



Interim Report
January–June 2018

“Good Q2 performance for the Volati Group, with variations between the business areas”

Mårten Andersson, CEO

Interim Report January–June 2018

Q2 April–June 2018

- Net sales increased by 64 percent to SEK 1,428m (872)
- EBITA amounted to SEK 86m (99)
- Organic EBITA growth was -6 percent
- Profit after tax amounted to SEK 61m (68)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.54 (0.64)

Period January–June 2018

- Net sales increased by 72 percent to SEK 2,783m (1,615)
- EBITA amounted to SEK 137m (139)
- Organic EBITA growth was -2 percent
- Profit after tax amounted to SEK 78m (96)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.56 (0.79)

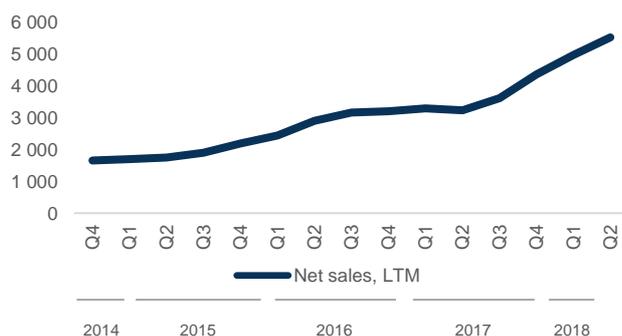
Events after the reporting period

- S:t Eriks Group AB, with net sales of SEK 1,038m and EBITA of SEK 65m for the full year 2017, was acquired on 15 August. S:t Eriks becomes a new business unit in the Industry business area.

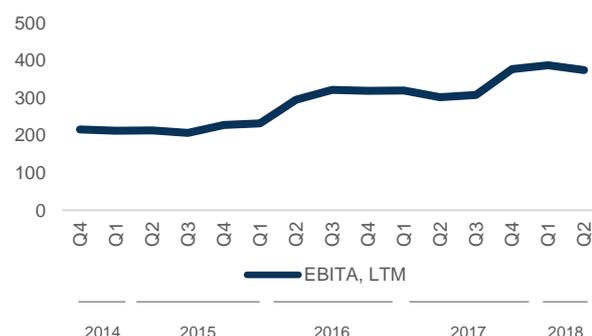
Key figures

SEK m	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	LTM	Full year 2017
Net sales	1,428	872	2,783	1,615	5,524	4,356
EBITDA	114	117	191	174	475	459
EBITA	86	99	137	139	374	377
Organic EBITA growth, %	-6	-21	-2	-12	-14	-18
EBIT	70	94	109	130	324	345
Profit after tax	61	68	78	96	224	241
Net debt/Adjusted EBITDA, x	1.7	-0.5	1.7	-0.5	1.7	1.2
Cash conversion, LTM, %	82	74	82	74	82	112
Earnings per common share, SEK	0.54	0.64	0.56	0.79	1.96	2.19
Equity per common share, SEK	19.64	17.27	19.64	17.27	19.64	19.11
Return on adjusted equity, LTM, %	10	11	10	11	10	12
No. of common shares outstanding	80,406,571	80,406,571	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	1,603,774	1,603,774

Net sales, SEK m



EBITA, SEK m



Operations developing well despite slightly lower profits



Volati's operations have developed well during the quarter, but with variations between business areas. The Industry business area showed strong earnings growth, while Akademibokhandeln followed its normal seasonal pattern, reporting a negative result. S:t Eriks was acquired after the end of the quarter and becomes a new business unit in the Industry business area.

Net sales for Q2 showed a sharp increase, mainly as a result of acquisitions. EBITA amounted to SEK 86m, a decline compared with the same quarter the previous year. EBITA was particularly affected by the fact that Akademibokhandeln is included in the Volati Group's figures for Q2, which was not the case for the comparative quarter. The second quarter is usually a quarter of negative earnings for Akademibokhandeln due to seasonal variations. In addition, market-related investments have been made in the business area with the aim of driving the shift towards increased e-commerce and exploiting the potential of the company's strong loyalty club of 1.8 million customers. The initiatives have resulted in a continuing increase in the proportion of sales coming from e-commerce. However, this has brought a higher cost level during the quarter compared with the corresponding period the previous year. Measures are now being taken within the business area to increase the efficiency of operations in the future.

Strong development in the Industry business area

The Industry business area showed strong sales and earnings growth as a result of measures during the first half of the year, increased efficiency and a clearer strategic focus. The Trading business area showed growth in both sales and EBITA due to acquisitions and stable growth in existing operations. The Consumer business area experienced slightly negative development driven by weak market conditions for some business units. It should be said that the historically hot

“Good Q2 performance for the Volati Group, with variations between the business areas.”

Mårten Andersson, CEO Volati

summer has created challenges for several of the Group's business areas.

Working close to the companies

The two key components of Volati's business model are to develop operations that generate good cash flows and to use these cash flows for further acquisitions of reasonably valued well-managed companies. To succeed, we need to define the right strategic direction for the companies, to place an operational focus on growth and margins, and to ensure that the right skills are in place in the companies' management. In this context, I am pleased at how well the new business area organisation is working. The business area managers' expanded mandate means that we as owners are working even closer to the companies, particularly in terms of strategic direction for long-term value creation and operational monitoring. This has had a positive effect in Q2, notably in the Industry business area.

Scope for further acquisitions

We have ample scope for acquisitions and can act quickly when we identify acquisitions that meet our criteria. The bond that we issued in 2017 and the Akademibokhandeln bond that we took over as part of the acquisition meant that we had higher financing costs in Q2 than in the same quarter the previous year. The net debt to adjusted EBITDA ratio at the end of the period was 1.7x, which is well within our financial target of a maximum of 3.0x.

Events after the end of the period – acquisition of S:t Eriks

S:t Eriks, one of Sweden's leading manufacturers of concrete products and natural stone for infrastructure and landscape architecture, was acquired on 15 August. This is in many ways a typical Volati acquisition and was made at a reasonable valuation. This is a well-managed company with a long history, stable financial development and competent management. We also see continuing development

opportunities for the company, both through additional acquisitions and organically. The acquisition has been made within the framework of our new acquisition organisation, which involves business area managers having greater responsibility for identifying acquisition opportunities and driving acquisition work in close cooperation with Volati's Group management, which we see as contributing to more efficient acquisition processes. Through the acquisition, we

have taken a further step towards our financial target of an adjusted EBITA of SEK 700m by the end of 2019. We are focused on building Volati further and are continuously evaluating new acquisition opportunities while working closely with companies to create good conditions for long-term value creation.

Mårten Andersson, CEO

This is Volati

Volati acquires well-managed companies with strong cash flows at reasonable valuations, and develops them 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 used for further acquisitions. Through active long-term corporate development efforts, Volati creates favourable conditions for organic growth.

A strong operating cash flow in the business units...

SEK 513m

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

5.9 X

Average acquisition multiple (EV/EBITDA) since 2004

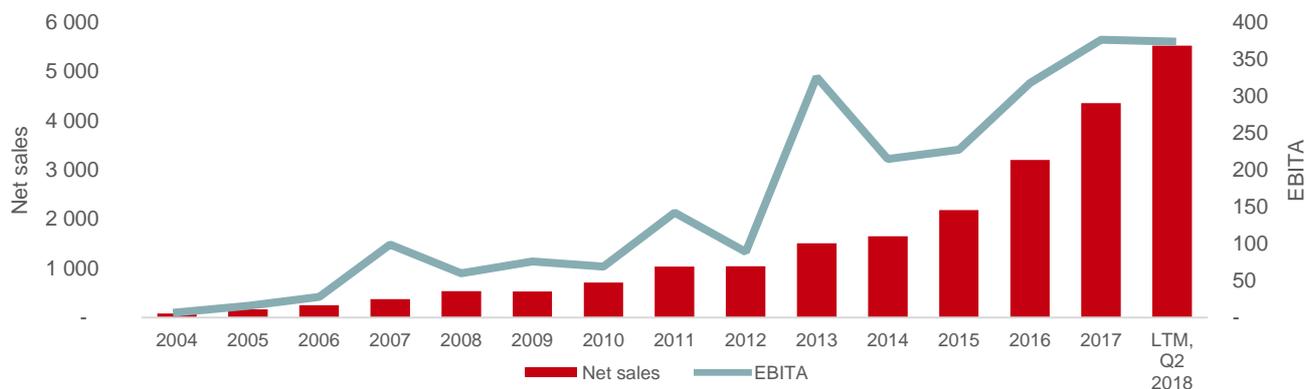
...and with a focus on long-term value creation.

8%

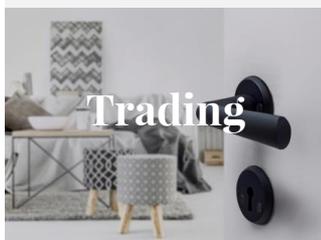
Average organic EBITA growth, 2013–2017

Net sales and EBITA trends

2004 – Q2 2018, SEK m



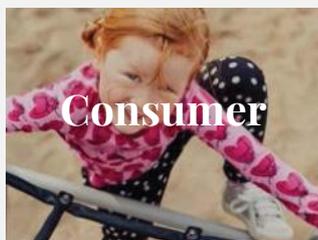
Since 2003, Volati has built an industrial group organised in four business areas: Trading, Consumer, Akademibokhandeln and Industry.



Trading

32%

of the Group's EBITA



Consumer

27%

of the Group's EBITA



**Akademi-
bokhandeln**

15%

of the Group's EBITA



Industry

26%

of the Group's EBITA

The numbers above refer to the 12-month period between July 2017 and June 2018. Acquired operations are included from the acquisition closing date and are calculated net of central costs.

Consolidated financial trend

Net sales

The Group's net sales for Q2 amounted to SEK 1,428m (872), an increase of 64 percent compared with the same period the previous year. The increase was mainly attributable to acquisitions completed in the previous year and organic growth in existing operations. Organic sales growth was 6.2 percent and currency effects were positive at 1.3 percent.

Net sales for the first six months amounted to SEK 2,783m (1,615), an increase of 72 percent compared with the same period the previous year. The increase was mainly attributable to acquisitions completed in the previous year and the organic growth in existing operations. Organic sales growth was 5.0 percent and currency effects were positive at 0.7 percent.

Earnings

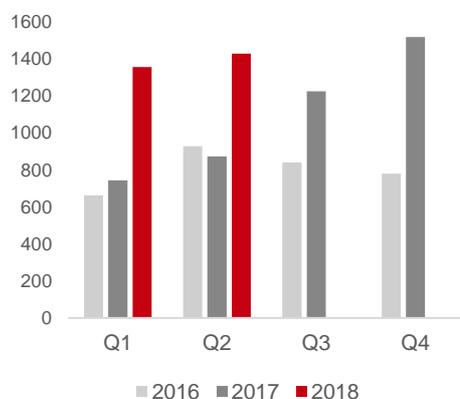
EBITA for Q2 amounted to SEK 86m (99), a decline of 13 percent. EBITA for Q2 amounted to SEK 86m (99), a decline of 13 percent. The decline was mainly due to the fact that Akademibokhandeln is included in the Volati Group's figures for Q2, which was not the case for the comparative quarter. The second quarter is usually a quarter of negative earnings for Akademibokhandeln due to seasonal variations. Organic EBITA growth was negative at 6 percent and currency effects were negative at 0.3 percent.

EBITA for the first six months amounted to SEK 137m (139). Organic EBITA growth was negative at 2 percent and currency effects were positive at 0.3 percent.

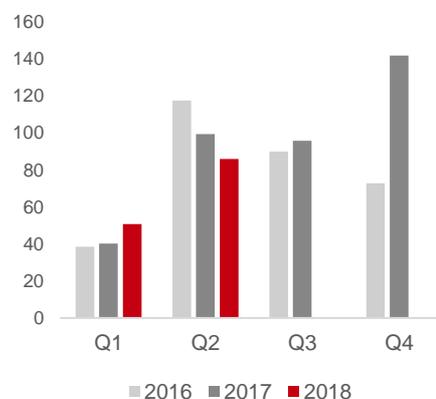
Profit after tax for Q2 was SEK 61m (68). The decline is due to the effect of increased finance costs attributable to outstanding bonds in Akademibokhandeln and Volati. Tax expenses are affected by a positive one-time accounting effect of SEK 10m, due to the fact that the Group's deferred tax liability was remeasured to reflect the enacted Swedish tax rate reduction from 22 percent to 20.6 percent, and by an additional SEK 10m due to a remeasurement of acquired tax losses. Profit after tax attributable to owners of the Parent amounted to SEK 60m (68). Profit after tax attributable to non-controlling interests was SEK 1m (1). Earnings per common share after deduction of preference share dividends amounted to SEK 0.54 (0.64).

Profit after tax for the first six months was SEK 78m (96). Profit after tax attributable to owners of the Parent was SEK 77m (95). Profit after tax attributable to non-controlling interests was SEK 1m (1). Earnings per common share after deduction of preference share dividends amounted to SEK 0.56 (0.79).

Net sales, SEK m



EBITA, SEK m



Seasonal variations

Volati's business areas operate in several different sectors and markets, and the Group's seasonal variations are also affected by any acquisitions made during the financial year. Overall, the Group is affected by seasonal variations in terms of cash flow and earnings, with the fourth quarter generally having the strongest cash flow and earnings, and the first quarter the weakest. Volati's cash flow and earnings are also affected by the conditions in the business areas' respective markets. This means that Volati's operations, sales and earnings development is best monitored on an LTM basis.

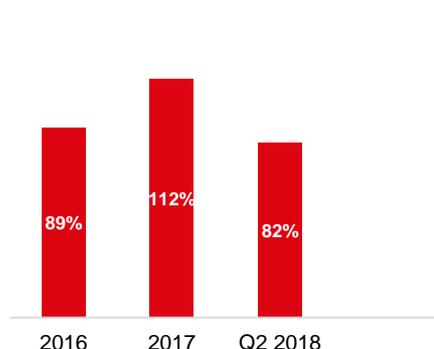
Cash flow

Cash flow from operating activities for Q2 amounted to SEK 13m (82). The change in cash flow is a normal seasonal variation for the Group, resulting from market conditions for the operations. The largest deviation from the previous year is related to the fact that Akademibokhandeln is included in the Volati Group's figures for Q2, which was not the case for the comparative quarter. Cash flow from operating activities for the last twelve months amounted to SEK 311m (475). The cash conversion rate for the last twelve months was 82 percent (112). Operating investments in non-current assets for the quarter amounted to SEK 21m (8) and were primarily related to business development investments in the form of IT systems and ongoing investments in machinery and equipment.

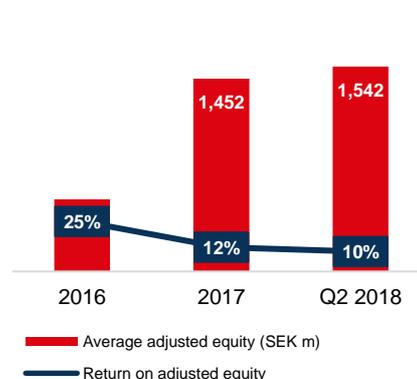
82%

Cash conversion
LTM Q2 2018

Cash conversion, %



Equity and return on adjusted equity



Equity

Total equity for the Group amounted to SEK 2,407m (2,365) at the end of the period. Equity attributable to owners of the Parent, adjusted for preference share capital, increased from SEK 1,524m at 31 December 2017 to SEK 1,564m at 30 June 2018. The equity ratio at 30 June 2018 was 47 percent, which is unchanged from the level at the end of 2017. The average return on adjusted equity for the last twelve months was 10 percent (12).

10%

Return on adjusted
equity
LTM Q2 2018

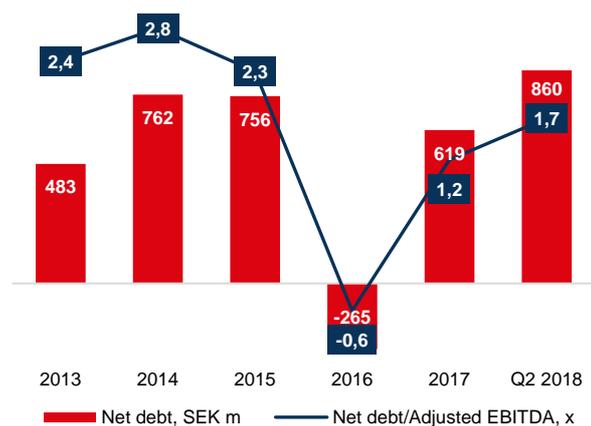
Net debt

The Group had net debt of SEK 860m at the end of Q2, compared with SEK 619m at 31 December 2017. The increase in net debt is due to the negative cash flow from operations. The negative cash flow is a normal seasonal variation for the Group as a result of the market conditions for the operations. Total liabilities amounted to SEK 2,715m, compared with SEK 2,642m at 31 December 2017. Interest-bearing liabilities, including pension obligations, were SEK 1,164m at the end of Q2, compared with SEK 1,092m at 31 December 2017. At the end of Q2, the unutilised portion of the overdraft facility amounted to SEK 201m, the unutilised portion of the revolving credit facility was SEK 550m and cash & cash equivalents totalled SEK 98m.

1.7x

Net debt/
adjusted EBITDA
Q2 2018

Capital structure trend



Net debt

The Group had net debt of SEK 860m at the end of the quarter, with a net debt/adjusted EBITDA ratio of 1.7 x.

Acquisitions during and after the period

Acquisitions are a core element of Volati's strategy for creating long-term value growth, and the Company continuously evaluates both complementary acquisitions and acquisitions in entirely new business areas. It is Volati's assessment that there is a lower risk level for add-on acquisitions and acquisitions of business units than for acquisitions in new business areas, as in-depth industrial know-how and a recipient organisation are already in place in the acquiring company and business unit.

During the second quarter, a small holding company was acquired for a purchase price of SEK 6.8m. The acquisition has affected EBITA for the period by SEK -0.4m in transaction costs and net profit by SEK 9.7m. The positive contribution to net profit was due to this being a bargain purchase, valued on the basis of historical tax losses.

S:t Eriks

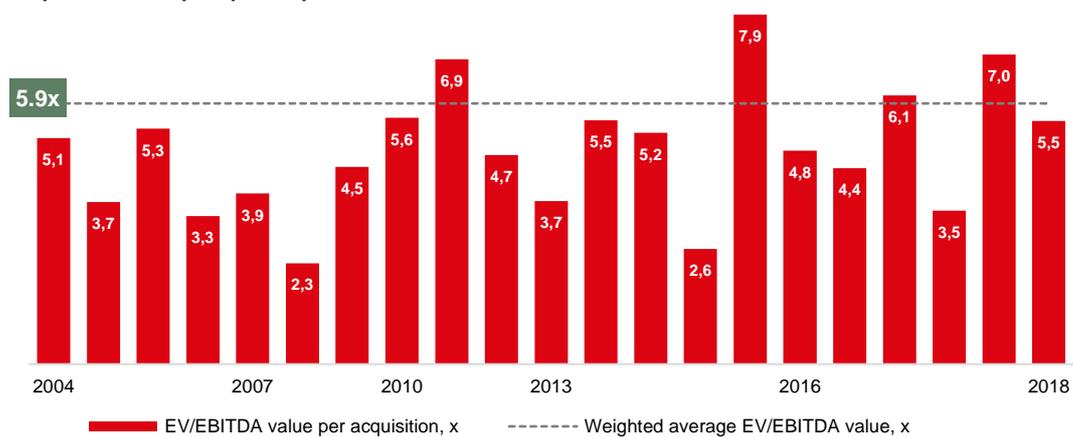
After the end of the quarter, Volati signed an agreement on 17 July 2018 to acquire all shares in S:t Eriks Group AB ("S:t Eriks"), one of Sweden's leading manufacturers of concrete products and natural stone for infrastructure and landscape architecture. S:t Eriks will become a new business unit within the Industry business area and is expected to contribute positively to Volati's cash flow and earnings per share for 2018.

S:t Eriks is a leading manufacturer of concrete and natural stone products for infrastructure, paving, roofing and water & sewage systems. The products are used primarily in infrastructure projects and landscape architecture. The majority of the sales are to professional customers such as infrastructure and construction contractors. The company has 413 employees and is headquartered in Staffanstorp. S:t Eriks had net sales of SEK 1,038m, EBITDA of SEK 91m and EBITA of SEK 65m for the full year 2017. During 2018, the financial performance has been a little weaker due to poorer weather conditions for the company.

On 15 August 2018, Volati acquired the shares in S:t Eriks from Accent Equity 2012 (approx. 90%), and from management and the board (approx. 10%). The acquisition has been made at an estimated enterprise value (EV) of approximately SEK 500m and an EV/EBITDA multiple of 5.5 x earnings for the full year 2017. The purchase consideration for 100 percent of the shares will amount to SEK 260-295m, depending on the outcome of an additional consideration of up to SEK 35m. The additional consideration is dependent on S:t Eriks' financial performance in the years 2018 and 2019. The acquisition is financed through Volati's existing cash and credit facilities.

The acquisition of S:t Eriks is expected to have a positive effect on Volati's results for 2018 and contribute to an increase in return on equity. Pro forma for the acquisition of S:t Eriks, the Volati Group's adjusted EBITA for the full year 2017 amounted to SEK 480m.

Acquisition multiples per acquisition

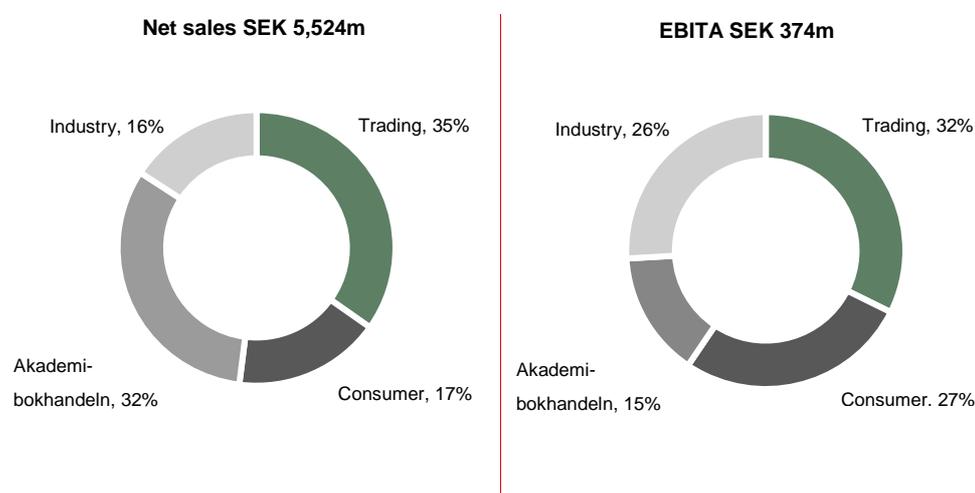


The weighted average acquisition multiple since Volati's establishment is 5.9x. (Enterprise value/EBITDA). The diagram above shows the acquisition multiples for each acquisition with an Enterprise value in excess of SEK 10m.

Volati's business areas

Volati's net sales and earnings by business area

The diagrams refer to the 12-month period between 1 July 2017 and 30 June 2018. Acquired operations are included from the acquisition closing date and are calculated net of central costs.



Trading

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	LTM	Full year 2017
Net sales, SEK m	607	428	1,075	767	1,922	1,615
Organic net sales growth, %	1	-6	-2	-2	-2	-2
EBITDA, SEK m	58	45	81	62	155	136
EBITA, SEK m	53	43	72	57	141	125
EBITA margin, %	9	10	7	7	7	8
EBIT, SEK m	51	42	67	54	132	119
ROCE excl. goodwill, %	35	34	35	34	35	35

The Trading business area's operations are mainly concentrated on providing products in hardware and construction, home and garden, packaging, agriculture and forestry through retailers, retail chains, e-commerce channels and directly to customers. The business units in Trading have similar business models and customers, and are integrated through a number of functions and areas of cooperation such as logistics and IT systems, finance 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.

During the second quarter, Trading's performance was positively affected by the acquisition of T-Emballage, completed at the end of 2017. Other operations continue to show stable development and activities are being carried out to drive long-term profitability growth in the business area.

Consumer

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	LTM	Full year 2017
Net sales, SEK m	249	253	487	503	950	966
Organic net sales growth, %	-3	-1	-4	2	-2	1
EBITDA, SEK m	50	55	75	91	152	167
EBITA, SEK m	41	46	58	74	118	134
EBITA margin, %	17	18	12	15	12	14
EBIT, SEK m	38	44	53	69	107	123
ROCE excl. goodwill, %	212	211	212	211	212	206

The Consumer business area's operations are focused on various B2C niches and are driven by strong local entrepreneurship. All of the businesses have large 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.

The Consumer business area had slightly negative sales growth in Q2 due to a deterioration in market conditions in the existing markets of certain business units. A review of the long-term strategic direction for the operations that face challenges is proceeding according to plan and activities for increased operational efficiency are being implemented on a continuous basis.

Akademibokhandeln

	Apr-Jun 2018	Apr-Jun 2017*	Jan-Jun 2018	Jan-Jun 2017*	LTM	Jul-Dec 2017**
Net sales, SEK m	315	317	751	752	1,780	1,029
Organic net sales growth, %	-	-	-	-	-	-
EBITDA, SEK m	-27	-12	-28	-12	88	116
EBITA, SEK m	-34	-18	-41	-23	64	105
EBITA margin, %	-11	-6	-5	-3	4	10
EBIT, SEK m	-40	-21	-53	-29	40	93
ROCE excl. goodwill, %	94	-	94	-	94	187

* As Akademibokhandeln was acquired in July 2017, no restated comparative figures are available. In this column, the company's historical financial performance, 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.

The Akademibokhandeln business area is the market-leading book retailer in Sweden with a strong offering in all product and delivery formats. With stores nationwide, and online sales under the Akademibokhandeln and Bokus brands, the company operates modern and profitable sales channels focused on consumers, companies and the public sector.

The Akademibokhandeln business area showed a decline in earnings for Q2, due to a higher cost level as a result of market-related investments. The investments in Akademibokhandeln are aimed at driving the shift towards increased e-commerce and exploiting the potential of the company's strong loyalty club of 1.8 million customers. This has resulted in a continuing increase in the proportion of sales coming from e-commerce. Within the business area, measures are being taken to increase the efficiency of operations in the future.

Industry

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	LTM	Full year 2017
Net sales, SEK m	257	190	470	345	872	747
Organic net sales growth, %	31	-27	33	-16	19	-6
EBITDA, SEK m	45	30	84	49	141	106
EBITA, SEK m	38	24	70	35	113	79
EBITA margin, %	15	12	15	10	13	11
EBIT, SEK m	37	23	69	35	111	77
ROCE excl. goodwill, %	63	64	63	64	63	46

The Industry business area's operations are focused on B2B niches and are driven by strong local entrepreneurship in combination with cooperation in selected areas. The units cooperate and exchange experience in areas such as acquisitions, expansion into new markets and production efficiency.

The Industry business area showed strong growth in both sales and earnings during Q2. The market situation for the business area's operations has continued to be favourable. The measures implemented for increased efficiency and governance in the business area have brought improved profitability.

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. EBITA for Q2 was SEK -12m (-15).

Other information

Share capital

Volati has two classes of shares, common shares and preference shares, which are listed on Nasdaq Stockholm under the tickers VOLO and VOLO PREF.

The number of shareholders at the end of Q2 was 6,977.

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 Q2. Share capital amounted to SEK 10m at 30 June 2018. In addition, Volati has issued 4,174,570 warrants to a former senior executive, which carry entitlement to subscription for 834,914 common shares.

Related-party transactions

During Q2, four percent of the shares in Volati 1 Holding AB were transferred to Ettikettoprintcom AB's CEO for a consideration of SEK 750 thousand.

No significant related-party transactions have occurred in addition to what is stated in the Annual Report for 2017. All related-party transactions have been conducted at market conditions. No other significant transactions with related parties have taken place in Q2.

Events after the end of the reporting period

After the end of the quarter, Volati signed an agreement on 17 July 2018 to acquire all shares in S:t Eriks Group AB, one of Sweden's leading manufacturers of concrete products and natural stone for infrastructure and landscape architecture. On 15 August 2018, the shares in S: t Eriks were acquired after obtaining the Swedish Competition Authority's approval.

Financial calendar

- Interim report January–September 2018 6 November 2018
- Year-end report 2018 21 February 2019

Declaration by the Board of Directors

The Board of Directors and the CEO hereby certify that this interim report provides a fair overview of the Parent Company's and the Group's operations, financial position and performance and describes material risks and uncertainties faced by the Parent Company and Group companies.

Volati AB (publ)
The Board of Directors and CEO
Stockholm, 17 August 2018

Patrik Wahlén
Chairman of the Board

Karl Perlhagen
Board Member

Björn Garat
Board Member

Christina Tillman
Board Member

Louise Nicolin
Board Member

Anna-Karin Celsing
Board Member

Magnus Sundström
Board Member

Mårten Andersson
CEO

This interim report has not been reviewed by the Company's auditors.

This information is information that Volati AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (MAR) and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out below, at 7:45 a.m. (CEST) on 17 August 2018.

Conference call

CEO Mårten Andersson and CFO Mattias Björk will present the interim report in a conference call on 17 August at 9.00. The presentation will be conducted in Swedish.
Phone number to access the conference call: +46 (0)8 5664 2665
For a webcast of the conference call, go to www.volati.se.

For more information, please contact:

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Financial targets

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

1 Earnings growth

Adjusted EBITA of SEK 700m by the end of 2019. Average annual organic EBITA growth of 5 percent.

At the end of Q2, adjusted EBITA for the last twelve months was SEK 408m. Organic EBITA growth has averaged 8 percent since 2013.



2 Cash conversion

Annual cash conversion of at least 85 percent.

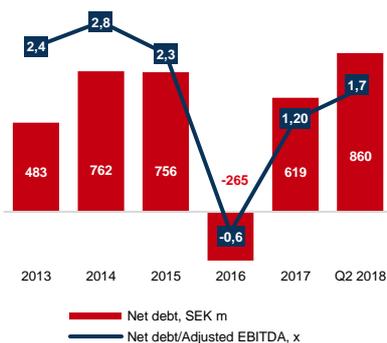
At the end of Q2, cash conversion for the last twelve months was 82 percent.



3 Capital structure

Long-term target: Net debt/Adjusted EBITDA ratio (LTM) of less than 3.0x.

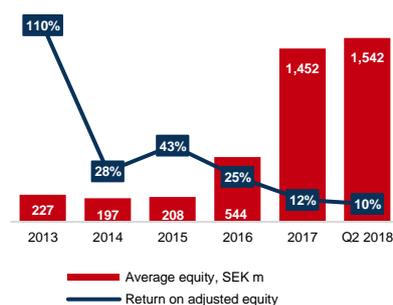
At the end of Q2, net debt/adjusted EBITDA was 1.7x.



4 Return on adjusted equity

Long-term target: Return on adjusted equity (calculated as average equity over the last four quarters) of at least 20 percent.

At the end of Q2, the return on adjusted equity was 10 percent.



5 Dividend policy

To distribute a dividend of 10–30 percent 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 dividend for 2017 amounted to SEK 0.50 per common share, which corresponds to 17 percent of net profit 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.

Dividend 2017
SEK 0.50
 per share

Financial Statements

Consolidated income statement

SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Operating revenue						
Net sales	1,428	872	2,783	1,615	5,524	4,356
Operating expenses						
Raw materials and supplies	-784	-409	-1,548	-753	-3,024	-2,228
Other external costs	-216	-130	-429	-267	-845	-684
Personnel expenses	-312	-214	-617	-416	-1,183	-983
Other operating income	1	1	8	2	14	7
Other operating expenses	-2	-2	-7	-6	-10	-9
EBITDA	114	117	191	174	475	459
Depreciation/amortisation	-28	-18	-54	-35	-101	-82
EBITA	86	99	137	139	374	377
Acquisition-related amortisation	-12	-5	-24	-9	-46	-31
Goodwill impairment	-4	-	-4	-	-4	-
Operating profit/EBIT	70	94	109	130	324	345
Finance income and costs						
Finance income	10	2	13	5	16	8
Finance costs	-24	-7	-43	-13	-79	-49
Profit before tax	55	90	79	122	261	305
Tax	5	-21	0	-26	-38	-63
Net profit	61	68	78	96	224	241
Attributable to:						
Owners of the Parent	60	68	77	95	222	240
Non-controlling interests	1	1	1	1	2	1
Earnings per common share, SEK	0.54	0.64	0.56	0.79	1.96	2.19
Diluted earnings per common share, SEK	0.54	0.64	0.56	0.78	1.96	2.17
No. of common shares	80,406,571	80,406,571	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	81,241,485	81,241,485
Average no. of common shares	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571
Average no. of common shares after dilution	80,611,166	80,906,421	80,611,166	80,906,421	80,611,166	80,838,878
No. of preference shares	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774
Preference share dividend, SEK	10.00	10.00	20.00	20.00	40.00	40.00

Consolidated statement of comprehensive income

SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Net profit	61	68	78	96	224	241
Other comprehensive income						
Remeasurement of net pension obligations	-	-	-	-	0	0
Deferred tax on remeasured net pension obligations	-	-	-	-	0	0
Translation differences for the period	17	-9	50	-22	52	-19
Other comprehensive income for the period	17	-9	50	-22	52	-20
Total comprehensive income for the period	78	60	128	74	276	222
Total comprehensive income attributable to:						
Owners of the Parent	77	59	126	74	273	221
Non-controlling interests	1	1	2	0	2	1

Key figures

SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Net sales, SEK m	1,428	872	2,783	1,615	5,524	4,356
Net sales growth, %	64	-6	72	2	71	36
Organic net sales growth, %	6	-10	5	-4	3	-2
EBITDA, SEK m	114	117	191	174	475	459
Adjusted EBITDA, SEK m	114	119	510	400	510	511
EBITA, SEK m	86	99	137	139	374	377
EBITA margin, %	6	11	5	9	7	9
EBITA growth, %	-13	-16	-2	-11	24	18
Adjusted EBITA, LTM, SEK m	86	102	408	330	408	415
EBITA excl. central costs and items affecting comparability, SEK m	98	113	159	167	435	443
Organic EBITA growth, %	-6	-21	-2	-12	-14	-18
EBIT, SEK m	70	94	109	130	324	345
Profit after tax	61	68	78	96	224	241
Basic earnings per common share, SEK ¹⁾	0.54	0.64	0.56	0.79	1.96	2.19
Diluted earnings per common share, SEK ¹⁾	0.54	0.64	0.56	0.78	1.96	2.17
Equity per common share, SEK	19.64	17.27	19.64	17.27	19.64	19.11
Return on equity, %	9	10	9	10	9	11
Return on adjusted equity, %	10	11	10	11	10	12
Equity ratio, %	47	67	47	67	47	47
Cash conversion, LTM, %	82	74	82	74	82	112
Adjusted cash conversion, LTM, %	82	79	82	79	82	116
Operating cash flow, SEK m	28	89	-59	65	389	513
Adjusted operating cash flow, SEK m	28	90	-59	84	391	534
Net debt/EBITDA, x	1.7	-0.5	1.7	-0.5	1.7	1.2
No. of employees	1,683	1,190	1,683	1,190	1,683	1,871
No. of common shares outstanding	80,406,571	80,406,571	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	81,241,485	81,241,485
Average no. of common shares outstanding	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571
Average no. of common shares outstanding after dilution	80,611,166	80,906,421	80,611,166	80,906,421	80,611,166	80,838,878
No. of preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

1) When calculating earnings per common share, preference share dividends during the period of SEK 16.0m per quarter are deducted.

2) All performance measures, apart from net sales and earnings per share, are non-IFRS performance measures – see also the alternative performance measures section below.

Quarterly overview

SEK m	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Operating revenue										
Net sales	1,428	1,355	1,517	1,224	872	744	780	839	927	661
Operating expenses										
Raw materials and supplies	-784	-764	-824	-651	-409	-344	-351	-415	-451	-310
Other external costs	-216	-212	-214	-203	-130	-137	-132	-129	-135	-119
Personnel expenses	-312	-304	-314	-253	-214	-202	-201	-189	-208	-173
Other operating income	1	7	3	3	1	1	-2	2	3	1
Other operating expenses	-2	-5	-2	-2	-2	-4	-4	-2	0	-6
EBITDA	114	77	166	119	117	57	90	107	135	54
Depreciation/amortisation	-28	-26	-24	-23	-18	-17	-17	-17	-17	-15
EBITA	86	51	142	96	99	40	73	90	117	38
Acquisition-related amortisation	-12	-12	-13	-9	-5	-5	-4	-5	-4	-4
Goodwill impairment	-4									
EBIT	70	39	129	87	94	36	68	85	113	35
Finance income and costs										
Finance income	10	3	2	1	2	3	3	5	7	4
Finance costs	-24	-18	-20	-16	-7	-6	-17	-18	-17	-15
Profit before tax	55	24	110	72	90	33	55	72	103	24
Tax	5	-6	-18	-19	-21	-5	-10	-21	-16	-7
Net profit	61	18	93	53	68	28	45	51	86	17
Attributable to:										
Owners of the Parent	60	18	92	52	68	28	45	49	85	17
Non-controlling interests	1	0	0	1	1	0	1	2	2	0

Business area – quarterly

Net sales, SEK m	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Trading	607	468	453	394	428	339	372	405	419	296
Industry	257	213	197	205	190	155	163	214	255	149
Akademibokhandeln	315	436	627	402	-	-	-	-	-	-
Consumer	249	238	241	222	253	249	244	219	253	216
Internal eliminations	0	0	0	0	0	0	0	0	0	0
Total net sales	1,428	1,355	1,517	1,224	871	744	780	839	927	661
EBITDA, SEK m										
Trading	58	23	29	45	45	16	25	40	51	15
Industry	45	38	19	37	30	19	32	54	54	21
Akademibokhandeln	-27	-1	94	22	-	-	-	-	-	-
Consumer	50	26	43	33	55	36	53	34	50	31
Items affecting comparability	-	0	-7	1	1	-3	-11	-12	-7	-4
Central costs	-12	-10	-13	-19	-14	-11	-9	-10	-13	-10
Total EBITDA	114	77	166	119	117	57	90	107	135	54
EBITA, SEK m										
Trading	53	19	26	42	43	14	23	37	48	13
Industry	38	32	13	31	24	12	25	48	48	15
Akademibokhandeln	-34	-7	88	17	-	-	-	-	-	-
Consumer	41	17	35	25	46	28	45	27	42	24
Items affecting comparability	-	-	-7	1	1	-3	-11	-12	-7	-4
Central costs	-12	-10	-13	-19	-15	-11	-9	-10	-13	-10
Total EBITA	86	51	142	96	99	40	73	90	117	38

Consolidated statement of financial position

SEK m	30 Jun 2018	30 Jun 2017	31 Dec 2017
ASSETS			
Non-current assets			
Intangible assets	2,948	1,807	2,934
Property, plant & equipment	236	180	241
Financial assets	10	8	10
Deferred tax assets	89	42	59
Total non-current assets	3,283	2,037	3,243
Current assets			
Inventories	624	427	610
Trade receivables	631	409	455
Tax assets	95	47	58
Other current receivables	50	12	48
Derivatives	0	-	0
Prepayments and accrued income	165	65	154
Cash & cash equivalents	275	332	438
Total current assets	1,839	1,292	1,763
Total assets	5,122	3,328	5,006
EQUITY AND LIABILITIES			
Equity			
Share capital	10	10	10
Other paid-in capital	1,995	1,995	1,995
Other reserves	64	13	16
Retained earnings, incl. profit for the period	323	181	331
Non-controlling interests	15	18	13
Total equity	2,407	2,217	2,365
Liabilities			
Non-current interest-bearing liabilities	967	49	984
Non-current non-interest-bearing liabilities	79	79	98
Pension obligations	2	2	2
Guarantee commitments	5	5	6
Deferred tax	258	121	268
Total non-current liabilities	1,311	257	1,358
Current interest-bearing liabilities	195	97	106
Advances from customers	85	92	65
Trade payables	507	256	607
Tax liabilities	98	67	75
Derivatives	1	-	0
Accruals and deferred income	306	185	265
Other current liabilities	211	157	167
Total current liabilities	1,404	854	1,284
Total liabilities	2,715	1,111	2,642
Total equity and liabilities	5,122	3,328	5,006

Consolidated cash flow statement

SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Operating activities						
Operating profit after financial items	55	90	79	122	261	305
Adjustment for non-cash items	53	27	93	55	184	146
Interest paid	-12	-1	-17	-2	-37	-21
Interest received	0	0	1	0	2	1
Income taxes paid	-20	-13	-53	-31	-83	-62
Cash flow from operating activities before changes in working capital	77	103	103	145	327	369
Cash flow from changes in working capital						
Change in inventories	-24	-15	-8	-43	17	-18
Change in receivables	-104	-32	-172	-95	-110	-32
Change in operating liabilities	63	26	-35	45	76	156
Cash flow from changes in working capital	-65	-22	-215	-93	-16	106
Cash flow from operating activities	13	82	-112	51	312	475
Investing activities						
Investments in property, plant & equipment and intangible assets	-21	-8	-35	-19	-74	-57
Sale of property, plant & equipment and intangible assets	0	2	1	3	4	6
Investments in Group companies	-7	-	-7	-	-560	-553
Divestments of Group companies	1	-	1	-	2	1
Investments in financial assets	-	-	-	-	-	-
Divestments of financial assets	0	0	0	0	0	-
Cash flow from investing activities	-26	-6	-40	-16	-627	-603
Financing activities						
Dividend on preference shares	-16	-16	-32	-32	-64	-64
Dividend on common shares	-41	-41	-41	-41	-41	-41
New share issue	-	-	-	-	-1	-1
Redemption of pension liability	-	-	-	-	-24	-24
Change in borrowings	151	30	55	3	382	330
Cash flow from financing activities	95	-27	-18	-70	252	200
Cash flow for the period	81	48	-170	-35	-64	71
Cash & cash equivalents at beginning of period	192	285	438	371	285	371
Exchange differences	2	-2	7	-4	8	-4
Cash & cash equivalents at end of period	275	332	275	332	229	438

Consolidated statement of changes in equity

SEK m	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. net profit	Non-controlling interests	Total equity
Opening balance, 1 Jan 2017	10	1,995	34	200	18	2,257
Net profit	-	-	-	95	1	96
Other comprehensive income	-	-	-22	-	0	-22
Comprehensive income for the period	-	-	-22	95	0	74
Dividend	-	-	-	-106	-	-106
Quotient value issue, common shares	-	-	-	0	-	0
Other owner transactions	-	-	-	-9	-	-9
Closing balance, 30 Jun 2017	10	1,995	13	181	18	2,217

SEK m	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. net profit	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
Dividend	-	-	-	-106	-	-106
Quotient value issue, common shares	-	-	-	-1	-	-1
Shareholder contributions	-	-	-	12	-	12
Remeasurement of NCI	-	-	-	-13	-	-13
Other owner transactions	-	-	-	-2	-6	-8
Closing balance, 31 Dec 2017	10	1,995	16	331	13	2,365

SEK m	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. net profit	Non-controlling interests	Total equity
Opening balance, 1 Jan 2018	10	1,995	16	331	13	2,365
Net profit	-	-	-	77	1	78
Other comprehensive income	-	-	49	-	1	50
Comprehensive income for the period	-	-	49	77	2	128
Dividend	-	-	-	-105	0	-105
IFRS 9 transition effect	-	-	-	0	0	0
Remeasurement of NCI	-	-	-	20	-	20
Closing balance, 30 June 2018	10	1,995	64	323	15	2,407

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

Notes to consolidated financial statements

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34. The accounting policies are based on International Financial Reporting Standards as adopted by the EU. In addition, relevant provisions of the Swedish Annual Accounts Act have been applied. There have been no significant changes to the accounting policies presented in the 2017 Annual Report. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities. Some figures in this report have been rounded, which means that certain tables do not always add up exactly. This applies where figures are stated in thousands, millions or billions. Pages 1–13 of this report are an integral part of the interim report.

New accounting policies for 2018 and 2019

IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments are effective from 1 January 2018. Volati has used the simplified approach for the transition to IFRS 15, which means that, although the method is also retrospective, comparative periods are not restated. It can be confirmed that the new standard does not have any impact on the consolidated financial statements other than the enhanced disclosure requirements in IFRS 15. Volati has applied the transition to IFRS 9 prospectively and can confirm that the new standard has not had any material impact on the consolidated financial statements.

IFRS 16 Leases is effective from 2019 and requires assets and liabilities attributable to all leases, with some exceptions, to be recognised in the balance sheet. Implementation of the new lease standard (IFRS 16 Leases) will result in the majority of the Group's leases being reported in the balance sheet, as a distinction between operating and finance leases is no longer made. The Company will not use early adoption. Volati AB's covenants are calculated in accordance with existing accounting policies, and are therefore unaffected by IFRS 16. See also Volati's 2017 Annual Report for an indicative effect on the Group's financial position.

Note 2 Risks and uncertainties

A detailed description of the Group's material risks and uncertainties can be found in the 2017 Annual Report.

Note 3 Segment reporting

At the end of Q2, Volati encompassed four business areas: Trading, Industry, Akademibokhandeln and Consumer.

Net sales, SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Trading	607	428	1,075	767	1,922	1,615
Industry	257	190	470	345	872	747
Akademibokhandeln	315	-	751	-	1,780	1,029
Consumer	249	253	487	503	950	966
Internal eliminations	0	0	-1	0	-1	0
Total net sales	1,428	871	2,783	1,615	5,524	4,356

EBITDA, SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Trading	58	45	81	62	155	136
Industry	45	30	84	49	141	106
Akademibokhandeln	-27	-	-28	-	88	116
Consumer	50	55	75	91	152	167
Items affecting comparability	-	1	-	-2	-7	-9
Central costs	-12	-14	-22	-25	-54	-57
Total EBITDA	114	117	191	174	475	459

EBITA, SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Trading	53	43	72	57	141	125
Industry	38	24	70	35	113	79
Akademibokhandeln	-34	-	-41	-	64	105
Consumer	41	46	58	74	118	134
Items affecting comparability	-	1	-	-2	-7	-9
Central costs	-12	-15	-22	-25	-55	-58
Total EBITA	86	99	137	139	374	377
Acquisition-related amortisation	-12	-5	-24	-9	-46	-31
Net financial items	-14	-5	-30	-8	-63	-40
Profit before tax	55	90	79	122	261	305

EBIT, SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Trading	51	42	67	54	132	119
Industry	37	23	69	35	111	77
Akademibokhandeln	-40	-	-53	-	40	93
Consumer	38	44	53	69	107	123
Items affecting comparability	-	1	-	-2	-7	-9
Central costs	-12	-15	-23	-26	-55	-58
Total EBIT	70	94	109	130	324	345

Note 4 Acquisitions and divestments of companies and operations

During Q2, four percent of the shares in Volati 1 Holding AB were transferred to Ettikettoprintcom AB's CEO for a consideration of SEK 750 thousand.

During Q2, a small holding company was acquired for a purchase price of SEK 6.8m. The acquisition has affected EBITA for the period by SEK -0.4m in transaction costs and net profit by SEK 9.7m. The positive contribution to net profit was due to this being a bargain purchase as a result of historical losses.

After the end of the quarter, on 17 July 2018, an agreement was signed to acquire all shares in S:t Eriks Group AB and on 15 August, all shares in the company were taken over. The acquisition analysis will be presented in the interim report for Q3.

Note 5 Alternative performance measures

The new guidelines from the European Securities and Markets Authority (ESMA) on alternative performance measures came into force with effect from the 2016 financial year. Volati is therefore publishing an explanation of how these performance measures should be used, together with definitions and comparisons between the alternative performance measures (APMs) and reporting in line with IFRS.

The financial reports published by Volati include the APMs, 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 are 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.

Alternative performance measures

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	Reason for use
Organic net sales growth	Calculated as net sales for the period, adjusted for total acquired and divested net sales and currency effects, compared with net sales for the same period the previous year, as if the relevant business units had been owned in the comparative period.	This metric is used by management to monitor the underlying net sales growth in existing operations.
Adjusted net sales	Calculated as net sales for the last 12 months at the reporting date for the companies included in the Group at the reporting date, as if they had been owned for the last 12 months.	Together with adjusted EBITA, adjusted net sales and adjusted EBITDA provide management and investors with a view of the size of the operations included in the Group at the reporting date.
EBITDA	Earnings before interest, taxes, depreciation and amortisation.	Together with EBITA, EBITDA provides a view of the profit generated by operating activities.
Adjusted EBITDA	Calculated as EBITDA for the last 12 months for the companies included in the Group at the reporting date, as if they had been owned for the last 12 months, and adjusted for transaction-related costs, restructuring costs, remeasurement of additional consideration, capital gains/losses on the sale of operations and other income and expenses considered to be non-recurring.	Together with adjusted net sales and adjusted EBITA, adjusted EBITDA provides management and investors with a view of the size of the operations included in the Group at the reporting date.
EBITA	Earnings before interest, taxes and amortisation.	Together with EBITDA, EBITA provides a view of the profit generated by operating activities.
Adjusted EBITA	Calculated as adjusted EBITDA less acquisition-related amortisation for the last 12 months at the reporting date for the companies included in the Group at the reporting date, as if they had been owned for the last 12 months.	Together with adjusted net sales and adjusted EBITDA, adjusted EBITA provides management and investors with a view of the size of the operations included in the Group at the reporting date.
EBITA excl. items affecting comparability	Calculated as EBITA, adjusted for remeasurement of additional consideration, capital gains/losses on the sale of operations and properties, and other income considered to be non-recurring.	Used by management to monitor the underlying earnings growth for the Group.
EBITA excl. central costs and items affecting comparability	Calculated as EBITA, adjusted for central costs, remeasurement of additional consideration, capital gains/losses on the sale of operations and properties, and other income and expenses considered to be non-recurring.	Used by management to monitor the underlying earnings growth for the operations in the Group.
Organic EBITA growth	Calculated as EBITA excluding central costs and items affecting comparability for the period, adjusted for total acquired and divested EBITA and currency effects, compared with EBITA excluding central costs and items affecting comparability for the same period the previous year, as if the relevant business units had been owned in the comparative period.	Used by management to monitor the underlying earnings growth for existing operations.

Non-IFRS APMs and key metrics	Description	Reason for use
Return on equity	Net profit (including share attributable to non-controlling interests) divided by average equity (including share attributable to non-controlling interests).	Shows the return generated on the total capital invested in the Company by all shareholders.
Return on adjusted equity	Net profit (including share attributable to non-controlling interests) less the preference share dividend divided by average 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 in the Company by owners of common shares.
Return on capital employed (ROCE)	EBITA excluding items affecting comparability for the last 12 months divided by average capital employed for the last 12 months.	Shows the return on capital employed generated by each business area and the Group without taking into consideration acquisition-related intangible assets with indefinite useful lives.
Return on capital employed including goodwill (ROCE incl. GW)	EBITA excluding items affecting comparability for the last 12 months divided by average capital employed including goodwill and other intangible assets with indefinite useful lives for the last 12 months.	Shows the return on capital employed generated by each business area and the Group.
Equity ratio	Equity (including share attributable to non-controlling interests) as a percentage of total assets.	The metric can be used to assess financial risk.
Cash conversion	Calculated as operating cash flow for the last twelve months divided by EBITDA.	Cash conversion is used by management to monitor how efficiently the Company is managing working capital and ongoing investments.
Adjusted cash conversion	Calculated as adjusted operating cash flow for the last twelve months divided by EBITDA.	Adjusted cash conversion is used by management to monitor how efficiently the Company is managing working capital and normalised ongoing investments.
Operating cash flow	Calculated as EBITDA less the difference between investments in/divestments of property, plant & equipment and intangible assets, after adjustment for cash flow from changes in working capital.	Operating cash flow is used by management to monitor cash flow generated by operating activities.
Adjusted operating cash flow	Calculated as operating cash flow excluding material investments of a non-recurring nature.	Adjusted operating cash flow is used by management to monitor normalised cash flow generated by operating activities.
Net debt/Adjusted EBITDA	Net debt at the end of the period in relation to adjusted EBITDA for the period.	The metric can be used to assess financial risk.

Calculations of alternative performance measures are presented separately below.

	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Calculation of organic net sales growth						
Net sales	1,428	872	2,783	1,615	5,524	4,356
Acquired/divested net sales	-490	-28	-1,074	-78	-2,207	-1,211
Currency effects	-11	-12	-12	-20	-	-14
Comparative figure for previous year	926	832	1,697	1,517	3,317	3,132
Organic net sales growth, %	6	-10	5	-4	3	-2
EBITA excl. central costs and items affecting comparability						
EBITA	86	99	137	139	374	377
Adjustment for items affecting comparability	-	-1	-	2	7	9
EBITA excl. items affecting comparability	86	98	137	141	380	385
Adjustment for central costs	12	15	22	25	55	58
EBITA excl. central costs and items affecting comparability	98	113	159	167	435	443
Adjusted net sales						
Net sales, LTM	5,524	3,234	5,524	3,234	5,524	4,356
Acquired companies	210	-	210	-	210	1,291
Adjusted net sales	5,733	3,234	5,733	3,234	5,733	5,647
Adjusted EBITA and EBITDA						
EBITDA, LTM	114	117	475	371	475	459
Acquired companies	-	-	17	-	17	42
Restructuring costs	-	-	-	0	-	-
Integration costs	-	-	-	3	-	-
Transaction costs	0	3	11	4	11	14
Listing costs, common share	-	-	0	11	0	0
One-time payments	-	-	7	5	7	-5
Additional consideration remeasurement	-	-1	0	6	0	1
Adjusted EBITDA	114	119	510	400	510	511
Depreciation/amortisation	-28	-18	-101	-70	-101	-82
Depreciation/amortisation, acquired companies	-	-	-1	-	-1	-14
Adjusted EBITA	86	102	408	330	408	415
Calculation of organic EBITA growth						
EBITA	86	99	137	139	374	377
Adjustment for items affecting comparability	-	-1	-	2	7	9
Adjustment for central costs	12	15	22	25	55	58
EBITA excl. central costs and items affecting comparability	98	113	159	167	435	443
Total acquired/divested EBITA	7	-3	5	1	-115	-120
Currency effects	0	-2	0	-1	-	-1
Comparative figure for previous year	106	108	164	166	320	323
Organic EBITA growth, %	-6	-21	-2	-12	-14	-18

	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Earnings per common share before dilution						
Net profit attributable to owners of the Parent	60	68	77	95	222	240
Deduction for preference share dividend	16	16	32	32	64	64
Net profit attributable to owners of the Parent, adjusted for preference share dividend	44	52	45	63	158	176
Average no. of common shares	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571
Earnings per common share, SEK	0.54	0.64	0.56	0.79	1.96	2.19
Diluted earnings per common share						
Net profit attributable to owners of the Parent, adjusted for preference share dividend	44	52	45	63	158	176
Average no. of common shares after dilution	80,611,166	80,906,421	80,611,166	80,906,421	80,611,166	80,838,878
Diluted earnings per common share, SEK	0.54	0.64	0.56	0.78	1.96	2.17
Equity per common share						
Equity at end of period including non-controlling interests	2,407	2,217	2,407	2,217	2,407	2,365
Preference share capital	828	828	828	828	828	828
Equity at end of period including non-controlling interests, adjusted for preference share capital	1,579	1,389	1,579	1,389	1,579	1,537
No. of common shares outstanding at end of period	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571	80,406,571
Equity per common share, SEK	19.64	17.27	19.64	17.27	19.64	19.11
Calculation of return on equity						
(A) Net profit, LTM, including non-controlling interests	224	193	224	193	224	241
Adjustment for preference share dividends, including dividends accrued but not yet paid	-64	-64	-64	-64	-64	-64
(B) Net profit, adjusted	160	129	160	129	160	177
(C) Average total equity	2,371	1,950	2,371	1,950	2,371	2,281
(D) Average adjusted equity	1,542	1,122	1,542	1,122	1,542	1,452
(A/C) Return on total equity, %	9	10	9	10	9	11
(B/D) Return on adjusted equity, %	10	11	10	11	10	12
Calculation of equity ratio						
Equity including non-controlling interests	2,407	2,217	2,407	2,217	2,407	2,365
Total assets	5,122	3,328	5,122	3,328	5,122	5,006
Equity ratio, %	47	67	47	67	47	47

Calculation of operating cash flow and cash conversion, %	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
(A) EBITDA	114	117	191	174	475	459
Change in working capital	-65	-22	-215	-93	-16	106
Net investments in property, plant & equipment and intangible assets	-20	-6	-34	-16	-70	-52
(B) Operating cash flow	28	89	-59	65	389	513
Adjustment for net investments relating to Besikta Bilprovning's IT system	-	1	-	1	1	2
Adjustment for issue costs	-	-	-	18	-	18
(C) Adjusted operating cash flow	28	90	-59	84	391	534
(B/A) Cash conversion, %	25	76	-31	37	82	112
(C/A) Adjusted cash conversion, %	25	77	-31	48	82	116

Calculation of Net debt/Adjusted EBITDA, x

Net debt

Cash & cash equivalents	-275	-332	-275	-332	-275	-438
Unrealised derivative contract assets	0	-	0	-	0	0
Pension obligations	2	2	2	2	2	2
Non-current interest-bearing liabilities	967	49	967	49	967	984
Current interest-bearing liabilities	195	97	195	97	195	106
Unrealised derivative contract liabilities	1	-	1	-	1	0
Accrued interest expense	7	-	7	-	7	2
Pension assets	-2	-2	-2	-2	-2	-2
Adjustment for nominal value of bond liability	-12	-	-12	-	-12	-12
Adjustment for shareholder loans	-23	-22	-23	-22	-23	-23
Net debt	860	-206	860	-206	860	619
Adjusted EBITDA	510	400	510	400	510	524
Net debt/Adjusted EBITDA, x	1.7	-0.5	1.7	-0.5	1.7	1.2

ROCE %, at 30 June 2018	Trading	Industry	Akademi-bokhandeln	Consumer	Central costs	Volati Group
1) EBITA, LTM	141	113	64	118	-55	380
<i>Capital employed at 30 June 2018</i>						
Intangible assets	950	544	872	868		2,948
Adjustment for goodwill, patent/technology, brands	-948	-527	-804	-800		-2,792
Property, plant & equipment	61	81	42	35		236
Inventories	339	104	159	23		624
Trade receivables	397	164	28	42		631
Other current receivables	1	20	22	1		50
Prepayments and accrued income	31	60	50	21		165
Adjustment for non-working-capital-related current receivables						-1
Advances from customers	0	-72	0	-13		-85
Trade payables	-245	-88	-133	-40		-507
Accruals and deferred income	-92	-56	-83	-62		-306
Other current liabilities	-46	-21	-39	-28		-211
Adjustment for non-working-capital-related current liabilities						14
Adjusted for preference share dividend						64
Adjusted for accrued non-recurring costs						2
Capital employed at 30 June 2018	447	210	114	47		829

Adjustment for average capital employed, LTM	-48	-31	-47	8	0	-120
2) Average capital employed, LTM	399	180	67	56		710
ROCE 1)/2), %	35	63	94	212		54
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives	1,181	427	740	818		3,098
ROCE incl. goodwill 1)/3), %	12	27	9	14		12
ROCE %, at 30 June 2017		Trading	Industry	Consumer	Central costs	Volati Group
1) EBITA, LTM		117	108	146	-44	327
Capital employed at 30 June 2017						
Intangible assets		683	543	867		1807
Adjustment for goodwill, patent/technology, brands		-681	-518	-787		-1700
Property, plant & equipment		43	75	44		180
Inventories		277	123	27		427
Trade receivables		266	113	35		409
Other current receivables		1	4	2		12
Prepayments and accrued income		25	14	24		65
Adjustment for non-working-capital-related current receivables						0
Advances from customers		-1	-75	-17		-92
Trade payables		-138	-77	-40		-256
Accruals and deferred income		-68	-44	-61		-185
Other current liabilities		-38	-14	-32		-157
Adjustment for non-working-capital-related current liabilities						10
Adjusted for preference share dividend						64
Capital employed at 30 June 2017		370	145	62		584
Adjustment for average capital employed, LTM		-29	23	8		0
2) Average capital employed, LTM		340	168	69		584
ROCE 1)/2), %		34	64	211		56
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives		962	391	828		2,209
ROCE incl. goodwill 1)/3), %		12	28	18		15

Parent Company Volati AB (publ)

The Parent Company Volati AB acts as a holding company and the members of Volati's management are employed within the Parent Company.

Parent Company income statement

SEK m	Apr- Jun 2018	Apr- Jun 2017	Jan- Jun 2018	Jan- Jun 2017	LTM	Full year 2017
Operating revenue	3	3	6	6	11	11
Operating expenses	-8	-13	-20	-26	-51	-58
Operating profit/loss	-5	-10	-14	-21	-40	-47
Profit/loss from financial investments	534	19	560	40	622	102
Profit/loss after financial items	529	9	546	19	582	55
Net profit	526	6	540	14	635	110

Parent Company statement of financial position

SEK m	30 Jun 2018	31 Dec 2017
Non-current assets	282	282
Current assets	4,730	4,209
Total assets	5,013	4,491
Equity	3,287	2,851
Untaxed reserves	61	61
Pension obligations	0	-
Non-current liabilities	594	593
Current liabilities	1,071	986
Total equity and liabilities	5,013	4,491