

1 January 2016

Guidance for preparing interim management statements

Application

1. The company can instead of a quarterly financial report in accordance with IAS 34 disclose an interim management statement in accordance with this guidance note. However, nothing stops the company from disclosing quarterly financial reports in accordance with IAS 34.
2. This is a guidance note and the company can accordingly completely deviate from the guidance and adapt the interim management statement for the first and third quarters to the company's specific requirements. Such a statement can for example contain other information than what is set out in the guidance note if the company believe that information to be more relevant for investors and other interested parties or the information can be presented in a different way than in the guidance note. A statement, in one form or another, must however always be disclosed for the first and third quarters. A deviation from the guidance note is done by the company by disclosing to the market what it has done instead and the reasons for it (the principle of comply or explain). In that way the interested parties gets an opportunity to form their own opinion of the format the company has chosen. For a specific company other formats that what is set out in the guidance note could well be more suitable. Deviation from the guidance note does therefore not in itself signal information disclosure of inferior quality.
3. This guidance note is applicable to companies whose shares are traded on Nasdaq Stockholm's regulated market and the First North Premier trading platform.
4. It must be clearly apparent from the interim financial statement that the published information comprises an interim financial statement prepared in accordance with this guidance note.
5. The interim financial statement must be signed by the Chief Executive Officer.
6. Interim financial reports must be published not later than two months after the end of the reporting period. The report must contain comments regarding the performance of the company and, where relevant, the corporate group during the period covered by the interim financial report.
7. Considering the requirement of timely information and the cost aspects, a company may elect to provide information on a scale smaller than that provided in the annual report, the press release of unaudited annual earnings figures, or the half-yearly report. The information which is provided must relate to the accumulated results for the financial year and the results for the quarter separately. Information provided on previous occasions need not be repeated.
8. The comments must be adapted to the operations conducted and the prevailing market conditions for the company. For example, it may be worthwhile to comment on how prices, volumes and currencies have affected gross sales, the existence of any material nonrecurring items, or material restructuring measures as well as how the financial situation has developed. Boilerplate language must be avoided.

9. An interim financial statement must contain a number of figures which are central to an understanding of the development of the company's business operations. Such figures might be:
- total revenues;
 - important measurements of earnings;
 - net earnings;
 - earnings per share;
 - assets and liabilities;
 - shareholders' equity;
 - significant key ratios;
 - any definitions needed to understand key ratios, measurements and breakdowns of earnings; and
 - information regarding the cash flow for the period.
10. These figures must also be provided for relevant comparative periods. Set forth below is an example which may be of guidance for the presentation of these figures. The figures must be adapted to the business operations conducted by the company and how the group presents its development and financial position in the annual report and half-yearly financial report.

Information regarding revenues and earnings (SEK thousands)

	Q3 2014	Q3 2013	Jan-Sept 2014	Jan-Sept 2013
Total revenues	275,000	250,000	750,000	740,000
Operating earnings	12,000	11,000	30,000	28,000
Net profit/loss	6,000	4,000	15,000	12,000
Earnings per share before dilution	SEK 6.00	SEK 4.00	SEK 15.00	SEK 12.00
Earnings per share after dilution	SEK 6.00	SEK 4.00	SEK 15.00	SEK 12.00

Information regarding financial position (SEK thousands)

	Q3 2014	Q2 2014	Q4 2013
Total tangible fixed assets	100,000	105,000	110,000
Total intangible fixed assets	115,000	120,000	125,000
Total current assets	485,000	545,000	530,000
Total shareholders' equity	215,000	210,000	200,000
Total interest-bearing liabilities	285,000	280,000	270,000
Total non-interest-bearing liabilities	200,000	280,000	295,000
Net operating capital	265,000	255,000	225,000
Equity ratio	30.7%	27.3%	26.1%

Information regarding cash flow (SEK thousands)

	Q3 2014	Q3 2013	Jan-Sept 2014	Jan-Sept 2013
Operating activities (net)	100,000	110,000	300,000	250,000
Investing activities (net)	-50,000	-	-200,000	-120,000
Financing activities (net)	-25,000	-	-75,000	-

Change in cash and cash equivalents	25,000	110,000	25,000	130,000
Cash and cash equivalents at beginning of period	50,000	70,000	50,000	50,000
Cash and cash equivalents at end of period	75,000	180,000	75,000	180,000

Significant events and transactions

11. A company must include in its interim financial report an explanation of events and transactions that are significant to an understanding of the changes in the company group's financial position and performance. The following is a list of events and transactions for which disclosures would be required if they are significant:
- a. the write-down of inventories to net realisable value and the reversal of such a write-down;
 - b. the write-down of financial assets, tangible fixed assets, intangible assets, or other assets and the reversal of such a write-down.
 - c. the reversal of any provisions for the costs of restructuring.
 - d. acquisitions and disposals of tangible fixed assets;
 - e. commitments for the purchase of tangible fixed assets.
 - f. litigation settlements;
 - g. corrections of prior period errors;
 - h. changes in the business or economic circumstances that affect the fair value of the company's financial assets and financial liabilities, whether those assets or liabilities are recognised at fair value or amortised cost.
 - i. any loan default or breach of a loan agreement that has not been remedied on or before the end of the reporting period;
 - j. related party transactions;
 - k. transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments;
 - l. changes in the classification of financial assets as a result of a change in the purpose or use of those assets; and
 - m. changes in contingent liabilities or contingent assets;
 - n. the effect of changes in the structure of the company during the interim management statement period, such as acquisitions of businesses, acquisitions or disposals of subsidiaries and long-term investments, restructuring and discontinued operations.

Revenues, earnings and assets per segment

12. In addition to disclosing significant events and transactions, the company must provide information regarding revenues and measurements of earnings per segment and a reconciliation of segment information and the information at group level. Set forth below is an example which may provide guidance in the presentation of this information.

Revenues and measurement of earnings (SEK thousands)

Sales	Q3 2014	Q3 2013	Jan-Sept 2014	Jan-Sept 2013
Segment A	125,000	110,000	340,000	355,000
Segment B	90,000	80,000	245,000	225,000
Segment C	65,000	67,500	185,000	175,000
Other segments and internal	-5,000	-7,500	-20,000	-15,000

transactions				
	275,000	250,000	750,000	740,000
Operating earnings				
Segment A	6,000	5,000	20,000	17,000
Segment B	3,250	3,500	8,000	8,000
Segment C	3,750	3,000	5,000	6,000
Other segments and internal earnings	-1,000	-500	-3,000	-3,000
	12,000	11,000	30,000	28,000

Entry into force

13. These guidelines shall apply to interim financial reports for periods commencing on 1 January 2016 or thereafter.
