.3	337.0	97.6	71.3	181.4	210.4	350.4
<b>(B/A) Cash conversion, %</b>	78.5	84.0	81.8	64.4	55.2	69.2	89.1
<b>(C/A) Adjusted cash conversion, %</b>	83.8	86.4	82.1	66.7	61.9	71.3	90.9

**Calculation of Net debt/Adjusted EBITDA, ratio**

	<b>Jul-Sep 2017</b>	<b>Jul-Sep 2016</b>	<b>Jan-Sep 2017</b>	<b>Jan-Sep 2016</b>	<b>LTM</b>	<b>Full-year 2016</b>
<b>Net debt</b>						
Cash and cash equivalents	-76.4	-160.4	-76.4	-160.4	-76.4	-370.7
Pension provisions	2.2	2.1	2.2	2.1	2.2	2.5
Non-current interest-bearing liabilities	582.4	1,028.1	582.4	1,028.1	582.4	54.0
Current interest-bearing liabilities	110.7	70.6	110.7	70.6	110.7	73.0
Unrealised derivative contracts	0.2	1.4	0.2	1.4	0.2	0.0
Pension assets	-1.5	-1.4	-1.5	-1.4	-1.5	-1.5
Adjustment for shareholder loans	-21.7	-95.2	-21.7	-95.2	-21.7	-21.7
<b>Net debt</b>	596.0	845.1	596.0	845.1	596.0	-264.5
Adjusted EBITDA	498.6	411.8	498.6	411.8	498.6	420.9
<b>Net debt/adjusted EBITDA, ratio</b>	1.2	2.1	1.2	2.1	1.2	-0.6

<b>ROCE %, as per 30 September 2017</b>	<b>Trading</b>	<b>Industry</b>	<b>Akademi-bokhandeln</b>	<b>Consumer</b>	<b>Central costs</b>	<b>Volati Group</b>
<b>1) EBITA LTM</b>	121.8	91.2	16.6	144.0	-54.0	319.8
<i>Capital employed at 30 September 2017</i>						
Intangible assets	685.4	551.2	877.8	863.9		2692.9
Adjustment for goodwill, patent/technology, brands	-683.3	-527.8	-804.9	-788.2		-2518.3
Tangible fixed assets	47.4	74.1	26.2	40.1		205.4
Inventories	277.5	97.1	187.3	34.9		596.8
Accounts receivable	253.0	115.0	22.2	44.9		435.0
Other current assets	1.6	11.2	24.7	2.0		40.8
Prepaid expenses and accrued income	25.6	36.0	49.1	16.1		128.9
Adjustment for non-working-capital-related current assets						-0.7
Deferred income	-0.4	-51.8	-0.8	-18.6		-71.6
Accounts payable	-144.9	-62.1	-184.4	-41.5		-438.8
Accrued expenses and deferred income	-66.7	-39.8	-74.6	-57.1		-250.3
Other current liabilities	-36.0	-11.4	-36.6	-37.8		-177.7
Adjustment for non-working-capital-related current liabilities						10.2
Adjusted for preference share dividend						48.1
Adjusted for accrued issue costs						
<b>Capital employed at 30 September 2017</b>	<b>359.1</b>	<b>191.7</b>	<b>86.0</b>	<b>58.8</b>		<b>700.7</b>
Adjustment for LTM average capital employed	-17.7	-21.1	-13.2	6.5	0.0	-98.9

<b>2) LTM average capital employed</b>	341.4	170.7	72.7	65.3	601.8
<b>ROCE 1)/2)</b>	35.7	53.5	22.9	220.5	53.1
<b>3) LTM average capital employed incl. goodwill and other intangible assets with an indefinite useful life</b>	980.2	393.2	776.8	825.8	2,407.2
<b>ROCE incl. goodwill 1)/3), %</b>	12.4	23.2	2.1	17.4	13.3

<b>ROCE %, as per 30 September 2016</b>	<b>Trading</b>	<b>Industry</b>	<b>Consumer</b>	<b>Central costs</b>	<b>Volati Group</b>
1) EBITA LTM	125.4	137.6	122.7	-64.6	321.0
<b>Capital employed at 30 September 2016</b>					
Intangible assets	696.5	303.7	896.5		1849.3
Adjustment for goodwill, patent/technology, brands	-694.6	-274.9	-808.2		-1,730.3
Tangible fixed assets	44.0	78.0	53.2		195.3
Inventories	275.7	96.4	30.0		402.0
Accounts receivable	240.9	117.4	41.4		399.7
Other current assets	0.8	11.7	4.3		18.4
Prepaid expenses and accrued income	24.3	8.3	15.6		50.5
Adjustment for non-working-capital-related current assets					-0.8
Deferred income	-0.1	-46.2	-23.6		-69.9
Accounts payable	-139.0	-56.2	-31.7		-227.7
Accrued expenses and deferred income	-74.0	-43.4	-69.8		-208.6
Other current liabilities	-31.3	-15.9	-37.3		-142.1
Adjustment for non-working-capital-related current liabilities					13.9
Adjusted for preference share dividend					48.1
<b>Capital employed at 30 September 2016</b>	<b>343.2</b>	<b>178.9</b>	<b>70.3</b>		<b>597.8</b>
Adjustment for LTM average capital employed	-13.6	-6.8	-0.4		-26.8

<b>2) LTM average capital employed</b>	329.6	172.0	69.9	571.0
<b>ROCE 1)/2), %</b>	38.0	80.0	175.4	56.2
<b>3) LTM average capital employed incl. goodwill and other intangible assets with an indefinite useful life</b>	911.5	394.6	805.7	2158.5
<b>ROCE incl. goodwill 1)/3), %</b>	13.8	34.9	15.2	14.9



### Parent Company Volati AB (publ)

The Parent Company Volati AB acts as a holding company and Volati's management are employed within the Parent Company.

### Parent Company income statement

SEK m	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Full-year 2016	LTM
Operating revenue	2.7	0.4	8.3	8.2	10.8	10.9
Operating costs	-13.5	-23.5	-39.8	-45.7	-56.2	-50.4
Operating loss	-10.8	-23.1	-31.5	-37.5	-45.5	-39.5
Profit from financial investments	30.3	16.7	70.3	83.5	89.1	75.9
Profit after financial items	19.5	-6.5	38.8	46.0	43.6	36.4
Net profit	14.5	-5.1	29.0	44.2	76.2	61.0

### Parent Company statement of financial position

SEK m	30 Sep 2017	31 Dec 2016
Non-current assets	282.1	782.1
Current assets	3,222.4	3,641.1
Total assets	3,504.5	4,423.1
Equity	2,779.2	2,846.2
Untaxed reserves	12.5	12.5
Current liabilities	712.8	1,564.4
Total equity and liabilities	3,504.5	4,423.1

**Review report on the condensed interim financial information (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act.**

**Introduction**

We have reviewed the condensed interim financial information (interim report) of Volati AB 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. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant circumstances 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.

Stockholm, 9 November 2017

Öhrlings PricewaterhouseCoopers AB

Niklas Renström  
Authorised Public Accountant