



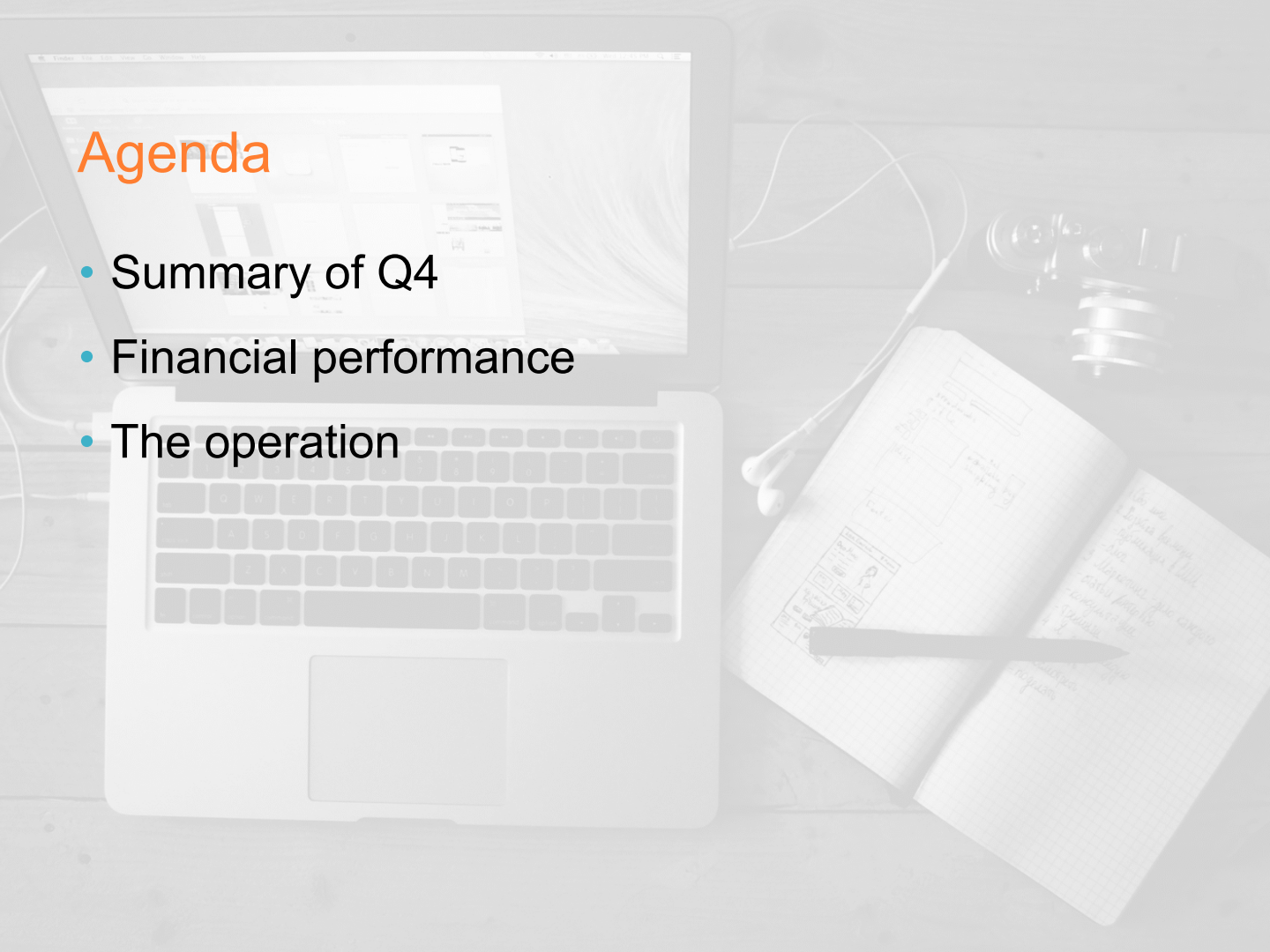
# IT-solutions for the future

Interim report, January 1 – March 31, 2015

## ADDNODE GROUP

# Agenda

- Summary of Q4
- Financial performance
- The operation



# Growth and stable earnings

- Net sales amounted to SEK 431.8 M (411.4), up 5 percent.
- EBITA totaled SEK 33.7 M (34.3), an EBITA margin of 7.8 percent (8.3).
- 49 percent of Net Sales from recurring revenue.
- Earnings per share after dilution rose to SEK 0.66 (0.65).

# Growth and stable earnings

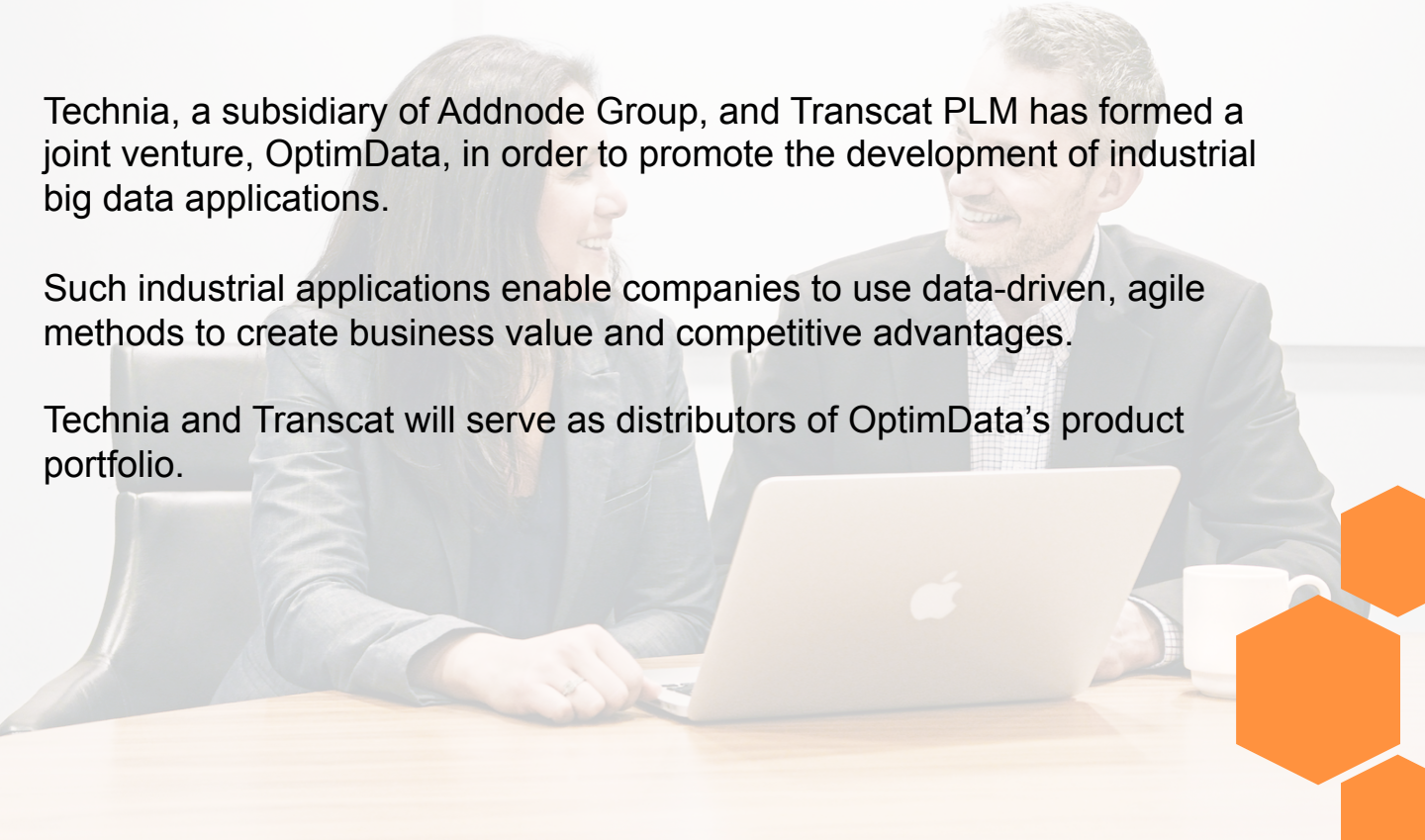
- Joint venture formed for development of Internet of Things applications
  - Contract-award decision received for planning and monitoring system valued at approximately SEK 35 M, which was subsequently appealed
  - Framework agreement signed with the Swedish National Heritage Board valued at approximately SEK 15 M
  - Strategic order secured – PLM partnership with Jula.
- 
- The Board of Directors proposes unchanged dividend of SEK 2.25 (2.25) per share.
  - Addnode Group signed an acquisition loan facility for SEK 200 M.

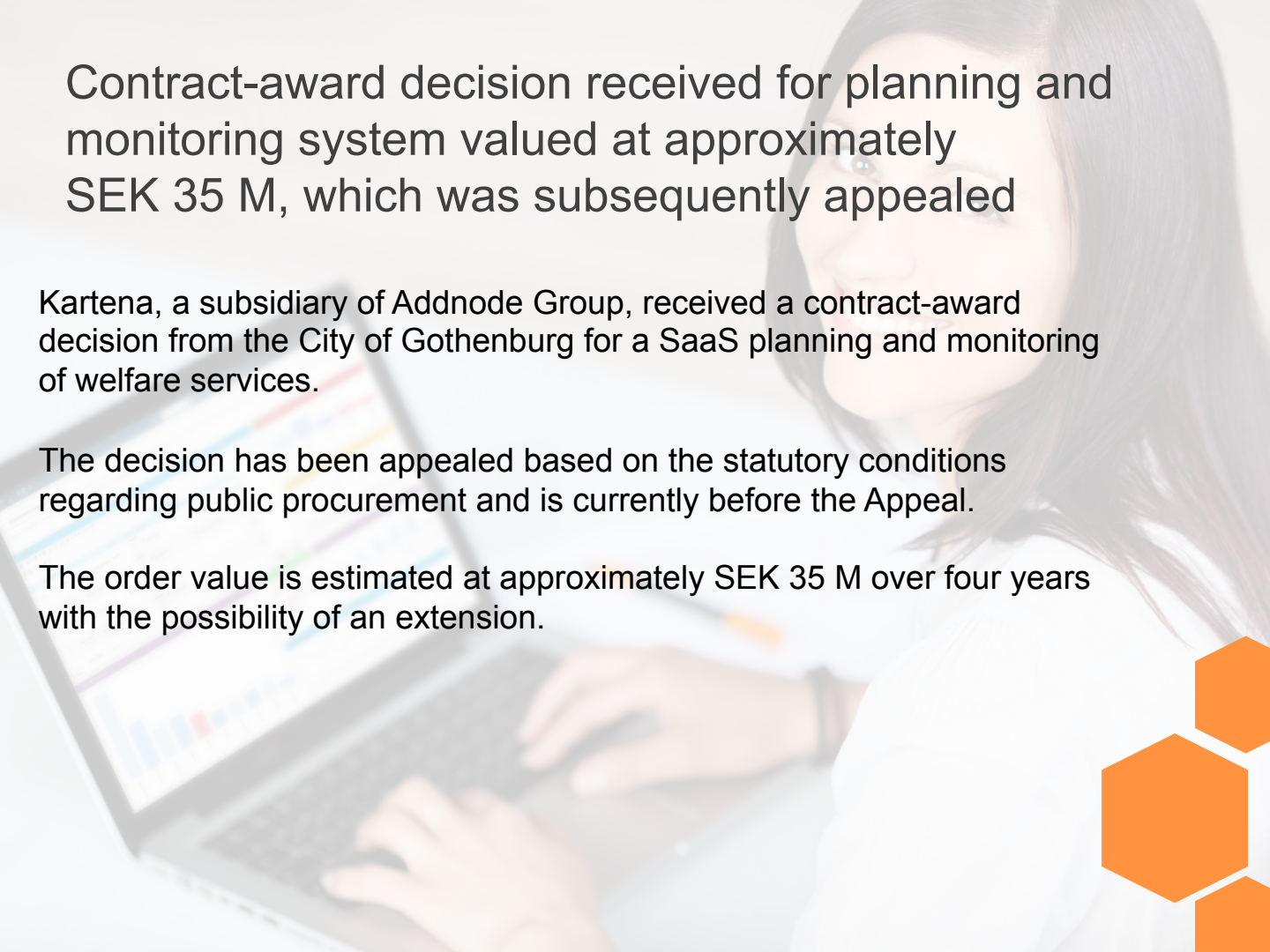
# Joint venture formed for development of Internet of Things applications

Technia, a subsidiary of Addnode Group, and Transcat PLM has formed a joint venture, OptimData, in order to promote the development of industrial big data applications.

Such industrial applications enable companies to use data-driven, agile methods to create business value and competitive advantages.

Technia and Transcat will serve as distributors of OptimData's product portfolio.





Contract-award decision received for planning and monitoring system valued at approximately SEK 35 M, which was subsequently appealed

Kartena, a subsidiary of Addnode Group, received a contract-award decision from the City of Gothenburg for a SaaS planning and monitoring of welfare services.

The decision has been appealed based on the statutory conditions regarding public procurement and is currently before the Appeal.

The order value is estimated at approximately SEK 35 M over four years with the possibility of an extension.

# Framework agreement signed with the Swedish National Heritage Board valued at approximately SEK 15 M

Decerno and Mogul, both subsidiaries of Addnode Group, have signed a framework agreement with the Swedish National Heritage Board.

The framework agreement pertains to deliveries of IT consulting services in the areas of system development, requirement definition, IT architecture and usability.

The order value is estimated at about SEK 15 M over the agreement period, which extends until 2017 with an option to extend the agreement until 2019.



# Financial performance



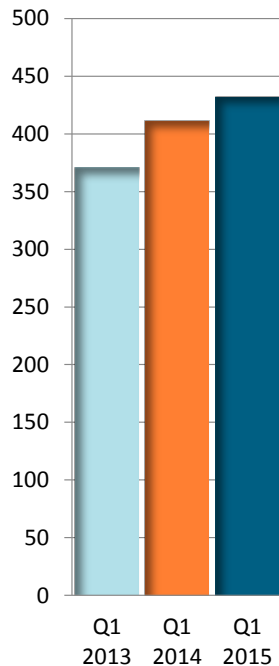


# Q5 2015 – Growth and stable earnings

## Net Sales

+ 5 procent

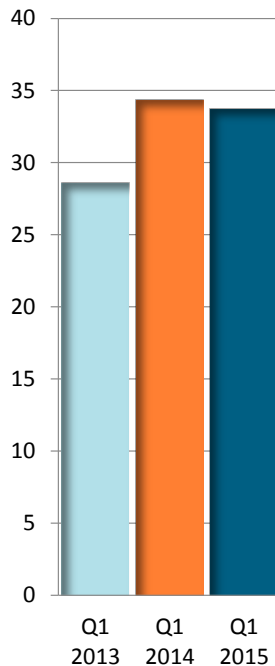
SEK M



## EBITA

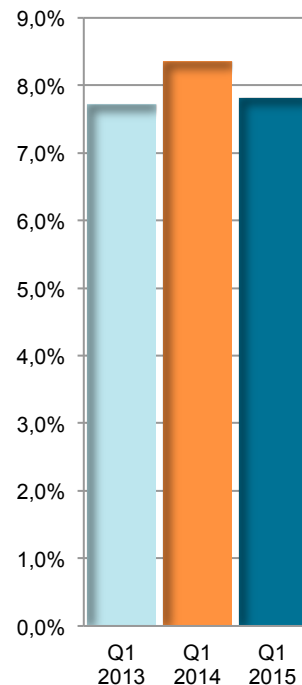
M 33,7 SEK

SEK M



## EBITA-margin

7.8 procent

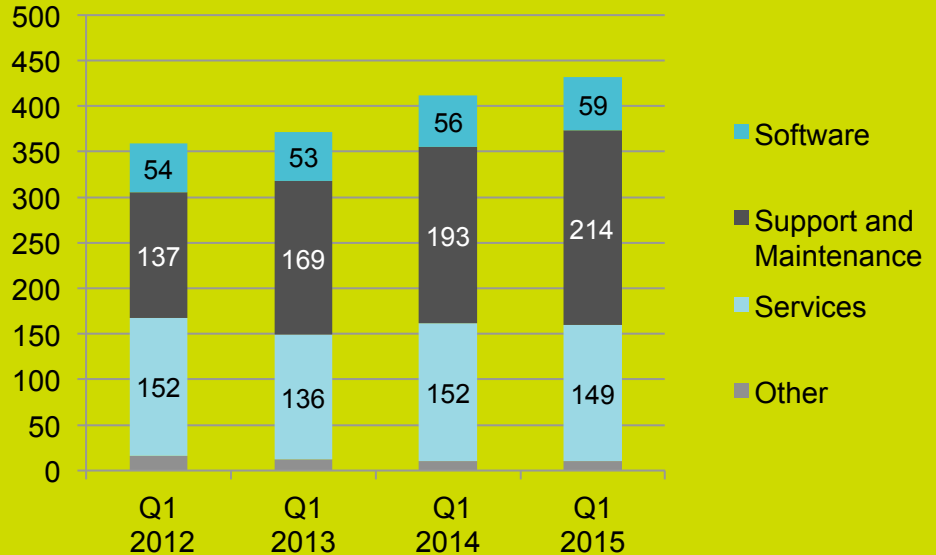


\*Excluding capital gains and revaluation of the conditional purchase considerations and non-recurring costs associated with management changes.

# Net Sales

## Growth & earnings distribution, Q1 2012 – Q1 2015

SEK M



>> The proportion of recurring revenue for Q1 2015 amounted to 49 percent of net sales<sup>1)</sup>. <<

1) Recurring revenue pertains to support and maintenance, which also includes income from SaaS solutions.

# Strong balance sheet and cash flow

SEK **86** M

Cash  
2015-03-31

SEK **41** M

Cash flow from  
operating activities  
Jan – Mar 2015

SEK **56** M

Net debt  
2015-03-31

**60** %

Equity/Assets ratio  
2015-03-31

# Markets

500,000  
engineers and  
officials are using  
our solutions

## Design Management and Product Lifecycle Management

Design and construction  
Designing  
Property  
Product Lifecycle Management

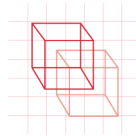
## Process Management and Content Management

Document and case Management  
E-archive  
Geographic IT systems  
Web Solutions



# ADDNODE GROUP

## Four Business areas



### **Design Management**

IT solutions for digital models and drawings, as well as project and collaboration tools.



### **Process Management**

Operation-critical systems for case management, municipal management, e-archives and geographic IT systems.



### **Product Lifecycle Management**

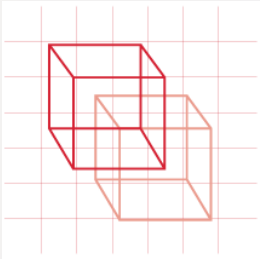
IT solutions that manage information from the entire product chain for manufacturing and service companies – from development to aftermarket.



### **Content Management**

Public websites, intranet and collaboration solutions, systems for e-commerce and customer-center solutions.

# Design Management – numbers



- The business area reported favorable growth during the quarter, mainly driven by the positive performance of the UK operations acquired in 2014.
- Earnings has been affected by the slowdown in Norway. A good performance was noted in Sweden and Finland, while Denmark, which is the smallest unit in the business area, failed to achieve the desired results.

	Q1 2015	Q1 2014	Full Year 2014
Net sales	228,5	204,7	780,5
Growth	12%	16%	20%
EBITA	17,0	19,2	70,3
EBITA-margin	7,4%	9,4%	9,0%
Average number of employees	317	294	306

# PLM – numbers



- The business unit had a stable start to the year, securing new orders to help customers such as Jula create digital product infrastructure.
- The offering to consumer and life-science customers was very strong and continued to perform well. The Swedish and Norwegian operations displayed a stable performance. Demand was slightly lower in Finland.

	Q1 2015	Q1 2014	Full Year 2014
Net sales	59,2	62,5	263,6
Growth	Neg	10%	6%
EBITA	5,6	6,9	41,4
EBITA-margin	9,5%	11,0%	15,7%
Average number of employees	160	162	163

# Process Management – numbers



- Demand for system development services for operation-critical systems in both the private and public sectors was stable.
- Orders were secured from municipal customers in such areas as e-archives and geographical information systems (GIS).

	Q1 2015	Q1 2014	Full Year 2014
Net sales	111,2	110,5	432,6
Growth	1%	10%	5%
EBITA	15,5	15,9	70,9
EBITA-margin	13,9%	14,4%	16,4%
Average number of employees	277	279	275



# Content Management – numbers



- The business area secured several new major orders for its website services, which combined with previous personnel cutbacks, resulted in a significantly stronger margin compared with the year-earlier period.

	Q1 2015	Q1 2014	Full Year 2014
Net sales	37,2	37,7	142
Growth	Neg	Neg	Neg
EBITA	2,5	0,4	1,8
EBITA-margin	6,7%	1,1%	1,3%
Average number of employees	124	149	138

# SUMMARY, Q1 2015

- Net sales amounted to SEK 431.8 M (411.4), up 5 percent.
- EBITA totaled SEK 33.7 M (34.3), an EBITA margin of 7.8 percent (8.3).
- Operating profit amounted to SEK 24.4 M (26.4) MSEK, and operating margin of 5.7 percent (6.4).
- After-tax profit increased to SEK 19.6 M (19.2).
- Earnings per share after dilution rose to SEK 0.66 (0.65).
- Cash flow from operating activities amounted to SEK 40.5 M (71.8).
- Joint venture formed for development of Internet of Things applications
- Contract-award decision received for planning and monitoring system valued at approximately SEK 35 M, which was subsequently appealed
- Framework agreement signed with the Swedish National Heritage Board valued at approximately SEK 15 M
- Strategic order secured – PLM partnership with Jula
- The Board of Directors proposes unchanged dividend of SEK 2.25 (2.25) per share.
- Addnode Group signed an acquisition loan facility for SEK 200 M.

# Questions?

## CEO and President

Staffan Hanstorp

[staffan.hanstorp@addnodegroup.com](mailto:staffan.hanstorp@addnodegroup.com)

+46 (0)733 77 24 30

## CFO and IR

Johan Andersson

[johan.andersson@addnodegroup.com](mailto:johan.andersson@addnodegroup.com)

+46 (0)704 20 58 31



ABOU  
ADDNODE GROUP

ARKIVA  
ADDNODE GROUP

CAD-Q  
ADDNODE GROUP

CARTESIA  
ADDNODE GROUP

DECERNO  
ADDNODE GROUP

IDA INFRONT  
ADDNODE GROUP

INFUSEIT  
ADDNODE GROUP

JOINT COLLABORATION  
ADDNODE GROUP

KARTENA  
ADDNODE GROUP

MITTBYGGE  
ADDNODE GROUP

MOGUL  
ADDNODE GROUP

PROSILIA  
ADDNODE GROUP

SYMETRI  
ADDNODE GROUP

TECHNIA  
ADDNODE GROUP

TEKIS  
ADDNODE GROUP

VOICE PROVIDER  
ADDNODE GROUP

# ADDNODE GROUP

