

VBG Group
Year-end report



2015 Q4

Year-end report 2015



Fourth quarter of 2015:

- The Group's net turnover increased by 6.5 per cent to **SEK 323.0 M** (303.4)
- Adjusted operating profit declined to **SEK 24.7 M** (31.8).
- Items affecting comparability for the quarter amounted to a negative **SEK 8.3 M** (neg: 60.0).
- Reported operating profit increased to **SEK 16.4 M** (loss: 28.2).
- Profit after financial items amounted to **SEK 17.8 M** (29.7).
- The acquisition of the Brazilian company Henfel Ltda. was completed on 1 October 2015.

Full-year 2015:

- The Group's annual turnover rose 10.8 per cent to **SEK 1,315.3 M** (1,186.8).
- Adjusted operating profit increased to **SEK 149.9 M** (128.1).
- Items affecting comparability for the year amounted to a negative **SEK 15.2 M** (neg: 7.2).
- Reported operating profit increased to **SEK 134.7 M** (120.9).
- Profit after financial items amounted to **SEK 134.5 M** (112.7).
- The Group's profit after tax totalled **SEK 95.5 M** (78.9)
- Earnings per share amounted to **SEK 7.64** (6.31)
- The Board of Directors proposes a raised dividend of **SEK 3.25** per share (3.00), representing 42.5 per cent of earnings per share.

KEY FIGURES

Group	Q4 2015	Q4 2014	Full-year 2015	Full-year 2014
Net turnover	323.0	303.4	1,315.3	1,186.8
Operating profit before items affecting comparability	24.7	31.8	149.9	128.1
Operating margin, %	7.6	10.5	11.4	10.8
Items affecting comparability	-8.3 ³	-60.0 ¹	-15.2 ⁴	-7.2 ²
Reported operating profit/loss	16.4	-28.2	134.7	120.9
Reported operating margin, %	5.1	-9.3	10.2	10.2
Profit/loss after financial items	17.8	-29.7	134.5	112.7
Profit margin, %	5.5	-9.8	10.2	9.5
Profit/loss after tax	11.3	-37.8	95.5	78.9
Earnings/loss per share, SEK	0.90	-3.02	7.64	6.31
Return on capital employed (ROCE), %			13.0	12.5
Return on equity (ROE), %			11.3	10.1
Equity/assets ratio, %			69.2	67.6

¹ Negative SEK 60.0 M impairment of consolidated goodwill in Edscha Trailer Systems.

² Footnote ¹ as above and SEK 6.0 M in the form of capital gains from the divestment of Armaton and SEK 46.8 M in negative goodwill from the acquisition of Tschan GmbH.

³ Negative SEK 7.6 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter and negative SEK 0.7 M increase in acquisition-related costs for Henfel Ltda.

⁴ Negative SEK 7.6 M pertaining to an increased provision for inventory obsolescence and negative SEK 7.6 M increase in acquisition-related costs for Henfel Ltda.

This is the VBG Group

VBG Group AB (publ) in Vänersborg is the Parent Company of an international engineering Group with wholly owned companies in the USA, India, Brazil, China and eight countries in Europe. The Group's operations are divided into three divisions – VBG Truck Equipment, Edscha Trailer Systems and Ringfeder Power Transmission – with products that are marketed under strong, well-known brands. VBG Group AB's Series B share was introduced on the stock exchange in 1987 and is listed today on the Nasdaq OMX Stockholm Mid Cap list.

Vision

We are number one or two globally in the industrial niches in which we are active. We make a difference by creating the products and services of the future.

Business concept

The VBG Group will, within selected product and market segments, acquire, own and develop industrial companies in business-to-business commerce with strong brands and good growth potential. Based on a long-term commitment and with a focus on growth and profitability, the VBG Group's shareholders will be offered attractive value growth.

Goals

The Group has established the following goals over a business cycle of six to eight years:

- Minimum average annual turnover growth of 10 per cent.
- Minimum average operating margin of 10 per cent.
- Average return on capital employed of 18 per cent.

Strategies

The Parent Company, VBG Group AB, is responsible for the strategic governance of the Group as a whole. This entails the approval and follow-up of divisional targets and strategies.

The responsibility also includes identifying and implementing strategic acquisitions and providing support in the form of industrial expertise, the allocation of capital, strategic HR work to ensure that the operations' long-term competency requirements are secured, as well as strategic IT work and the operation of all shared IT systems.







Strategies for the divisions:

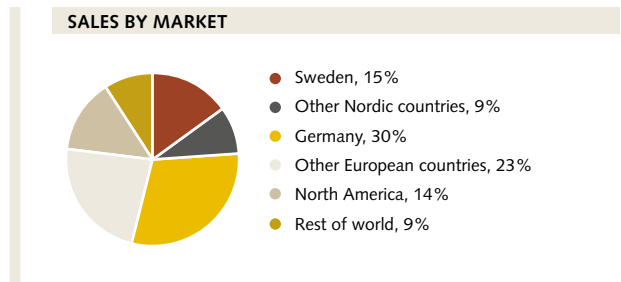
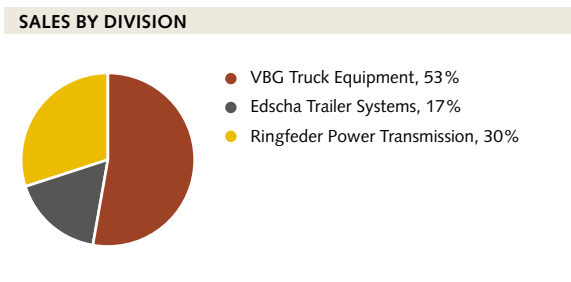
- Strong brands and leading market positions in selected niches.
- High customer value in the products.
- Diversified customer base.
- International expansion.

Stable ownership situation

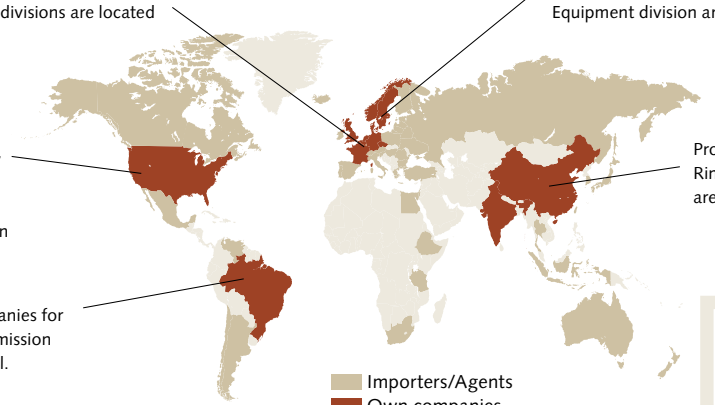
The VBG Group's principal owners comprise three foundations that were established by the Group's founder, Herman Krefting. In accordance with their regulations, the foundations may not divest their shares in the VBG Group. This structure has historically provided us with a high degree of financial stability and continuity in the implementation of the Group's strategy, which, in turn, has resulted in solid total returns for shareholders.

cont. This is the VBG Group

DIVISIONS	BRANDS
	<p>VBG Truck Equipment</p> <p>By virtue of its own strong brands, the division is an internationally leading supplier of coupling equipment for trucks with heavy trailers, where the division accounts for more than 50 per cent of the global market via the Ringfeder and VBG brands. The division also has Onspot – automatic tyre chains with a world-leading position in its niche.</p> 
	<p>Edscha Trailer Systems</p> <p>By virtue of its own strong brands, the division is an internationally leading supplier of equipment for trailers. The division accounts for more than 40 per cent of the global market for sliding roofs via the Edscha Trailer Systems and Sesam brands.</p> 
	<p>Ringfeder Power Transmission</p> <p>By virtue of its own strong brands, the division is a recognised global market leader in selected niches within mechanical power transmission and energy and shock absorption. The division's brands are Ringfeder, Tschan, Henfel and Gerwah. Customers are found in such widely disparate industrial markets as construction, machinery, power and mining.</p> 



VBG GROUP IN THE WORLD



Production and sales companies for the VBG Truck Equipment, Ringfeder Power Transmission and Edscha Trailer Systems divisions are located in Europe.

The Parent Company of the VBG Group and production and sales companies for the VBG Truck Equipment division are located in Scandinavia.

Sales companies for the Ringfeder Power Transmission division, and the production and sales company Onspot of North America for the VBG Truck Equipment division, are located in the USA.

Production and sales companies for the Ringfeder Power Transmission division are located in Brazil.

Production and sales companies for the Ringfeder Power Transmission division are located in India and China.

Legend:
■ Importers/Agents
■ Own companies

The VBG Group also has employees in Italy, Turkey, Canada and Thailand.

A year of growth, despite challenging markets

Overall for the Group, 2015 was characterised by both sales growth and increased earnings, although the fourth quarter as a whole was weaker than we had expected. VBG Truck Equipment and Edscha Trailer Systems delivered stronger full-year earnings than in 2014, while Ringfeder Power Transmission ended the year on a weaker note amid a more sluggish market.

As a result of our target-oriented efforts with respect to the internationalisation of the VBG Group, we now have a larger presence in the USA, which contributed to the Group's positive performance during the year. The Group became even more international during the year following Ringfeder Power Transmission's acquisition of the Brazilian company Henfel. We are aware that Brazil is facing both political and economic challenges, and this acquisition should be seen as a sign of our long-term commitment. With Henfel as a platform, the Group's other divisions will also have an opportunity to establish operations in Brazil in the future. The Brazilian truck market is substantial, as are the segments that are relevant to the VBG Group.

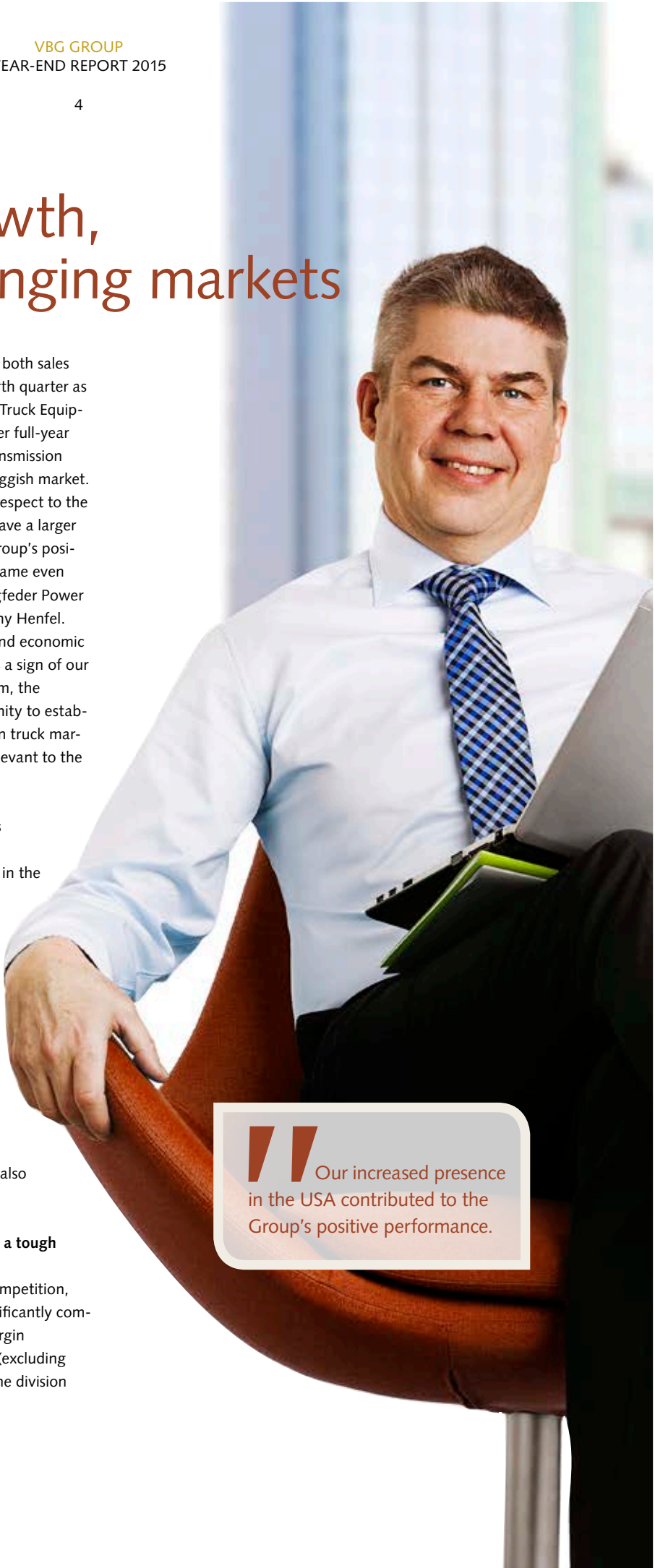
VBG Truck Equipment – capturing market shares and achieving sales records in Europe

The Group's largest division delivered once again in the form of increased sales and improved earnings compared with the preceding year. The fourth quarter was in line with the previous quarters and we also note a continued stable trend.

Although the total market for heavy trucks with trailers was challenging in various areas, VBG Truck Equipment conducts a large portion of its business in Europe, where the market trend remained favourable during the year. We felt the effects of this trend, particularly in the UK, where the division delivered record-breaking sales. The division's efforts to further optimise its product range and invest in extra sales resources also yielded positive results in the German market.

Edscha Trailer Systems – doubled profitability in a tough economic climate

Despite a tough economic climate and intense competition, Edscha Trailer Systems improved its earnings significantly compared with the preceding year. The operating margin increased from just over 3 per cent to 6 per cent (excluding goodwill impairment from 2014), meaning that the division essentially doubled its margin.



Our increased presence in the USA contributed to the Group's positive performance.

Although this return does not meet our requirements, the divisional management team has successfully managed to keep costs down and this has helped to point the operations in the right direction and improve the division's profitability.

The market introduction of the division's new product range has progressed more slowly than anticipated and the weak market trend has created a cautious attitude in the industry. However, the new roofs delivered have been well received, so I fully expect Edscha Trailers Systems to continue launching its new products with undiminished ambition.

Ringfeder Power Transmission – increased sales, declining profitability

The current economic slump, particularly in the mining, steel and oil industries, has resulted in an extremely low rate of investment, the effects of which have been clearly felt by Ringfeder Power Transmission. The division's aftermarket business was not sufficient to offset this decline.

In 2015, Ringfeder Power Transmission reported a sharp increase in sales, mainly due to the acquisition of Tschan. The company was acquired on 1 July 2014 and was thus only included in the 2014 sales figures for half a year. In 2015, Tschan was included for the entire year. The division's latest acquisition – Henfel – also contributed to this sales increase.

Yet despite higher sales, the division's profitability declined. The underlying reason for this is still Tschan. The company was taken over following a reconstruction. Thanks to the divisional management team's efforts to return the company to profitability, despite a weaker economic climate in the mining indus-

try, Tschan is now at the break-even point. Henfel is also one of the reasons why the division reported a sales increase without profit. The main explanation for this is the sharp slowdown in the Brazilian economy.

Despite this trend, we are now focusing instead on utilising the slump in Brazil to our advantage. We now have the time and scope to transfer products and commence manufacturing and sales in order to ensure that we are well equipped with a strong product portfolio for existing customers once the Brazilian economy recovers.

The bright spot for the division came in the form of growth in the all-important German market in 2015.

VBG Group – focus on acquisitions for VBG Truck Equipment

The economic situation in Europe is expected to remain reasonably stable and the trend in the European truck market should remain favourable during 2016.

With respect to our acquisition agenda, I do not expect any further investment to be made in Ringfeder Power Transmission in the foreseeable future. Over the past two years, we have completed a number of key acquisitions for the division and divisional management's main job now is to develop the business in challenging market conditions. Instead, we will now continue our tireless efforts to find well-managed operations that could form a separate fourth division in the VBG Group. I am also confident that VBG Truck Equipment's management, which has a solid grip on its business, is well equipped to take on new acquisitions. Finding a complementary acquisition for this division is one of our top priorities.

Anders Birgersson
Managing Director and CEO

Group trend

SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net turnover	1,315.3	323.0	305.7	331.5	355.1	1,186.8	303.4	289.9	277.1	316.4
Operating profit before items affecting comparability	149.9	24.7	38.8	30.7	55.7	128.1	31.8	24.7	21.0	50.6
Operating margin, %	11.4	7.6	12.7	9.3	15.7	10.8	10.5	8.5	7.6	16.0
Items affecting comparability	-15.2 ⁵	-8.3 ⁵	-6.9 ⁵	—	—	-7.2 ⁴	-60.0 ³	46.8 ²	6.0 ¹	—
Reported operating profit/loss	134.7	16.4	31.9	30.7	55.7	120.9	-28.2	71.5	27.0	50.6
Reported operating margin, %	10.2	5.1	10.4	9.3	15.7	10.2	-9.3	24.7	9.7	16.0
Profit/loss after financial items	134.5	17.8	31.4	29.8	55.5	112.7	-29.7	70.1	23.6	48.7
Profit margin, %	10.2	5.5	10.3	9.0	15.6	9.5	-9.8	24.2	8.5	15.4
Profit/loss after tax	95.5	11.3	23.0	20.7	40.5	78.9	-37.8	64.2	17.0	35.5
Cash flow after investing activities	-10.3	-82.7	40.7	13.2	18.5	97.3	53.4	34.7	-8.7	17.9
Earnings/loss per share, SEK	7.64	0.90	1.85	1.65	3.24	6.31	-3.02	5.13	1.36	2.84
Equity per share	69.71	69.71	69.73	66.65	68.92	65.40	65.40	66.19	62.28	61.92
ROCE (cumul.),%	13.0	13.0	15.0	16.8	21.2	12.5	12.5	20.4	16.7	21.8
ROE (cumul.),%	11.3	11.3	13.3	14.8	19.3	10.1	10.1	19.8	13.9	18.8
Equity/assets ratio, %	69.2	69.2	67.4	66.8	67.1	67.6	67.6	68.7	69.0	68.2

¹ SEK 6.0 M, capital gain from the divestment of Armaton.

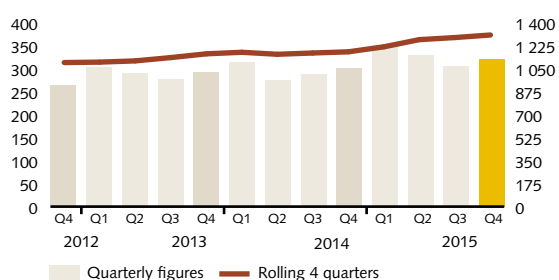
² SEK 46.8 M, negative goodwill from the acquisition of Tschan GmbH.

³ Negative SEK 60.0 M, impairment of goodwill in Edscha Trailer Systems.

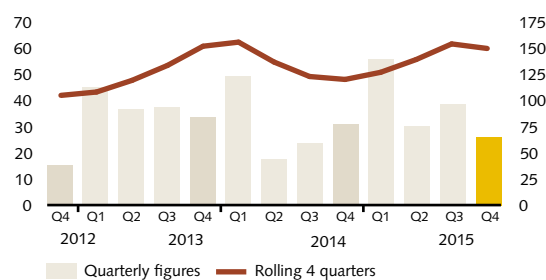
⁴ Negative SEK 7.2 M, net effect of the three items affecting comparability ¹⁺²⁺³.

⁵ Negative SEK 7.6 M in acquisition-related costs for Henfel Ltda, of which negative SEK 0.7 M in the fourth quarter, negative SEK 6.9 M in the third quarter and negative SEK 7.6 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter.

NET TURNOVER, SEK M



PROFIT AFTER FINANCIAL ITEMS*, SEK M



* Excluding items affecting comparability.

Turnover and earnings, fourth quarter of 2015

The turnover of SEK 323.0 M (303.4) was 6.5 per cent higher compared with the fourth quarter of 2014, but taking into account changes in exchange rates and acquisitions between the quarters in question, the organic decrease was 1.6 per cent (decrease: 1.5).

The Group's adjusted operating profit declined to SEK 24.7 M (31.8), with an adjusted operating margin of 7.6 per cent (10.5). The quarter was charged with two items affecting comparability in the form of costs of SEK 0.7 M attributable to the acquisition of Henfel and costs of SEK 7.6 M pertaining to an increased provision due to a changed valuation model for inventory obsolescence.

Accordingly, the Group's reported operating profit for the quarter amounted to SEK 16.4 M (loss: 28.2), with an operating margin of 5.1 per cent (neg: 9.3). The turnover and operating profit of the individual divisions are presented on pages 8–13.

Group-wide overheads in the Parent Company that have not been allocated to the divisions totalled SEK 3.7 M (2.4).

Net interest expense for the quarter was SEK 1.3 M (expense: 1.9) and the fourth-quarter currency effect on the Swedish companies' foreign-currency denominated credits resulted in a positive currency effect of SEK 2.7 M (pos: 0.4). Overall, this led to net financial income of SEK 1.4 M (expense: 1.5) and thereby profit after financial items of SEK 17.8 M (loss: 29.7).

Profit after tax totalled SEK 11.3 M (loss: 37.8) and earnings per share amounted to 0.90 (loss: 3.02).

Turnover and earnings, full-year 2015

Consolidated turnover for the full year increased 10.8 per cent to SEK 1,315.3 M (1,186.8). Excluding acquired volumes amounting to SEK 44.5 M pertaining to Tschan in the first half of the year and SEK 7.5 M pertaining to Henfel, the actual change in volume amounted to an increase of 6.4 per cent. Adjusted for currency effects, the actual volume change amounted to an increase of 4.9 per cent (2.5).

The Group's adjusted operating profit rose to SEK 149.9 M (128.1), with an operating margin of 11.4 per cent (10.8). The Group was impacted by two items affecting comparability totalling a negative SEK 15.2 M pertaining to acquisition-related costs for Henfel Ltda and a changed valuation model for inventory obsolescence. Accordingly, the reported full-year operating profit amounted to SEK 134.7 M (120.9), with a margin of SEK 10.2 per cent (10.2).

This result included the operating loss of the acquired company totalling SEK 1.9 M.

The consolidated operating profit also included Group-wide overheads of SEK 15.6 M (13.1) that were not allocated among the various divisions.

Net interest expense for the full-year amounted to SEK 5.7 M (expense: 7.1) and the Swedish companies' foreign-currency denominated credits were impacted positively by a currency effect of SEK 5.5 M (neg: 1.1). Taken together, this resulted in a net financial expense of SEK 0.2 M (expense: 8.2). Accordingly, profit after financial items amounted to SEK 134.5 M (112.7), with a margin of 10.2 per cent (9.5).

Profit after tax totalled SEK 95.5 M (78.9), corresponding to earnings per share of SEK 7.64 (6.31).

Return on capital employed rose to 13.0 per cent (12.5) and return on equity was 11.3 per cent (10.1). The Group's equity/assets ratio increased slightly compared with year-end 2014 to 69.2 per cent (67.6).

Tax expense

The tax expense for the year was SEK 39.0 M (33.8), of which current tax accounted for SEK 39.7 M (36.4) and deferred tax for a negative SEK 0.7 M (neg: 2.6). The tax expense for the year corresponds to a tax rate for the Group of 29.0 per cent (30.0).

Capital expenditures

The Group's capital expenditures during the year, excluding acquired subsidiaries, amounted to SEK 27.2 M (29.6).

Financial position

Profit after tax for the full year amounted to SEK 95.5 M (78.9) and other comprehensive income to a loss of SEK 4.1 M (income: 35.6), the combined effect of which resulted in comprehensive income of SEK 91.4 M (114.5). After the payment of dividends totalling SEK 37.5 M (34.4) to the shareholders, consolidated equity amounted to SEK 871.5 M (817.6).

The equity/assets ratio increased during the year to 69.2 per cent (67.6).

Cash and cash equivalents declined SEK 51.7 M during the year (increased 64.1) to SEK 143.9 M (195.6) at year-end. In addition, there were unutilised credit facilities of SEK 194.5 M (144.1), giving the Group an available liquidity of SEK 338.5 M (339.7) at year-end.

The Group's interest-bearing net debt (including pension liability) rose SEK 30.8 M during the year to SEK 47.1 M (16.3) at year-end.

The ratio of interest-bearing net debt to equity was 0.05 at 31 December 2015 (0.02 at 31 December 2014) and the ratio of net debt to consolidated operating profit before depreciation/amortisation and impairment (EBITDA) was 0.26 (0.09).

The acquisition of Henfel Ltda resulted in goodwill of SEK 60.5 M (59.1 on the acquisition date). The Group's remaining goodwill declined SEK 3.2 M due to the strengthening of the SEK against the EUR between the end of 2014 and the end of 2015. The net effect of this was an increase in the Group's goodwill by SEK 57.3 M, totalling SEK 324.1 M (266.8) at 31 December 2015, which in relation to equity amounted to a ratio of 0.37 (0.33).

Cash flow

Cash flow from operating activities declined to SEK 118.0 M (137.2). Paid capital expenditures during the year amounted to SEK 128.3 M (39.9), of which SEK 93.7 M pertained to the acquisition of Henfel. During the year, the Group's total borrowings and current financial liability declined SEK 3.2 M (5.0), net, with a dividend payment to the shareholders of SEK 37.5 M (34.4). Combined, this resulted in a negative cash flow from financing activities of SEK 40.7 M (neg: 39.4). Accordingly, net cash flow for the year amounted to a negative SEK 51.0 M (pos: 57.9).

Outlook for 2016

The Group makes no forecast regarding figures, but its assessment is that the potential exists for the Group to increase turnover and profitability in 2016.

Personnel

At 31 December 2015, there were 748 employees (612) in the VBG Group, including 178 (175) in Sweden.

The Group employed an average of 636 persons (559) in 2015, representing an increase of 13.8 per cent. Of these, 183 (181) were active in Sweden. During 2015, the cost of salaries and social security contributions increased 21.2 per cent to SEK 357.7 M (295.1).

Per share data

Earnings per share for the year increased to SEK 7.64 (6.31). At 31 December 2015, equity per share was SEK 69.71, compared with SEK 65.40 a year earlier.

During the year, the share price for the VBG Group's Series B share rose 16.6 per cent to SEK 121.0 (103.75) at year-end, and the number of shareholders increased by 125 to 4,126 (4,001).

VBG Truck Equipment



Fourth quarter of 2015:

- Turnover increased 6.4 per cent to **SEK 177.6 M** (166.9).
- Adjusted operating profit declined to **SEK 26.7 M** (29.5), with an adjusted operating margin of 15.0 per cent (17.7).
- Items affecting comparability for the quarter amounted to a negative **SEK 1.7 M** (–).
- Reported operating profit fell to **SEK 25.0 M** (29.5), with an operating margin of 14.1 per cent (17.7).

Full-year 2015:

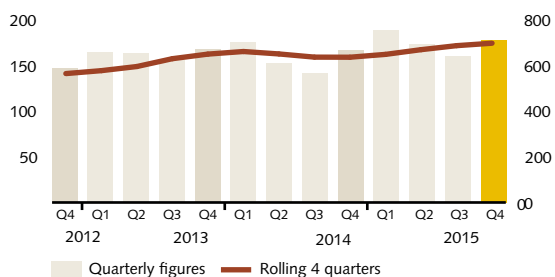
- Turnover increased 9.6 per cent to **SEK 697.7 M** (636.6).
- Adjusted operating profit rose to **SEK 117.4 M** (97.7), with an adjusted operating margin of 16.8 per cent (15.3).
- Items affecting comparability amounted to a negative **SEK 1.7 M** (pos: 6.0).
- Reported operating profit increased to **SEK 115.7 M** (103.7), with a margin of 16.6 per cent (16.3).

NET TURNOVER AND OPERATING PROFIT										
SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net turnover	697.7	177.6	158.9	172.6	188.6	636.6	166.9	141.4	152.6	175.7
Operating profit before items affecting comparability	117.4	26.7	26.3	25.0	39.4	97.7	29.5	17.2	17.3	33.7
Operating margin, %	16.8	15.0	16.6	14.5	20.9	15.3	17.7	12.2	11.3	19.2
Items affecting comparability	-1.7 ²	-1.7 ²	—	—	—	6.0 ¹	—	—	6.0 ¹	—
Reported operating profit/loss	115.7	25.0	26.3	25.0	39.4	103.7	29.5	17.2	23.3	33.7
Reported operating margin, %	16.6	14.1	16.6	14.5	20.9	16.3	17.7	12.2	15.3	19.2

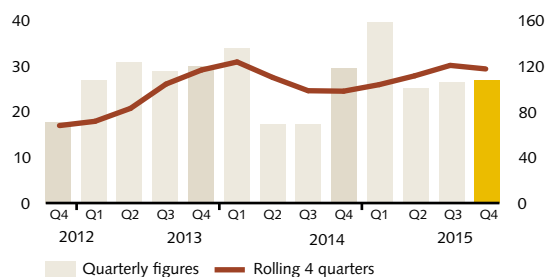
¹ SEK 6.0 M in capital gains from the divestment of the Armaton product area.

² Negative SEK 1.7 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter.

NET TURNOVER, SEK M



OPERATING PROFIT BEFORE ITEMS AFFECTING COMPARABILITY, SEK M



cont'd. VBG Truck Equipment

Fourth quarter of 2015

Turnover in VBG Truck Equipment for the fourth quarter increased 6.4 per cent year-on-year to SEK 177.6 M (166.9). Taking the impact of exchange rate changes into consideration, the volume increase was 1.3 per cent.

The quarter was charged with an item affecting comparability attributable an increased provision of SEK 1.7 M due to a changed valuation model for inventory obsolescence. Accordingly, the adjusted operating profit for the fourth quarter was SEK 26.7 M (29.5), with an operating margin of 15.0 per cent (17.7).

The operating profit for the division was weaker than in the year-earlier period at SEK 25.0 M (29.5), with a continued healthy operating margin of 14.1 per cent (17.7).

Full-year 2015

For full-year 2015, turnover increased 9.6 per cent to SEK 697.7 M (636.6). Taking into account exchange rate changes during the year, the actual volume increase was 5.4 per cent.

Despite a challenging market situation during the year, the division demonstrated that it has a very stable and profitable business.

Adjusted operating profit rose to SEK 117.4 M (97.7), with an operating margin of 16.8 per cent (15.3). Full-year operating profit increased to SEK 115.7 M (103.7), with a continued strong adjusted operating margin of 16.6 per cent (16.3).

During 2015, VBG Truck Equipment had an average of 262 employees (256), and 268 persons (256) were employed in the division at 31 December 2015.

TURNOVER BY MARKET										
SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Sweden	188.8	45.4	45.6	48.0	49.8	174.4	42.1	35.5	44.6	52.2
Other Nordic countries	115.4	28.3	22.8	30.9	33.4	106.8	24.9	22.7	26.7	32.5
Germany	101.1	24.6	25.4	24.7	26.4	90.8	20.7	23.7	22.2	24.2
Other European countries	159.4	38.4	35.2	39.3	46.5	143.8	37.3	32.9	34.9	38.7
North America	80.6	27.4	19.5	15.6	18.1	59.1	21.2	13.6	10.8	13.5
Rest of world	52.4	13.5	10.4	14.1	14.4	61.7	20.7	13.0	13.4	14.6
VBG Truck Equipment	697.7	177.6	158.9	172.6	188.6	636.6	166.9	141.4	152.6	175.7

Edscha Trailer Systems



Fourth quarter of 2015:

- Turnover rose 14.7 per cent to **SEK 56.5 M** (49.2).
- Adjusted operating profit increased to **SEK 3.7 M** (loss: 1.6), with an adjusted operating margin of 6.5 per cent (neg: 3.3).
- Items affecting comparability during the quarter amounted to a negative **SEK 0.9 M** (neg: 60.0).
- The reported operating profit was **SEK 2.8 M** (loss: 61.6).

Full-year 2015:

- Turnover rose 0.8 per cent to **SEK 221.7 M** (219.8).
- Adjusted operating profit increased to **SEK 13.9 M** (7.3), with an adjusted operating margin of 6.3 per cent (3.3).
- Items affecting comparability during the quarter amounted to a negative **SEK 0.9 M** (neg: 60.0).
- The reported operating profit increased to **SEK 13.0 M** (loss: 52.7), with a margin of 5.9 per cent (neg: 24.0).

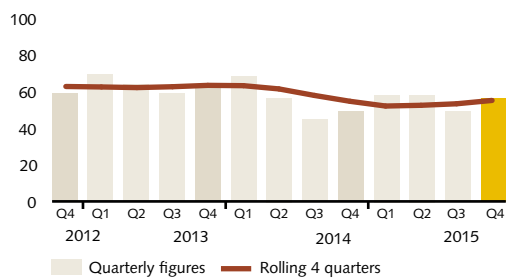
NET TURNOVER AND OPERATING PROFIT

SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net turnover	221.7	56.5	48.4	58.4	58.4	219.8	49.2	45.1	56.8	68.7
Operating profit/loss before items affecting comparability	13.9	3.7	2.1	3.2	4.9	7.3	-1.6	-1.2	2.9	7.2
Operating margin, %	6.3	6.5	4.3	5.5	8.4	3.3	-3.3	-2.7	5.1	10.5
Items affecting comparability	-0.9 ²	-0.9 ²	—	—	—	-60.0 ¹	-60.0 ¹	—	—	—
Reported operating profit/loss	13.0	2.8	2.1	3.2	4.9	-52.7	-61.6	-1.2	2.9	7.2
Reported operating margin, %	5.9	5.0	4.3	5.5	8.4	-24.0	-125.2	-2.7	8.8	10.5

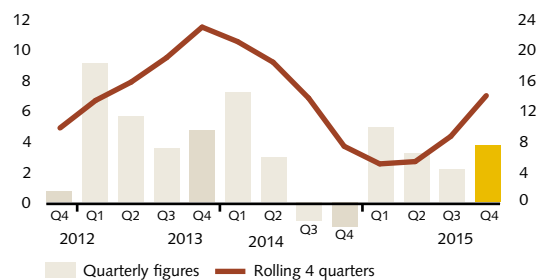
¹ Negative SEK 60.0 M impairment of consolidated goodwill in Edscha Trailer Systems

² Negative SEK 0.9 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter.

NET TURNOVER, SEK M



OPERATING PROFIT BEFORE ITEMS AFFECTING COMPARABILITY, SEK M



cont'd. Edscha Trailer Systems

Fourth quarter of 2015

Turnover in Edscha Trailer Systems rose 14.7 per cent to SEK 56.5 M (49.2). The translation of the turnover of foreign subsidiaries to SEK had a negative impact, which is the reason why the actual volume increase was 11.1 per cent.

The quarter was charged with an item affecting comparability attributable to an increased provision of SEK 0.9 M due to a changed valuation model for inventory obsolescence.

Accordingly, the adjusted operating profit for the fourth quarter amounted to SEK 3.7 M (loss: 1.6), with an operating margin of 6.5 per cent (neg: 3.3). Turnover for the fourth quarter increased, resulting in operating profit of SEK 2.8 M (loss: 61.6). The operating margin for the fourth quarter was 5.0 per cent (neg: 125.2).

Full-year 2015

After a decline in the third quarter, the market recovered and the year ended with a strong fourth quarter. As a result, the division increased its turnover and earnings for the full year.

Overall, this meant that turnover for the full year was in line with the preceding year and increased slightly to SEK 221.7 M (219.8). However, this corresponded to a volume decrease of 2.0 per cent adjusted for currency effects.

The adjusted operating profit increased to SEK 13.9 M (7.3), with an operating margin of 6.3 per cent (3.3). Operating profit amounted to SEK 13.0 M (loss: 52.7), with a margin of 5.9 per cent (neg: 24.0). The preceding year was impacted by goodwill impairment totalling a negative SEK 60.0 M.

In 2015, Edscha Trailer Systems had an average of 74 employees (83) and, at 31 December 2015, 77 persons (82) were employed in the division.

TURNOVER BY MARKET										
SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Sweden	0.3	0.1	0.0	0.1	0.1	0.3	0.1	0.0	0.1	0.1
Other Nordic countries	0.9	0.1	0.2	0.3	0.3	0.6	0.2	0.1	0.2	0.1
Germany	133.8	37.6	24.3	38.6	33.3	136.3	33.3	28.7	32.4	41.9
Other European countries	85.8	18.7	23.9	19.0	24.2	82.3	15.6	16.1	24.0	26.6
Rest of world	0.9	0.0	0.0	0.4	0.5	0.3	0.0	0.2	0.1	0.0
Edscha Trailer Systems	221.7	56.5	48.4	58.4	58.4	219.8	49.2	45.1	56.8	68.7

Ringfeder Power Transmission



Fourth quarter of 2015:

- Turnover increased to **SEK 88.9 M** (87.3).
- Adjusted operating profit declined to a negative **SEK 1.9 M** (6.3), with a margin of negative 2.1 per cent (pos: 7.2).
- Items affecting comparability during the quarter amounted to a negative **SEK 5.7 M** (–).
- The reported operating loss declined to **SEK 7.6 M** (profit: 6.3), with a margin of negative 8.6 per cent (7.2).
- The acquisition of the Brazilian company Henfel Ltda. was completed on 1 October 2015.

Full-year 2015:

- Turnover rose 19.8 per cent to **SEK 395.9 M** (330.4).
- The adjusted operating profit amounted to **SEK 34.3 M** (36.2), with an adjusted margin of 8.7 per cent (11.0).
- Items affecting comparability during the year amounted to a negative **SEK 12.6 M** (pos: 46.8).
- The reported operating profit amounted to **SEK 21.7 M** (83.0), with a margin of 5.5 per cent (25.1).

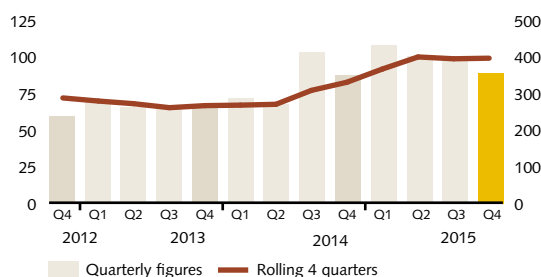
NET TURNOVER AND OPERATING PROFIT

SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net turnover	395.9	88.9	98.4	100.5	108.1	330.4	87.3	103.4	67.7	72.0
Operating profit/loss before items affecting comparability	34.3	–1.9	13.0	7.7	15.5	36.2	6.3	10.9	6.1	12.9
Operating margin, %	8.7	–2.1	13.2	7.7	14.3	11.0	7.2	10.5	9.0	17.9
Items affecting comparability	–12.6 ²	–5.7 ²	–6.9 ²	—	—	46.8 ¹	—	46.8 ¹	—	—
Reported operating profit/loss	21.7	–7.6	6.1	7.7	15.5	83.0	6.3	57.7	6.1	12.9
Reported operating margin, %	5.5	–8.6	6.2	7.7	14.3	25.1	7.2	55.8	9.0	17.9

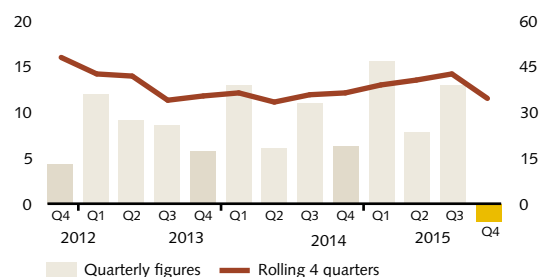
¹ SEK 46.8 M in negative goodwill from the acquisition of Tschan GmbH.

² Negative SEK 7.6 M in acquisition-related costs for Henfel Ltda, of which negative SEK 0.7 M in the fourth quarter, negative SEK 6.9 M in the third quarter and negative SEK 5.0 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter.

NET TURNOVER, SEK M



OPERATING PROFIT BEFORE ITEMS AFFECTING COMPARABILITY, SEK M



cont'd Ringfeder Power Transmission

Fourth quarter of 2015

During the fourth quarter, sales rose 1.9 per cent to SEK 88.9 M (87.3), with an increase of SEK 7.5 M derived from the acquisition of Henfel Ltda. Excluding acquired volumes and adjusted for currency effects, the underlying volume change was de facto a decrease of 14.4 per cent.

The quarter was charged in a negative amount of SEK 5.7 M for two items affecting comparability: acquisition-related costs of SEK 0.7 M attributable to the acquisition of Henfel and an increased provision of SEK 5.0 M due to a changed valuation model for inventory obsolescence. Accordingly, the adjusted operating loss for the fourth quarter amounted to SEK 1.9 M (profit: 6.3), with an operating margin of negative 2.1 per cent (pos: 7.2).

The adjusted operating loss was SEK 7.6 M (profit: 6.3), with a margin of negative 8.6 per cent (pos: 7.2), with Henfel Ltda posting an operating loss of SEK 1.9 M. This was attributable to the extremely weak market in the mining industry, which resulted in major orders being delayed until the first quarter of 2016.

Full-year 2015

While 2015 began on a strong note with respect to turnover, the market climate deteriorated during the second half of the year, particularly in the fourth quarter. For the full year, the division's turnover increased by 19.8 per cent to SEK 395.9 M (330.4). With turnover of SEK 7.5 M in the fourth quarter, Henfel accounted for 2.3 per cent of this increase. Excluding acquired volume of SEK 44.5 M pertaining to Tschan in the first half of the year and SEK 7.5 M pertaining to Henfel, the increase in turnover was 4.0 per cent. Furthermore, if the changes in exchange rates between the years are taken into account, the actual decrease in volume was 11.5 per cent.

The adjusted operating profit amounted to SEK 34.3 M (36.2), with an adjusted margin of 8.7 per cent (11.0). The division's reported operating profit declined to SEK 21.7 M (83.0), with the acquisition of Tschan in the preceding year generating negative goodwill, which had a positive impact of SEK 46.8 M on profit in 2014. The reported operating margin was 5.5 per cent (25.1).

During 2015, Ringfeder Power Transmission had an average of 291 employees (213) and, at 31 December 2015, 395 persons (267) were employed in the division, of which 129 in Henfel.

TURNOVER BY MARKET										
SEK M	Full-year 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Sweden	4.4	0.7	1.2	1.4	1.1	4.1	1.4	1.2	0.9	0.6
Other Nordic countries	6.0	1.3	1.9	1.4	1.4	3.3	1.2	1.1	0.4	0.6
Germany	164.5	39.8	40.6	40.5	43.6	127.8	33.2	44.8	22.1	27.7
Other European countries	55.9	12.5	14.2	13.6	15.6	42.5	9.9	14.5	9.8	8.3
North America	104.2	21.1	23.5	28.0	31.6	96.1	27.0	24.8	21.6	22.7
Rest of world	60.9	13.5	17.0	15.6	14.8	56.6	14.6	17.0	12.9	12.1
Ringfeder Power Transmission	395.9	88.9	98.4	100.5	108.1	330.4	87.3	103.4	67.7	72.0

Other information

Parent Company

VBG Group AB's operations are focused on managing, developing and coordinating the Group. The assets in the Parent Company consist primarily of shares in subsidiaries and trademarks. The company also owns the industrial property in Vänersborg that is rented by the subsidiary VBG Group Truck Equipment AB.

The objective is that the Group's intellectual property in the form of trademarks and other rights should be gathered in the Parent Company. VBG Group AB focuses on maintaining and developing all the Group's trademarks and rights.

The Parent Company's net turnover pertains primarily to intra-Group services, license revenues and rentals and amounted to SEK 26.5 M during the year (22.0). The operating loss for the year was SEK 22.9 M (loss: 12.3). After dividends from Group companies totalling SEK 70.4 M (116.5), exchange rate differences of SEK 3.9 M (neg: 4.7) and net interest expenses totalling SEK 1.7 M (expense: 1.7), profit before tax amounted to SEK 49.7 M (97.8).

Acquisition of Henfel Industria Metalurgica Ltda., Brazil

On 1 October, the Group's Parent Company completed the acquisition of the Brazilian company Henfel Industria Metalurgica Ltda. The acquired company was consolidated into the Ringfeder Power Transmission division as of 1 October 2015. The purchase consideration for all shares in the company amounted to BRL 49.7 M for a debt-free company and normalised working capital. A preliminary purchase consideration was paid in conjunction with the takeover on 1 October, and on the basis of the accounts prepared on 30 September 2015, the final purchase consideration was also subsequently paid. The company's balance sheet on 30 September has formed the basis for the acquisition plan presented below. The value of the Brazilian currency weakened significantly during 2015 to SEK 2.09 on the acquisition date, which was the rate used in the acquisition plan.

As a result of a declining economic situation in the mining industry in Brazil – Henfel's largest market – during the final quarter of 2015, fourth-quarter turnover and earnings were lower than forecast. Although the economic climate is expected to remain weak in 2016, the company is expected to generate annual turnover of approximately SEK 65 M and to contribute positively to operating profit in 2016. The company had 129 employees at 31 December 2015.

	Group, SEK M
Purchase consideration	103.7
Value of acquired net assets	-44.6
Goodwill	59.1

Goodwill is attributable to the acquired operation's profitability and customer relationships (which are not separable), which has resulted in a high market share in Brazil. Important synergy effects that are expected to arise with the existing operations in Ringfeder Power Transmission, as well as the conditions the acquisition creates for the other divisions – primarily VBG Truck Equipment's future establishment in Brazil and South America – were also taken into consideration and valued when the decision was made to acquire the company.

The carrying amount of identifiable assets and liabilities included in the acquisition were as follows:

	Fair value, SEK M
Cash and cash equivalents	10.0
Property, plant and equipment	21.1
Intangible assets	13.8
Inventories	6.2
Receivables	10.3
Liabilities	-16.8
Acquired net assets	44.6
Cash purchase consideration upon takeover	-94.3
Final cash settlement upon approved acquisition balance	-9.4
Cash and cash equivalents in acquired subsidiaries	10.0
Change in cash and cash equivalents due to acquisition	-93.7

Risks and uncertainty factors

The Group's and the Parent Company's significant risks and uncertainty factors include business-related operational risks in the form of commodity risks, product risks, development risks, intellectual property risks, environmental risks, political risks, business interruption and property risks, cyclical risks, IT security risks and legal risks. To these can be added financial risks such as financing risks, liquidity risks, interest rate risks, currency risks and credit and counterparty risks.

For a more detailed description of the Group's risks and risk management, see Note 2 of VBG Group AB's annual report for 2014.

Proposed dividend

The Board of Directors of VBG Group AB (publ) proposes that the 2016 Annual General Meeting resolve to approve a raised dividend of SEK 3.25 per share (3.00) for the 2015 financial year. The proposed dividend entails a total distribution of funds from the Parent Company of SEK 40.6 M (37.5), equivalent to 4.7 per cent of the Group's equity at year end. The Group reported profit after tax corresponding to 7.64 per share, which means that the proposed dividend represents 42.5 per cent of net profit for the year (47.5).

Annual General Meeting and annual report

The 2016 Annual General Meeting will be held at 5:00 p.m. on 26 April in the company's offices at Herman Kreftings gata 4 in Vänersborg. The annual report will be published on the company's website in the week beginning 28 March 2015 and will also be available at VBG Group AB's offices in Vänersborg.

Financial information 2015/2016

Interim report, three months 2016	26 April 2016
Annual General Meeting in Vänersborg	26 April 2016 at 5:00 p.m.
Interim report, six months 2016	24 August 2016
Interim report, nine months 2016	20 October 2016
Year-end report 2016	17 February 2017

Related party transactions

There have been no related party transactions in 2015 that have significantly affected the company's financial position and results. Related party transactions during 2014 are disclosed in Note 5 in the annual report for 2014.

Accounting policies

The VBG Group applies the EU-endorsed IFRS standards and interpretations thereof (IFRIC). This interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company, in accordance with the Annual Accounts Act and recommendation RFR 2, Accounting for Legal Entities. The same accounting policies and calculation methods were applied as in the most recent annual report.

Changes in estimates and assessments

The model for calculating inventory obsolescence was changed in the fourth quarter to reflect management's best assessment of the calculated net realisable value of inventory items that remain in stock for a long period of time. This changed assessment resulted in an increased obsolescence provision of SEK 7.6 M, which was recognised as an item affecting comparability in operating profit for the fourth quarter.

Auditor's review

This year-end report is unaudited.

Vänersborg, 17 February 2016

VBG Group AB (publ)

The Board of Directors

Note

The information in this year-end report is of the type that VBG Group AB is obligated to disclose in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 17 February 2016 at 1:00 p.m.

Press releases in the fourth quarter of 2015

Interim report Jan-Sep 2015	21 October 2015
Helene Richmond resigns as Board member of VBG Group AB	29 October 2015

For further information, please contact:

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Consolidated Income Statement and Statement of Comprehensive Income – Highlights

SEK M	Q4 Oct-Dec 2015	Q4 Oct-Dec 2014	Full-year 2015	Full-year 2014
Net turnover	323.0	303.4	1,315.3	1,186.8
Cost of goods sold	-204.5 ³	-186.9	-777.8 ³	-718.0
Selling expenses	-53.4	-52.3	-211.4	-190.1
Administrative expenses	-36.8 ⁴	-26.1	-150.7 ⁴	-120.3
Research and development costs	-10.6	-9.4	-40.6	-36.2
Other operating income and expenses	-1.3	-56.9 ¹	-0.1	-1.3 ²
Operating profit/loss	16.4	-28.2	134.7	120.9
Net financial items	1.4	-1.5	-0.2	-8.2
Profit/loss after financial items	17.8	-29.7	134.5	112.7
Tax	-6.5	-8.1	-39.0	-33.8
Profit/loss for the period	11.3	-37.8	95.5	78.9
Profit/loss for the period attributable to Parent Company shareholders	11.3	-37.8	95.5	78.9
Depreciation and amortisation charged to profit	-12.0	-10.2	-43.3	-37.5
Other comprehensive income				
Profit/loss for the period	11.3	-37.8	95.5	78.9
Items that will not be reversed in the Income Statement				
Effect of translation of defined-benefit pension plans, net after tax	3.6	-5.7	3.6	-28.7
Items that may later be reversed in the Income Statement				
Translation differences pertaining to foreign operations	-15.1	35.5	-5.9	68.6
Translation differences pertaining to hedge accounting for net investments in foreign operations	0.0	-1.8	-1.8	-4.3
Other comprehensive income, net after tax	-11.5	28.0	-4.1	35.6
Comprehensive income for the period	-0.2	-9.8	91.4	114.5
Comprehensive income for the period attributable to Parent Company shareholders	-0.2	-9.8	91.4	114.5
Earnings per share, basic and diluted, SEK	0.90	-3.02	7.64	6.31
Number of shares at end of period ('000)	12,502	12,502	12,502	12,502
Average number of shares during the period	12,502	12,502	12,502	12,502
Number of own shares at end of period	1,192	1,192	1,192	1,192
Average number of own shares	1,192	1,192	1,192	1,192

Includes the following items affecting comparability:

¹ Including cost for impairment of consolidated goodwill in Edscha Trailer Systems in the negative amount of SEK 60 M.

² In addition to footnote 1 above, also includes capital gains of SEK 6.0 M from the divestment of Armaton and negative goodwill of SEK 46.8 M* from the acquisition of Tschan, equivalent to a combined net of negative SEK 7.2 M.

³ Including cost for increased inventory obsolescence of SEK 7.6 M.

⁴ Including acquisition costs attributable to the acquisition of Henfel Ltda in a negative amount of SEK 0.7 M in the fourth quarter and a negative amount of SEK 7.6 M for full-year 2015.

Turnover and earnings by segment

SEK M		VBG Truck Equipment	Edscha Trailer Systems	Ringfeder Power Transmission	Group- wide	Group
2015						
Q4 Oct-Dec:	Net turnover	177.6	56.5	88.9		323.0
	Operating profit/loss before items affecting comparability	26.7	3.7	-1.9	-3.8	24.7
	Operating margin, %	15.0	6.5	-2.1		7.6
	Items affecting comparability	-1.7 ⁴	-0.9 ⁵	-5.7 ⁶	—	-8.3
	Reported operating profit/loss	25.0	2.8	-7.6	-3.7	16.4
	Reported operating margin, %	14.1	5.0	-8.6		5.1
	Net financial items				1.4	1.4
	Profit after financial items					17.8
12 months:	Net turnover	697.7	221.7	395.9		1,315.3
	Operating profit/loss before items affecting comparability	117.4	13.9	34.3	-15.7	149.9
	Operating margin, %	16.8	6.3	8.7		11.4
	Items affecting comparability	-1.7 ⁴	-0.9 ⁵	-12.6 ⁶	—	-15.2
	Reported operating profit/loss	115.7	13.0	21.7	-15.6	134.7
	Reported operating margin, %	16.6	5.9	5.5		10.2
	Net financial items				-0.2	-0.2
	Profit after financial items					134.5
2014						
Q4 Oct-Dec:	Net turnover	166.9	49.2	87.3		303.4
	Operating profit/loss before items affecting comparability	29.5	-1.6	6.3	-2.4	31.8
	Operating margin, %	17.7	-3.3	7.2		10.5
	Items affecting comparability	—	-60.0 ²	—	—	-60.0
	Reported operating profit/loss	29.5	-61.6	6.3	-2.4	-28.2
	Reported operating margin, %	17.7	-125.2	7.2		-9.3
	Net financial items				-1.5	-1.5
	Profit after financial items					-29.7
12 months:	Net turnover	636.6	219.8	330.4		1,186.8
	Operating profit/loss before items affecting comparability	97.7	7.3	36.2	-13.1	128.1
	Operating margin, %	15.3	3.3	11.0		10.8
	Items affecting comparability	6.0 ¹	-60.0 ²	46.8 ³	—	-7.2
	Reported operating profit/loss	103.7	-52.7	83	-13.1	120.9
	Reported operating margin, %	16.3	-24.0	25.1		10.2
	Net financial items				-8.2	-8.2
	Profit after financial items					112.7

¹ Capital gains of SEK 6.0 M from the divestment of the Armaton product area.

² Impairment of consolidated goodwill in Edscha Trailer Systems was charged to earnings in an amount of SEK 60 M.

³ Negative goodwill from the acquisition of Tschan GmbH had a positive impact on earnings of SEK 46.8 M.

⁴ Negative SEK 1.7 M pertaining to an increased provision for inventory obsolescence due to changed valuation model in the fourth quarter.

⁵ Negative SEK 0.9 M pertaining to an increased provision for inventory obsolescence due to changed valuation model in the fourth quarter.

⁶ Negative SEK 7.6 M in acquisition-related costs for Henfel Ltda, of which negative SEK 0.7 M in the fourth quarter, negative SEK 6.9 M in the third quarter and negative SEK 5.0 M pertaining to an increased provision for inventory obsolescence due to a changed valuation model in the fourth quarter.

Consolidated Balance Sheet – Highlights

SEK M	31 Dec 2015	31 Dec 2014
Goodwill	324.1	266.8
Other intangible assets	61.2	57.7
Property, plant and equipment	215.8	200.8
Long-term investments	18.2	20.6
Total non-current assets	619.3	545.9
Inventories	264.6	251.1
Receivables	231.0	216.1
Cash on hand, demand deposits and short-term investments	143.9	195.6
Total current assets	639.5	662.8
TOTAL ASSETS	1,258.8	1,208.7
Equity	871.5	817.6
Non-current liabilities	236.4	253.8
Current liabilities	150.9	137.3
TOTAL EQUITY AND LIABILITIES	1,258.8	1,208.7

Changes in Group equity

SEK M	Full-year 2015	Full-year 2014
Opening equity according to balance sheet at 31 December	817.6	737.5
Total comprehensive income for the period	91.4	114.5
Dividend	-37.5	-34.4
Equity at end of period	871.5	817.6

Cash Flow Statement – Highlights

SEK M	Full-year 2015	Full-year 2014
Cash flow from operating activities before changes in working capital	145.2	122.7
Change in working capital	-27.2	14.5
Cash flow from operating activities	118.0	137.2
Cash flow from investing activities	-128.3	-39.9
Cash flow from financing activities	-40.7	-39.4
Cash flow for the year	-51.0	57.9
Cash and cash equivalents at start of year	195.6	131.5
Translation difference, cash and cash equivalents	-0.6	6.2
Cash and cash equivalents at end of period	144.0	195.6
Unutilised overdraft facilities	194.5	144.1
Available cash and cash equivalents	338.5	339.7

Key figures for Group

SEK M	Full-year 2015	Full-year 2014
Profit margin (ROS), %	10.2	9.5
Return on equity (ROE), %	11.3	10.1
Return on capital employed (ROCE), %	13.0	12.5
Equity/assets ratio, %	69.2	67.6
Equity per share, SEK	69.71	65.40
Cash flow per share (before change in working capital)	11.61	9.81
Share price at end of period, SEK	121.00	103.75
Number of employees, average	636	559

Parent Company Income Statement

SEK M	Full-year 2015	Full-year 2014
Net turnover	26.5	22.0
Operating expenses	-49.4	-34.3
Operating loss	-22.9	-12.3
Net financial items	72.6	110.1
Profit after financial items	49.7	97.8
Appropriations	19.8	18.0
Tax	0.0	-0.1
Profit after tax for the period and comprehensive income for the period	69.5	115.7

Parent Company Balance Sheet

SEK M	31 Dec 2015	31 Dec 2014
Other intangible assets	6.5	8.4
Property, plant and equipment	7.6	6.8
Long-term investments	661.8	558.1
Total non-current assets	675.9	573.3
Receivables	51.6	90.1
Cash on hand, demand deposits and short-term investments	85.0	89.9
Total current assets	136.6	180
TOTAL ASSETS	812.5	753.3
Equity	510.4	478.4
Untaxed reserves	8.4	15.2
Provisions	12.7	12.0
Non-current liabilities	8.4	15.6
Current liabilities	272.7	232.1
TOTAL EQUITY AND LIABILITIES	812.5	753.3

VBG GROUP

Sweden

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