

The background of the slide is a blurred photograph of a business meeting. Several people in professional attire are gathered around a table, leaning in and looking at documents. The setting is a modern office with large glass windows that reflect the bright outdoor light, creating a high-key, airy atmosphere. The motion blur gives a sense of activity and collaboration.

PROACT

Delivering Business Agility

Financial report January – December 2017

Strategy

- “We are constantly working according to our established strategy, in order to meet the company’s objectives and financial targets.”
- The strategy is based on the following areas
 - » “One Proact”
 - » Market leading offering independent of suppliers
 - » Emphasis on innovation
 - » Partners
 - » Increased proportion of contracted revenues
 - » Market

Market trends

- The underlying growth of digital business-critical information remains high
- The rapid digitisation taking place in most industries and businesses and the increasing volume of business-critical information, means that the IT infrastructure is becoming increasingly complex and new demands are being made
- Applications, automation and security are fields of increasing strategic importance
- Internet of Things (IoT), Big Data and Analytics are also being implemented, making new demands of the business, organisation and IT infrastructure

2017 in brief

- Continued positive revenue and profit development
- For 2017 as a whole, the company report the highest revenues and best profits in the history of the company
- Increased profit margin (4.7%)

The fourth quarter in brief

- The total income in the quarter increased by 3%, compared with the same period last year, to 895 (868) MSEK
 - » The organic growth equals -6%
- Improved profitability
 - » Profit before tax decreased by 7% to 46.4 (49.7 MSEK)
 - » Profit after tax increased by 3% to 35.0 (33.8 MSEK)
- System sales revenues were unchanged, 605 (605) MSEK
 - » The organic growth equals -10%
- Services revenues increased by 10%, to 289 (263) MSEK
 - » The organic growth equals 2%

The fourth quarter in brief cont'd

- Cloud services revenues increased by 18%, compared with the same period last year, to 110 (93) MSEK
- The key ratios have during the quarter developed in the right direction
 - » Growth: 3%
 - » Profitability (PBT): 5.2%
 - » Solidity: 21%
 - » Return on equity the last 12 months amounted to 31.8 (29.8)%

Income statement January - December 2017

(MSEK)	Jan-Dec 2017	Jan-Dec 2016
System Sales	2,148.7	1,896.3
Services	1,104.5	1,023.0
Other	5.1	2.4
Revenue	3,258.3	2,921.7
Products and services	-2,502.3	-2,214.2
Gross profit	756.0	707.5
Sales and marketing	-374.4	-362.8
Administration	-224.6	-201.6
Items affecting comparability	-	-5.8
Operating profit	156.9	137.2
Financial net	-4.5	-3.5
Profit before tax	152.5	133.7
<i>Margin</i>	4.7%	4.6%
Tax	-37.5	-37.0
Profit after tax	115.0	96.7
<i>Net margin</i>	3.5%	3.3%

Revenue Growth	
Total revenue	12%
<i>Organic growth</i>	-1%
System sales	13%
<i>Organic growth</i>	-2%
Services	8%
<i>Organic growth</i>	1%

	Jan-Dec 2017		Jan-Dec 2016	
EBITDA	220.2	6.8%	191.4	6.6%
EBITA	189.5	5.8%	163.9	5.6%
EBIT	156.9	4.8%	137.2	4.7%

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Income statement October - December 2017

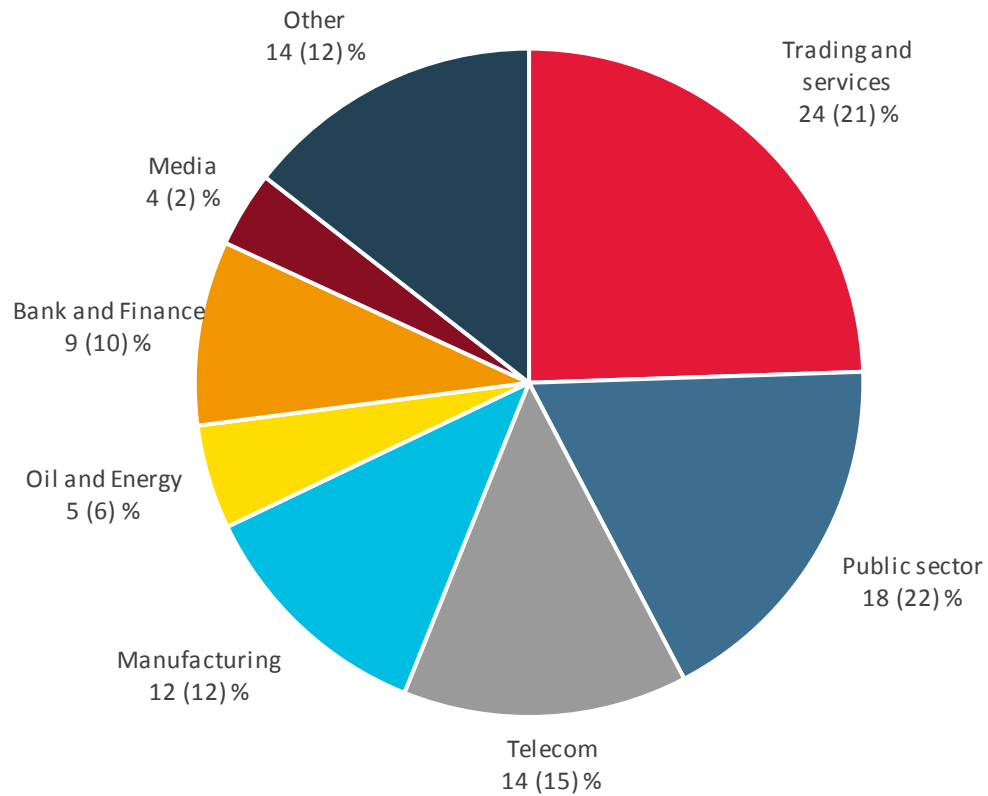
(MSEK)	Oct-Dec 2017	Oct-Dec 2016
System Sales	604.7	604.7
Services	289.0	263.1
Other	1.3	0.5
Revenue	895.0	868.2
Products and services	-683.5	-663.0
Gross profit	211.5	205.2
Sales and marketing	-106.8	-94.8
Administration	-60.8	-58.7
Operating profit	43.9	51.7
Financial net	2.5	-2.0
Profit before tax	46.4	49.7
<i>Margin</i>	5.2%	5.7%
Tax	-11.4	-15.9
Profit after tax	35.0	33.8
<i>Net margin</i>	3.9%	3.9%

Revenue Growth	
Total revenue	3%
<i>Organic growth</i>	-6%
System sales	0%
<i>Organic growth</i>	-10%
Services	10%
<i>Organic growth</i>	2%

	Oct-Dec 2017		Oct-Dec 2016	
EBITDA	60.3	6.7%	65.7	7.6%
EBITA	52.7	5.9%	56.8	6.5%
EBIT	43.9	4.9%	51.7	6.0%

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Revenue per industry 12 months Jan – Dec 2017



Cash flow January – December 2017

Liquid Funds December 31, 2016		214
Cash-flow from current operations		232
Current operations	188	
Change in working capital	44	
Cash-flow from investment activities		-164
Fixed assets	-92	
Sale of tangible assets	8	
Acquisitions	-82	
Other	2	
Cash-flow from financial activities		-67
Bank loans/Bank overdraft facilities/Contract financing	-57	
Acquisitions from holdings without controlling influence	-2	
Buy back of own shares	-25	
Utilization of own shares	27	
Dividend to parent company's shareholders'	-32	
Dividend to holdings without controlling influence	-1	
Deferred payment acquired shares in subsidiary	18	
Other	5	
Change in liquid funds		1
<i>Currency translation difference in liquid funds</i>		5
Liquid Funds December 31, 2017		220

Cash flow October – December 2017

Liquid Funds September 30, 2017		125
Cash-flow from current operations		210
Current operations	73	
Change in working capital	137	
Cash-flow from investment activities		-32
Fixed assets	-39	
Sale of tangible assets	7	
Cash-flow from financial activities		-89
Bank loans/Bank overdraft facilities/Contract financing	-90	
Buy back of own shares	-5	
Dividend to holdings without controlling influence	-1	
Other	7	
Change in liquid funds		89
<i>Currency translation difference in liquid funds</i>		6
Liquid Funds December 31, 2017		220

Key ratios – Balance sheet

(MSEK)	2017 Dec 31	2017 Sep 30	2017 Jun 30	2017 Mar 31	2016 Dec 31
Total Assets	1,832	1,587	1,658	1,766	1,807
whereof Goodwill	385	378	371	368	322
whereof Intangible fixed assets	99	105	127	132	109
whereof Accounts receivables	576	435	422	504	655
Equity	391	382	366	384	333
Solidity	21%	24%	22%	22%	18%
Cash and bank deposits	220	125	188	221	214
Bank loan, overdraft facilities etc.	140	232	165	214	201
Net cash (+)/Net debt (-)	80	-107	23	7	13
Bank overdraft facilities, unutilized	240	157	238	153	151
Bank overdraft facilities, total	241	239	240	170	180

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Revenue and profit before tax per Business Unit

(MSEK)	January – December 2017			January - December 2016		
	Revenue	PBT	Net margin	Revenue	PBT	Net margin
Nordics	1,643	96.5	5.9%	1,645	102.6	6.2%
UK	556	20.7	3.7%	635	21.6	3.4%
West	932	22.9	2.5%	509	10.2	2.0%
East	134	7.2	5.3%	149	10.1	6.8%
Proact Finance	101	5.7	5.7%	73	7.6	10.4%
Other	-108	-0.6		-89	-12.6	
Items affecting comparability		-			-5.8	
Group	3,258	152.5	4.7%	2,922	133.7	4.6%

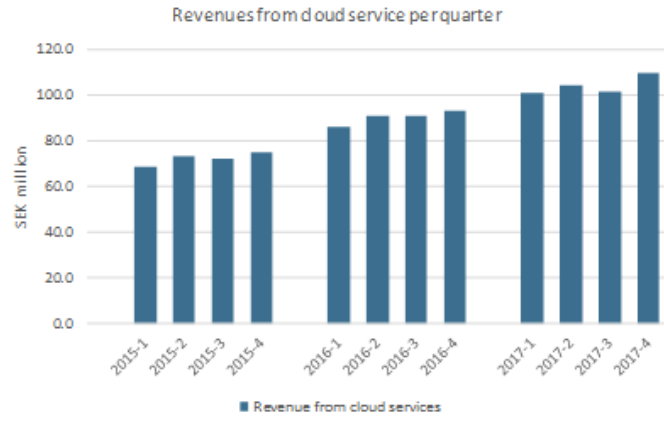
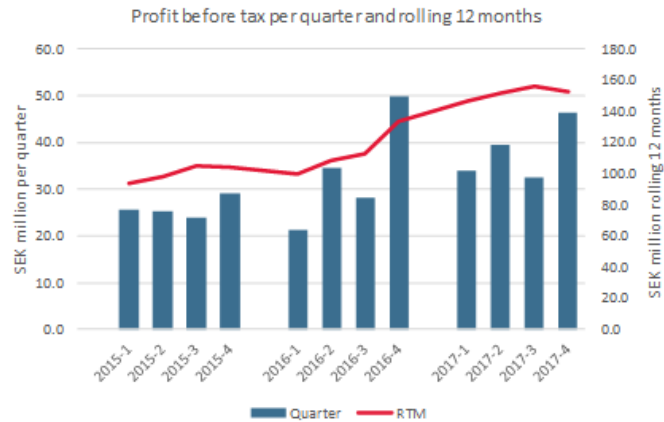
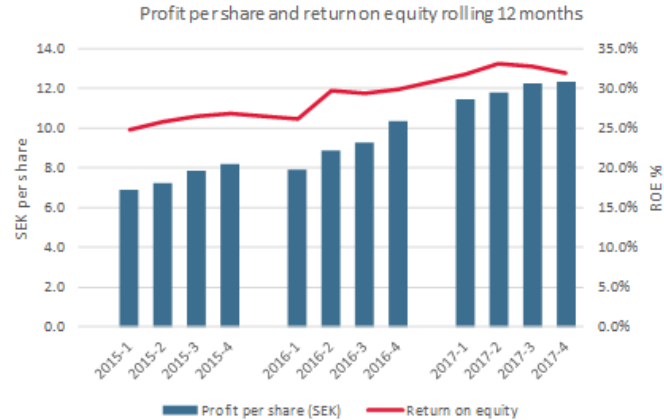
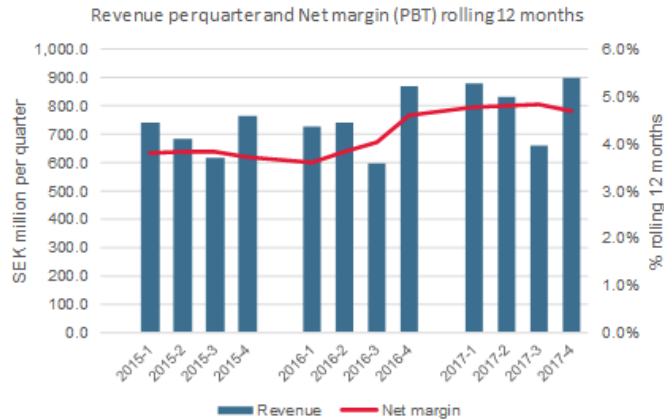
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Revenue and profit before tax per Business Unit

(MSEK)	October - December 2017			October - December 2016		
	Revenue	PBT	Net margin	Revenue	PBT	Net margin
Nordics	481	29.0	6.0%	541	35.7	6.6%
UK	153	9.0	5.9%	160	10.6	6.6%
West	211	1.5	0.7%	134	0.3	0.2%
East	45	2.3	5.1%	41	1.3	3.2%
Proact Finance	43	1.8	4.3%	11	1.7	15.6%
Other	-37	2.9		-19	0.1	
Items affecting comparability		-			-	
Group	895	46.4	5.2%	868	49.7	5.7%

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Summary rolling 12 months



Q/A

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Proact share – Top 10 owners December 31, 2017

	2017 December 31	2017 September 30
AB Grenspecialisten	11.1 %	11.1 %
Livförsäkrings AB Skandia	10.9 %	11.0 %
Swedbank Robur Småbolagsfond Sverige	5.4 %	5.4 %
Fondita Nordic Micro Cap SR	4.6 %	4.6 %
Swedbank Robur Ny Teknik BTI	4.2 %	4.2 %
JP Morgan Bank Luxembourg S.A.	3.9 %	3.9 %
Skandia Sverige	3.8 %	3.8 %
HSBC Trustee of Marlborough, European	2.3 %	1.7 %
Skandia Fond Småbolag Sverige	2.3 %	2.3 %
JPMEL – Stockholm Branch	2.1 %	1.7 %
Others	49.4 %	50.3 %
Total	100 %	100 %

After earlier buy back of own shares, the company holds as per December 31, 2017, 128 569 shares

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