



Year-end report.

January–December 2017

“In 2017, a number of our companies did not deliver in line with expectations.

Despite this, for the full year we can report EBITA growth of slightly more than 18% together with a strong cash flow and low net debt.”

Mårten Andersson, CEO

volat1.

Year-end report for January–December 2017.

Q4 October–December 2017.

- Net sales increased 94.6% to SEK 1,517.2m (779.5)
- EBITA rose 94.6% to SEK 141.7m (72.8)
- Net profit after tax increased 103.4% to SEK 92.5m (45.5)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.95 (0.43).
- On 10 November, T-Emballage was acquired with sales of SEK 584m and an EBITA of SEK 40m for 2016. Following the acquisition, T-Emballage became a business unit within the Trading Business Area
- In December, Volati issued a five-year SEK 600m bond that carries an interest rate of +3.5 percentage points over 3M STIBOR. In parallel, Akademi-bokhandeln repurchased SEK 192m of bonds outstanding. After the repurchase, Akademi-bokhandeln had SEK 308m in bonds outstanding

Full-year January–December 2017.

- Net sales increased 35.9% to SEK 4,356.1m (3,206.5)
- EBITA rose 18.3% to SEK 376.5m (318.4)
- Net profit after tax increased 20.4% to SEK 241.4m (200.5)
- Earnings per common share after deduction of preference share dividends amounted to SEK 2.19 (2.07).

Events after the reporting period.

- The Board proposes distribution of a dividend to holders of common shares of SEK 40.2m, corresponding to SEK 0.50 (0.50) per common share and a dividend of SEK 64.2m to holders of preference shares, corresponding to SEK 40 per preference share. The preference share dividend is payable at SEK 10.00 per preference share each quarter until the 2019 Annual General Meeting.

Key figures.

SEK m	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales	1,517.2	779.5	4,356.1	3,206.5
EBITDA	165.7	90.2	458.9	385.4
EBITA	141.7	72.8	376.5	318.4
Organic EBITA growth, %	-29.9	12.4	-18.1	28.1
EBIT	128.6	68.3	345.3	301.0
Net debt/Adjusted EBITDA, ratio	1.2	-0.6	1.2	-0.6
Cash conversion LTM, %	111.8	89.1	111.8	89.1
Earnings per common share, SEK	0.95	0.43	2.19	2.07
Equity per common share, SEK	19.11	17.78	19.11	17.78
Return on adjusted equity, %	12.2	25.1	12.2	25.1
No. of common shares outstanding	80,406,571	80,406,571	80,406,571	80,406,571
No. of preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774

112%
Cash
conversion
2017

+95%
EBITA
Q4 2017

The Volati Group.



Comments from the CEO.

We increased EBITA by 18% but are disappointed by 2017.



“During the year, Akademibokhandeln’s investments in continued business development included the development of a new streaming service for audio books.”

As a long-term owner of operating companies, we know that profitability varies over time and there can be large fluctuations between quarters and years. As an owner of 14 businesses, it is also likely that challenges will arise in one or even a few of them. However, in 2017, a number of our companies did not deliver in line with expectations. That this should occur in our first year as a listed company with a large number of new owners in Volati was particularly disappointing. Despite this, for the full year we can report EBITA growth of slightly more than 18% together with a strong cash flow and low net debt.

Weak performance at a number of our business units

The trend for organic EBITA growth was down 18% for the year, primarily due to weak performances from Corroventa, Tornum, NaturaMed Pharma and Me&i. The underlying reasons for the poor performances differed. Corroventa stands strong and continues to perform very well, but with no major floods in the year, earnings were significantly down on 2016. Tornum posted healthy sales but had weak project profitability, which was highly disappointing. Me&i and NaturaMed Pharma are facing structural challenges due to changed consumer behaviour. In view of the negative organic growth trend in 2017, it is important to take note that average organic EBITA growth over the last five years was slightly more than 8%. To reach our long-term target of 5% organic EBITA growth, we have decided to take a number of actions to improve corporate governance and to lower our costs.

Reinforced business area organisation with expanded mandate

We have strengthened our business area organisation by appointing Nicklas Margård, Johan Ekström and Håkan Karlström as business area managers. Business area managers are responsible for business development, monitoring operations and add-on acquisitions among other duties. In parallel, we have reorganised and eliminated three roles at head office to achieve a clearer allocation of responsibility and to nurture local entrepreneurial expertise. The objectives of these changes include increasing focus on business development and business follow-up. This is of particular

importance for those companies that have faced difficulties in 2017. Among other things, this change means that the central position of Investment Director is being eliminated and allocated to the Group management and business area managers. Together, these changes will enable us to take good, quick decisions close to operations and, thereby provide our management teams with favourable preconditions for building up their operations and delivering results.

Akademibokhandeln stands solid

The fourth quarter is by far Akademibokhandeln's strongest earnings period and our new business area, which joined the Group in July 2017, has contributed EBITA of SEK 105m and an very healthy cash flow since its acquisition. During the year, Akademibokhandeln's investments in continued business development included the development of a new streaming service for audio books. We are pleased that Akademibokhandeln is part of the Group and support the management in their efforts to continue delivering good stories and literature in all channels and formats to Akademibokhandeln's more than 4 million customers, of which 1.7 million are members of their customer club.

Low leverage and high capacity for acquisitions

During the fourth quarter, we completed the third acquisition of the year, T-Emballage, which with its high profitability and strong offering in building materials and packaging fits well into the Trading Business Area. Together, this means that over the year we acquired businesses at reasonable valuations that contributed annual EBITA of SEK 139m, which is in line with our long-term objectives. We have low leverage, unutilised credit facilities and SEK 438m in cash, which means we have considerable financial scope for making continued acquisitions.

2017 was a disappointment. But I am confident that with our business model and our capacity to address challenges as they appear, we will continue to deliver long-term value, just as we have since our start in 2003. I look forward to continuing to build Volati.

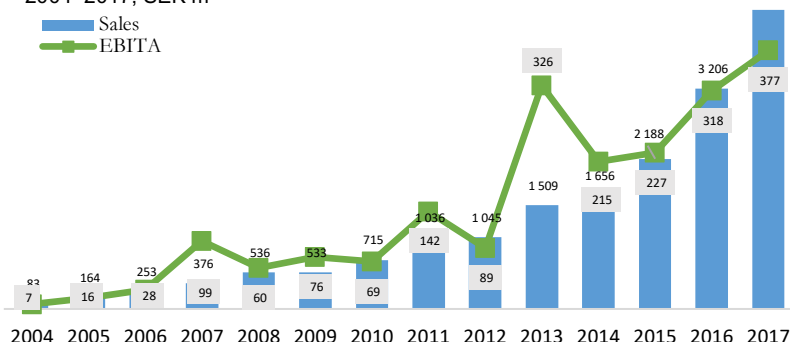
Mårten Andersson, CEO

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 14 business units with some 50 operating companies that are organised under the four business areas: Trading, Consumer, Akademibokhandel and Industry. Volati has operations in 16 countries and a total of 1,900 employees. The financial trend since the start of operations is presented in the diagram.

Net sales and EBITA trends
2004–2017, SEK m



FINANCIAL TARGETS

Volati's overriding objective is to generate long-term growth 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 of SEK 700m by the end of 2019. The target for average annual organic EBITA growth is 5%. At the close of 2017, LTM adjusted EBITA was SEK 415.0m, up 18% year-on-year, that is, calculated as if the companies owned on 31 December 2017 had been owned for the entire 12-month period. For the same period, organic EBITA growth was negative 18%. Since 2013, organic EBITA growth has averaged 8.1%.

Cash conversion: Volati's target is to achieve a cash conversion rate in excess of 85% per year. At the end of 2017, the LTM cash conversion rate was 112%. Cash conversion was positively impacted by the July 2017 acquisition of Akademibokhandel, since they generally have negative cash flow in H1 and positive cash flow in H2.

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 2017, net debt/adjusted EBITDA was a multiple of 1.2.

Dividend policy: Volati's target for common shares is to distribute 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 proposed dividend ahead of the 2018 AGM of SEK 0.50 per common share corresponds to 16% of net earnings attributable to the Parent Company's shareholders for the 2017 financial year. Dividends on preference shares are issued at an annual amount of SEK 40.00 per preference share, through quarterly payments of SEK 10.00.

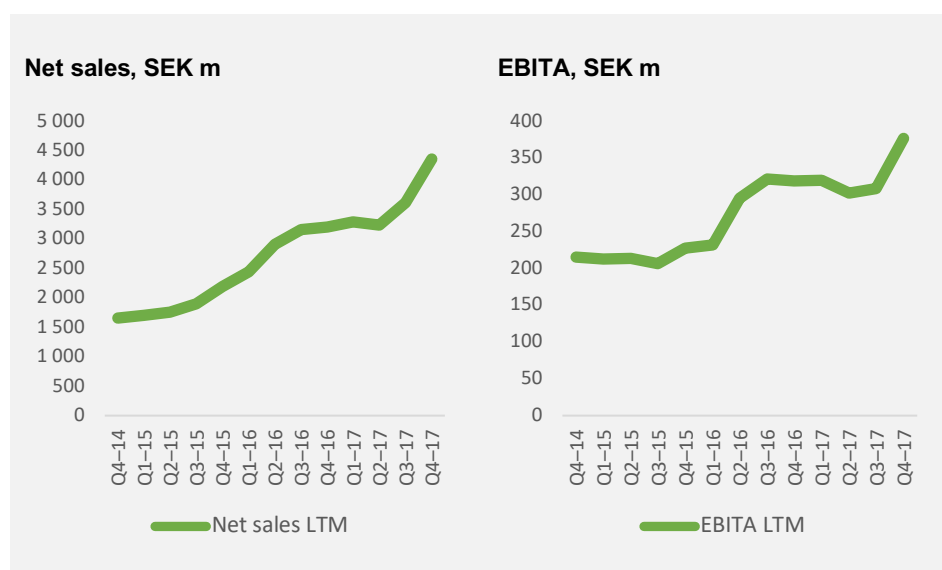
Return on adjusted equity: Volati's long-term target is a return on adjusted equity (calculated as average equity over the last four quarters) in excess of 20%. At the end of 2017, the return on adjusted equity was 12.2%.

Consolidated financial trend.

Net sales

In the fourth quarter, consolidated net sales were SEK 1,517.2m (779.5), corresponding to a year-on-year increase of 94.6%. The increase was mainly attributable to the acquisition of Akademibokhandeln. The exchange-rate effect was a negative 0.8%. Organic sales growth was 2.6% and was largely driven by the Industry business area.

For the full-year 2017, consolidated net sales were SEK 4,356.1m (3,206.5), corresponding to a year-on-year increase of 35.9%. Growth was attributable to the acquisitions completed in 2017, which contributed sales growth of 37.8% in combination with a negative organic sales trend of 2.3%. The exchange-rate effect was a positive 0.4%.



Earnings

For the fourth quarter, EBITA amounted to SEK 141.7m (72.8), corresponding to an increase of 94.6%. This was mainly driven by the acquisition of Akademibokhandeln, which has a substantial proportion of its earnings in the fourth quarter. The organic EBITA trend was down 29.9%, which was attributable to a weaker result trend for a number of business units, refer to the respective business areas for more information. The exchange-rate effect was a negative 0.9%.

As part of developing corporate governance at Volati, the business area managers assignments have been developed with the aim of achieving clearer governance and development of the business units. In conjunction with the above, some personnel changes were implemented at the head office, which resulted in central costs incurring a nonrecurring cost of SEK 7.1m in the fourth quarter.

For the full-year 2017, EBITA amounted to SEK 376.5m (318.4), corresponding to an increase of 18.3%. The organic EBITA trend for the year was a negative 18.1%, which was mainly due to lower profitability in the Industry Business Area. The exchange-rate effect was a positive 0.2%.

In the fourth quarter, net profit after tax was SEK 92.5m (45.5), up 103.4%, and was due to a considerable portion of Akademibokhandeln's earnings arising in the fourth quarter. Net

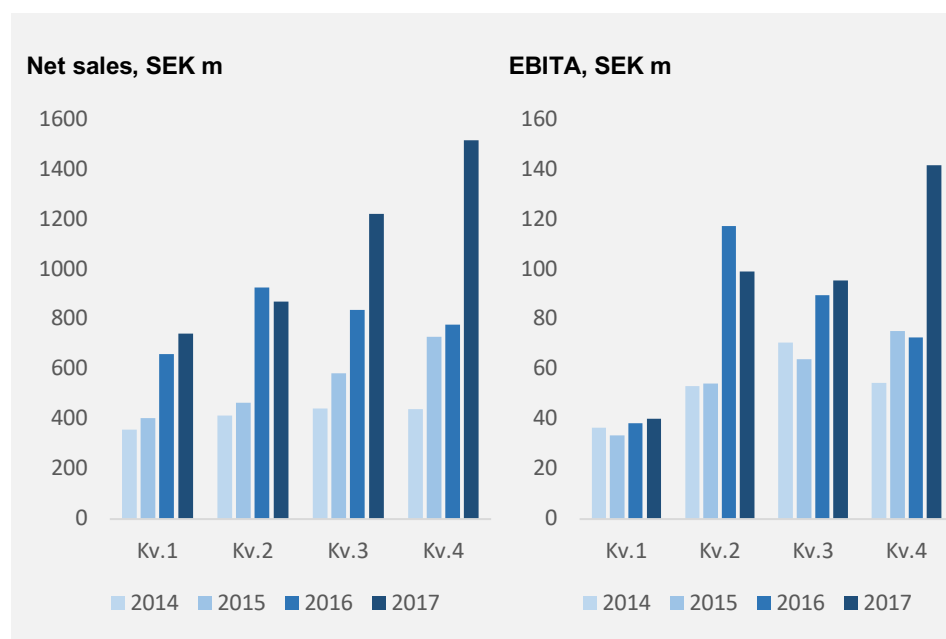
+18%
EBITA
Full-year
2017

profit after tax attributable to the Parent Company’s owners totalled SEK 92.3m (44.7). The minority share of earnings was SEK 0.2m (0.8). Earnings per common share after deduction of preference share dividends amounted to SEK 0.95 (0.43)

For the full-year 2017, net profit after tax was SEK 241.4m (200.5). Net profit after tax attributable to the Parent Company’s owners totalled SEK 239.9m (196.2). The minority share of earnings was SEK 1.5m (4.3). Earnings per common share after deduction of preference share dividends amounted to SEK 2.19 (2.07).

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 pre-Christmas sales for Akademibokhandeln and Bokus. This means that Volati’s operations, sales and earnings trends are best monitored on an LTM basis.

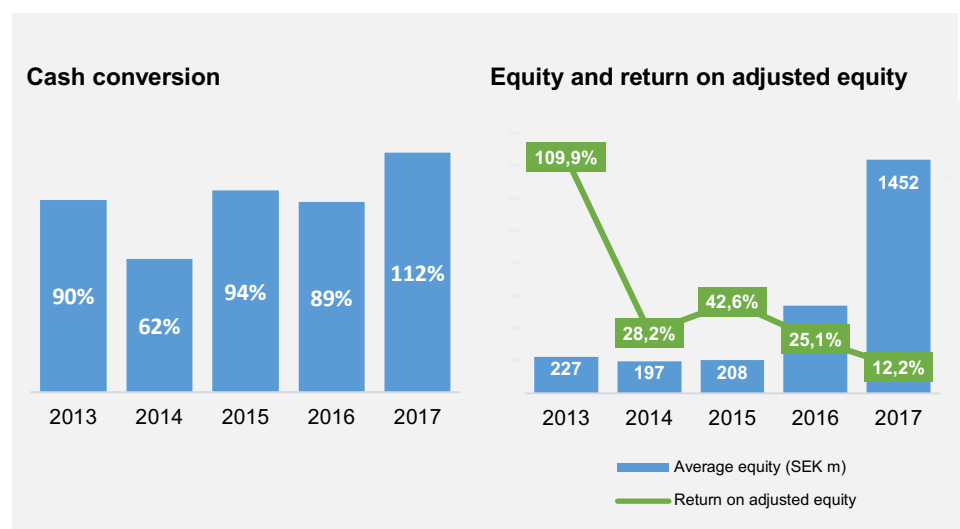


Cash flow

Cash flows from operating activities before changes in working capital amounted to SEK 134.8m (78.2) in the fourth quarter. The year-on-year increase in cash flow in the fourth quarter of 2017 was due to increased profitability and a reduction in working capital related to Akademibokhandeln’s seasonal patterns. Cash flows from operating activities before changes in working capital amounted to SEK 368.9m (295.2) in 2017. The cash conversion rate was 111.8% (89.1) for 2017. Cash flow was positively impacted in 2017 by the acquisition of Akademibokhandeln, which took place in July 2017 and by its clear seasonal effects with negative cash flow in H1 and positive cash flow in H2. Investments in non-current assets in the business units amounted to SEK 22.9m (8.7) for the quarter and SEK 57.3m (33.4) for the full-year 2017, and pertained primarily to business development investments



in the form of IT systems and ongoing investments in machinery and equipment. Investments in subsidiaries in 2017 pertained primarily to the acquisition of Akademibokhandeln and T-Emballage. Total cash inflows for the fourth quarter of 2017 amounted to SEK 362.1m (211.7) as a result of positive cash flows from operating activities and the net effect of the bond issue and the redemption of part of Akademibokhandeln's bonds outstanding. Total cash flows for the full-year 2017 were SEK 71.3m (160.5).



12%
Return on adjusted equity 2017

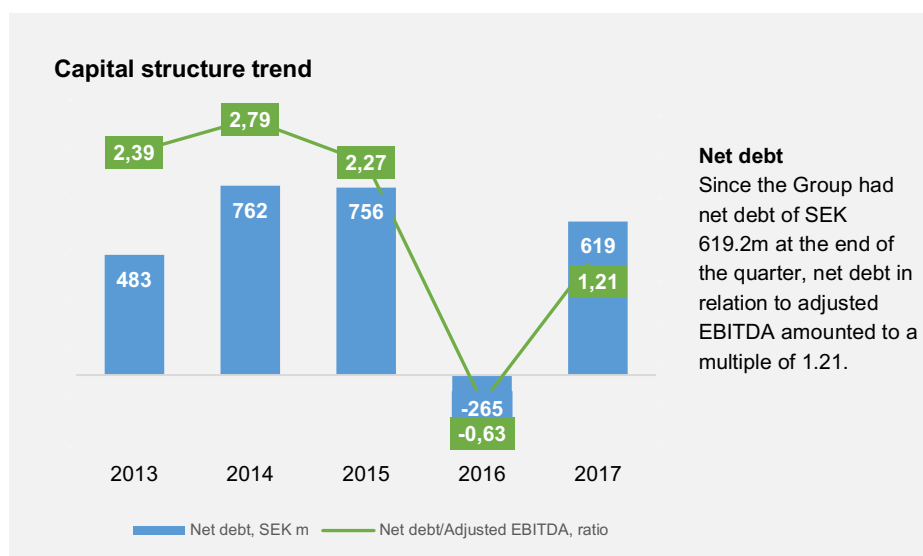
Equity

Total equity for the Group amounted to SEK 2,364.7m (2,257.5) at the end of the period. 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 1,523.6m at 31 December 2017. At 31 December 2017, the equity ratio was 47.2% compared with 69.6% at the end of 2016. During the quarter, borrowings increased as a result of the acquisitions of Akademibokhandeln, Silokonsult and T-Emballage. The return on adjusted equity for the full-year 2017 was 12.2% (25.1).

1.2x
Net debt /adjusted EBITDA 2017

Net debt

At the end of the year, the Group had net debt of SEK 619.2m compared with net cash of SEK 264.5m at 31 December 2016. The change in the debt position was attributable to the acquisitions of Akademibokhandeln, Silokonsult and T-Emballage, which took place in H2 2017. Total liabilities amounted to SEK 2,641.7m compared with SEK 985.7m at 31 December 2016. At the end of the year, interest-bearing liabilities including pension provisions were SEK 1,092.3m compared with SEK 129.4m at 31 December 2016. At the end of the year, the unutilised portion of the overdraft facility amounted to SEK 189.0m, the unutilised portion of the revolving credit facility was SEK 550.0m, and cash and cash equivalents totalled SEK 438.2m.



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 a multiple of 6.0 (Enterprise value/EBITDA).

T-Emballage

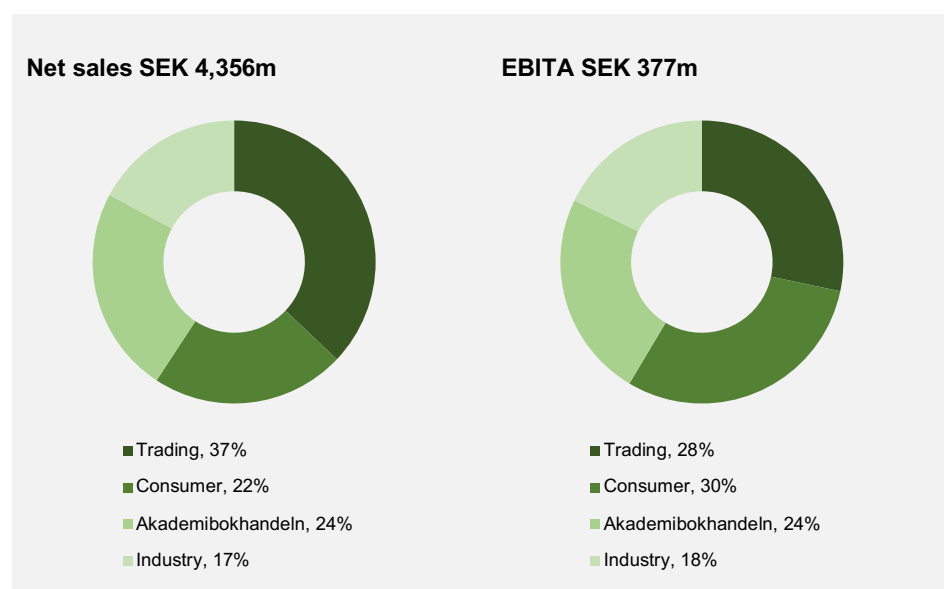
On 24 October, Volati signed an agreement to acquire the shares in T-Emballage Thureson AB and title was transferred on 10 November. T-Emballage Thureson AB develops and supplies products and solutions in three product areas: building products for builders’ merchants and house manufacturers, packaging solutions for industry and sawmills, and logistic services. T-Emballage has 70 employees and, in 2016, reported sales of SEK 584m, an EBITDA of SEK 42m and an EBITA of SEK 40m.

Volati's business areas.

Volati's 14 business units and some 50 operating companies are organised in four business areas: Trading, Consumer, Akademibokhandeln and Industry. As of the third quarter 2017, Akademibokhandeln comprises a fourth business area for the Volati Group.

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

For the full-year 2017¹



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 consists of seven business units with 16 operating companies in six countries. The business area's operations primarily offer products in hardware and construction, home and garden, packaging, and agriculture and forestry. Distribution to customers is through retailers, retail chains, e-commerce channels and direct to customers. 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, to the extent, the customer base 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.

Fourth-quarter net sales amounted to SEK 453.0m (372.3) and EBITA rose to SEK 26.5m (22.9). The acquisition of T-Emballage will be consolidated from November. Organic EBITA posted a positive trend, up 1.9%, which was an effect of slightly improved margins.

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m	453.0	372.3	1,614.6	1,492.7
Organic net sales growth, %	-1.8	4.9	-2.2	15.5
EBITDA, SEK m	29.4	24.9	135.8	131.6
EBITA, SEK m	26.5	22.9	125.4	121.3
Organic EBITA growth, %	1.9	-16.2	-3.5	-1.6
EBITA margin, %	5.8	6.2	7.8	8.1
EBIT, SEK m	24.3	21.5	118.9	115.9
ROCE excl. goodwill, %	35.2	41.1	35.2	41.1



Consumer

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

Fourth-quarter net sales amounted to SEK 240.6m (244.1) and EBITA rose to SEK 34.6m (44.7). During the quarter, the organic EBITA trend was a negative 22%, due to the weak financial trend for NaturaMed Pharma and Me&i. As previously announced, ongoing support is being provided to these businesses to improve their financial trends.

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m	240.6	244.1	965.6	932.2
Organic net sales growth, %	-0.9	3.4	0.9	3.7
EBITDA, SEK m	43.1	53.2	166.9	167.7
EBITA, SEK m	34.6	44.7	133.9	137.6
Organic EBITA growth, %	-22.0	58.9	0.9	20.0
EBITA margin, %	14.4	18.3	13.9	14.8
EBIT, SEK m	31.9	41.9	122.9	127.0
ROCE excl. goodwill, %	206.3	196.1	206.3	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.

Fourth-quarter net sales amounted to SEK 626.8m and EBITA rose to SEK 88.0m. Akademibokhandeln has significant seasonal variations, where the fourth quarter has the strongest earnings. Fourth quarter sales were in line with previous years but, as a result of the increased share of online sales, gross margins declined. Moreover, the company invested in business development projects during the year, which drove up costs. Among other things, this included the development of a streaming service for audio books which was launched in spring 2018. Since the business area was acquired in the third quarter, no comparative figures are available. The ROCE is based on EBITA since its acquisition on 1 July 2017.

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m	626.8	-	1,029.1	-
Organic net sales growth, %	-	-	-	-
EBITDA, SEK m	93.6	-	115.7	-
EBITA, SEK m	88.0	-	104.6	-
Organic EBITA growth, %	-	-	-	-
EBITA margin, %	14.0	-	10.2	-
EBIT, SEK m	80.3	-	92.8	-
ROCE excl. goodwill, %	187.0	-	187.0	-



Industry

The Industry Business Area comprises three business units with a total of 21 operating companies in 14 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.

Fourth-quarter net sales amounted to SEK 196.8m (163.3) and EBITA rose to SEK 12.7m (24.9). The organic EBITA trend was a negative 48.0% in the quarter. This was mainly an

effect of strong growth in sales at Tornum during the quarter, but due to a project comprising a higher share of products from external brands with lower margins, profitability was weaker than normal. Profitability for project-related operations varies over time depending on the degree of completion and the mix between own production and goods for resale, and accordingly, profitability should be viewed over longer time horizons.

	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m	196.8	163.3	746.9	782.2
Organic net sales growth, %	17.9	-18.4	-5.7	11.6
EBITDA, SEK m	19.5	31.7	105.9	161.0
EBITA, SEK m	12.7	24.9	79.0	135.1
Organic EBITA growth, %	-48.0	-10.0	-41.4	56.3
EBITA margin, %	6.4	15.3	10.6	17.3
EBIT, SEK m	12.3	24.6	77.4	133.8
ROCE excl. goodwill, %	46.4	79.1	46.4	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 fourth quarter, Head Office posted an EBITA of negative SEK 20.0m (neg: 19.7).

As part of developing corporate governance at Volati, the business area managers assignments have been developed with the aim of achieving clearer governance and development of the business units. In conjunction with the above, some personnel changes were implemented at the head office, which resulted in central costs incurring a nonrecurring cost of SEK 7.1m in the fourth quarter.

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 PREF respectively. At the end of the fourth quarter, the number of shareholders was 6,937.

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 2017. The share capital amounted to SEK 10.3m at 31 December 2017. In addition, Volati has issued 4,174,570 warrants to a former senior executive, which carry entitlement to subscription for 834,914 common shares.

Bond issue

On 5 December, Volati issued an unsecured bond for a nominal amount of SEK 600m. The bond has a five-year tenor and a floating interest rate of 3.5 percentage points above 3M STIBOR. The issue proceeds are being used to strengthen the company's financial flexibility and acquisition capacity, and for financing the repurchase of bonds issued by Akadembokhandeln for a total of SEK 192m. After the repurchase, the nominal amount for Akadembokhandeln's bonds outstanding is SEK 308m.

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.

2018 Annual General Meeting

Volati AB's 2018 AGM will be held at 3:30 p.m. on 16 May 2018 at Nalen, Stacken entrance, David Bagares Gata 17, Stockholm. The premises will open its doors at 3:00 p.m. Shareholders wishing to have matters considered at the AGM should submit their proposals in writing to bolagsstamma@volati.se or to Volati AB (publ), Att: CFO, Engelbrektsplan 1, 114 34 Stockholm, Sweden. To be certain that a proposal will be included in the notice of the meeting, requests must be submitted not later than 27 March 2018. Further information on how and when to provide notice to attend will be published in advance of the AGM.

Dividend

The Board proposes distribution of a dividend to holders of common shares of SEK 40.2m, corresponding to SEK 0.50 per common share and a dividend of SEK 64.2m to holders of preference shares, corresponding to SEK 40 per preference share. The preference share dividend is payable at SEK 10.00 per preference share each quarter until the 2019 Annual General Meeting.

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 fourth quarter.

Events after the close of the reporting period.

No significant events took place after the end of the reporting period.

Financial calendar

• Interim report January–March 2018.	9 May 2018
• Annual Report	End of March 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 31 December 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	6,766	97.53%
Other countries	171	2.47%
Total	6,951	100.00%

Number of shareholders

Number of shares	Number of shareholders
1–500	6,074
501–1,000	352
1,001–10,000	416
10,001–	95
Total	6,951

Shareholder structure¹⁾

Name	Number of shares		Share of	
	Common shares	Preference shares	Share capital	Votes
Karl Perlhagen	34,440,000	204,174 ²⁾	42.24%	42.77%
Patrik Wahlén	19,046,954	10,129	23.24%	23.64%
Didner & Gerge Fonder Aktiebolag	4,414,000	-	5.38%	5.48%
The Fourth Swedish National Pension Fund (AP4)	4,056,490	-	4.95%	5.03%
Handelsbanken Fonder	3,349,180	-	4.08%	4.16%
Mårten Andersson	2,511,532	1,887	3.06%	3.12%
Mattias Björk	2,181,705	1,887	2.66%	2.71%
SEB Investment Management	1,752,536	-	2.14%	2.18%
Mats Andersson	668,111	-	0.81%	0.83%
Danske Capital Sverige AB	655,951	-	0.80%	0.81%
Catella Fondförvaltning	531,822	-	0.65%	0.66%
Försäkringsaktiebolaget Avanza Pension	467,308	151,796	0.75%	0.60%
SEB Life International	400,000	-	0.49%	0.50%
AMF Försäkring och Fonder	346,000	-	0.42%	0.43%
SEB S.A. Client Assets UCITS	326,000	84,955	0.50%	0.42%
Total, 15 largest shareholders	75,147,589	454,828	92.17%	93.34%
Other shareholders	5,258,982	1,148,946	7.83%	6.66%
Total	80,406,571	1,603,774	100.00%	100.00%

1) The shareholder structure is based on information from Euroclear Sweden as of 31 December 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, 22 February 2018

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

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., 22 February 2018.

For more information, please contact:

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

Financial statements.

Consolidated income statement

SEK m	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Operating revenue				
Net sales	1,517.2	779.5	4,356.1	3,206.5
Operating costs				
Raw materials and supplies	-824.2	-350.6	-2,228.1	-1,526.0
Other external costs	-214.0	-132.0	-683.9	-515.8
Personnel costs	-314.3	-200.9	-983.2	-771.0
Other operating revenue	2.8	-1.9	7.4	3.7
Other operating costs	-1.9	-3.9	-9.4	-11.9
EBITDA	165.7	90.2	458.9	385.4
Depreciation	-24.0	-17.4	-82.3	-67.0
EBITA	141.7	72.8	376.5	318.4
Acquisition-related amortisations and write-downs	-13.2	-4.5	-31.2	-17.4
EBIT	128.6	68.3	345.3	301.0
Financial income and costs				
Financial income	2.1	3.4	8.5	19.0
Financial costs	-20.3	-16.5	-48.8	-66.3
Profit before tax	110.4	55.2	304.9	253.8
Tax	-17.8	-9.8	-63.5	-53.3
Net profit	92.5	45.5	241.4	200.5
Attributable to:				
Parent Company's owners	92.3	44.7	239.9	196.2
Non-controlling interests	0.2	0.8	1.5	4.3
Earnings per common share, SEK	0.95	0.43	2.19	2.07
Earnings per common share after dilution, SEK	0.94	0.43	2.17	2.06
No. of common shares	80,406,571	80,406,571	80,406,571	80,406,571
No. of common shares after full dilution	81,241,485	81,241,485	81,241,485	81,241,485
Avg. No. of common shares	80,406,571	66,574,112	80,406,571	63,753,873
Avg. No. of common shares after dilution	80,838,878	67,064,906	80,838,878	64,197,604
No. of preference shares	1,603,774	1,603,774	1,603,774	1,603,774
Preference share dividend, SEK	10.00	10.00	40.00	40.00

Consolidated statement of comprehensive income

SEK m	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net profit	92.5	45.5	241.4	200.5
Other comprehensive income				
Remeasurement of net pension obligations	-0.4	-0.7	-0.4	-0.7
Deferred tax pertaining to net pension obligations	0.1	0.2	0.1	0.2
Translation differences for the period	-4.3	-0.6	-19.3	49.1
Other comprehensive income for the period	-4.6	-1.1	-19.6	48.5
Total comprehensive income for the period				
Total comprehensive income for the period attributable to:	87.9	44.3	221.8	249.0
Parent Company's owners	87.9	43.9	220.8	244.0
Non-controlling interests	0.0	0.4	1.0	5.0

Key figures²

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m	1,517.2	779.5	4,356.1	3,206.5
Net sales growth, %	94.6	6.6	35.9	46.6
Organic growth in net sales, %	2.6	-1.8	-2.3	9.7
EBITDA, SEK m	165.7	90.2	458.9	385.4
Adjusted EBITDA, SEK m	181.4	100.8	511.2	420.9
EBITA, SEK m	141.7	72.8	376.5	318.4
EBITA margin, %	9.3	9.3	8.6	9.9
EBITA growth, %	94.6	-3.5	18.3	40.1
Adjusted EBITA, SEK m	157.1	83.4	415.0	352.4
EBITA excl. central costs and items affecting comparability, SEK m	161.7	92.5	442.9	394.0
Organic EBITA growth, %	-29.9	12.4	-18.1	28.1
EBIT, SEK m	128.6	68.3	345.3	301.0
Earnings per common share before dilution, SEK ¹⁾	0.95	0.43	2.19	2.07
Earnings per common share after dilution, SEK ¹⁾	0.94	0.43	2.17	2.06
Equity per common share, SEK	19.11	17.78	19.11	17.78
Return on equity, %	10.6	14.6	10.6	14.6
Return on adjusted equity, %	12.2	25.1	12.2	25.1
Equity ratio, %	47.2	69.6	47.2	69.6
Cash conversion LTM, %	111.8	89.1	111.8	89.1
Adjusted cash conversion LTM, %	116.3	90.9	116.3	90.9
Operating cash flow, SEK m	364.0	139.3	513.2	343.5
Adjusted operating cash flow, SEK m	364.7	140.0	533.6	350.4
Net debt/EBITDA, ratio	1.2	-0.6	1.2	-0.6
No. of employees	1,871	1,164	1,871	1,164
No. of common shares outstanding	80,406,571	80,406,571	80,406,571	80,406,571
No. of common shares outstanding after dilution	81,241,485	81,241,485	81,241,485	81,241,485
Weighted Avg. No. of common shares outstanding	80,406,571	66,574,112	80,406,571	63,753,873
Weighted Avg. No. of common shares outstanding after dilution	80,838,878	67,064,906	80,838,878	64,197,604
No. of preference shares outstanding	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	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Operating revenue										
Net sales	1,517.2	1,223.8	871.5	743.6	779.5	839.1	926.5	661.3	731.4	584.2
Operating costs										
Raw materials and supplies	-824.2	-651.1	-408.8	-344.1	-350.6	-414.7	-450.8	-309.9	-353.8	-282.2
Other external costs	-214.0	-202.6	-130.2	-137.2	-132.0	-129.3	-135.4	-119.2	-105.6	-99.5
Personnel costs	-314.3	-252.6	-214.2	-202.1	-200.9	-188.6	-208.2	-173.3	-176.9	-136.8
Other operating revenue	2.8	3.1	0.7	0.8	-1.9	2.3	2.7	0.7	1.7	10.8
Other operating costs	-1.9	-1.7	-2.1	-3.7	-3.9	-2.0	-0.1	-6.0	-2.1	-1.1
EBITDA	165.7	118.9	116.9	57.3	90.2	106.9	134.8	53.5	94.7	75.5
Depreciation	-24.0	-23.3	-17.7	-17.2	-17.4	-17.1	-17.4	-15.1	-19.3	-11.4
EBITA	141.7	95.6	99.2	40.1	72.8	89.8	117.4	38.4	75.4	64.0
Acquisition-related amortisations and write-downs	-13.2	-8.9	-4.7	-4.5	-4.5	-4.6	-4.5	-3.9	-3.8	-3.4
EBIT	128.6	86.7	94.5	35.5	68.3	85.2	112.9	34.5	71.6	60.7
Financial income and costs										
Financial income	2.1	1.2	1.8	3.3	3.4	4.8	6.5	4.2	3.9	6.3
Financial costs	-20.3	-15.8	-6.6	-6.2	-16.5	-18.3	-16.8	-14.6	-19.8	-18.4
Profit before tax	110.4	72.2	89.7	32.7	55.2	71.8	102.6	24.1	55.7	48.6
Tax	-17.8	-19.3	-21.3	-5.0	-9.8	-20.5	-16.3	-6.8	-10.9	-9.0
Net profit	92.5	52.9	68.4	27.6	45.5	51.3	86.4	17.4	44.8	39.6
Attributable to:										
Parent Company's owners	92.3	52.3	67.6	27.7	44.7	49.5	84.6	17.5	35.4	33.2
Non-controlling interests	0.2	0.6	0.8	-0.1	0.8	1.8	1.8	-0.1	9.4	6.4

Business areas — quarterly

Net sales, SEK m	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Trading	453.0	394.3	427.9	339.4	372.3	405.5	419.1	295.8	324.7	215.1
Industry	196.8	204.8	190.1	155.1	163.3	214.5	254.9	149.5	197.2	187.0
Akademibokhandeln	626.8	402.3	-	-	-	-	-	-	-	-
Consumer	240.6	222.4	253.5	249.1	244.1	219.2	252.5	216.4	209.5	182.1
Internal eliminations	0.0	0.0	0.0	0.0	-0.2	0.0	0.0	-0.5	0.0	0.0
Total net sales	1,517.2	1,223.8	871.5	743.6	779.5	839.1	926.5	661.3	731.4	584.2
EBITDA, SEK m										
Trading	29.4	44.6	45.4	16.4	24.9	40.4	51.0	15.4	29.8	21.4
Industry	19.5	37.5	30.5	18.5	31.7	53.9	54.1	21.3	37.1	34.1
Akademibokhandeln	93.6	22.1	-	-	-	-	-	-	-	-
Consumer	43.1	33.3	54.7	35.9	53.2	34.3	49.7	30.5	35.8	22.1
Items affecting comparability	-7.1	0.5	0.9	-2.9	-10.6	-12.1	-7.2	-3.9	-0.1	8.5
Central costs	-12.7	-19.1	-14.5	-10.6	-8.9	-9.7	-12.7	-9.7	-7.9	-10.7
Total EBITDA	165.7	118.9	116.9	57.3	90.2	106.9	134.8	53.5	94.7	75.5
EBITA, SEK m										
Trading	26.5	42.0	43.0	13.9	22.9	37.5	48.1	12.8	27.0	19.6
Industry	12.7	30.8	23.6	11.9	24.9	47.5	47.7	15.0	27.4	29.2
Akademibokhandeln	88.0	16.6	-	-	-	-	-	-	-	-
Consumer	34.6	24.9	46.3	28.0	44.7	26.7	41.7	24.5	29.8	17.5
Items affecting comparability	-7.1	0.5	0.9	-2.9	-10.6	-12.1	-7.2	-3.9	-0.1	8.5
Central costs	-12.9	-19.4	-14.7	-10.8	-9.1	-9.8	-12.9	-9.9	-8.6	-10.8
Total EBITA	141.7	95.6	99.2	40.1	72.8	89.8	117.4	38.4	75.4	64.0

Consolidated statement of financial position

SEK m	31 Dec 2017	31 Dec 2016
ASSETS		
Non-current assets		
Intangible assets	2,933.8	1,840.3
Tangible fixed assets	240.7	191.0
Financial fixed assets	10.0	7.9
Deferred tax assets	58.6	42.1
Total non-current assets	3,243.1	2,081.2
Current assets		
Inventories	609.9	386.7
Accounts receivable	454.9	301.7
Tax assets	57.7	10.4
Other current assets	48.5	18.1
Derivatives	0.1	-
Prepaid expenses and accrued income	154.0	74.4
Cash and cash equivalents	438.2	370.7
Total current assets	1,763.3	1,162.0
Total assets	5,006.4	3,243.2
EQUITY AND LIABILITIES		
Equity		
Share capital	10.3	10.3
Other capital contributions	1,994.8	1,994.8
Other reserves	15.6	34.4
Retained earnings including net profit	331.0	200.3
Non-controlling interests	13.0	17.7
Total equity	2,364.7	2,257.5
Liabilities		
Non-current interest-bearing liabilities	984.1	54.0
Non-current non-interest-bearing liabilities	98.1	80.0
Pension provisions	2.0	2.5
Contingent liabilities	6.0	6.4
Deferred tax liabilities	267.6	123.7
Total non-current liabilities	1,357.7	266.6
Current interest-bearing liabilities	106.3	73.0
Deferred income	64.5	56.3
Accounts payable	606.9	267.4
Tax liabilities	74.7	34.6
Derivatives	0.1	-
Accrued expenses and deferred income	264.6	176.3
Other current liabilities	167.0	111.6
Total current liabilities	1,284.0	719.1
Total liabilities	2,641.7	985.7
Total equity and liabilities	5,006.4	3,243.2

Consolidated cash-flow statement

SEK m	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Operating activities				
Profit after financial items	110.4	55.2	304.9	253.8
Adjustments for non-cash items, etc.	52.0	39.8	145.6	121.6
Interest paid	-10.3	-13.1	-21.1	-39.2
Interest received	0.5	-0.1	1.3	0.5
Income tax paid	-17.8	-3.6	-61.7	-41.5
Cash flows from operating activities before changes in working capital	<i>134.8</i>	<i>78.2</i>	<i>368.9</i>	<i>295.2</i>
Cash flows from changes in working capital				
Change in inventories	41.8	15.1	-18.1	-28.8
Change in operating receivables	82.9	73.5	-32.2	-1.1
Change in operating liabilities	81.8	-31.2	156.1	20.0
Cash flows from changes in working capital	206.5	57.4	105.9	-10.0
Cash flows from operating activities	<i>341.3</i>	<i>135.6</i>	<i>474.8</i>	<i>285.2</i>
Investing activities				
Investments in tangible and intangible assets	-22.9	-8.7	-57.3	-33.4
Divested tangible and intangible assets	2.1	0.3	5.7	1.4
Divestments of subsidiaries	-	-	1.2	-
Investments in subsidiaries	-290.6	-125.3	-553.1	-261.4
Investments in financial assets	-	-	-	-0.2
Divested financial assets	-	-	-	10.0
Cash flow from investing activities	<i>-311.4</i>	<i>-133.6</i>	<i>-603.5</i>	<i>-283.6</i>
Financing activities				
Dividend paid on preference share	-16.0	-16.0	-64.2	-64.2
Dividend paid on common share	-	-	-41.0	-24.5
New share issue	-	1,175.8	-0.9	1,176.8
Redemption of pension liability	-24.3	-	-24.3	-
Shareholders' contributions	-	23.8	-	24.3
Change in borrowings	372.5	-973.8	330.3	-953.5
Cash flow from financing activities	332.2	209.7	200.0	158.9
Cash flow for the period	362.1	211.7	71.3	160.5
Opening cash and cash equivalents	76.4	160.4	370.7	200.4
Exchange-rate differences in cash and cash equivalents	-0.3	-1.4	-3.8	9.8
Closing cash and cash equivalents	438.3	370.7	438.2	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	-	-	-	239.9	1.5	241.4
Other comprehensive income	-	-	-18.9	-0.3	-0.4	-19.6
Comprehensive income for the period	-	-	-18.9	239.6	1.1	221.8
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	-	-	-	-2.1	-5.7	-7.8
Closing balance 31 Dec 2017	10.3	1,994.8	15.6	331.0	13.0	2,364.7

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 ¹⁾	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 1–16 of this report comprise an integrated part of the interim report.

New accounting policies for 2018 and 2019

From 1 January 2018, IFRS 15 — *Revenue from Contracts with Customers* and IFRS 9 — *Financial Instruments* enter force. A project was conducted in 2017 to analyse the new policies' effects on the Group. The project progressed as planned and was completed in the last quarter of 2017.

IFRS 15 — Revenue from Contracts with Customers The new standard entails that 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. Volati has applied the transition to IFRS 15 with a forward-looking approach and can state that the new standard will not have any impact on the consolidated financial statements other than the expanded disclosure requirements in IFRS 15. Analysis and follow-up is based on the five-step model and, where potential differences have been identified, deeper analysis has been conducted. The final assessment is that the implementation of IFRS will not have any material impact on the Group's financial position.

IFRS 9 — Financial Instruments The main impact pertains to a partially new process for credit losses which is based on expected credit losses rather than on incurred credit losses. Volati has applied the transition with a forward-looking approach and can state that the new standard will not have any material impact on the consolidated financial statements. As of 31 December 2017, the effect from the application of IFRS 9 on the consolidated financial statements was SEK 0.5m, which will be seen as an equity item, effect of changed accounting standard, in the first interim report for 2018.

From 2019, IFRS 16 — *Leases* requires all assets and liabilities attributable to leasing agreements, with a few exceptions, to be recognised in the balance sheet. This report is based on the approach that the lessee is entitled to use an asset during a specific period of time while simultaneously being liable to pay for this right. IFRS 16 replaces IAS 17 *Leases* and the associated interpretations, IFRIC 4, SIC 15 and SIC 27. The standard is applicable for financial years commencing on 1 January 2019 or later, the company will not use early adoption. The standard has been adopted by the EU. The standard will mainly affect the reporting of the Group's operating leases.

The implementation of the new leasing standard (IFRS 16 — *Leases*) will entail the majority of the Group's leases being brought on-balance-sheet, since no differential will be made between operating and finance leases. Volati AB's covenants are calculated in accordance with the existing accounting policies and, accordingly, IFRS 16 has no impact on these covenants.

To illustrate the impact on the Group's financial position and earnings, if the Group's operating leases, which primarily pertain to premises rental agreements for the Group's businesses, had been recognised as assets and liabilities in the balance sheet — a calculation has been made based on the following preconditions. The calculation is an estimate which could deviate from the results of full implementation of IFRS 16 and, accordingly, is only for indicative purposes with regard to the new standard's impact on the Group's earnings and financial position.

The following assumptions have been made:

- The remaining contract period and the current rent levels have been applied;

- extension options have not been taken into account;
- a discount rate of 4% has been used for all agreements, which is deemed to correspond to the marginal interest rate;
- any non-leasing components have not been extracted;
- the simplified approach has been used, whereby only future lease payments from initial recognition are considered; and
- to obtain pro forma full-year effects, Akademibokhandeln's lease agreements for the full-year 2017 were included in the calculation.

Based on the above preconditions, a positive impact on pro forma EBITDA for the 2017 financial year would arise of SEK 223m, and a positive impact on pro forma EBITA would arise of SEK 10m since lease costs would be replaced by depreciation and interest expenses. The effect on net earnings would amount to negative SEK 13m. Viewed over the total term of a lease commitment, net profit after tax is not impacted by the introduction of IFRS 16. However, individual years can be positively or negatively impacted. 2017 would be negatively impacted since Volati is using the forward-looking method with higher financial costs as result of the higher initial debt. Over time, the debt and thus the financial costs will decline and net profit after tax will as a consequence be impacted positively. Furthermore, pro forma total assets would initially increase by SEK 634m due to the recognition of a right-of-use and a corresponding lease liability.

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 fourth quarter, Volati comprised 14 business units, organised into four business areas: Trading, Industry, Akademibokhandeln and Consumer.

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK m				
Trading	453.0	372.3	1,614.6	1,492.7
Industry	196.8	163.3	746.9	782.2
Akademibokhandeln	626.8	-	1,029.1	-
Consumer	240.6	244.1	965.6	932.2
Internal eliminations	0.0	-0.2	-0.1	-0.7
Total net sales	1,517.2	779.5	4,356.1	3,206.5

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
EBITDA, SEK m				
Trading	29.4	24.9	135.8	131.6
Industry	19.5	31.7	105.9	161.0
Akademibokhandeln	93.6	-	115.7	-
Consumer	43.1	53.2	166.9	167.7
Items affecting comparability	-7.1	-10.6	-8.6	-33.8
Central costs	-12.7	-8.9	-56.9	-41.1
Total EBITDA	165.7	90.2	458.9	385.4

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
EBITA, SEK m				
Trading	26.5	22.9	125.4	121.3
Industry	12.7	24.9	79.0	135.1
Akademibokhandeln	88.0	-	104.6	-
Consumer	34.6	44.7	133.9	137.6
Items affecting comparability	-7.1	-10.6	-8.6	-33.8
Central costs	-12.9	-9.1	-57.7	-41.8

Total EBITA	141.7	72.8	376.5	318.4
Acquisition-related amortisations and write-downs	-13.2	-4.5	-31.2	-17.4
Net financial items	-18.2	-13.1	-40.4	-47.2
Profit before tax	110.4	55.2	304.9	253.8

EBIT, SEK m	Oct–Dec	Oct–Dec	Full-year	Full-year
	2017	2016	2017	2016
Trading	24.3	21.5	118.9	115.9
Industry	12.3	24.6	77.4	133.8
Akademibokhandeln	80.3	-	92.8	-
Consumer	31.9	41.9	122.9	127.0
Items affecting comparability	-7.1	-10.6	-8.6	-33.8
Central costs	-13.1	-9.2	-58.2	-42.0
Total EBIT	128.6	68.3	345.3	301.0

Note 4 Business and company acquisitions

In the January to December 2017 period, Volati acquired three companies: Akademibokhandeln Holding AB, Silokonsult Göran Persson AB and T-Emballage Thureson AB. Furthermore, a smaller holding company was acquired for SEK 5.0m.

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 and an EBITDA of SEK 125m.

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.

T-Emballage Thureson AB was acquired on 10 November 2017 and comprises one business unit in the Trading Business Area. 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 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 EBITA of SEK 40m. Volati’s holding is 94% of the shares in Volati Emballage AB, which is the Parent Company of T-Emballage Thureson AB, and the remaining shares are held by the company’s CEO and deputy CEO.

Balance sheet impact of acquisitions, SEK m	Akademibokhandeln	T-Emballage	Other acquisitions	31 Dec 2017	
Intangible assets	868.5	81.5	-	950.0	
Tangible fixed assets	39.0	12.6	-	51.6	
Financial assets	-	2.3	-	2.3	
Deferred tax assets	13.7	3.5	11.1	28.3	
Inventories	153.7	55.2	-	208.9	
Accounts receivable	19.2	132.2	0.8	152.2	
Other receivables	98.2	14.8	11.5	124.5	
Cash and cash equivalents	6.2	44.4	25.7	76.3	
Deferred tax liabilities	-109.9	-29.8	-3.8	-143.6	
Pension liability	-	-24.3	-	-24.3	
Other provisions	-	-	-1.6	-1.6	
Non-controlling interests	-	-	5.7	5.7	
Non-current interest-bearing liabilities	-582.9	-3.4	-	-586.3	
Current interest-bearing liabilities	-3.4	-2.0	-	-5.4	
Current liabilities	-253.8	-129.9	-4.2	-387.8	
	Total	248.5	157.0	45.2	450.8
Goodwill	15.1	173.5	10.5	199.1	
Acquisition value	263.7	330.5	55.7	649.9	
Non-cash issue	-12.5	-	-	-12.5	
Transactions with owners	-	-	2.3	2.3	
Bargain purchases	-	-	-6.6	-6.6	
Paid earn-outs	-	-	3.1	3.1	
Unpaid earn-outs	-	-	-6.9	-6.9	
Cash and cash equivalents in acquired operations on acquisition date	-6.2	-44.4	-25.7	-76.3	
Impact on consolidated cash and cash equivalents	245.0	286.1	22.0	553.1	

Income statement impact of acquisitions, SEK m	Net sales		EBITDA		EBITA		EBIT	
	Oct–Dec 2017	Full-year 2017	Oct–Dec 2017	Full-year 2017	Oct–Dec 2017	Full-year 2017	Oct–Dec 2017	Full-year 2017
Akademibokhandeln	626.8	1,029.1	93.6	115.8	88.0	104.6	80.3	92.8
T-Emballage	99.0	99.0	6.8	6.8	6.2	6.2	5.4	5.4
Other acquisitions	2.1	5.0	-0.3	-0.1	-0.3	-0.1	-0.3	-0.1
Volati Group	727.9	1,133.0	100.2	122.5	93.9	110.7	85.4	98.1

The acquired companies' contributed SEK 727.9m to Group sales for the quarter and SEK 1,133.0m for the full-year 2017, an EBITDA of SEK 100.2m for the quarter and SEK 122.5m for the full year, an EBITA of SEK 93.9m for the quarter and SEK 110.7m for the full year, and an operating profit of SEK 85.4m for the quarter and SEK 98.1m for the full year. In addition, SEK 12.8m was charged to consolidated earnings and SEK 1.0m was charged to equity in respect of transaction costs for the acquisitions. After excluding the transaction costs for the January to December 2017 period, if the acquisitions had been consolidated as of 1 January 2017, their contribution to the consolidated income statement for the January to December 2017 period would have been: sales of SEK 2,423.8m; an EBITDA of SEK 164.4m; an EBITA of SEK 138.7m and an operating profit of SEK 110.2m. Earnings for the January–June period were positively impacted by refunds from pension companies of SEK 12.5m. Goodwill corresponding to SEK 199.1m 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.

In the fourth quarter, the acquisition analysis for Akademibokhandeln was updated, whereupon a portion of goodwill was allocated and identified as an intangible asset in the form of customer relations.

During the year, 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.

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
Organic growth in net sales	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.
Adjusted net sales	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.
EBITDA	Earnings before interest, tax, amortisation, depreciation and impairment.	Together with EBITA, EBITDA provides an image of the profit generated by operating activities.
Adjusted EBITDA	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.
EBITA	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.
Adjusted EBITA	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.
EBITA excl. items affecting comparability	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.
EBITA excl. central costs and items affecting comparability	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.
Organic EBITA growth	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
Return on equity	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.
Return on adjusted equity	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.
Return on capital employed (ROCE)	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.
Return on capital employed including goodwill (ROCE incl. GW)	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.
Equity ratio	Equity (including share attributable to non-controlling interests) as a percentage of total assets.	The key metric can be used to assess financial risk.
Cash conversion	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.
Adjusted cash conversion	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.
Operating cash flow	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.
Adjusted operating cash flow	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.
Net debt/adjusted EBITDA	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.

	Oct– Dec 2017	Oct– Dec 2016	Full- year 2017	Full- year 2016
Calculation of organic growth in net sales				
Net sales	1,517.2	779.5	4,356.1	3,206.5
Acquired/divested net sales	-723.7	-48.0	-1,210.7	-817.5
Currency effects	6.5	-13.3	-13.6	11.4
Comparative figures for preceding years	799.9	718.2	3,131.7	2,400.4
Organic growth in net sales, %	2.6	-1.8	-2.3	9.7
EBITA excl. central costs and items affecting comparability				
EBITA	141.7	72.8	376.5	318.4
Adjustments for items affecting comparability	7.1	10.6	8.6	33.8
EBITA excl. items affecting comparability	148.8	83.4	385.2	352.2
Adjustment for central costs	12.9	9.1	57.7	41.8
EBITA excl. central costs and items affecting comparability	161.7	92.5	442.9	394.0
Adjusted net sales				
Net sales L12M	4,356.1	3,206.5	4,356.1	3,206.5
Acquired companies	1,290.8	81.6	1,290.8	81.6
Adjusted net sales	5,646.8	3,288.0	5,646.8	3,288.0
Adjusted EBITA and EBITDA				
EBITDA	165.7	90.2	458.9	385.4
Acquired companies	5.9	-	41.9	0.2
Restructuring costs	-	-0.3	-	6.9
Integration costs	-	-	-	3.4
Transaction costs	1.1	-	14.3	1.5
Listing costs, common share	-	5.9	0.3	9.9
One-off remuneration	8.6	0.7	-5.4	5.4
Earn-out revaluation	-	4.2	1.3	8.2
Adjusted EBITDA	181.4	100.8	511.2	420.9
Depreciation	-24.0	-17.4	-82.3	-67.0
Acquired companies depreciation	-0.3	-	-13.9	-1.5
Adjusted EBITA	157.1	83.4	415.0	352.4
Calculation of organic growth in EBITA				
EBITA	141.7	72.8	376.5	318.4
Adjustments for items affecting comparability	7.1	10.6	8.6	33.8
Adjustment for central costs	12.9	9.1	57.7	41.8
EBITA excl. central costs and items affecting comparability	161.7	92.5	442.9	394.0
Total acquired/divested EBITA	-97.7	2.7	-119.5	-70.6
Currency effects	0.8	-0.7	-0.6	0.8
Comparative figures for preceding years	64.8	94.6	322.7	324.3
Organic growth in EBITA, %	-29.9	12.4	-18.1	28.1

	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
<u>Earnings per common share before dilution</u>				
Net profit attributable to Parent Company's owners	92.3	44.7	239.9	196.2
Deduction for preference share dividend	16.0	16.0	64.2	64.2
Net profit attributable to Parent Company's owners, adjusted for preference dividend	76.3	28.6	175.8	132.1
Avg. No. of common shares	80,406,571	66,574,112	80,406,571	63,753,873
Earnings per common share, SEK	0.95	0.43	2.19	2.07
<u>Earnings per common share after dilution</u>				
Net profit attributable to Parent Company's owners, adjusted for preference share dividend	76.3	28.6	175.8	132.1
Avg. No. of common shares after dilution	80,838,878	67,064,906	80,838,878	64,197,604
Earnings per common share after dilution, SEK	0.94	0.43	2.17	2.06
<u>Equity per common share</u>				
Closing equity including share attributable to non-controlling interests	2,364.7	2,257.5	2,364.7	2,257.5
Preference share capital	828.1	828.1	828.1	828.1
Closing equity including share attributable to non-controlling interests after adjustment of preference share capital	1,536.6	1,429.4	1,536.6	1,429.4
No. of common shares at the end of the period	80,406,571	80,406,571	80,406,571	80,406,571
Equity per common share, SEK	19.11	17.78	19.11	17.78
<u>Calculation of return on equity</u>				
(A) Net profit, LTM, including non-controlling interests	241.4	200.5	241.4	200.5
Adjustment for preference share dividends, including accrued but as yet unpaid dividends	-64.2	-64.2	-64.2	-64.2
(B) Net profit, adjusted	177.3	136.3	177.3	136.3
(C) Average total equity	2,280.6	1,371.8	2,280.6	1,371.8
(D) Average adjusted equity	1,452.5	543.7	1,452.5	543.7
(A/C) Return on total equity, %	10.6	14.6	10.6	14.6
(B/D) Return on adjusted equity, %	12.2	25.1	12.2	25.1
<u>Calculation of equity ratio</u>				
Equity including share attributable to non-controlling interests	2,364.7	2,257.5	2,364.7	2,257.5
Total assets	5,006.4	3,243.2	5,006.4	3,243.2
Equity ratio, %	47.2	69.6	47.2	69.6

Calculation of operating cash flow and cash conversion, %	Oct– Dec 2017	Oct– Dec 2016	Full- year 2017	Full- year 2016
(A) EBITDA	165.7	90.2	458.9	385.4
Change in working capital	206.5	57.4	105.9	-10.0
Net investments in tangible and intangible fixed assets	-8.3	-8.3	-51.6	-32.0
(B) Operating cash flow	364.0	139.3	513.2	343.5
Adjustment for net investments relating to Besikta				
Bilprovning's IT system	0.7	0.7	2.4	6.9
Adjustment for issue costs	-	-	18.0	-
(C) Adjusted operating cash flow	364.7	140.0	533.6	350.4
(B/A) Cash conversion, %	219.6	154.4	111.8	89.1
(C/A) Adjusted cash conversion, %	220.0	155.2	116.3	90.9

Calculation of Net debt/Adjusted EBITDA, ratio

	Oct– Dec 2017	Oct– Dec 2016	Full- year 2017	Full- year 2016
Net debt				
Cash and cash equivalents	-438.2	-370.7	-438.2	-370.7
Unrealised derivative contract assets	-0.1	-	-0.1	-
Pension provisions	2.0	2.5	2.0	2.5
Non-current interest-bearing liabilities	981.7	54.0	981.7	54.0
Current interest-bearing liabilities	108.6	73.0	108.6	73.0
Unrealised derivative contracts liabilities	0.1	-	0.1	-
Accrued interest expenses	2.3	-	2.3	-
Pension assets	-1.5	-1.4	-1.5	-1.5
Adjustment for nominal value of bond liability	-12.3	-	-12.3	-
Adjustment for shareholder loans	-23.4	-21.7	-23.4	-21.7
Net debt	619.2	-264.5	619.2	-264.5
Adjusted EBITDA	511.2	420.9	511.2	420.9
Net debt/adjusted EBITDA, ratio	1.2	-0.6	1.2	-0.6

ROCE %, as per 31 December 2017	Trading	Industry	Akademi- bok- handeln	Consumer	Central costs	Volati Group
1) EBITA LTM	125.4	79.0	104.6	133.9	-57.7	385.2
<i>Capital employed at 31 December 2017</i>						
Intangible assets	935.6	548.0	879.0	856.6		2,933.8
Adjustment for goodwill, patent/technology, brands	-933.1	-527.3	-813.7	-783.2		-2,771.5
Tangible fixed assets	59.7	81.8	43.0	38.9		240.7
Inventories	315.1	77.3	188.9	28.6		609.9
Accounts receivable	289.8	98.8	24.0	42.4		454.9
Other current assets	7.4	6.3	31.9	2.6		48.5
Prepaid expenses and accrued income	34.7	48.9	50.5	18.0		154.0
Deferred income	-1.7	-45.5	-0.3	-17.0		-64.5
Accounts payable	-216.9	-55.1	-279.6	-51.1		-606.9
Accrued expenses and deferred income	-82.8	-44.4	-67.4	-52.5		-263.85
Other current liabilities	-31.2	-11.6	-56.9	-27.4		-167.0
Adjustment for non-working-capital-related current liabilities						10.0
Adjusted for preference share dividend						32.1
Adjusted for accrued nonrecurring costs						7.1
Capital employed at 31 December 2017	376.5	177.1	-0.7	55.8		616.4

Adjustment for LTM average capital employed

	-19.8	-7.0	56.7	9.1	-12.2
--	-------	------	------	-----	-------

2) LTM average capital employed

	356.8	170.2	55.9	64.9	628.6
--	-------	-------	------	------	-------

ROCE 1)/2), %

	35.2	46.4	187.0	206.3	61.3
--	------	------	-------	-------	------

**3) LTM average capital employed
incl. goodwill and other intangible assets
with an indefinite useful life**

	1,032.5	392.7	751.3	822.9	2,643.1
--	---------	-------	-------	-------	---------

ROCE incl. goodwill 1)/3), %

	12.1	20.1	13.9	16.3	14.6
--	------	------	------	------	------

ROCE %, as per 31 December 2016	Trading	Industry	Consumer	Central costs	Volati Group
1) EBITA LTM	121.3	135.1	137.6	-41.8	352.2
Capital employed at 30 September 2016					
Intangible assets	695.0	540.3	890.2		1,840.3
Adjustment for goodwill, patent/technology, brands	-693.3	-512.2	-805.0		-1,724.7
Tangible fixed assets	44.8	75.8	50.4		191.0
Inventories	269.3	91.6	25.8		386.7
Accounts receivable	185.5	81.0	35.4		301.7
Other current assets	1.2	11.2	3.0		18.1
Prepaid expenses and accrued income	30.8	22.5	18.8		74.4
Adjustment for non-working-capital-related current assets					-0.9
Deferred income	-0.5	-33.3	-22.4		-56.3
Accounts payable	-150.2	-43.9	-51.2		-267.4
Accrued expenses and deferred income	-64.0	-40.6	-54.4		-176.3
Other current liabilities	-23.9	-10.8	-31.5		-111.6
Adjustment for non-working-capital-related current liabilities			1.8		12.8
Adjusted for preference share dividend					32.1
Adjusted for issue costs					18.0
Capital employed at 31 December 2016	294.6	181.7	61.0		538.0
Adjustment for LTM average capital employed	0.3	-10.9	9.2		38.8

2) LTM average capital employed

	295.0	170.8	70.2		576.8
--	-------	-------	------	--	-------

ROCE 1)/2), %

	41.1	79.1	196.1		61.1
--	------	------	-------	--	------

**3) LTM average capital employed
incl. goodwill and other intangible assets
with an indefinite useful life**

	941.6	393.3	814.3		2,154.9
--	-------	-------	-------	--	---------

ROCE incl. goodwill 1)/3), %

	12.9	34.4	16.9		16.3
--	------	------	------	--	------

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	Oct–Dec 2017	Oct–Dec 2016	Full-year 2017	Full-year 2016
Operating revenue	2.8	2.6	11.1	10.8
Operating costs	-18.0	-10.5	-57.8	-56.2
Operating loss	-15.2	-8.0	-46.7	-45.5
Profit from financial investments	31.7	5.6	102.0	89.1
Profit after financial items	16.5	-2.3	55.3	43.6
Net profit	81.0	32.0	109.9	76.2

Parent Company statement of financial position

SEK m	31 Dec 2017	31 Dec 2016
Non-current assets	282.0	782.1
Current assets	4,209.3	3,641.1
Total assets	4,491.3	4,423.1
Equity	2,851.1	2,846.2
Untaxed reserves	61.0	12.5
Non-current liabilities	593.4	-
Current liabilities	985.8	1,564.4
Total equity and liabilities	4,491.3	4,423.1