



Interim report

January–March 2018

“Strong Q1 performance reporting a 27% increase in EBITA, healthy organic growth and positive effects from completed acquisitions”

Mårten Andersson, CEO

volat1.

Interim report January–March 2018

Q1 January–March 2018

- Net sales increased 82% to SEK 1,355m (744)
- EBITA rose 27% to SEK 51m (40)
- Organic EBITA growth totalled 9%
- Net profit after tax declined 36% to SEK 18m (28)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.02 (0.15)

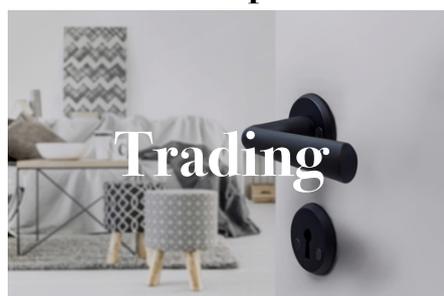
Events after the reporting period

- The Annual General Meeting will be held on 16 May 2018 at 3:30 p.m. at Nalen in Stockholm

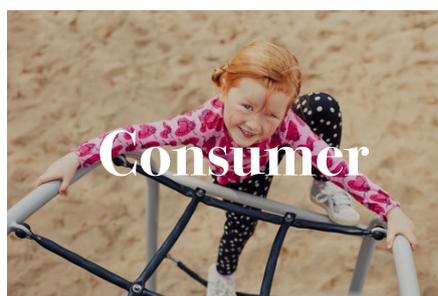
Key figures

SEK m	Jan–Mar 2018	Jan–Mar 2017	Full-year 2017	LTM
Net sales	1,355	744	4,356	4,967
EBITDA	77	57	459	478
EBITA	51	40	377	387
Organic EBITA growth, %	9	10	-19	-18
EBIT	39	36	345	349
Net profit after tax	18	28	241	232
Net debt/Adjusted EBITDA, multiple	1.5	-0.5	1.2	1.5
Cash conversion LTM, %	94	81	112	94
Earnings per common share, SEK	0.02	0.15	2.19	2.06
Equity per common share, SEK	19.98	17.85	19.11	19.98
Return on adjusted equity, LTM, %	11	17	12	11
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

The Volati Group



Trading



Consumer



Akademibok
handeln



Industry

94%

Cash conversion
LTM, Q1 2018

+27%

EBITA
Q1 2018

9%

Organic EBITA growth
Q1 2018

Strong Q1 performance with healthy organic growth and positive effects from acquisitions



“At the start of the year, we took an important step aimed at increasing our acquisition efficiency by strengthening our business area organisation.”

Volati posted a strong performance for Q1 2018 and reported a 27% increase in earnings based on healthy organic growth and positive effects from completed acquisitions over the last year. During the quarter, we continued to take key steps forward aimed at creating the optimal prerequisites for growth, which included strengthening the business area organisation.

We are satisfied with the Q1 trend and are pleased to report a robust increase in sales as well as healthy organic EBITA growth of 9% despite a particularly snowy winter in the south of Sweden and an early Easter in March, which negatively impacted the operations of the Trading and Consumer business areas. Generally, Q1 is Volati's weakest in terms of cash flow and earnings, which was accentuated by the current composition of businesses.

At the same time, we believe that Volati's operations are best viewed over a long-term horizon, beyond individual quarters. This is the perspective we use for managing the operations. As we have made clear, the two core components of Volati's business model are to own businesses with strong cash flows that we can leverage to make further acquisitions of well-managed companies at reasonable valuations. Both of these components — organic growth and the acquisition of healthy new companies — are subject to variations over time. As long-term owners, we are secure in navigating and delivering in that environment. Since 2013, we have posted average organic EBITA growth of 8% and completed a total of ten acquisitions, during the same period, of which three were in the past year.

More efficient acquisition organisation

We have strengthened our business area organisation by giving business area managers clear mandates for business development, monitoring operations and add-on acquisitions among other duties. As we grow, we are adapting the organisation and work methods to changing needs to, thereby, optimise value creation. At the start of the year, we took an important step aimed at increasing our acquisition efficiency. The organisational change delegates clearer responsibility to the business area managers, who are thus empowered to evaluate and manage add-on acquisitions more closely with operations, at the same time as we work centrally with major acquisitions. The change has panned out well and means greater clarity and faster decision making in our operating activities.

Capital structure for acquisitions

In 2017, Volati issued a bond to strengthen its scope for acquisitions and to diversify our capital structure. Our current capital structure enables us to act quickly, when we identify suitable acquisitions. Irrespective of the market, we can identify interesting opportunities. However as always, we are picky and adhere to the principle that it is better to turn down a good deal than to make a bad one. Our current net debt to adjusted EBITDA ratio is a multiple of 1.5, which is well below our maximum limit of a multiple of 3.0. In Q1, the Volati bond and the Akademibokhandeln bond that we took over as part of the acquisition in 2017 have entailed higher financing costs for the Group, which has negatively impacted net profit after tax. This is partly a timing effect, since a major part of Volati's earnings arise in the latter half of the year.

During the quarter, we advanced further on our financial earnings target of reaching an adjusted EBITA of SEK 700m before the end of 2019. Over the last 12 months, we have acquired companies with a total EBITA of SEK 139m and accordingly, have reached an adjusted EBITA of SEK 418m for the same period. We will now continue, with a long-term perspective, to keep working with the core areas of our business model — acquisitions and organic growth.

Mårten Andersson, CEO

This is Volati

Volati acquires well-managed companies with strong cash flows at reasonable valuations, and develops these with a focus on long-term value creation. Acquiring companies that have stable and sustainable cash flows from the outset creates a stable base for operations. These cash flows can then be leveraged for further acquisitions. Through active long-term corporate development efforts, Volati creates favourable conditions for organic growth.

Since 2003, Volati has built an industrial group comprised of four business areas: Trading, Consumer, Akademibokhandeln and Industry. Volati has operations in 16 countries and a total of around 1,900 employees.

A value creating business model

Volati's success has been created with a tried and tested business model that is the same today as when the company was founded in 2003. It is based on four mutually reinforcing cornerstones.

Strong operating cash flow in the business units...

SEK **513**m

Operating cash flow 2017

...is used for further acquisitions of companies with strong cash flows...

42%

Average acquired EBITA growth, 2013–2017

...at reasonable valuations

6.0x

Average acquisition multiple (EV/EBITDA) since 2004

...and with focus on long-term value creation.

8%

Average organic EBITA growth, 2013–2017

Financial targets

Volati's overriding objective is to generate long-term increases in value by building an industrial group of profitable companies with solid cash flows and the capacity for continuous development. Volati applies the following financial targets, which should be evaluated as a whole.

1 Earnings growth

An adjusted EBITA of SEK 700m should be achieved by the end of 2019. The target for average annual organic EBITA growth is 5%.

At the end of Q1, LTM adjusted EBITA was SEK 418m, up 17% year-on-year, that is, calculated as if the companies owned on 31 March 2018 had been owned for the entire 12-month period. Since 2013, organic EBITA growth has averaged 8%.



2 Cash conversion

The cash conversion rate should be in excess of 85% per year.

At the end of Q1 2018, the LTM adjusted cash conversion rate was 94%.



3 Capital structure

The long-term target is for a net debt ratio of less than three times LTM adjusted EBITDA.

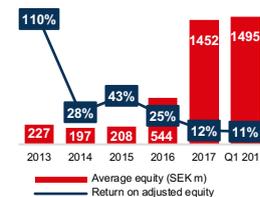
At the end of Q1, net debt/adjusted EBITDA was a multiple of 1.5.



4 Return on adjusted equity

The 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 Q1, the return on adjusted equity was 11%.



5 Dividend policy

To distribute a dividend of 10–30% of net earnings attributable to the Parent Company's shareholders, after taking into consideration future acquisition potential, development potential in existing companies, the financial position and other material factors.

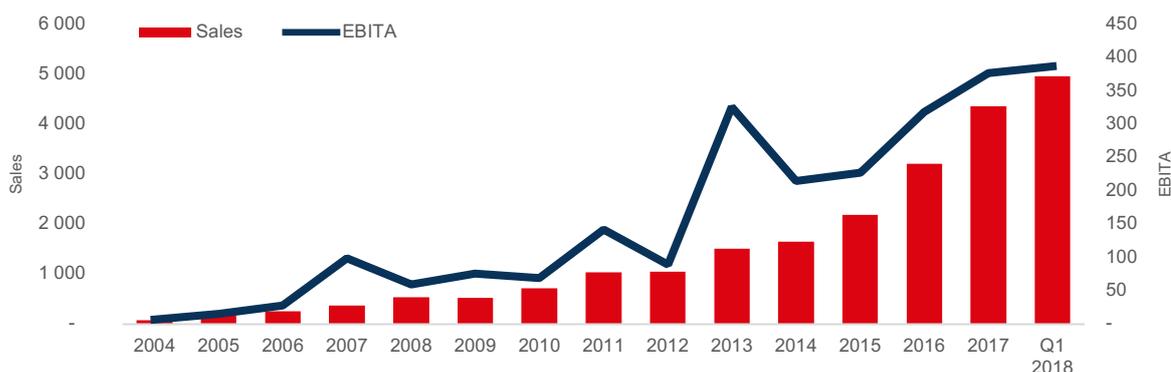
The proposed dividend ahead of the 2018 AGM of SEK 0.50 per common share corresponds to 17% of net earnings attributable to the Parent Company's shareholders for the 2017 financial year. Dividends on preference shares are issued at an annual amount of SEK 40.00 per preference share, through quarterly payments of SEK 10.00.

Proposed dividend for 2017

SEK 0.50
= 17%

Net sales and EBITA trends

2004–Q1 2018, SEK m

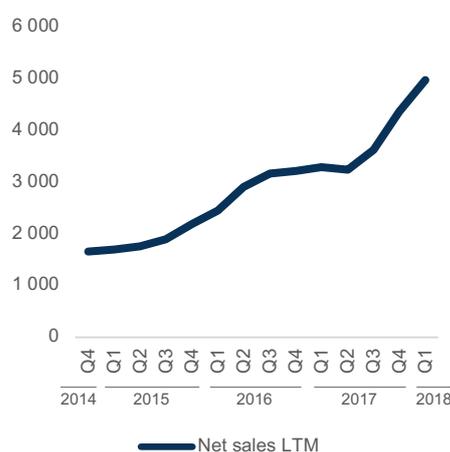


Consolidated financial trend

Net sales

In Q1, consolidated net sales amounted to SEK 1,355m (744), corresponding to a year-on-year increase of 82%. The increase was mainly attributable to acquisitions completed last year and organic growth in existing operations. The exchange-rate effect was a positive 0.2%. Organic sales growth was 3.5%.

Net sales, SEK m



EBITA, SEK m



+27%

EBITA
Q1 2018

Earnings

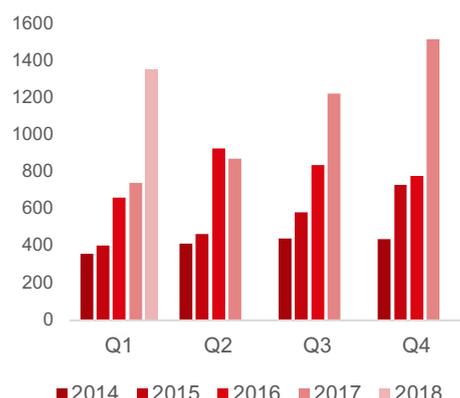
In Q1, EBITA rose to SEK 51m (40), corresponding to an increase of 27%. This was mainly driven by a positive organic EBITA trend for operations. Organic EBITA growth was 9%. The exchange-rate effect was a negative 0.1% and the effect from acquisitions was 4%.

In Q1, net profit after tax was SEK 18m (28). The decline was driven by higher financial costs attributable to bonds outstanding in Akademibokhandeln and Volati. Net profit after tax attributable to the Parent Company's owners totalled SEK 18m (28). The minority share of earnings was SEK 0.2m (loss: 0.1). Earnings per common share after deduction of preference share dividends amounted to SEK 0.02 (0.15).

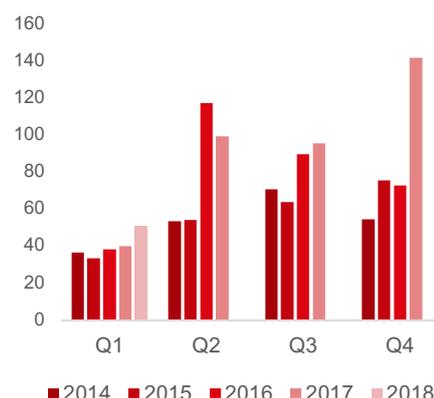
Seasonal variations

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 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 areas' respective markets. This means that Volati's operations, sales and earnings trends are best monitored on an LTM basis.

Net sales, SEK m



EBITA, SEK m



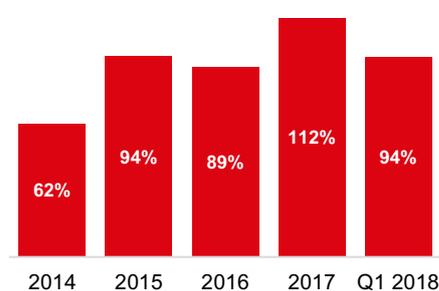
Cash flow

Cash flows from operating activities amounted to an outflow of SEK 125m (outflow: 31) in Q1. The decrease in cash flow represents a normal seasonal variation for the Group as a result of the market conditions for the operations. LTM cash flows from operating activities amounted to SEK 380m (475). The LTM cash conversion rate was 94% (81). Investments in non-current assets in the operations amounted to SEK 15m (11) for the quarter and pertained primarily to business development investments in the form of IT systems and ongoing investments in machinery and equipment.

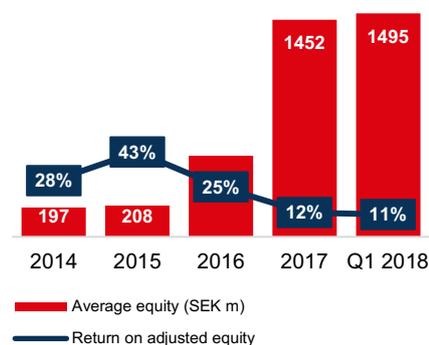
94%

Cash conversion
LTM, Q1 2018

Cash conversion, %



Equity and return on adjusted equity



Equity

Total equity for the Group amounted to SEK 2,434m (2,365) at the end of the period. Equity attributable to the Parent Company's shareholders, adjusted for preference share capital, increased from SEK 1,418m at 31 March 2017 to SEK 1,593m at 31 March 2018. At 31 March 2018, the equity ratio was 50% compared with 47% at the end of 2017. The average LTM return on adjusted equity was 11% (12).

11%

Return on
adjusted equity
Q1 2018

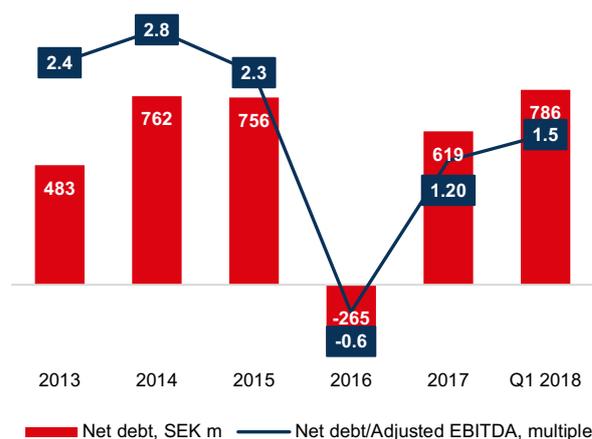
1.5x

Net debt /
adjusted EBITA
Q1 2018

Net debt

At the end of Q1, the Group had net debt of SEK 786m compared with net debt of SEK 619m at 31 December 2017. Due to negative cash flow from operations, net debt has increased. The negative cash flow represents a normal seasonal variation for the Group as a result of the market conditions for the operations. Total liabilities amounted to SEK 2,437m compared with SEK 2,642m at 31 December 2017. At the end of Q1, interest-bearing liabilities including pension provisions were SEK 1,004m compared with SEK 1,092m at 31 March 2017. At the end of Q1, the unutilised portion of the overdraft facility amounted to SEK 261m, the unutilised portion of the revolving credit facility was SEK 550m, and cash and cash equivalents totalled SEK 192m.

Capital structure trend



Net debt

As the Group had net debt of SEK 786m at the end of the quarter, net debt in relation to adjusted EBITDA amounted to a multiple of 1.5.

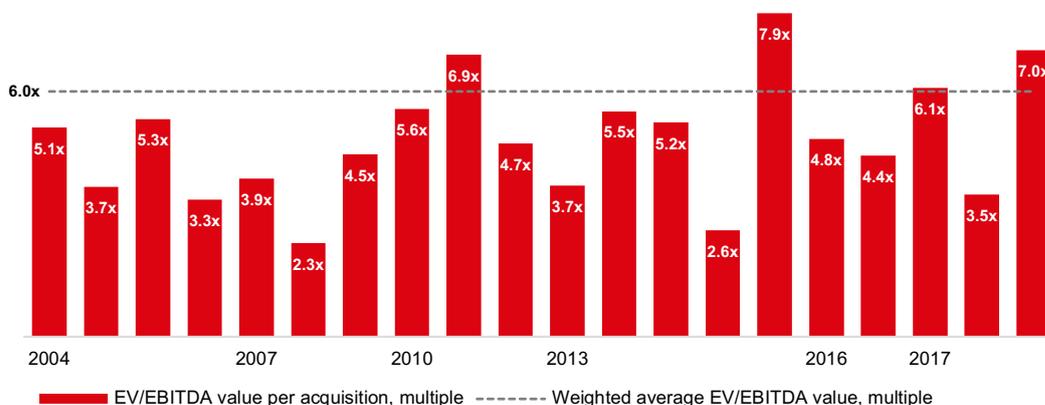
Acquisitions during and after the period

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 and acquisitions of business units 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. No acquisitions were carried out in Q1 2018.

The weighted average acquisition multiple since Volati's inception amounts to a multiple of 6.0 (Enterprise value/EBITDA) and the following diagram shows the acquisition multiples for each acquisition with an Enterprise value in excess of SEK 10m.

Volati's acquisitions

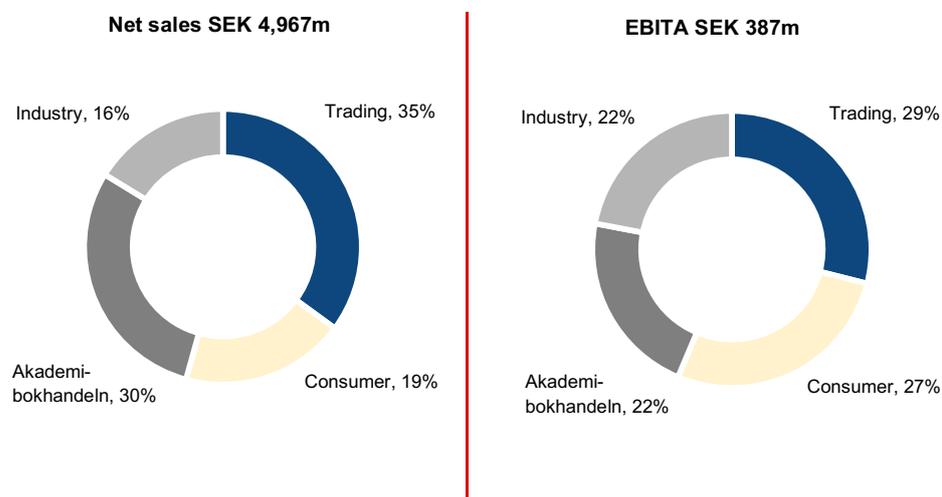
Acquisition multiples



Volati's business areas

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

The diagrams refer to the 12-month period between April 2017 and March 2018. The acquired operations are only included from the date possession was taken of the respective business and are calculated exclusive of central costs.



Trading

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net sales, SEK m	468	339	1,743	1,615
Organic net sales growth, %	-5	3	-4	-2
EBITDA, SEK m	23	16	143	136
EBITA, SEK m	19	14	130	125
EBITA margin, %	4	4	7	8
EBIT, SEK m	16	13	123	119
ROCE excl. goodwill, %	34	36	34	35



The main impact on Trading's performance was from the acquisition of T-Emballage, which was completed at the end of 2017, and positively affected the business area. Poorer market conditions in terms of fewer working days and adverse weather in the quarter resulted in somewhat negative organic sales growth. The underlying performance of the operations was relatively stable and actions are being implemented to drive long-term profitability for the business area.

The Trading Business Area's operations primarily offer products in hardware and construction, home and garden, packaging, and agriculture and forestry 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, such as logistics and IT systems, and accounting and other administrative functions. The customer base shared between the business units enables cross sales, cooperation between sales personnel and the opportunity to offer integrated customer solutions.

Consumer



	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net sales, SEK m	238	249	954	966
Organic net sales growth, %	-5	4	-1	1
EBITDA, SEK m	26	36	157	167
EBITA, SEK m	17	28	123	134
EBITA margin, %	7	11	13	14
EBIT, SEK m	14	25	112	123
ROCE excl. goodwill, %	202	200	202	206

No acquisitions were completed in the business area in Q1 or in the comparative periods. Operations trended somewhat weaker in the quarter with a slight decline in revenue driven by deteriorated market conditions in existing markets. The long-term strategic considerations for operations are proceeding as planned and activities are being implemented in the operations that experienced challenges.

The Consumer Business Area's units focus on various B2C niches and are driven by strong local entrepreneurship. All of the businesses have substantial customer databases, which create opportunities to collaborate, and are included in central initiatives to develop operations. Such areas include digitalisation and e-commerce as well as tools to create deeper customer relationships and increased customer loyalty.

Akademibokhandeln



	Jan–Mar 2018	Jan–Mar 2017*	LTM**	Full-year 2017**
Net sales, SEK m	436	435	1,465	1,029
Organic net sales growth, %	0	–	–	–
EBITDA, SEK m	-1	0	115	116
EBITA, SEK m	-7	-6	98	105
EBITA margin, %	-2	-1	7	10
EBIT, SEK m	-13	-12	80	93
ROCE excl. goodwill, %	201	–	201	187

* Akademibokhandeln was acquired in July 2017 and, therefore, no restated comparative figures are available. In this column, the company's historical financial development to enable comparison with the outcome has been stated as if the company had been owned since 1 January 2017.

** Financial performance since its acquisition by Volati in July 2017.

Operations developed stably in the first quarter in terms of both sales and earnings. The end of the quarter marked the launch of the audiobook streaming service, Bokus Play, which complements the existing operations and ensures that Akademibokhandeln can offer stories in all formats, through all channels, to all of the company's customers.

The Akademibokhandeln Business Area 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.

Industry



	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net sales, SEK m	213	155	805	747
Organic net sales growth, %	36	4	1	-6
EBITDA, SEK m	38	19	126	106
EBITA, SEK m	32	12	99	79
EBITA margin, %	15	8	12	11
EBIT, SEK m	32	11	98	77
ROCE excl. goodwill, %	58	77	58	46

The positive Q1 trend was due to healthy sales growth for operations from favourable market conditions and as a result of the measures implemented last year leading to increased margins and improved profitability across all business activities.

The Industry Business Area's units focus on various B2B niches and are driven by the combination of strong local entrepreneurship with cooperation in selected areas. The units cooperate and exchange experience in areas such as acquisitions, expansion into new markets and production efficiency.

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 first quarter, Head Office posted an EBITA of negative SEK 10m (neg: 11).

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 PEF, respectively. At the end of Q1, the number of shareholders was 7,078.

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 Q1. Accordingly, the share capital amounted to SEK 10m at 31 March 2018. In addition, Volati has issued 4,174,570 warrants to senior executives, which carry entitlement to subscription for 834,914 common shares.

Nomination Committee's proposals

The Nomination Committee of Volati has submitted its proposals to Volati's Annual General Meeting to be held on 16 May 2018. The Committee proposes Patrik Wahlén for election as the new Chairman of the Board and the election of Anna-Karin Celsing and Magnus Sundström as new Board members. Karl Perlhagen, Björn Garat, Christina Tillman and Louise Nicolin are proposed for re-election as Board members. Furthermore, the Committee also proposes that Ernst & Young Aktiebolag is elected as the company's new auditor. The full proposals from the Nomination Committee are available on Volati's website.

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 who wish to participate in the AGM should be registered in the shareholders' register maintained by Euroclear Sweden AB as of Wednesday, 9 May 2018, and notify their intent to attend to the company by Wednesday, 9 May 2018. Notice of attendance can be given by telephone +46 8-21 68 40 on weekdays between 9:00 a.m. and 4:00 p.m., by e-mail to bolagsstamma@volati.se or through the company's website, www.volati.se. The AGM documentation including information pertaining to the Board's proposals is available from the company's website www.volati.se.

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 AGM.

Related-party transactions

No material transactions with related parties took place aside from those presented in the 2017 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

- 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

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, 9 May 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.

This information is such that Volati AB (publ) is obliged to disclose under the EU Market Abuse Regulation (MAR) and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 7:45 a.m. (CEST) on 9 May 2018.

For more information, please contact:

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Mattias Björk, CFO, +46 70-610 80 89, mattias.bjork@volati.se

Volati AB (publ)

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Financial statements

Consolidated income statement

SEK m	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Operating revenue				
Net sales	1,355	744	4,967	4,356
Operating costs				
Raw materials and supplies	-764	-344	-2,648	-2,228
Other external costs	-212	-137	-759	-684
Personnel costs	-304	-202	-1,085	-983
Other operating revenue	7	1	14	7
Other operating costs	-5	-4	-10	-9
EBITDA	77	57	478	459
Depreciation	-26	-17	-91	-82
EBITA	51	40	387	377
Acquisition-related amortisations and write-downs	-12	-5	-38	-31
EBIT	39	36	349	345
Financial income and costs				
Financial income	3	3	8	8
Financial costs	-18	-6	-61	-49
Profit before tax	24	33	296	305
Tax	-6	-5	-64	-63
Net profit	18	28	232	241
Attributable to:				
Parent Company's owners	18	28	230	240
Non-controlling interests	0	0	2	1
Earnings per common share, SEK	0.02	0.15	2.06	2.19
Earnings per common share after dilution, SEK	0.02	0.14	2.05	2.17
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	80,406,571	80,406,571	80,406,571
Avg. No. of common shares after dilution	80,617,346	80,857,109	80,617,346	80,838,878
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

volati.

Consolidated statement of comprehensive income

SEK m	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net profit	18	28	232	241
Other comprehensive income				
Remeasurement of net pension obligations	–	0	0	0
Deferred tax pertaining to net pension obligations	–	0	0	0
Translation differences for the period	32	-13	26	-19
Other comprehensive income for the period	32	-13	26	-20
Total comprehensive income for the period	50	14	258	222
Total comprehensive income for the period attributable to:				
Parent Company's owners	49	15	256	221
Non-controlling interests	1	0	2	1

Key figures

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net sales, SEK m	1,355	744	4,967	4,356
Net sales growth, %	82	12	51	36
Organic growth in net sales, %	3	4	-2	-2
EBITDA, SEK m	77	57	478	459
Adjusted EBITDA, SEK m	517	427	517	511
EBITA, SEK m	51	40	387	377
EBITA margin, %	4	5	8	9
EBITA growth, %	27	4	21	18
LTM Adjusted EBITA, SEK m	418	358	418	415
EBITA excl. central costs and items affecting comparability, SEK m	61	54	450	443
Organic EBITA growth, %	9	10	-19	-18
EBIT, SEK m	39	36	349	345
Net profit after tax	18	28	232	241
Earnings per common share before dilution, SEK ¹⁾	0.02	0.15	2.06	2.19
Earnings per common share after dilution, SEK ¹⁾	0.02	0.14	2.05	2.17
Equity per common share, SEK	19.98	17.85	19.98	19.11
Return on equity, %	10	13	10	11
Return on adjusted equity, %	11	17	11	12
Equity ratio, %	50	70	50	47
Cash conversion LTM, %	94	81	94	112
Adjusted cash conversion LTM, %	95	87	95	116
Operating cash flow, SEK m	-88	-25	450	513
Adjusted operating cash flow, SEK m	-88	-6	452	534
Net debt/EBITDA, ratio	1.5	-0.5	1.5	1.2
No. of employees	1,737	1,172	1,737	1,871
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	80,406,571	80,406,571	80,406,571
Weighted Avg. No. of common shares outstanding after dilution	80,617,346	80,857,109	80,617,346	80,838,878
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	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Operating revenue										
Net sales	1,355	1,517	1,224	872	744	780	839	927	661	731
Operating costs										
Raw materials and supplies	-764	-824	-651	-409	-344	-351	-415	-451	-310	-354
Other external costs	-212	-214	-203	-130	-137	-132	-129	-135	-119	-106
Personnel costs	-304	-314	-253	-214	-202	-201	-189	-208	-173	-177
Other operating revenue	7	3	3	1	1	-2	2	3	1	2
Other operating costs	-5	-2	-2	-2	-4	-4	-2	0	-6	-2
EBITDA	77	166	119	117	57	90	107	135	54	95
Depreciation	-26	-24	-23	-18	-17	-17	-17	-17	-15	-19
EBITA	51	142	96	99	40	73	90	117	38	75
Acquisition-related amortisations and write-downs	-12	-13	-9	-5	-5	-4	-5	-4	-4	-4
EBIT	39	129	87	94	36	68	85	113	35	72
Financial income and costs										
Financial income	3	2	1	2	3	3	5	7	4	4
Financial costs	-18	-20	-16	-7	-6	-17	-18	-17	-15	-20
Profit before tax	24	110	72	90	33	55	72	103	24	56
Tax	-6	-18	-19	-21	-5	-10	-21	-16	-7	-11
Net profit	18	93	53	68	28	45	51	86	17	45
Attributable to:										
Parent Company's owners	18	92	52	68	28	45	49	85	17	35
Non-controlling interests	0	0	1	1	0	1	2	2	0	9

Business areas — quarterly

Net sales, SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Trading	468	453	394	428	339	372	405	419	296	325
Industry	213	197	205	190	155	163	214	255	149	197
Akademibokhandeln	436	627	402	–	–	–	–	–	–	–
Consumer	238	241	222	253	249	244	219	253	216	209
Internal eliminations	0	0	0	0	0	0	0	0	0	0
Total net sales	1,355	1,517	1,224	871	744	780	839	927	661	731
EBITDA, SEK m										
Trading	23	29	45	45	16	25	40	51	15	30
Industry	38	19	37	30	19	32	54	54	21	37
Akademibokhandeln	-1	94	22	–	–	–	–	–	–	–
Consumer	26	43	33	55	36	53	34	50	31	36
Items affecting comparability	0	-7	1	1	-3	-11	-12	-7	-4	0
Central costs	-10	-13	-19	-14	-11	-9	-10	-13	-10	-8
Total EBITDA	77	166	119	117	57	90	107	135	54	95
EBITA, SEK m										
Trading	19	26	42	43	14	23	37	48	13	27
Industry	32	13	31	24	12	25	48	48	15	27
Akademibokhandeln	-7	88	17	–	–	–	–	–	–	–
Consumer	17	35	25	46	28	45	27	42	24	30
Items affecting comparability	0	-7	1	1	-3	-11	-12	-7	-4	0
Central costs	-10	-13	-19	-15	-11	-9	-10	-13	-10	-9
Total EBITA	51	142	96	99	40	73	90	117	38	75

Consolidated statement of financial position

SEK m	31 Mar 2018	31 Mar 2017	31 Dec 2017
ASSETS			
Non-current assets			
Intangible assets	2,950	1,827	2,934
Tangible fixed assets	238	186	241
Financial fixed assets	10	8	10
Deferred tax assets	63	43	59
Total non-current assets	3,261	2,064	3,243
Current assets			
Inventories	598	413	610
Accounts receivable	547	384	455
Tax assets	89	35	58
Other current assets	37	15	48
Derivatives	0	–	0
Prepaid expenses and accrued income	148	56	154
Cash and cash equivalents	192	285	438
Total current assets	1,611	1,188	1,763
Total assets	4,871	3,252	5,006
EQUITY AND LIABILITIES			
Equity			
Share capital	10	10	10
Other capital contributions	1,995	1,995	1,995
Other reserves	47	21	16
Retained earnings including net profit	368	220	331
Non-controlling interests	14	17	13
Total equity	2,434	2,264	2,365
Liabilities			
Non-current interest-bearing liabilities	968	51	984
Non-current non-interest-bearing liabilities	78	79	98
Pension provisions	2	2	2
Contingent liabilities	5	5	6
Deferred tax liabilities	271	122	268
Total non-current liabilities	1,325	261	1,358
Current interest-bearing liabilities	34	51	106
Deferred income	78	84	65
Accounts payable	485	238	607
Tax liabilities	81	47	75
Derivatives	1	–	0
Accrued expenses and deferred income	283	177	265
Other current liabilities	151	131	167
Total current liabilities	1,112	728	1,284
Total liabilities	2,437	988	2,642
Total equity and liabilities	4,871	3,252	5,006

Consolidated cash-flow statement

SEK m	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Operating activities				
Profit after financial items	24	33	296	305
Adjustments for non-cash items, etc.	40	27	158	146
Interest paid	-6	-1	-26	-21
Interest received	0	0	1	1
Income tax paid	-33	-18	-76	-62
Cash flows from operating activities before changes in working capital	25	41	353	369
Cash flows from changes in working capital				
Change in inventories	16	-28	26	-18
Change in operating receivables	-68	-62	-38	-32
Change in operating liabilities	-98	18	39	156
Cash flows from changes in working capital	-150	-72	27	106
Cash flows from operating activities	-125	-31	380	475
Investing activities				
Investments in tangible and intangible assets	-15	-11	-61	-57
Divested tangible and intangible assets	1	1	6	6
Investments in subsidiaries	–	–	-553	-553
Divestments of subsidiaries	–	–	1	1
Investments in financial assets	–	–	0	–
Divested financial assets	–	0	0	–
Cash flow from investing activities	-14	-10	-607	-603
Financing activities				
Dividend paid on preference share	-16	-16	-64	-64
Dividend paid on common share	–	–	-41	-41
New share issue	–	–	-1	-1
Redemption of pension liability	–	–	-24	-24
Change in borrowings	-96	-27	261	330
Cash flow from financing activities	-112	-43	130	200
Cash flow for the period	-251	-83	-97	71
Opening cash and cash equivalents	438	371	285	371
Exchange-rate differences in cash and cash equivalents	5	-2	3	-4
Closing cash and cash equivalents	192	285	192	438

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	1,995	34	200	18	2,257
Net profit	–	–	–	28	0	28
Other comprehensive income	–	–	-13	–	0	-13
Comprehensive income for the period	–	–	-13	28	0	14
Quotient value, issued common shares	–	–	–	0	–	0
Other transactions with owners	–	–	–	-8	–	-8
Closing balance 31 March 2017	10	1,995	21	220	17	2,264

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	1,995	34	200	18	2,257
Net profit	–	–	–	240	1	241
Other comprehensive income	–	–	-19	0	0	-20
Comprehensive income for the period	–	–	-19	240	1	222
Dividends	–	–	–	-106	–	-106
Quotient value, issued common shares	–	–	–	-1	–	-1
Shareholders' contributions	–	–	–	12	–	12
Remeasurement of non-controlling interests	–	–	–	-13	–	-13
Other transactions with owners	–	–	–	-2	-6	-8
Closing balance 31 Dec 2017	10	1,995	16	331	13	2,365

SEK m	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2018	10	1,995	16	331	13	2,365
Net profit	–	–	–	18	0	18
Other comprehensive income	–	–	32	–	0	32
Comprehensive income for the period	–	–	32	18	1	50
IFRS 9 transition effect	–	–	–	0	0	0
Remeasurement of non-controlling interests	–	–	–	20	–	20
Closing balance 31 March 2018	10	1,995	47	368	14	2,434

1) The net effect on equity after the transition to IFRS 9 was close to SEK 0.5m.

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 2017 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 1–15 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. Volati has applied the transition to IFRS 15 with a forward-looking approach and can state that the new standard does not have any impact on the consolidated financial statements other than the expanded disclosure requirements in IFRS 15. Volati has applied the transition to IFRS 9 with a forward-looking approach and can state that the new standard does not have any material impact on the consolidated financial statements.

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. 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. The company will not use early adoption. Volati AB's covenants are calculated pursuant to the existing accounting policies and are therefore unaffected by IFRS 16. Refer to Volati's 2017 Annual Report for an indicative effect on the consolidated financial statements.

Note 2 Risks and uncertainties

A detailed description of the Group's material risks and uncertainties is provided in the 2017 Annual Report.

Note 3 Segment reporting

At the end of the first quarter, Volati encompassed four business areas: Trading, Industry, Akademibokhandeln and Consumer.

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Net sales, SEK m				
Trading	468	339	1,743	1,615
Industry	213	155	805	747
Akademibokhandeln	436	–	1,465	1,029
Consumer	238	249	954	966
Internal eliminations	0	0	0	0
Total net sales	1,355	744	4,967	4,356

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
EBITDA, SEK m				
Trading	23	16	143	136
Industry	38	19	126	106
Akademibokhandeln	-1	–	115	116
Consumer	26	36	157	167
Items affecting comparability	–	-3	-6	-9
Central costs	-10	-11	-56	-57
Total EBITDA	77	57	478	459

EBITA, SEK m	Jan–Mar	Jan–Mar	LTM	Full-year
	2018	2017		2017
Trading	19	14	130	125
Industry	32	12	99	79
Akademibokhandeln	-7	–	98	105
Consumer	17	28	123	134
Items affecting comparability	–	-3	-6	-9
Central costs	-10	-11	-57	-58
Total EBITA	51	40	387	377
Acquisition-related amortisations and write-downs	-12	-5	-38	-31
Net financial items	-16	-3	-53	-40
Profit before tax	24	33	296	305

EBIT, SEK m	Jan–Mar	Jan–Mar	LTM	Full-year
	2018	2017		2017
Trading	16	13	123	119
Industry	32	11	98	77
Akademibokhandeln	-13	–	80	93
Consumer	14	25	112	123
Items affecting comparability	–	-3	-6	-9
Central costs	-10	-11	-58	-58
Total EBIT	39	36	349	345

Note 4 Business and company acquisitions

No acquisitions were carried out in Q1 2018.

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 LTM EBITDA for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month 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 last 12 months for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month 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.	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.

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Calculation of organic growth in net sales				
Net sales	1,355	744	4,967	4,356
Acquired/divested net sales	-583	-50	-1,749	-1,211
Currency effects	-2	-8	–	-14
Comparative figures for preceding years	769	686	3,219	3,132
Organic growth in net sales, %	3	4	-2	-2
EBITA excl. central costs and items affecting comparability				
EBITA	51	40	387	377
Adjustments for items affecting comparability	–	3	6	9
EBITA excl. items affecting comparability	51	43	393	385
Adjustment for central costs	10	11	57	58
EBITA excl. central costs and items affecting comparability	61	54	450	443
Adjusted net sales				
Net sales LTM	4,967	3,289	4,967	4,356
Acquired companies	702	28	702	1,291
Adjusted net sales	5,669	3,317	5,669	5,647
Adjusted EBITA and EBITDA				
EBITDA LTM	478	389	478	459
Acquired companies	31	3	31	42
Restructuring costs	–	7	–	–
Integration costs	–	3	–	–
Transaction costs	14	2	14	14
Listing costs, common share	0	11	0	0
One-off remuneration	-5	5	-5	-5
Earn-out revaluation	-1	6	-1	1
Adjusted EBITDA	517	427	517	511
Depreciation	-91	-69	-91	-82
Acquired companies depreciation	-8	0	-8	-14
Adjusted EBITA	418	358	418	415
Calculation of organic growth in EBITA				
EBITA	51	40	387	377
Adjustments for items affecting comparability	–	3	6	9
Adjustment for central costs	10	11	57	58
EBITA excl. central costs and items affecting comparability	61	54	450	443
Total acquired/divested EBITA	-2	4	-129	-120
Currency effects	0	0	–	-1
Comparative figures for preceding years	59	58	321	323
Organic growth in EBITA, %	9	10	-19	-18

	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
Earnings per common share before dilution				
Net profit attributable to Parent Company's owners	18	28	230	240
Deduction for preference share dividend	16	16	64	64
Net profit attributable to Parent Company's owners, adjusted for preference dividend	1	12	166	176
Avg. No. of common shares	80,406,571	80,406,571	80,406,571	80,406,571
Earnings per common share, SEK	0.02	0.15	2.06	2.19
Earnings per common share after dilution				
Net profit attributable to Parent Company's owners, adjusted for preference share dividend	1	12	166	176
Avg. No. of common shares after dilution	80,617,346	80,857,109	80,617,346	80,838,878
Earnings per common share after dilution, SEK	0.02	0.14	2.05	2.17
Equity per common share				
Closing equity including share attributable to non-controlling interests	2,434	2,264	2,434	2,365
Preference share capital	828	828	828	828
Closing equity including share attributable to non-controlling interests after adjustment of preference share capital	1,606	1,436	1,606	1,537
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	19.98	17.85	19.98	19.11
Calculation of return on equity				
(A) Net profit, LTM, including non-controlling interests	232	211	232	241
Adjustment for preference share dividends, including accrued but as yet unpaid dividends	-64	-64	-64	-64
(B) Net profit, adjusted	167	147	167	177
(C) Average total equity	2,323	1,668	2,323	2,281
(D) Average adjusted equity	1,495	840	1,495	1,452
(A/C) Return on total equity, %	10	13	10	11
(B/D) Return on adjusted equity, %	11	17	11	12
Calculation of equity ratio				
Equity including share attributable to non-controlling interests	2,434	2,264	2,434	2,365
Total assets	4,871	3,252	4,871	5,006
Equity ratio, %	50	70	50	47

Calculation of operating cash flow and cash conversion, %	Jan–Mar 2018	Jan–Mar 2017	LTM	Full-year 2017
(A) EBITDA	77	57	478	459
Change in working capital	-150	-72	27	106
Net investments in tangible and intangible fixed assets	-14	-10	-55	-52
(B) Operating cash flow	-88	-25	450	513
Adjustment for net investments relating to Besikta Bilprovning's IT system	–	0	2	2
Adjustment for issue costs	–	18	0	18
(C) Adjusted operating cash flow	-88	-6	452	534
(B/A) Cash conversion, %	-114	-43	94	112
(C/A) Adjusted cash conversion, %	-114	-11	95	116

Calculation of Net debt/Adjusted EBITDA, ratio

Net debt				
Cash and cash equivalents	-192	-285	-192	-438
Unrealised derivative contract assets	0	–	0	0
Pension provisions	2	2	2	2
Non-current interest-bearing liabilities	968	51	968	984
Current interest-bearing liabilities	34	51	34	106
Unrealised derivative contracts liabilities	1	0	1	0
Accrued interest expenses	8	–	8	2
Pension assets	-2	-2	-2	-2
Adjustment for nominal value of bond liability	-10	–	-10	-12
Adjustment for shareholder loans	-23	-22	-23	-23
Net debt	786	-204	786	619
Adjusted EBITDA	517	427	517	511
Net debt/adjusted EBITDA, ratio	1.5	-0.5	1.5	1.2

ROCE %, as per 31 March 2018	Trading	Industry	Akademi-bokhandeln	Consumer	Central costs	Volati Group
1) EBITA LTM	130	99	98	123	-57	393
<i>Capital employed at 31 March 2018</i>						
Intangible assets	945	546	876	868		2,950
Adjustment for goodwill, patent/technology, brands	-943	-527	-809	-798		-2,791
Tangible fixed assets	63	79	41	38		238
Inventories	341	84	142	31		598
Accounts receivable	329	148	28	42		547
Other current assets	1	10	25	1		37
Prepaid expenses and accrued income	27	46	52	20		148
Deferred income	-1	-61	0	-16		-78
Accounts payable	-213	-85	-142	-42		-485
Accrued expenses and deferred income	-78	-51	-79	-61		-283
Other current liabilities	-41	-16	-37	-32		-151
Adjustment for non-working-capital-related current liabilities						14
Adjusted for preference share dividend						16
Adjusted for accrued nonrecurring costs						3

Capital employed at 31 March 2018	430	172	97	51	764	
Adjustment for LTM average capital employed	-51	-3	-48	10	0	-103
2) LTM average capital employed	379	170	49	61	661	
ROCE 1)/2), %	34	58	201	202	59	
3) LTM average capital employed incl. goodwill and other intangible assets with an indefinite useful life	1,106	393	717	819	2,893	
ROCE incl. goodwill 1)/3), %	12	25	14	15	14	
ROCE %, as per 31 March 2017		Trading	Industry	Consumer	Central costs	Volati Group
1) EBITA LTM		122	132	141	-43	353
Capital employed at 31 March 2017						
Intangible assets		690	545	877		1,827
Adjustment for goodwill, patent/technology, brands		-687	-518	-795		-1,715
Tangible fixed assets		44	75	47		186
Inventories		283	98	32		413
Accounts receivable		226	121	37		384
Other current assets		1	10	4		15
Prepaid expenses and accrued income		19	15	19		56
Adjustment for non-working-capital-related current assets						0
Deferred income		-1	-62	-22		-84
Accounts payable		-139	-63	-33		-238
Accrued expenses and deferred income		-58	-37	-66		-177
Other current liabilities		-37	-17	-36		-131
Adjustment for non-working-capital-related current liabilities				1		24
Adjusted for preference share dividend						16
Capital employed at 31 March 2017		340	168	65		576
Adjustment for LTM average capital employed		-2	3	6		6
2) LTM average capital employed		338	171	71		582
ROCE 1)/2), %		36	77	200		61
3) LTM average capital employed incl. goodwill and other intangible assets with an indefinite useful life		962	394	827		2,191
ROCE incl. goodwill 1)/3), %		13	34	17		16

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	Jan–Mar	Jan–Mar	LTM	Full-year
	2018	2017		2017
Operating revenue	3	3	11	11
Operating costs	-12	-13	-57	-58
Operating loss	-9	-10	-45	-47
Profit from financial investments	27	21	108	102
Profit after financial items	18	11	62	55
Net profit	14	8	115	110

Parent Company statement of financial position

SEK m	31 Mar	31 Mar
	2018	2017
Non-current assets	282	282
Current assets	4,161	4,209
Total assets	4,443	4,491
Equity	2,865	2,851
Untaxed reserves	61	61
Pension provisions	0	–
Non-current liabilities	594	593
Current liabilities	924	986
Total equity and liabilities	4,443	4,491