

YEAR-END REPORT 2016

- The order intake was MSEK 4,653.0 (4,113.4), which is an increase of 9.4% after adjusting for currency effects of MSEK -156.5 and acquisitions of MSEK 308.8
- Net sales were MSEK 4,490.7 (3,909.4), which is an increase of 10.3% after adjusting for currency effects of MSEK -149.9 and acquisitions of MSEK 328.6
- The operating profit was MSEK 524.2 (396.0) representing a 32.4% increase with an operating margin of 11.7 (10.1)%
- The operating profit in the fourth quarter was negatively affected by MSEK 21.4 due to one-off non-comparable items relating to M&A transactions
- Earnings after tax were MSEK 380.9 (288.6), an increase of 32.0%
- Earnings per share were SEK 10.04 (7.62)
- Cash flow from operating activities was MSEK 387.8 (443.5)
- A dividend of SEK 4.50 (3.50) per share and a 3:1 stock split will be proposed
- Fagerhult has signed an agreement to acquire the specialist outdoor lighting company WE-EF in Germany and the acquisition is expected to complete in the first quarter of 2017

Comments from CEO Johan Hjertonsson;

- We are pleased with the full year results for order intake, net sales and operating profit. All three set new records ahead of the previous records from last year.
- The order intake at MSEK 4,653.0 firmly establishes a new milestone for the business with each of the quarterly order intake in excess of 1 BSEK. The last quarter, at MSEK 1,215 was a strong performance for Q4 and an all-time high.
- Order intake continues to be above the market growth rates we see, certainly in our larger markets and therefore we continue to grow our overall market shares.
- The organic net sales increase of 10.3%, resulted in the total net sales of almost 4.5 BSEK, a great achievement with the increase coming from all business and product areas.
- Double digit like-for-like net sales growth was achieved in the Northern Europe, UK & Ireland and Africa, Asia & the Pacific business areas.
- The operating profit increased quarter on quarter compared to 2015, resulting in MSEK 524.2 for the year, some MSEK 128, 32% up on last year.
- The fourth quarter was a strong quarter in every aspect, particularly the operating cash flow which recovered well and overcame the weak start to the year.
- Earnings per share at SEK 10.04 showed a 32% increase over the 7.62 for last year.
- We look forward to 2017, the Fagerhult Group is in good shape, has positive forward momentum and will continue on its strategic journey, with WE-EF acquisition being an important step in that journey.

GROUP

JANUARY-DECEMBER

The final quarter of 2016 performed in a similar manner to the previous 18 months. Market growth rates were steady and positive in most of our larger markets, with of course the quarterly seasonality in some regions. Market activity was affected in Russia and Turkey but growth rates in other regions were more beneficial than the decline in these two countries and the Group managed to capitalise on these growing regions.

The Group's full year order intake at MSEK 4,653.0 (4,113.4) which includes an underlying organic growth of 9.4 (4.8)% continues to outperform the market resulting in an increase in our overall market share. The 9.4% growth is stated after adjusting for currency effects of MSEK -156.5 and acquisition effects of MSEK 308.8. On a like-for-like basis, all reporting business areas show good order income growth compared to 2015 with better than average increases in Sweden and the UK. Currencies continue to negatively affect the consolidated results, mainly from the UK.

Net sales were MSEK 4,490.7 (3,909.4), an increase of 10.3 (negative 0.7)% after adjusting for currency effects of MSEK -149.9 and acquisition effects of MSEK 328.6. Northern Europe at 11%, the UK and Ireland at 13% and Africa, Asia and the Pacific at 15% delivered strong organic sales growth.

The development, marketing, production and sales of LED products continues favourably. The LED share of net sales across the Group is mixed, with some businesses above or approaching 90% and others, in developing LED markets at approximately 50%. The ambition remains to become a 100% LED business in the short-to-medium term. The 2016 full year LED share of net sales was 77% with over 83% in the last quarter.

The operating profit was MSEK 524.2 (396.0), representing growth of 32.4 (4.6)% compared to the previous year, with the underlying result improving by a further MSEK 21.4 due to the one-off non-comparable M&A related items. The operating margin closed for the year at 11.7 (10.1)%.

Financial items were MSEK -9.5 (-18.8) with the lower cost attributable to both the effect of lower interest rates, despite increased borrowing compared with the previous year, and exchange rate gains.

The tax expense for the year was MSEK -133.8 (-88.6), which results in a 26.0 (23.5)% tax rate. The higher tax rate being due to an increased share of the profit in higher tax economies.

Earnings per share were SEK 10.04 (7.62) on an average 37,920k (37,856k) shares outstanding.

PRODUCT AREAS

The Group's strategy of developing a leading position in its three lighting solutions and application focus areas continues. During 2016, net sales in Indoor delivered a 7 (1)% increase, in Retail an 18% increase (decrease 8%) and in Outdoor a 6 (24)% increase, all adjusted for currency effects and acquisitions.

NET SALES PER PRODUCT AREA	Q4		Q 1-4	
	2016	2015	2016	2015
Indoor Lighting	771.8	717.7	2 979.0	2 656.2
Retail Lighting	271.5	218.7	1 124.8	965.6
Outdoor Lighting	130.4	96.7	386.9	287.6
	1 173.7	1 033.1	4 490.7	3 909.4

THE FOURTH QUARTER

The order intake in the fourth quarter was MSEK 1,214.8 (1,098.1), which is an increase of 5.1% after adjusting for acquisitions (MSEK 74.8) and currency effects (MSEK -13.8). The Q4 order intake for 2015 was, at that time a record quarter and the Q4 2016 order intake establishes a new record level.

Net sales for the fourth quarter were MSEK 1,173.7 (1,033.1), which represents a total increase of 13.6%, reducing to 5.5% after adjusting for acquisitions (MSEK 85.6) and currency effects (MSEK -2.2).

The operating profit in the quarter was MSEK 119.9 (108.5), a 10.5% increase, delivering an operating margin of 10.2 (10.5)%. The MSEK 21.4 one-off non-comparable M&A related items were charged in full to the operating result in the quarter.

The foreign currency translation effect on the operating results showed an MSEK -149.9 impact on net sales and an MSEK -25.1 impact on the operating profit in the full year. The majority of the impact arises from translation of the UK based GBP profits.

Earnings per share for the quarter amounted to SEK 2.18 (2.25).

BUSINESS AREAS

NET SALES AND OPERATING PROFIT PER BUSINESS AREA												
	Net sales				Operating profit				Operating margin,%			
	Q 4		Q 1-4		Q 4		Q 1-4		Q 4		Q 1-4	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Northern Europe	547.8	495.3	2 029.5	1 844.2	68.2	57.4	220.0	157.7	12.4	11.6	10.8	8.6
UK and Ireland	279.8	300.9	1 195.7	1 175.2	35.7	41.4	180.9	159.1	12.8	13.8	15.1	13.5
Western and Southern Europe	289.6	193.0	1 044.4	770.3	7.8	11.6	99.1	69.9	2.7	6.0	9.5	9.1
Africa, Asia and the Pacific	173.1	138.0	652.8	492.8	24.9	13.0	86.8	54.0	14.4	9.4	13.3	11.0
Other	-	-	-	-	-16.7	-14.9	-62.6	-44.7	-	-	-	-
Elimination	-116.6	-94.1	-431.7	-373.1	-	-	-	-	-	-	-	-
Total	1 173.7	1 033.1	4 490.7	3 909.4	119.9	108.5	524.2	396.0	10.2	10.5	11.7	10.1
Financial unallocated items					-1.6	-5.1	-9.5	-18.8				
Profit before tax					118.3	103.4	514.7	377.2				

NORTHERN EUROPE

This business area comprises the Group's units and companies in the Nordic countries, the Baltic countries and Russia. The factory in China, which engages in manufacturing and purchasing, is also included. Development, manufacturing and sales are conducted in Sweden and Finland, while operations in other markets, with the exception of China, engage only in sales.

Net sales for the year were MSEK 2,029.5, compared with MSEK 1,844.2 for 2015. Adjusted for currency effects the increase was 10.7 (0.3)%. The increase in net sales was mainly due to increased sales in

Sweden, but also with increased results in Denmark and Russia. The operating profit for the period was MSEK 220.0 (157.7) and the operating margin 10.8 (8.6)%. Sales growth and increased gross profit margins are the core reasons for the 2.2% increase in operating margin.

Northern Europe	Q 4		Q 1-4	
	2016	2015	2016	2015
Net Sales	547.8	495.3	2 029.5	1 844.2
<i>(of which to group companies)</i>	<i>(67.0)</i>	<i>(70.6)</i>	<i>(292.1)</i>	<i>(282.1)</i>
Operating profit	68.2	57.4	220.0	157.7
Operating margin. %	12.4	11.6	10.8	8.6
Sales growth. %	10.6	7.0	10.0	-0.2
Sales growth. adjusted for exchange rate differences. %	8.8	9.7	10.7	0.3
Growth in Operating profit. %	18.8	42.4	39.5	-4.9

UK AND IRELAND

This business area comprises Group companies in the UK and Ireland. The dominant unit is Whitecroft Lighting and both Whitecroft and Designplan Lighting engage in the development, manufacture and sales of lighting systems, while the Fagerhult branded businesses in the UK and Ireland engages in sales.

Net sales in the year were MSEK 1,195.7, compared with MSEK 1,175.2 in 2015. Adjusted for currency effects, this represents growth of 13.0%. Each of the operating units in the UK and Ireland business area have grown net sales in the period and the regional operating profits have increased 13.7% to MSEK 180.9 (159.1).

It continues to be difficult to assess the medium term impact of the Brexit decision. The legal ruling on triggering Article 50 being a parliamentary decision and not simply a government one will only serve to make the process more complicated and therefore, probably slow down the progress towards exit from the EU. Prior to this decision, the direction outlined by the prime minister was clean and clear. As of today we continue to see no negative impact at an operational level.

The operating profit for the year was MSEK 180.9 (159.1) and the operating margin increased by 1.6% to 15.1 (13.5)%, resulting from sales growth and gross profit development.

UK and Ireland				
	Q 4		Q 1-4	
	2016	2015	2016	2015
Net Sales	279.8	300.9	1 195.7	1 175.2
<i>(of which to group companies)</i>	<i>(17.5)</i>	<i>(7.6)</i>	<i>(54.1)</i>	<i>(36.7)</i>
Operating profit	35.7	41.4	180.9	159.1
Operating margin. %	12.8	13.8	15.1	13.5
Sales growth. %	-7.0	16.7	1.7	5.2
Sales growth. adjusted for exchange rate differences. %	6.7	6.1	13.0	-7.8
Growth in Operating profit. %	-13.8	19.0	13.7	14.3

WESTERN AND SOUTHERN EUROPE (Formerly OTHER EUROPE)

This business area comprises our operations in Germany, the Netherlands, France, Spain, Slovakia and Poland. The largest operation is LTS Licht & Leuchten GmbH in Germany, which engages in the development, manufacture and sales of lighting systems. Since the beginning of the second quarter 2016 the business area also includes the results of the newly acquired LED Linear GmbH (and its US subsidiary) business based in Dusseldorf which specialises in the development, manufacture and sale of LED lighting systems.

Net sales for the year were MSEK 1,044.4, compared to MSEK 770.3 in the prior year. This is a growth of 34.2% after adjusting for currency effects and a growth of 3.2% after further adjusting for the acquisition. Sales growth was strong in the Netherlands, France and Spain and positive in Germany.

The operating profit for the year was MSEK 99.1 (69.9) with an operating margin of 9.5 (9.1)%.

Western and Southern Europe				
	Q 4		Q 1-4	
	2016	2015	2016	2015
Net Sales	289.6	193.0	1 044.4	770.3
<i>(of which to group companies)</i>	<i>(14.2)</i>	<i>(8.3)</i>	<i>(36.9)</i>	<i>(21.7)</i>
Operating profit	7.8	11.6	99.1	69.9
Operating margin. %	2.7	6.0	9.5	9.1
Sales growth. %	50.1	10.3	35.6	3.3
Sales growth. adjusted for exchange rate differences. %	43.5	9.9	34.2	0.4
Growth in Operating profit. %	-32.8	-15.3	41.8	12.4

AFRICA, ASIA AND THE PACIFIC

The business area comprises our operations in South Africa, Turkey, the United Arab Emirates, Australia and New Zealand. Lighting Innovations, which has its registered office in Port Elizabeth, South Africa, was consolidated in the segment from the fourth quarter 2015. Development, manufacturing and sales of lighting systems are conducted in South Africa, Australia and Turkey, while the operations in the United Arab Emirates and New Zealand engage in sales.

Net sales in the year amounted to MSEK 652.8, up from MSEK 492.8 in the prior year, which represented an increase of 14.6% after adjusting for currency effects and acquisitions. The increase sales resulted from Australia, New Zealand and the Middle East. Sales in Turkey declined due to the political situation. Turkey accounts for less than 3.5% of Group sales.

The operating profit was MSEK 86.8 (54.0) and the operating margin increased to 13.3 (11.0)%.

Africa, Asia and the Pacific	Q 4		Q 1-4	
	2016	2015	2016	2015
Net Sales	173.1	138.0	652.8	492.8
<i>(of which to group companies)</i>	<i>(17.9)</i>	<i>(7.6)</i>	<i>(48.6)</i>	<i>(32.6)</i>
Operating profit	24.9	13.0	86.8	54.0
Operating margin. %	14.4	9.4	13.3	11.0
Sales growth. %	25.4	4.6	32.5	11.1
Sales growth. adjusted for exchange rate differences. %	15.1	8.1	38.0	7.1
Growth in Operating profit. %	91.5	-34.0	60.7	-2.2

OTHER

The business area mainly comprises central Group-wide functions and the Parent Company, AB Fagerhult.

FINANCIAL POSITION

The Group's equity/assets ratio at the end of the quarter was 34 (38)%. Cash and bank balances at the end of the period were MSEK 732 (472) and consolidated equity was MSEK 1,627 (1,437).

Cash flow from operating activities in the fourth quarter was MSEK 250.8 (225.6) resulting in the twelve month operating cash flow of MSEK 387.8 (443.5). The MSEK -55.7 year-on-year operating cash flow variance was due to MSEK 30.7 increase in working capital to fund the growth and increased tax payments of MSEK 49, due of course to the increased profits.

The net debt increased to MSEK 1,222 (937).

Pledged assets and contingent liabilities amounted to MSEK 7.3 (7.3) and MSEK 1.5 (2.2), respectively.

INVESTMENTS

The Group's gross investments in non-current assets were MSEK 169 (118). The figure does not include investments in subsidiaries, which were MSEK 342 (93).

SIGNIFICANT POST BALANCE SHEET EVENTS

In December 2016, to strategically strengthen the Fagerhult Group's position in the professional outdoor lighting market, Fagerhult signed an agreement to acquire 100% of the shares of WE-EF based in Bispingen, Germany.

The agreement is subject to German competition authority approval and closing is expected to take place in the first quarter of 2017.

The WE-EF group companies included in the transaction are; WE-EF Leuchten GmbH, WE-EF Leuchten GmbH & Co. KG, WE-EF Trading & Design GmbH, all based in Germany, WE-EF Lumiere S.a.r.l, France, WE-EF Lighting Co. Ltd, Thailand, WE-EF Helvetica SA, Switzerland, WE-EF Lighting Ltd, UK, WE-EF Lighting Pty. Ltd, Australia and WE-EF Lighting USA LLC, USA. In addition and as part of the transaction, Fagerhult will also acquire 100% of the shares in Flux Eclairage S.A.S. based in Lyon, France.

WE-EF designs and manufactures outdoor lighting fixtures for a wide range of lighting application sectors. The company has two factories in Germany and one in Thailand, as well as assembly plants in Australia and France and has successfully established a global sales presence with strong sales in Germany and France, as well as sales in other regions such as Australia and the US.

In the year ending June 2016, WE-EF had 484 employees, consolidated sales of approximately 57 MEUR and a profitability rate in line with that of the Fagerhult Group. Fagerhult will pay 81 MEUR on a cash and debt free basis for 100% of the shares of the WE-EF group companies. In addition, Fagerhult will also pay 5 MEUR for 100% of the shares in Flux Eclairage S.A.S. a French outdoor lighting company co-located with WE-EF LUMIERE in Lyon, France. Flux Eclairage had sales of approximately 5 MEUR for the year ending December 31, 2015 and 20 staff.

Both transactions are mainly financed with new credit facilities and up to 5% using existing Fagerhult treasury shares.

The results of the WE-EF companies and Flux will be consolidated in the Fagerhult Group from quarter one and included in the business area Western and Southern Europe. The addition of WE-EF to the Fagerhult Group will significantly strengthen the Group's position in the global outdoor lighting market.

A market valuation of the individual components of net assets has begun and the distribution of excess value will be reported on during 2017. For more information please refer to the press release issued on 23 December 2016.

EMPLOYEES

The average number of employees during the period was 2,787 (2,451).

PARENT COMPANY

AB Fagerhult's operations comprise Group management, financing and the coordination of marketing, production and business development activities. The profit after financial items was MSEK 22.8 (23.0).

The number of employees during the period was 6 (7).

DIVIDEND

The Board intends to propose that the Annual General Meeting approve a dividend of SEK 4.50 (3.50) per share.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 – Interim Financial Reporting, and the Swedish Annual Accounts Act. The information for the interim period on pages 1-14 is an integral part of this financial report.

The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2. The policies applied are unchanged compared with the preceding year.

For more information about the accounting policies applied, please refer to AB Fagerhult's Annual report 2015.

RISKS AND UNCERTAINTIES

The Group's significant risks and uncertainties consist primarily of business risks, and financial risks associated with currencies and interest rates. Through the company's international operations, the Fagerhult Group is subject to financial exposure arising from currency fluctuations as well as the regionalised uncertainty of political situations.

The most prominent risks, however, are currency risks arising from export sales and imports of raw materials and components. This exposure is reduced by hedging the flow of sensitive currencies, based on individual assessment. Currency risk also arises in the translation of foreign net assets and earnings. For more information about the company's risks, refer to the 2015 Annual Report. In addition to the risks described in the company's Annual Report, no other significant risks are considered to have arisen.

NOMINATION COMMITTEE

The Nomination Committee consists of the following individuals together with the names of the shareholders that they represent; Jan Svensson as Chairman of the Board of AB Fagerhult and Eric Douglas both representing Investment AB Latour, Gunnar Lindberg representing the Svensson Family and Göran Espelund representing Lannebo Funds.

Questions regarding the nomination committee shall be addressed to the CFO Michael Wood, at michael.wood@fagerhult.se

REPURCHASE OF SHARES

The Annual General Meeting, held on 21 April 2016, authorised the Board to decide to acquire the company's own shares. No acquisitions of the company's own shares have been made. The company's holding of treasury shares totals 610,677 of which 158,974 shares have been allocated for the acquisition of WE-EF.

The Board of AB Fagerhult decided today to propose that the Annual General Meeting on 3 May 2017 grant the Board authorisation, until the next Annual General Meeting, to acquire the company's own shares.

STOCK SPLIT

AB Fagerhult's Board of Directors has today resolved to propose to the Annual General Meeting, to be held on 3 May 2017, a 3 for 1 stock split and at the same time an amendment to the Company's Articles of Association to increase the authorised share capital to facilitate the stock split.

OUTLOOK FOR 2017

Over the past two years, organic and acquisitive growth has led to a strong positive sales and earnings trend for the Group.

During this period, the Group has, and will for the foreseeable future, continue to; capitalise on its brand strategy, invest in research and development of luminaires and lighting controls and increase the operational capacity and capabilities. The Group has established a strong position in all of its main markets and increased its market share during this period.

For 2016, the Group's main markets have displayed steady growth and management expects this situation to continue for the majority of 2017. The Group enters the new year with a stronger order book than it entered 2016.

We intend to continue making significant investment in product development, sales and marketing, as well as increased internationalisation.

We estimate that it is possible to continue strengthening the Group's market share and further grow its position in Indoor, Retail and Outdoor lighting.

Habo, 21th February 2017

AB Fagerhult (publ)

Johan Hjertonsson

President and CEO

This report has not been subject to a special review by the company's auditor.

In 2017, interim reports will be submitted on 3rd May, 17th August and 24th October.

The Annual General Meeting will be held on 3rd May 2017.

Information can be obtained from Johan Hjertonsson, CEO, or Michael Wood, CFO,
tel. +46 (0)36-10 85 00.

AB Fagerhult (publ)

Corporate ID no. 556110-6203

SE-566 80 Habo

Tel +46 (0)36-10 85 00

headoffice@fagerhult.se

www.fagerhultgroup.com

GROUP

INCOME STATEMENT	2016	2015	2016	2015
	Oct-Dec 3 months	Oct-Dec 3 months	Jan-Dec 12 months	Jan-Dec 12 months
Net sales	1 173.7	1 033.1	4 490.7	3 909.4
Cost of goods sold	-744.7	-677.3	-2 917.1	-2 612.4
Gross profit	429.0	355.8	1 573.6	1 297.0
Selling expenses	-224.2	-177.2	-783.4	-678.0
Administrative expenses	-104.0	-76.8	-315.7	-245.9
Other operating income	19.1	6.7	49.7	22.9
Operating profit	119.9	108.5	524.2	396.0
Financial items	-1.6	-5.1	-9.5	-18.8
Profit after financial items	118.3	103.4	514.7	377.2
Tax	-35.7	-18.1	-133.8	-88.6
Net profit for the period	82.6	85.3	380.9	288.6
Net profit for the period attributable to shareholders of the Parent Company	82.6	85.3	380.9	288.6
Earnings per share, based on earnings attributable to shareholders of the parent during the year				
Earnings per share before dilution, SEK	2.18	2.25	10.04	7.62
Earnings per share after dilution, SEK	2.18	2.25	10.04	7.62
Average number of outstanding shares before dilution	37 939	37 863	37 920	37 856
Average number of outstanding shares after dilution	37 939	37 863	37 920	37 856
Number of outstanding shares, thousands	37 939	37 863	37 939	37 863
Statement of comprehensive income				
Net profit for the period	82.6	85.3	380.9	288.6
Other comprehensive income				
Items which may be reversed in the income statement:				
Revaluation of pension plans	-0.8	-	-0.8	-
Translation differences	-24.3	-	-60.4	-69.8
Other comprehensive income for the period, net after tax	-25.1	-9.7	-61.2	-69.8
Total comprehensive income for the period	57.5	-9.7	319.7	218.8
Comprehensive income attributable to shareholders of the Parent Company	57.5	75.6	319.7	218.8

BALANCE SHEET	31 Dec 2016	31 Dec 2015
Intangible assets	2 068.7	1 465.7
Tangible fixed assets	447.7	392.4
Financial assets	34.0	35.4
Inventories, etc.	684.7	602.3
Accounts receivable - trade	761.3	678.5
Other non interest-bearing current assets	86.2	93.2
Cash and cash equivalents	731.6	471.9
Total assets	4 814.2	3 739.4
Equity	1 627.1	1 437.1
Long-term interest-bearing liabilities	1820.4	1 407.3
Long-term non interest-bearing liabilities	369.6	116.3
Short-term interest-bearing liabilities	133.2	1.3
Short-term non interest-bearing liabilities	863.9	777.4
Total equity and liabilities	4 814.2	3 739.4

CASH FLOW STATEMENT	2016 Oct-Dec 3 months	2015 Oct-Dec 3 months	2016 Jan-Dec 12 months	2015 Jan-Dec 12 months
Operating profit	119.9	108.5	524.2	396.0
Adjustments for non-cash items	32.4	44.9	55.7	126.7
Financial items	-4.8	-4.4	-17.6	-22.5
Tax paid	-25.9	-15.3	-143.8	-94.8
Funds contributed from operating activities	121.6	133.7	418.5	405.4
Change in working capital	129.2	91.9	-30.7	38.1
Cash flow from operating activities	250.8	225.6	387.8	443.5
Cash flow from investing activities	-30.4	-108.8	-499.2	-218.6
Cash flow from financing activities	-6.4	60.9	363.6	-102.5
Cash flow for the period	214.0	177.7	252.2	122.4
Cash and cash equivalents at beginning of period	517.8	298.6	471.9	353.1
Translation differences in cash and cash equivalents	-0.2	-4.4	7.5	-3.6
Cash and cash equivalents at end of period	731.6	471.9	731.6	471.9

KEY RATIOS AND DATA PER SHARE

	2016 Oct-Dec 3 months	2015 Oct-Dec 3 months	2016 Jan-Dec 12 months	2015 Jan-Dec 12 months
Sales growth, %	13.6	10.9	14.9	4.6
Growth in operating profit, %	10.5	25.3	32.4	4.6
Growth in profit after financial items, %	14.4	26.6	36.5	8.4
Operating margin, %	10.2	10.5	11.7	10.1
Profit margin, %	10.1	10.0	11.5	9.6
Cash liquidity, %	73	61	73	61
Net debt/EBITDA ratio	2.1	1.8	1.9	1.9
Equity/assets ratio, %	34	38	34	38
Capital employed, MSEK	3 581	2 846	3 581	2 846
Return on capital employed, %	14.4	15.3	16.8	14.4
Return on equity, %	20.3	23.7	24.9	20.9
Net debt, MSEK	1 222	937	1 222	937
Gross investment in non-current assets, MSEK	30.1	-1.1	169.0	117.9
Net investment in non-current assets, MSEK	30.1	-1.1	169.0	117.9
Depreciation/amortisation of non-current assets, MSEK	26.3	24.0	121.2	107.3
Number of employees	2 765	2 441	2 787	2 451
Equity per share, SEK	42.89	37.96	42.89	37.96
Number of outstanding shares, thousands	37 939	37 863	37 939	37 863

For more information about the Key ratios and the definitions applied, please refer to AB Fagerhult's website under "Investor relations / Financial definitions." The website also includes the definition of any Alternative Performance Measures used whereas this report details the financial aspect to these.

CHANGES IN EQUITY

Attributable to shareholders of the Parent Company

	Share capital	Other contributed capital	Translation differences	Retained earnings	Total equity
Equity at 1 January 2015	65.5	159.4	37.2	1 067.1	1 329.2
Net profit for the period				288.6	288.6
Other comprehensive income			-69.8		-69.8
Total comprehensive income for the period			-69.8	288.6	218.8
Performance share plan				2.6	2.6
Dividend paid, SEK 3.00 per share				-113.5	-113.5
Equity as per 31 December 2015	65.5	159.4	-32.6	1 244.8	1 437.1
Equity at 1 January 2016	65.5	159.4	-32.6	1 244.8	1 437.1
Net profit for the period				380.9	380.9
Other comprehensive income			-60.4	-0.8	-61.2
Total comprehensive income for the period			-60.4	380.1	319.7
Performance share plan				2.8	2.8
Dividend paid, SEK 3.50 per share				-132.5	-132.5
Equity as per 31 December 2016	65.5	159.4	-93.0	1 495.2	1 627.1

PARENT COMPANY

INCOME STATEMENT

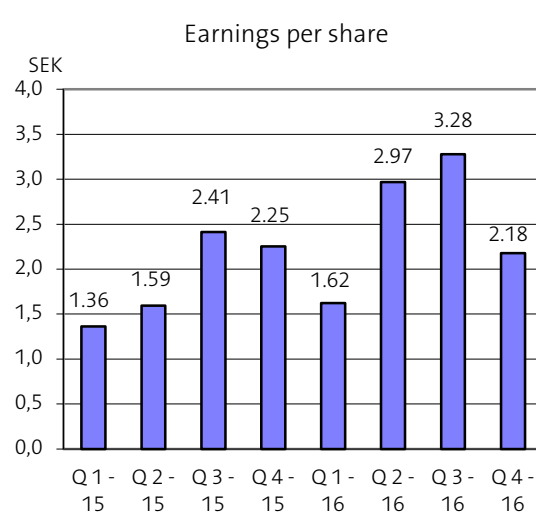
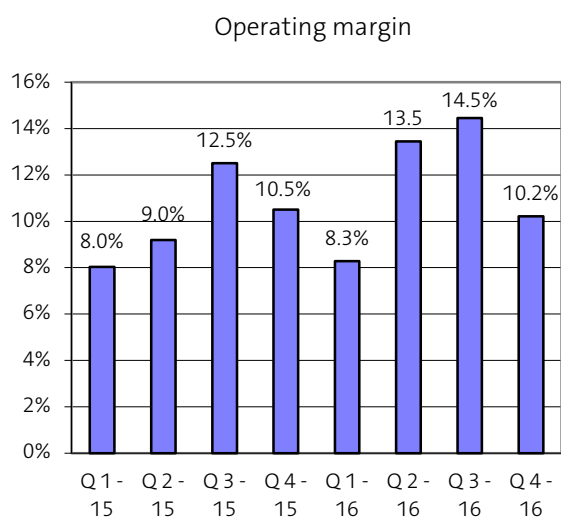
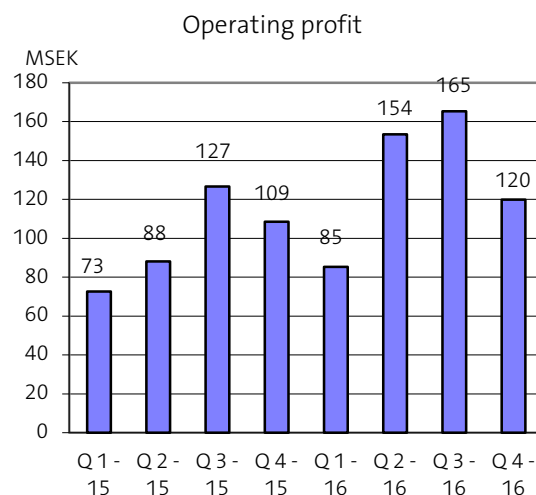
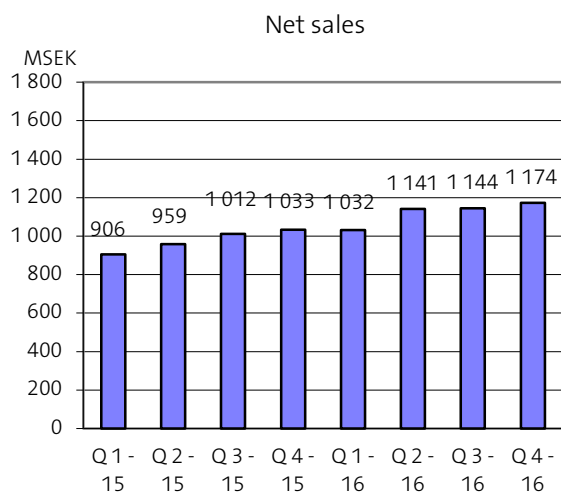
	2016 Oct-Dec 3 months	2015 Oct-Dec 3 months	2016 Jan-Dec 12 months	2015 Jan-Dec 12 months
Net sales	4.3	14.2	18.0	20.1
Selling expenses	-	-0.7	-1.6	-2.9
Administrative expenses	-17.3	-24.5	-52.8	-48.8
Operating profit	-13.0	-11.0	-36.4	-31.6
Income from shares in subsidiaries	-	-	46.9	49.5
Financial items	9.5	-1.4	12.3	5.1
Profit after financial items	-3.5	-12.4	22.8	23.0
Group contributions received	166.0	95.0	166.0	95.0
Tax	-31.5	-17.2	-31.5	-17.2
Net profit	131.0	65.4	157.3	100.8

BALANCE SHEET

	31 Dec 2016	31 Dec 2015
Financial fixed assets	2 530.2	2 074.8
Other non interest-bearing current assets	52.9	44.6
Cash and bank balances	184.8	49.8
Total assets	2 767.9	2 169.2
Equity	569.2	542.7
Untaxed reserves	8.6	8.6
Long-term interest-bearing liabilities	1 742.3	1 321.1
Long-term non interest-bearing liabilities	1.7	1.7
Short-term interest-bearing liabilities	419.0	250.8
Short-term non interest-bearing liabilities	27.1	44.3
Total equity and liabilities	2 767.9	2 169.2

CHANGES IN EQUITY

	Share capital	Statutory reserve	Retained earnings	Total equity
Equity at 1 January 2015	65.5	159.4	329.7	554.6
Performance share program			0.8	0.8
Net profit for the period			100.8	100.8
Dividend paid, SEK 3.00 per share			-113.5	-113.5
Equity at 31 December 2015	65.5	159.4	317.8	542.7
Performance share plan			1.7	1.7
Net profit for the period			157.3	157.3
Dividend paid, SEK 3.50 per share			-132.5	-132.5
Equity at 31 December 2016	65.5	159.4	344.3	569.2



KEY RATIOS AND DATA PER SHARE

	2012	2013	2014	2015	2016
Net sales, MSEK	3 085	3 095	3 736	3 909	4 491
Operating profit, MSEK	252	278	379	396	524
Profit after financial items, MSEK	214	247	348	377	515
Earnings per share, SEK	4.20	4.83	6.90	7.62	10.04
Sales growth, %	2.1	0.3	20.7	4.6	14.9
Growth in operating profit, %	-20.8	10.3	36.5	4.6	32.4
Growth in profit after financial items, %	-25.3	15.5	40.9	8.4	36.5
Operating margin, %	8.2	9.0	10.1	10.1	11.7
Net debt/EBITDA ratio	2.6	2.4	2.2	1.9	1.9
Equity/assets ratio, %	35	37	38	38	34
Capital employed, MSEK	2 058	2 163	2 723	2 846	3 581
Return on capital employed, %	12.2	13.3	15.6	14.4	16.8
Return on equity, %	17.8	18.7	22.1	20.9	24.9
Net debt, MSEK	874	885	1 040	937	1 222
Net investment in non-current assets, MSEK	92	65	110	118	169
Depreciation/amortisation of non-current assets, MSEK	85	89	95	107	121
Number of employees	2 192	2 204	2 370	2 451	2 787