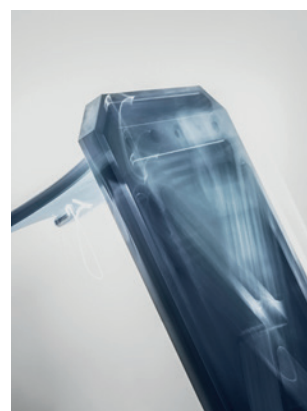
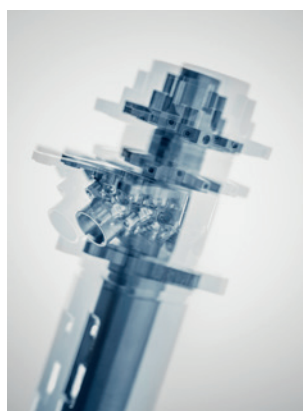


Year-end report

1 January – 31 December 2017



THE FULL YEAR

- Net revenue totalled SEK 1,663 million (1,052)
- Operating profit amounted to SEK 220 million (96)
- Profit before tax amounted to SEK 200 million (92)
- Profit after tax amounted to SEK 158 million (70)
- Earnings per share were SEK 11.44 (5.09)

Important events during the year

- A 2:1 share split was carried out in June
- In December, XANO signed an agreement to acquire Blowtech Group AB

Events after the balance sheet date

- The acquisition of Blowtech Group was concluded on 2 January 2018

THE FOURTH QUARTER

- Net revenue totalled SEK 432 million (269)
- Operating profit amounted to SEK 54 million (10)
- Profit before tax amounted to SEK 50 million (13)
- Profit after tax amounted to SEK 42 million (9)
- Earnings per share were SEK 3.07 (0.66)

CEO's comments on the Group's development during the period

A positive outcome from implemented activities, combined with continued favourable market conditions, generated further growth and more than five times the operating profit during the final quarter of the year in relation to the comparison period. The Group's full-year figures showed a combined growth of 58 per cent, of which Jorgensen contributed with 36 per cent, as well as an operating profit that exceeded last year's figure by 131 per cent. The profit margin increased from 8.7 to 12.0 per cent, while earnings per share rose from SEK 5.09 to SEK 11.44.

The Industrial Solutions business unit achieved almost double the turnover and three times the operating profit compared to the previous year. Jorgensen was responsible for the majority of the additional volume, although organic growth amounted to a good 32 per cent. During the year, significantly higher project volumes were supplied to the packaging industry, while assignments for major contract customers also grew in size. Sales of proprietary products to furniture and interior manufacturers achieved considerable export successes and reported new record figures. The market conditions were generally good throughout the year, although incoming orders in respect of new automation projects declined to some extent during the late autumn.

The companies in the Precision Technology business unit reported an overall increase in volume, with a marked strengthening of the operating margin compared to last year. Thanks to ongoing strategic investments in production capacity and strengthened technical expertise, the operations were able to benefit from the year's favourable market climate and continue to expand. Above all, assignments with existing customers within the medical technology industry sector increased in scope. The positive profitability trend is built on an ever higher degree of automation and the rational use of the companies' resources.

Operations within the Rotational Moulding business unit displayed a slight growth with stable profitability. Restraint on the part of customers within individual product segments was compensated by good development in other areas. The companies experienced large fluctuations in incoming orders during the second half of the year in relation to the comparison period, although a positive end to the year meant that the volume of orders was higher at the year-end than last year. Further development of the proprietary product ranges as well as strategic marketing activities continued to be a high priority.

In conjunction with the conclusion of the acquisition of Blowtech in January 2018, the Rotational Moulding business unit was restructured and changed its name to Industrial Products. The business unit now comprises Cipax, Ackurat (previously within Industrial Solutions) and Blowtech.

Future development

In the long term, future activities are being focused on maintaining stable organic growth with good profitability. With the current favourable market situation and well functioning organisations, the conditions are in place for positive development in the short term as well. With the current Group structure, temporary downturns within individual sectors or markets can be compensated by expansion in other areas. The potential exists for growth through further development of existing assignments as well as through establishment on new markets and in new customer segments.

Revenue and profit

The full year

Net revenue totalled SEK 1,663 million (1,052). Operating profit amounted to SEK 220 million (96), corresponding to an operating margin of 13.2 per cent (9.1). Profit before tax was SEK 200 million (92).

The fourth quarter

Net revenue totalled SEK 432 million (269). Operating profit amounted to SEK 54 million (10), corresponding to an operating margin of 12.5 per cent (3.6). Profit before tax was SEK 50 million (13).

Share data and key figures

The full year

Basic earnings per share were SEK 11.44 (5.09). Equity per share was SEK 39.19 (29.80). The average number of outstanding shares was 13,813,490 during the year. The equity/assets ratio was 36 per cent (27) at the end of the year. The average number of employees was 807 (666).

Important events during the period

Following a decision at the Annual General Meeting, a 2:1 split of the Parent Company's shares was conducted in June.

In December, XANO signed an agreement to acquire all the shares in Blowtech Group AB.

Events after the end of the period

On 2 January 2018, XANO concluded the acquisition of Blowtech Group AB. Blowtech is a leading Nordic player in technical blow moulding of plastics. Blowtech produces complex components for vehicles, construction machinery and infrastructure equipment. The company has built up a very strong market presence, particularly in the Nordic region, using its extensive experience of blow moulding acquired over many years. Blowtech Group has production facilities in Gnosjö, Sweden, and Kongsvinger, Norway, with a workforce of some 120 employees. The acquisition also includes LTBP Sweden AB, in whose property the Swedish operations are located. The business has a turnover of SEK 250 million with an operating margin of approximately

12% and a balance sheet total of approximately SEK 200 million. The acquired operations are expected to contribute annual earnings per share of SEK 1.25.

As from 2018, Blowtech is a part of the Industrial Products business unit (formerly Rotational Moulding) along with Cipax and Ackurat. The acquisition of Blowtech gives the XANO Group access to additional technical expertise in the field of plastics processing as well as to new market segments. The acquisition also allows potential synergies to be created through transfer of knowledge between the fellow subsidiaries, bringing greater strength to individual entities as well as expanding the joint market portfolio.

The purchase sum, which was paid partly in cash and partly through the transfer of company shares, amounted to SEK 238 million on a debt-free basis. For settlement of the equivalent of SEK 20 million of the purchase sum, 133,778 of the company's own Class B shares were transferred at the rate of SEK 149.50.

Investments

The full year

Net investments in non-current assets amounted to SEK 46 million (410), of which SEK 3 million related to intangible assets, SEK 17 million to real estate and SEK 26 million to machinery and equipment.

The fourth quarter

Net investments in non-current assets amounted to SEK 23 million (380), of which SEK 13 million related to real estate and SEK 10 million to machinery and equipment.

Cash flow and liquidity

Cash flow from operating activities amounted to SEK 117 million (128). Growth during the year has generated increased working capital, principally in the form of trade receivables and inventories. Despite improved profits, the cash flow from ongoing operations was therefore lower than that in the comparison period.

Liquid assets, including lines of credit granted but not utilised, totalled SEK 343 million (358) on the balance sheet date.

Number of shares and voting rights

At the Annual General Meeting on 10 May 2017, it was decided to increase the number of shares by splitting each existing share into two new shares of the same type (2:1 split). The split was conducted in June, with 9 June as the record date.

After the share split, the total number of shares stands at 14,093,490, divided between 3,644,400 class A shares and 10,449,090 class B shares. Each class A share entitles ten votes and each class B share entitles one vote. The total number of votes amounts to 46,893,090. The company held 280,000 of its own class B shares on the balance sheet date.

In January 2018, 133,778 own class B shares were transferred in conjunction with an acquisition. After the transaction, the number of shares in the company's custody amounted to 146,222 class B shares, corresponding to 1.0 per cent of total share capital.

Risks and uncertainty factors

The Group's main risks and uncertainty factors include operational risks associated with customers and suppliers and other external factors such as price risks for input goods. In addition, there are financial risks as a result of changes in exchange rates and interest rate levels.

A statement on the Group's main financial and operational risks can be found on pages 78–80 of the annual report for 2016. In 2017, project deliveries to the packaging industry accounted for a large part of the Group's growth. The higher proportion of project-based sales entails an increased risk of volume fluctuations. Newly acquired Blowtech has business characteristics which, to a certain extent, limit this risk.

Accounting policies

As with the annual financial statements for 2016, the consolidated financial statements for 2017 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, the Swedish Annual Accounts Act and the recommendations and statements of the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34.

The critical assessments and the sources of estimates when preparing this interim report are the same as in the most recent annual report. The Group applies the same accounting policies as described in the annual report for 2016 with the exception of new or revised standards, interpretations and improvements, which are applied as from 1 January 2017. The application of these has not had any effect on the Group's financial performance or position.

With a view to achieving a clearer presentation, the layout of the income statements has been altered as from 2017 as regards the order in which the entries are presented. The comparison year has been changed accordingly.

Regarding the application of IFRS 9 Financial instruments and IFRS 15 Income, which enter into force in 2018, please refer to the description in the 2016 annual report. It is still considered that the new standards are not having any significant impact on the Group's accounting.

Related party transactions

During the year, no transactions have been conducted between XANO and related parties that have significantly affected the Group's profit and position.

Proposed dividend

The Board of Directors proposes that the Annual General Meeting allocates a dividend of SEK 4.00 (2.25) per share, totalling SEK 55.8 million (31.1) based on the current number of outstanding shares. The dividend amount per share in respect of the previous year has been recalculated as a result of the implemented share split.

The proposed dividend represents approx. 35 per cent (44) of net profit for the year.

Authorisation for repurchase of own shares

The Board of Directors proposes that the Annual General Meeting renew the Board's authorisation to approve the repurchase of the company's own shares. Such a mandate would authorise the Board to make decisions regarding the repurchase of the company's shares during the period until the next Annual General Meeting.

Any such repurchase could be effected both via the stock market and by offers to the shareholders. The proposal is that the mandate to the Board should also include the scope for assigning repurchased shares within the constraints of relevant legislation.

Authorisation for a new share issue

XANO's Board of Directors proposes that the Annual General Meeting renew the Board's authorisation to decide on a new issue of Class B shares corresponding to a maximum of one tenth of the company's issued shares. Such a mandate would entail the Board being able to make a decision on a new share issue during the period until the next Annual General Meeting.

The terms of the issue, including the issue price, must

be based on a market assessment in which the issue price in each case is set as close to the market value as possible, less the discount which may be necessary to generate interest in the subscription.

Annual general meeting 2018

The upcoming AGM will take place in Jönköping on Tuesday 8 May 2018 at 3 pm.

At the AGM on 10 May 2017, a nomination committee consisting of Ulf Hedlundh (Chairman), Fredrik Rapp and Anders Rudgård was appointed. The task of this committee prior to the 2018 AGM is to nominate a Chairman of the Board and other Board members, auditors, a chairman for the AGM and to propose fees for the Board and auditors.

Shareholders wishing to have an issue dealt with at the Annual General Meeting must have submitted such a request in writing to the company no later than 20 March 2018 in order for the issue to be included in the notice. The request must be sent to the company at the address: XANO Industri AB, Att. AGM 2018, Industrigatan 14 B, SE-553 02 Jönköping, or by e-mail to ir@xano.se with "AGM 2018" as the subject.

The annual report for 2017 (in Swedish) will be available in week 15, as a printed version from the head office and in digital format on the website www.xano.se. The annual report is distributed to those shareholders who have actively notified the company that they wish to receive a copy.

Next report date

The interim report for the period 1 January to 31 March 2018 will be presented on Tuesday 8 May 2018.

The undersigned declare that the year-end report provides an accurate summary of the Parent Company's and the Group's activities, position and results. It also describes significant risks and uncertainty factors faced by the Parent Company and the companies that form the Group.

Jönköping, 8 February 2018

Fredrik Rapp
Chairman of the Board

Stig-Olof Simonsson
Board member

Petter Fägersten
Board member

Eva-Lotta Kraft
Board member

Per Rodert
Board member

Sune Lantz
Board member

Anna Benjamin
Board member

Lennart Persson
CEO

This report has not been reviewed by the company's auditor.

Consolidated statement of comprehensive income	2017 3 mths Oct-Dec	2016 3 mths Oct-Dec	2017 12 mths Jan-Dec	2016 12 mths Jan-Dec
(SEK million)				
Net revenue	432	269	1,663	1,052
Cost of goods sold	-333	-217	-1,259	-804
Gross profit	99	52	404	248
Selling expenses ¹⁾	-26	-26	-115	-100
Administrative expenses	-19	-16	-68	-53
Other operating income	4	2	9	8
Other operating expenses	-4	-2	-10	-7
Profit from participations in associated companies	0	–	0	–
Operating profit	54	10	220	96
Financial income	1	7	4	11
Financial expenses	-5	-4	-24	-15
Profit before tax	50	13	200	92
Tax	-8	-4	-42	-22
Net profit for the period	42	9	158	70
OTHER COMPREHENSIVE INCOME				
<i>Items that may be reclassified to net profit for the period</i>				
Change in hedging reserve including tax ²⁾	1	4	2	-2
Translation differences ³⁾	5	-1	0	6
Other comprehensive income	6	3	2	4
Comprehensive income for the period	48	12	160	74
– of which attributable to shareholders of the Parent Company	48	12	160	74
Basic earnings per share, SEK ⁴⁾	3.07	0.66	11.44	5.09
Diluted earnings per share, SEK ⁴⁾	2.98	0.69	11.14	4.91
Depreciation constitutes	-13	-12	-52	-47

¹⁾ Amounts for the full year include non-recurring items of SEK 10 (0) million regarding the reversal of anticipated bad debt losses, as well as non-recurring items of SEK -6 (0) million in respect of complaints.

²⁾ Refers to the effective component of the change in value of derivative instruments used for hedge accounting.

³⁾ Refers to the effects of changes in exchange rates when net investments in non-Swedish subsidiaries are translated to SEK. The amount is reported net of hedging contracts.

⁴⁾ Based on net profit for the period. A 2:1 share split was carried out in June 2017. The comparison figures have been recalculated accordingly.

Tax amounts to 21 per cent (24) for the full year.

Jorgensen Engineering A/S is included in the consolidated results from the acquisition date 24 November 2016. For the 2016 full year, the acquired unit contributed SEK 38 million in net revenue and SEK 1 million in net profit after the deduction of write-offs from surplus values and financial costs attributable to the acquisition. In addition, SEK 1 million relating to transaction costs for the acquisition was charged to the consolidated results. If the acquired unit had been included in the Group throughout the whole of 2016, revenue would have amounted to approx. SEK 1,372 million, while net profit would have been approx. SEK 93 million.

Net revenue and profit/loss by segment

(SEK million)	Q1–Q4 2017				Q1–Q4 2016			
	External	Net revenue Internal	Total	Profit before tax ¹⁾	External	Net revenue Internal	Total	Profit before tax ¹⁾
Industrial Solutions	1,190	1	1,191	166 ²⁾	613	0	613	64
Precision Technology	255	4	259	43	226	4	230	28
Rotational Moulding	218	0	218	19 ³⁾	213	0	213	26
Elimination	–	-5	-5	–	–	-4	-4	–
Undistributed items	–	–	–	-28	–	–	–	-26
Continuing operations	1,663	–	1,663	200	1,052	–	1,052	92

¹⁾ The figure refers to the profit/loss before the distribution of group-wide costs and tax in accordance with internal reporting. Undistributed items mainly refer to the Parent Company.

²⁾ Includes non-recurring items of SEK 10 million regarding the reversal of anticipated bad debt losses.

³⁾ Includes non-recurring items of SEK -6 million in respect of complaints.

The information on segments is provided from the management's perspective, which means that reporting corresponds to the way in which the information is presented internally. The Group reports on the following segments: Industrial Solutions, Precision Technology and Rotational Moulding. The operations within each segment are described on page 10. The segments are reported in accordance with the same accounting policies as the Group. Market conditions are applied to transactions between the segments.

In 2017, all segments have boosted their total working capital, such as inventories and trade receivables.

Consolidated statement of financial position (SEK million)	2017 31 Dec	2016 31 Dec
ASSETS		
Goodwill	483	484
Other intangible non-current assets	31	34
Property, plant and equipment	389	390
Other non-current assets	2	2
Total non-current assets	905	910
Inventories	206	177
Current receivables	355	256
Cash and cash equivalents	53	165
Total current assets	614	598
Assets held for sale	1	1
TOTAL ASSETS	1,520	1,509
EQUITY AND LIABILITIES		
Equity	541	412
Non-current liabilities	501	512
Current liabilities ¹⁾	478	585
TOTAL EQUITY AND LIABILITIES	1,520	1,509
Interest-bearing liabilities constitute	535	690
Deferred tax liabilities constitute	71	52
Lines of credit granted but not utilised total	290	193

¹⁾ Current liabilities include interest derivatives measured at fair value of SEK 15 million (17). The derivatives are used for hedging purposes and belong to value level 2 under IFRS 13. The fair value measurement is based on a number of factors, including forward interest rates produced on the basis of observable yield curves.

Jorgensen Engineering A/S was acquired in November 2016. Acquired assets and liabilities, including surplus values and after revaluation to fair value, amounted to SEK 578 million and SEK 207 million respectively.

Statement of changes in equity (SEK million)	2017 31 Dec	2016 31 Dec
Opening balance	412	416
Net profit for the period	158	70
Other comprehensive income	2	4
Comprehensive income for the period	160	74
Effects of convertible loan issued	–	5
Conversion of personnel convertibles	–	6
Acquisition of own personnel convertibles	–	-58
Dividend paid in cash	-31	-31
Total transactions with shareholders	-31	-78
Closing balance	541	412
– of which attributable to shareholders of the Parent Company	541	412

Cash flow statement	2017 12 mths Jan-Dec	2016 12 mths Jan-Dec
(SEK million)		
Operating profit	220	96
Interest and income tax paid/received and adjustments for non-cash items	14	15
Change in working capital	-117	17
Cash flow from operating activities	117	128
Investments		
Acquisitions and sale of subsidiaries ¹⁾	4	-272
Other	-46	-47
Cash flow after investments	75	-191
Dividend paid	-31	-31
Acquisition of own personnel convertibles	-	-81
Cash flow from other financing activities	-158	427
Cash flow for the year	-114	124
Cash and cash equivalents at the start of the year	165	41
Exchange rate differences in cash and cash equivalents	2	0
Cash and cash equivalents at the end of the year	53	165

¹⁾ The amounts for 2017 include a repayment of SEK 4 million that was received in conjunction with the final settlement of the purchase sum for Jorgensen Engineering A/S, which was acquired in November 2016.

Share data	2017 3 mths Oct-Dec	2016 3 mths Oct-Dec	2017 12 mths Jan-Dec	2016 12 mths Jan-Dec
Average number of outstanding shares, thousands	13,813	13,813	13,813	13,703
Average number of outstanding shares after dilution, thousands	14,383	14,383	14,383	14,543
Average number of shares in own custody, thousands	280	280	280	280
Basic earnings per share, SEK ¹⁾	3.07	0.66	11.44	5.09
Diluted earnings per share, SEK ^{1, 2)}	2.98	0.69	11.14	4.91
Cash flow from operating activities per share, SEK	6.78	5.20	8.51	9.33
Total number of shares on balance sheet date, thousands			14,093	14,093
Number of shares in own custody on balance sheet date, thousands			280	280
Number of outstanding shares on balance sheet date, thousands			13,813	13,813
Equity per share on balance sheet date, SEK			39.19	29.80
Share price on balance sheet date, SEK			149.75	104.75

¹⁾ Based on net profit for the period.

²⁾ Costs related to convertible bonds amount to SEK 2,292 thousand (1,659) for the full year.

A 2:1 share split was carried out in June 2017. After the share split, the total number of shares stands at 14,093,490, divided between 3,644,400 class A shares and 10,449,090 class B shares. After deduction for the company's own holding, 280,000 class B shares, the number of outstanding shares is 13,813,490. Due to the share split, all comparison figures have been recalculated.

On 1 July 2016, convertibles at a nominal value of SEK 62,130,000 were issued to employees within the XANO Group. The convertibles accrue interest corresponding to STIBOR 3M plus 2.20% and fall due for payment on 30 June 2020. The conversion rate was originally SEK 218. Due to the share split, the conversion rate has been recalculated in accordance with section 8B of the terms and conditions. The recalculated conversion rate is SEK 109. During the period 1 June to 12 June 2020, each convertible may be converted to one Class B share in XANO Industri AB. If all convertibles are converted to shares, the dilution will be approx. 4 per cent of the share capital and 1.2 per cent of the number of votes based on the total number of shares on the balance sheet date.

For definitions, see page 11.

Key figures	2017 12 mths Jan-Dec	2016 12 mths Jan-Dec
Operating margin, %	13.2	9.1
Profit margin, %	12.0	8.7
Return on equity p.a., %	33.6	17.1
Return on capital employed p.a., %	20.7	13.6
Return on total capital p.a., %	14.8	10.1
Average equity, SEK m	470	407
Average capital employed, SEK m	1,083	786
Average total capital, SEK m	1,512	1,063
Interest coverage ratio, multiple	9.3	7.1
Equity/assets ratio, %	36	27
Proportion of risk-bearing capital, %	40	31
Net investments in non-current assets, SEK m	46	410
Average number of employees	807	666

For definitions, see page 11.

Quarterly summary	2017 Q4	2016 Q4	2017 Q3	2016 Q3	2017 Q2	2016 Q2	2017 Q1	2016 Q1
Net revenue, SEK m	432	269	378	226	443	295	410	262
Gross profit, SEK m	99	52	93	57	112	76	100	63
Operating profit, SEK m	54	10	52	24	62	36	52	26
Profit before tax, SEK m	50	13	50	21	52	36	48	22
Net profit for the period, SEK m	42	9	39	16	40	28	37	17
Comprehensive income for the period, SEK m	48	12	37	19	39	27	36	16
Operating margin, %	12.5	3.6	13.8	10.6	14.0	12.3	12.7	9.8
Equity/assets ratio, %	36	27	32	42	31	39	29	44
Earnings per share, SEK ¹⁾	3.07	0.66	2.76	1.16	2.94	2.01	2.67	1.26
Cash flow from operating activities per share, SEK ¹⁾	6.78	5.20	-1.14	1.29	2.46	4.08	0.41	-1.24

¹⁾ The comparison figures have been recalculated due to the 2:1 share split carried out in June 2017.

For definitions, see page 11.

Income statement, Parent Company	2017	2016
(SEK million)	12 mths Jan-Dec	12 mths Jan-Dec
Net revenue	16.5	8.7
Selling and administrative expenses	-22.7	-17.6
Operating profit/loss	-6.2	-8.9
Profit from participations in Group companies	113.1	56.0
Other financial items	-3.2	-12.1
Profit/loss after financial items	103.7	35.0
Appropriations	-12.9	4.1
Tax	-19.9	-7.2
Net profit for the period	70.9	31.9
<i>Statement of comprehensive income</i>		
Net profit for the period	70.9	31.9
Other comprehensive income	–	–
Comprehensive income for the period	70.9	31.9

Income tax amounts to 22 per cent (18). Income tax-exempt dividends contributed to the previous year's deviating tax rate.
100 per cent (100) of the Parent Company's net revenue comes from invoicing to subsidiaries.

Balance sheet, Parent Company	2017	2016
(SEK million)	31 Dec	31 Dec
ASSETS		
Non-current assets	52.9	52.9
Current assets	634.4	437.2
EQUITY AND LIABILITIES		
Equity	150.0	110.2
Untaxed reserves	76.9	64.0
Non-current liabilities	119.4	73.3
Current liabilities	341.0	242.6
BALANCE SHEET TOTAL	687.3	490.1

Statement of changes in equity, Parent Company	2017	2016
(SEK million)	31 Dec	31 Dec
Opening balance	110.2	156.1
Comprehensive income for the period	70.9	31.9
Effects of convertible loan issued	–	4.9
Conversion of personnel convertibles	–	6.0
Acquisition of own personnel convertibles	–	-58.1
Dividend paid in cash	-31.1	-30.6
Closing balance	150.0	110.2

Cash flow statement, Parent Company	2017	2016
(SEK million)	12 mths Jan-Dec	12 mths Jan-Dec
Operating profit/loss	-6.2	-8.9
Interest and income tax paid/received and adjustments for non-cash items	95.2	34.5
Change in working capital	-22.0	31.9
Cash flow from operating activities	67.0	57.5
Investments	–	–
Cash flow after investments	67.0	57.5
Financing	-63.8	-59.1
Cash flow for the year	3.2	-1.6
Cash and cash equivalents at the start of the year	2.7	4.5
Exchange rate differences in cash and cash equivalents	0.0	-0.2
Cash and cash equivalents at the end of the year	5.9	2.7

THIS IS XANO

The XANO Group consists of engineering companies offering manufacturing and development services for industrial products and automation equipment. The Group is represented in the Nordic countries, Estonia, the Netherlands, Poland, China and the United States. The companies all operate within well-defined niches and possess a high level of expertise within their respective technical areas. Each unit is anchored locally and developed according to its own potential. At the same time, the Group affinity creates economies of scale for the companies and their customers. In 2017, the Group's operations have been divided into the business units Industrial Solutions, Precision Technology and Rotational Moulding.

INDUSTRIAL SOLUTIONS



Companies within the Industrial Solutions business unit supply automation solutions developed in-house, such as packaging machines, accumulators and conveyor systems, to the packaging industry. Manufacturers of furniture and fittings are supplied with parts such as hand wheels, handles and adjustable feet. Contract assignments for advanced industrial products in small and medium-sized production runs are also performed.

		2017	2016
Net sales	SEK m	1,191	613
Operating profit	SEK m	177	60
– of which non-recurring items		10	–
Operating margin	%	14.9	9.7

Jorgensen is included from the acquisition date 24 November 2016.

Companies

Ackurat

Sweden
Finland
Poland

Canline

Netherlands
USA

Fredriksons

Sweden
China

Jorgensen

Denmark

NPB

Sweden

PRECISION TECHNOLOGY



Operations within the Precision Technology business unit cover component and system manufacture through advanced cutting machining of metal and plastic, used for the production of components with stringent requirements for quality and precision.

		2017	2016
Net sales	SEK m	259	230
Operating profit	SEK m	44	29
Operating margin	%	17.0	12.7

Companies

KMV

Sweden

LK Precision

Sweden

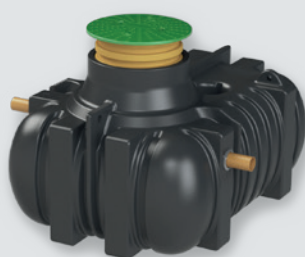
Mikroverktyg

Sweden

Resinit

Sweden

ROTATIONAL MOULDING



Operations within the Rotational Moulding business unit comprise the design, manufacture and sale of plastic components and systems produced by means of rotational moulding. Deliverables include both customer-specific and proprietary products.

		2017	2016
Net sales	SEK m	218	213
Operating profit	SEK m	21	25
– of which non-recurring items		–6	–
Operating margin	%	9.6	11.7

Companies

Cipax

Sweden
Estonia
Norway
Finland

Definitions

Basic earnings per share

Net profit for the period in relation to the average number of outstanding shares.

Capital employed

Balance sheet total less non-interest-bearing liabilities.

Cash flow from operating activities per share

Cash flow from operating activities in relation to the average number of outstanding shares.

Diluted earnings per share

Net profit for the period plus costs relating to convertible loan in relation to the average number of outstanding shares plus the average number of shares added at conversion of outstanding convertibles.

Equity per share

Equity in relation to the number of outstanding shares on the balance sheet date.

Equity/assets ratio

Equity in relation to total capital.

Interest coverage ratio

Profit after financial items plus financial expenses in relation to financial expenses.

Net investments in non-current assets

Closing balance less opening balance plus depreciation, impairment losses and translation differences for the period, pertaining to non-current assets.

Operating margin

Operating profit in relation to net revenue.

Profit margin

Profit after financial items in relation to net revenue.

Proportion of risk-bearing capital

Equity plus deferred tax liability in relation to total capital.

Return on capital employed

Profit after financial items plus financial expenses in relation to average capital employed.

Return on equity

Net profit for the period in relation to average equity.

Return on total capital

Profit after financial items plus financial expenses in relation to average total capital.

Total capital

Total equity and liabilities (balance sheet total).

Key figures

Key figures included in this report derive primarily from the disclosure requirements according to IFRS and the Annual Accounts Act. Other measures, known as alternative key figures, describe e.g. the profit trend, financial strength and how the company has invested its capital.

Presented key figures take the nature of the business into account, and are deemed to provide relevant information to shareholders and other stakeholders at the same time as achieving comparability with other companies. The margin measures are also presented internally.

The Parent Company, XANO Industri AB (publ) with corporate identity number 556076-2055, is a public limited liability company with its registered office in Jönköping, Sweden.

