

Q1 VBG GROUP INTERIM REPORT JANUARY–MARCH 2018

The VBG Group is an **international industrial group** with some 1,500 employees in 18 countries. The Parent Company VBG Group AB is a long-term owner that provides active management of the Group's four wholly owned divisions through **considerable industrial expertise, a strong corporate culture and financial resilience.**

SEK **818** M

Consolidated sales increased to SEK 817.7 M (768.6) in the first quarter.

12.9%

Operating margin for the first quarter was 12.9 per cent (13.4).



INTERIM REPORT

JANUARY–MARCH 2018

- Consolidated sales increased to **SEK 817.7 M** (768.6).
- Operating profit was **SEK 105.2 M** (102.7).
- Operating margin was **12.9 per cent** (13.4).
- Profit after financial items amounted to **SEK 85.6 M** (94.2).

KEY FIGURES

Group, SEK M	Q1 2018	Q1 2017	Full-year 2017
Net sales	817.7	768.6	3,002.0
Operating profit before depreciation/amortisation (EBITDA)	124.4	121.9	428.3
Operating profit before amortisation (EBITA)	113.0	110.6	382.8
Operating profit (EBIT)	105.2	102.7	351.1
Operating profit after financial items (EBT)	85.6	94.2	315.6
Profit after tax	63.5	66.6	220.5
Earnings per share, SEK (average no. outstanding shares)	2.54	3.80	9.62
Cash flow from operating activities	73.0	74.3	243.7
Return on equity (ROE), %	12.3	17.6	12.3
Equity/assets ratio, %	54.1	51.0	54.7
Average number of employees	1,485	1,396	1,446
Average number of outstanding shares during the period ('000)	25,004	17,503	22,920
Number of outstanding shares ('000)	25,004	25,004	25,004

THIS IS THE VBG GROUP

VBG Group AB (publ), domiciled in Vänersborg, is the Parent Company of an international engineering Group with wholly owned companies in the USA, Canada, India, Brazil, China, Australia, South Africa and nine countries in Europe. The Group's operations are divided into four divisions — VBG Truck Equipment, Edscha Trailer Systems, Mobile Climate Control 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 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

- > 10 per cent in average annual sales growth over a five-year period, of which 5 per cent attributable to actual organic growth and 5 per cent to structural growth.
- > 12 per cent in average operating margin (EBIT) rolling five years.

Strategies

The Parent Company, VBG Group AB, is responsible for the strategic governance of the Group as a whole, which entails the approval and follow-up of divisional targets and strategies, providing support in the form of industrial expertise and identifying and conducting strategic acquisitions. Furthermore, the Parent Company is responsible for allocating capital, strategic HR and 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. This ownership structure has historically provided a high degree of financial stability, which in turn has resulted in solid total returns for shareholders.

VBG GROUP IN THE WORLD















The VBG Group has 31 wholly owned companies in 16 countries and more than 1,500 employees in 18 countries worldwide.

- Own companies
- Importers/Agents
- 📍 VBG Truck Equipment
- 📍 Edscha Trailer Systems
- 📍 Mobile Climate Control
- 📍 Ringfeder Power Transmission

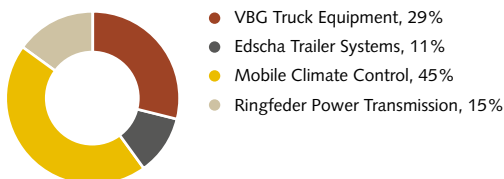


This is the VBG Group, cont.

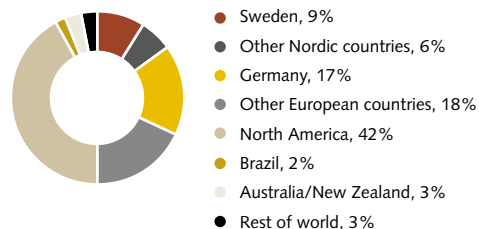
Our divisions

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. The division accounts for about 55 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 sliding roofs to tarpaulin-covered trailers and tipper vehicles, as well as sliding bow roofs to railway wagons. The division accounts for approximately 40 per cent of the global market for sliding roofs via the Edscha Trailer Systems and Sesam brands.</p>  
	<p>MOBILE CLIMATE CONTROL</p> <p>By virtue of its own strong brand, the division is an industry-leading supplier of complete climate control systems (HVAC systems) to commercial motor vehicles, primarily in North America and Europe. The customers are mainly found in four market segments: buses, off-road vehicles, utility vehicles and defence vehicles.</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. The customers are found in such widely disparate industrial markets as construction, machinery, power and mining.</p>    

SALES BY DIVISION



SALES BY MARKET



ONCE AGAIN A **STRONG** **FIRST QUARTER**

Just like last year, the Group as a whole reported a favourable result for the first quarter of the year, even if I had higher expectations on some parts of the business. We continue to find ourselves in a positive economic situation, which has provided us with good capacity utilisation in our factories, but we can also note that prices for raw materials have continued to rise and our suppliers are under considerable pressure. Our divisions have – with their specific business models and varying competitive situations – differing capacities to address the market situation and this is reflected in the earnings reported by the respective divisions.

VBG Truck Equipment – strongest quarter ever

With continued growth in sales and high profitability, VBG Truck Equipment again reported its strongest quarter ever. The division felt the effects of price increases for raw materials, but successfully offset these by raising prices for a large part of its product range.

Edscha Trailer Systems – sales growth and improved profitability

I am delighted to be able to say that Edscha Trailer Systems is back. The division reported sales growth and improved profitability. My assessment from last autumn, that the break in the profitability trend was only a temporary decline, has now been confirmed as being correct. The level achieved by the division in the first quarter is clearly acceptable, both in terms of sales and profitability. This follows the division's success in streamlining its operations and in overcoming its supplier problems, as well as strong demand from several major customers.

// The continuing positive economic situation provides us with high capacity utilisation in our factories.



Mobile Climate Control – investments in the future impacted earnings

We can see clear sales growth in the first quarter for Mobile Climate Control, but earnings are unfortunately failing to keep pace. This is due to the extra costs in the division, including a large number of new recruits, to ensure delivery at the rate required as demand rises. For most of the first quarter, Mobile Climate Control has therefore reported relatively low productivity, but in March we can see that the division has successfully streamlined processes and gained better control of the situation.

Another reason for the slightly weaker result is that the division is yet to fully offset the higher raw material prices through price increases on its own products, although activities are underway to resolve this issue.

Mobile Climate Control's initiatives to advance its positions in existing markets and establish operations in new ones is having a clear impact on earnings, but there is no doubt in our minds that the division must continue to invest in the future, as our perspective is long term.

Ringfeder Power Transmission – natural variations reflected in earnings

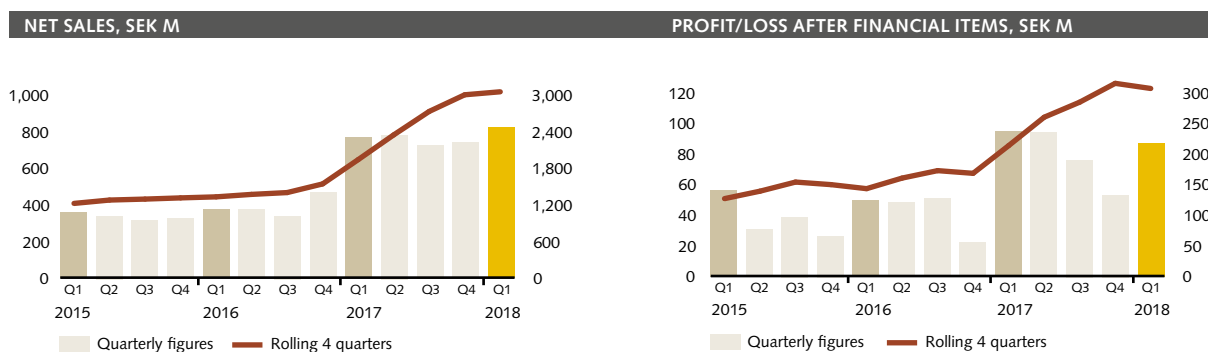
Compared to last year's first quarter, Ringfeder Power Transmission had a relatively slow start to the year, in terms of both sales and earnings. I am not unduly concerned about this. Taking in account Ringfeder Power Transmission's broad product offering, to many, widely disparate market segments, it is only natural to experience variation in the product and customer mix between quarters and this is reflected in earnings. Overall, the division is performing at a higher level after the implementation of the action programme to improve profitability in the autumn of 2016, and I believe that the implemented measures will produce further positive results later in 2018.

GROUP TREND

Group, SEK M	Q1 2018	Full-year	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full-year	Q4 2016	Q3 2016	Q2 2016	Q1 2016
		2017					2016				
Net sales	817.7	3,002.0	737.0	719.2	777.2	768.6	1,543.9	464.7	335.2	372.4	371.6
Adjusted operating profit (EBIT)	105.2	358.6	75.7	81.7	98.5	102.7	196.7	45.3	51.7	48.6	51.1
Adjusted operating margin, %	12.9	11.9	10.3	11.4	12.7	13.4	12.7	9.7	15.4	13.1	13.7
Items affecting comparability	—	-7.5 ²	-7.5 ²	—	—	—	-12.7 ¹	-12.7 ¹	—	—	—
Reported operating profit (EBIT)	105.2	351.1	68.2	81.7	98.5	102.7	184.0	32.6	51.7	48.6	51.1
Reported operating margin, %	12.9	11.7	9.2	11.4	12.7	13.4	11.9	7.0	15.4	13.1	13.7
Profit after financial items	85.6	315.6	52.7	75.1	93.6	94.2	168.2	21.7	50.5	47.1	48.9
Profit margin, %	10.5	10.5	7.1	10.4	12.0	12.3	10.9	4.7	15.1	12.6	13.2
Profit after tax	63.5	220.5	30.6	53.2	70.1	66.6	120.8	9.6	40.0	36.3	34.9
Earnings per share, SEK	2.54	9.62	1.34	2.13	2.80	3.80	9.66	0.76	3.20	2.91	2.79
ROE (cumulative), %	12.3	12.3	12.3	14.0	15.8	17.6	12.7	12.7	15.8	15.7	15.6
ROCE (cumulative), %	13.5	10.7	10.7	11.0	11.0	13.7	12.7	12.7	18.0	18.3	19.0
Equity/assets ratio, %	54.1	54.7	54.7	53.0	51.7	51.0	28.7	28.7	71.1	68.9	68.5

¹ Negative SEK 7.9 M pertaining to acquisition-related costs attributable to the acquisition of Mobile Climate Control, and negative SEK 4.8 M pertaining to costs for an action programme to increase profitability in Ringfeder Power Transmission.

² Negative SEK 7.5 M pertaining to costs in connection with the reorganisation relating to Edscha Trailer Systems.



Sales and earnings

Sales of SEK 817.7 M (768.6) were 6.4 per cent higher compared with the first quarter of 2017. Adjusted for currency effects, the actual organic growth was 7.8 per cent.

The Group's operating profit increased slightly to SEK 105.2 M (102.7), with an operating margin of 12.9 per cent (13.4). Sales and earnings of the individual divisions are presented on pages 8–15.

Group-wide overheads in the Parent Company that have not been allocated to the divisions totalled SEK 2.9 M (4.5). Net interest expense was SEK 8.7 M (expense: 12.5) and the

quarter's currency effect on the Parent Company's financial liabilities' in foreign-currency resulted in a negative currency effect of SEK 10.9 M (pos: 4.0). Accordingly, profit after financial items amounted to SEK 85.6 M (94.2), and profit after tax to SEK 63.5 M (66.6). Earnings per share amounted to SEK 2.54 (3.80), calculated on the average number of outstanding shares for the period, 25,004,048 (17,502,800).

Capital expenditures

The Group's new capital expenditures for the year amounted to SEK 8.5 M (7.3).

Financial position

Profit after tax for the period amounted to SEK 63.5 M (66.6) and other comprehensive income to SEK 51.9 M (loss: 3.6), which resulted in comprehensive income of SEK 115.4 M (63.0). Accordingly, consolidated equity increased to SEK 2,120.2 M during the period (2,004.9 at year-end).

The equity/assets ratio declined slightly during the period to 54.1 per cent (54.7 at year-end). Cash and cash equivalents increased by SEK 65.5 M during the period to SEK 386.9 M at the end of the period (321.4 at year-end). In addition, there were unutilised overdraft facilities of SEK 100.0 M, which means the Group at the end of March had available liquidity of SEK 486.9 M (421.4 at year-end).

The Group's interest-bearing net debt (including pension liability) declined by SEK 50.9 M during the period to SEK 691.4 M at the end of the period (742.3 at year-end).

The ratio of interest-bearing net debt to equity was 0.33 at 31 March 2018 (0.37 at 31 December 2017) and the ratio of net debt to consolidated operating profit before depreciation/amortisation and impairment (EBITDA on a rolling four-quarter basis) was 1.60 (1.73 at year-end).

The Group's goodwill at the end of the first quarter amounted to SEK 1,130.3 M (1,118.9 at year-end), which in relation to equity amounted to a ratio of 0.54 (0.56 at year-end).

Cash flow

Cash flow from operating activities declined slightly to SEK 73.0 M (74.3). Paid capital expenditures during the period amounted to SEK 14.9 M (7.3). The Group's total borrowings and current financial liability increased during the quarter by a net of SEK 3.6 M (decrease: 826.9). During the first quarter of 2017, a new share issue generated a net of SEK 778.8 M. Taken together, cash flow from financing activities was SEK 3.6 M (neg: 48.1). Consequently, net cash flow for the year was SEK 61.7 M (18.7).

Outlook for 2018

The Group makes no forecast.

Personnel

At 31 March 2018, there were 1,549 employees in the VBG Group (1,502 at year-end), of which 208 (211) in Sweden. During the first quarter of 2018, the Group employed an average of 1,485 persons (1,396 during the year-earlier period). Of these, 207 (207) were active in Sweden. The cost of salaries and social security contributions in the quarter was SEK 189.6 M (186.1).

Per share data

Earnings per share decreased to SEK 2.54 (3.80) largely because the average number of shares during the period was 25,004,048 compared with 17,502,800 shares one year earlier.

At 31 March 2018, equity per share (total outstanding shares at the end of the period) was SEK 84.44, compared with SEK 80.18 at year-end and SEK 74.67 at the end of March in the preceding year.

At the end of the quarter, the share price was SEK 134.00, which corresponds to a market capitalisation of SEK 3,351 M, compared a share price of SEK 132.00 and market capitalisation of SEK 3,300 M at year-end. The number of shareholders increased by 186 during the first quarter to 4,484 (4,670 at year-end).

VBG TRUCK EQUIPMENT



FIRST QUARTER 2018

- Sales rose 6.0 per cent to **SEK 239.4 M** (225.8).
- EBITA increased to **SEK 57.5 M** (53.6), with an EBITA margin of 24.0 per cent (23.7).

SALES/EARNINGS

SEK M	Q1 2018	Full-year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full-year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net sales	239.4	836.7	223.1	185.5	202.3	225.8	757.3	197.5	172.3	194.1	193.4
EBITDA	61.5	184.6	50.4	37.4	39.8	57.0	163.3	43.3	39.8	39.0	41.1
EBITA	57.5	170.8	46.7	34.1	36.3	53.6	149.2	39.8	36.3	35.5	37.6
EBITA margin, %	24.0	20.4	21.3	18.4	18.1	23.7	19.7	20.2	21.1	18.3	19.4
Operating profit (EBIT)	57.5	169.8	46.5	33.9	36.1	53.3	147.2	39.3	35.8	35.0	37.1
Operating margin (EBIT), %	24.0	20.3	20.8	18.3	17.9	23.6	19.4	19.9	20.8	18.0	19.2

SALES BY MARKET

SEK M	Q1 2018	Full-year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full-year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Sweden	64.9	199.0	48.7	44.0	50.3	56.0	204.4	55.7	45.4	51.8	51.5
Other Nordic countries	38.3	135.9	32.6	28.0	34.3	41.0	125.1	31.7	27.4	34.1	31.9
Germany	36.8	118.8	29.8	28.6	27.2	33.2	106.4	24.8	23.8	30.4	27.4
Other European countries	53.6	196.5	47.0	44.7	50.3	54.5	178.0	41.8	40.4	50.0	45.8
North America	20.3	92.0	28.6	20.5	18.8	24.1	85.6	29.2	18.7	14.9	22.8
Australia/New Zealand	22.4	67.7	22.9	16.3	15.1	13.4	44.7	10.7	12.2	10.7	11.1
Rest of world	3.1	26.8	13.6	3.4	6.2	3.6	13.1	3.6	4.4	2.2	2.9
VBG Truck Equipment	239.4	836.7	223.1	185.5	202.3	225.8	757.3	197.5	172.3	194.1	193.4

Sales and earnings

VBG Truck Equipment continued to perform very strongly and reported its best first quarter ever in terms of sales, EBITA and EBITA margin. Sales for the quarter grew by 6.0 per cent year-on-year to SEK 239.4 M (225.8), with the highest sales growth in Sweden and Australia/New Zealand. Adjusted for exchange rate changes, where the average USD rate between the quarters weakened by 9.1 per cent while the EUR, which is a more important currency for the division, strengthened 4.8 per cent, the actual organic growth was 4.8 per cent.

EBITA, operating profit excluding amortisation of intangible assets, is the performance measure used to monitor the Group's divisions. EBITA for VBG Truck Equipment rose year-on-year to SEK 57.5 M (53.6) with a record-high EBITA margin of 24.0 per cent (23.7).

During the period, the division's working capital increased SEK 29.1 M to SEK 223.8 M and, plus property, plant and equipment, operating capital amounted to SEK 312.6 M at the end of March.

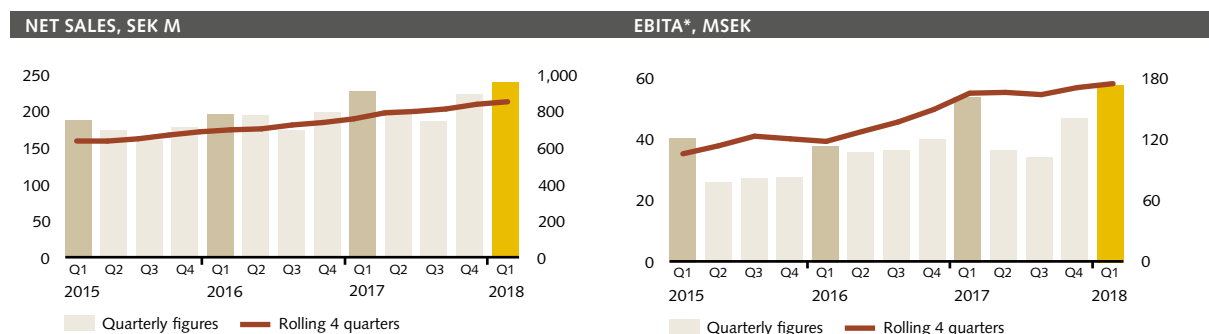
The division's return on operating capital (ROOC) for the period, where EBITDA for the quarter is put in relation to average operating capital for the quarter, was 20.6 per cent. EBITDA on a rolling four-quarter basis, in relation to the same operating capital, resulted in an annual return of 63.4 per cent.

Investments and depreciation/amortisation

VBG Truck Equipment's investments during the first quarter amounted to SEK 2.1 M (3.0) and depreciation totalled SEK 4.0 M (3.8) for the quarter.

Personnel

During the first quarter, VBG Truck Equipment employed an average of 267 persons (268 during the year-earlier period). At 31 March 2018, there were 278 employees in the division (275 on 31 March 2017), compared with 278 employees at year-end.



* Before items affecting comparability.

EDSCHA TRAILER SYSTEMS



FIRST QUARTER 2018

- Sales rose 27.6 per cent to **SEK 88.7 M** (69.5).
- EBITA increased to **SEK 13.0 M** (9.4), with an EBITA margin of 14.6 per cent (13.6).

SALES/EARNINGS											
SEK M	Q1 2018	Full- year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net sales	88.7	259.7	63.4	57.5	69.3	69.5	270.5	66.0	61.2	74.8	68.5
Adjusted EBITDA	14.2	31.7	7.4	3.4	10.2	10.7	40.4	8.5	8.7	11.8	11.4
Adjusted EBITA	13.0	26.3	6.0	2.0	8.8	9.4	35.0	7.2	7.4	10.5	10.1
Adjusted EBITA margin, %	14.6	10.1	9.5	3.5	12.8	13.6	12.9	10.8	12.0	14.0	14.7
Adjusted operating profit (EBIT)	11.7	21.1	4.7	0.7	7.6	8.2	30.0	5.9	6.1	9.2	8.8
Adjusted operating margin (EBIT), %	13.2	8.1	7.4	1.2	10.9	11.8	11.1	8.9	10.0	12.3	12.8
Items affecting comparability	—	-7.5 ¹	-7.5 ¹	—	—	—	—	—	—	—	—
Reported operating profit/loss (EBIT)	11.7	13.6	-2.8	0.7	7.6	8.2	30.0	5.9	6.1	9.2	8.8
Reported operating margin (EBIT), %	13.2	5.3	-4.5	1.2	10.9	11.8	11.1	8.9	10.0	12.3	12.8

¹ Negative SEK 7.5 M pertaining to costs in connection with reorganisation.

SALES BY MARKET											
SEK M	Q1 2018	Full- year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Sweden	0.1	0.2	0.0	0.1	0.0	0.1	0.3	0.1	0.0	0.1	0.1
Other Nordic countries	0.3	1.3	0.2	0.5	0.4	0.3	0.9	0.1	0.2	0.3	0.3
Germany	44.4	147.0	36.5	31.9	37.1	41.4	159.8	28.2	40.8	47.4	43.4
Other European countries	43.9	110.3	26.5	25.0	31.1	27.6	108.4	37.5	20.1	26.5	24.3
Rest of world	0.0	0.9	0.1	0.0	0.7	0.1	1.1	0.1	0.1	0.5	0.4
Edscha Trailer Systems	88.7	259.7	63.4	57.5	69.3	69.5	270.5	66.0	61.2	74.8	68.5

Sales and earnings

Edscha Trailer Systems recovered very strongly following a mediocre fourth quarter and the division reported its highest sales and best earnings since the boom years before the financial crisis in 2008.

The division's sales increased by a full 27.6 per cent to SEK 88.7 M (69.5), partly due to positive exchange rate effects in the translation of sales in EUR to SEK. Adjusted for exchange rate effects, the actual organic growth was 21.5 per cent.

EBITA, operating profit excluding amortisation of intangible assets, is the performance measure used to monitor the Group's divisions. EBITA for the quarter increased to SEK 13.0 M (9.4), with an EBITA margin of 14.6 per cent (13.6).

During the period, the division's working capital increased SEK 5.1 M to SEK 71.9 M and, plus property, plant and equipment, operating capital amounted to SEK 116.9 M at the end of March.

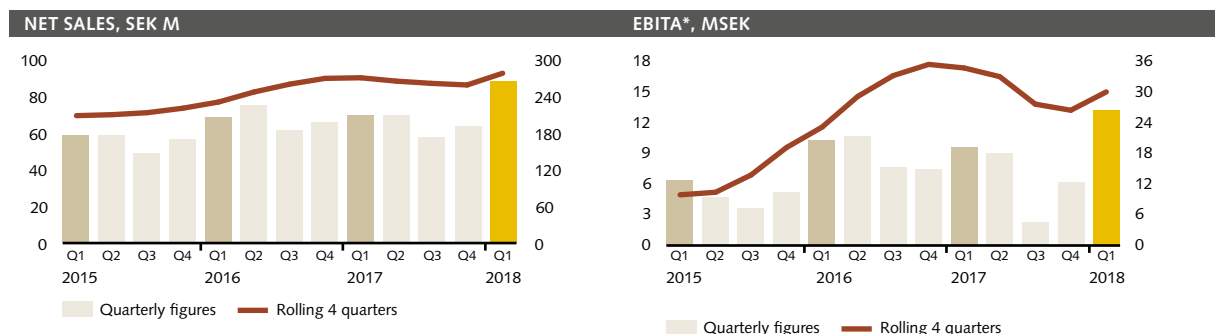
The division's return on operating capital (ROOC) for the period, where EBITDA for the quarter is put in relation to average operating capital for the quarter, was 12.5 per cent. EBITDA on a rolling four-quarter basis, in relation to the same operating capital, resulted in an annual return of 31.0 per cent.

Investments and depreciation/amortisation

Edscha Trailer Systems's investments during the first quarter amounted to SEK 0.2 M (0.0) and depreciation totalled SEK 2.5 M (2.3) for the quarter.

Personnel

During the first quarter, Edscha Trailer Systems employed an average of 84 persons (87 during the year-earlier period). At 31 March 2018, there were 90 employees in the division (87 on 31 March 2017), compared with 85 employees at year-end.



* Before items affecting comparability.

MOBILE CLIMATE CONTROL



FIRST QUARTER 2018

- Sales rose 6.0 per cent to **SEK 368.3 M** (347.5).
- EBITA amounted to **SEK 28.8 M** (34.1), with an EBITA margin of 7.8 per cent (9.8).

SALES/EARNINGS

SEK M	Q1 2018	Full-year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net sales	368.3	1,426.7	338.6	357.4	383.2	347.5	101.4	101.4			
EBITDA	31.7	160.8	28.6	42.8	52.4	37.0	6.5	6.5			
EBITA	28.8	149.0	25.6	39.9	49.5	34.1	5.1	5.1			
EBITA margin, %	7.8	10.4	7.6	11.2	12.9	9.8	5.0	5.0			
Operating profit (EBIT)	23.4	127.9	20.3	34.6	44.2	28.8	5.0	5.0			
Operating margin (EBIT), %	6.3	9.0	6.0	9.7	11.5	8.3	4.9	4.9			

SALES BY MARKET

SEK M	Q1 2018	Full-year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Sweden	9.4	37.3	8.0	8.2	9.2	11.9	2.9	2.9			
Other Nordic countries	8.3	28.6	7.9	8.3	6.8	5.6	1.7	1.7			
Germany	7.8	24.1	6.3	7.0	5.7	5.2	3.5	3.5			
Other European countries	39.3	152.8	37.3	38.2	39.0	38.4	10.9	10.9			
North America	297.0	1,155.7	273.6	288.2	314.4	279.5	78.5	78.5			
Rest of world	6.5	28.2	5.7	7.4	8.1	7.0	4.0	4.0			
Mobile Climate Control	368.3	1,426.7	338.6	357.4	383.2	347.5	101.4	101.4			

Sales and earnings

Mobile Climate Control reported a relatively weak first quarter, which in itself is following the normal seasonal variations for the division, where the first and last quarters of the year are usually much weaker than the second and third quarters. Sales were in line with the division's business plan for the first quarter, while earnings were slightly lower due to higher costs.

Sales for the quarter grew by 6.0 per cent year-on-year to SEK 368.3 M (347.5), with the highest sales growth noted in North America. Adjusted for exchange rate changes, where the average USD rate weakened by 9.1 per cent year-on-year, the actual organic growth was 10.5 per cent.

EBITA, operating profit excluding amortisation of intangible assets, is the performance measure used to monitor the Group's divisions. EBITA for Mobile Climate Control decreased year-on-year to SEK 28.8 M (34.1) with an EBITA margin of 7.8 per cent (9.8). This was due to slightly higher costs for copper and aluminium, which could not be offset in the short-term, an increase in the number of employees in production in response to rising demand, investments in new geographic markets and an intensification of the development work relating to electrification projects for future products to the market.

During the period, the division's working capital increased SEK 30.0 M to SEK 329.1 M and, plus property, plant and equipment, operating capital amounted to SEK 435.6 M at the end of March.

The division's return on operating capital (ROOC) for the period, where EBITDA for the quarter is put in relation to average operating capital for the quarter, was 7.6 per cent. EBITDA on a rolling four-quarter basis, in relation to the same operating capital, resulted in an annual return of 37.0 per cent.

Investments and depreciation/amortisation

Mobile Climate Control's investments during the first quarter amounted to SEK 4.5 M (1.9) and depreciation totalled SEK 8.3 M (8.2) for the quarter.

Personnel

During the first quarter, Mobile Climate Control employed an average of 807 persons (705 during the year-earlier period). At 31 March 2018, there were 822 employees in the division (719 on 31 March 2017), compared with 785 employees at year-end.

RINGFEDER POWER TRANSMISSION



FIRST QUARTER 2018

- Sales decreased 3.5 per cent to **SEK 121.4 M** (125.8).
- EBITA amounted to **SEK 16.5 M** (17.8), with an EBITA margin of 13.6 per cent (14.1).

SALES/EARNINGS

SEK M	Q1 2018	Full- year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net sales	121.4	479.1	112.0	118.8	122.4	125.8	414.7	99.9	101.7	103.5	109.6
Adjusted EBITDA	19.6	76.7	15.6	19.5	20.6	21.0	46.7	6.1	16.3	11.6	12.6
Adjusted EBITA	16.5	64.4	12.5	16.5	17.6	17.8	33.9	2.9	13.1	8.4	9.4
Adjusted EBITA margin, %	13.6	13.4	11.1	13.9	14.4	14.1	8.2	2.9	12.9	8.1	8.6
Adjusted operating profit (EBIT)	15.4	60.3	11.5	15.5	16.6	16.7	29.0	1.7	11.9	7.2	8.2
Adjusted operating margin (EBIT), %	12.7	12.6	10.3	13.0	13.5	13.3	7.0	1.7	11.7	7.0	7.5
Items affecting comparability	—	—	—	—	—	—	-4.8 ¹	-4.8 ¹	—	—	—
Reported operating profit/loss (EBIT)	15.4	60.3	11.5	15.5	16.6	16.7	24.2	-3.1	11.9	7.2	8.2
Reported operating margin (EBIT), %	12.7	12.6	10.3	13.0	13.5	13.3	5.8	-3.1	11.7	7.0	7.5

¹ A negative SEK 4.8 M in costs pertaining to an action programme to increase profitability.

SALES BY MARKET

SEK M	Q1 2018	Full- year 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full- year 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Sweden	1.0	4.6	1.3	1.1	0.7	1.5	4.2	0.9	1.3	0.8	1.2
Other Nordic countries	1.6	4.0	0.9	1.1	0.9	1.0	5.1	1.3	1.1	1.4	1.3
Germany	46.0	170.3	37.7	43.1	43.5	46.0	153.8	36.7	38.9	37.3	40.9
Other European countries	13.3	62.2	14.6	15.3	15.7	16.6	52.1	13.2	12.2	14.9	11.8
North America	26.4	101.1	24.3	24.2	26.0	26.6	87.1	22.8	19.7	22.2	22.4
Brazil	15.2	66.7	16.0	16.2	18.9	15.6	56.7	14.5	12.7	18.9	10.6
Australia/New Zealand	2.6	11.5	1.9	2.5	2.5	4.6	8.8	1.2	3.1	2.7	1.8
Rest of world	15.4	58.7	15.3	15.3	14.2	13.9	46.9	9.3	12.7	5.3	19.6
Ringfeder Power Transmission	121.4	479.1	112.0	118.8	122.4	125.8	414.7	99.9	101.7	103.5	109.6

Sales and earnings

Ringfeder Power Transmission began the year with slightly lower year-on-year sales and earnings in the first quarter. Nevertheless, it was still a satisfactory start to the 2018 financial year.

Sales for the quarter decreased 3.5 per cent year-on-year to SEK 121.4 M (125.8) and adjusted for exchange rate changes, where the average USD rate weakened by 9.1 per cent, the Brazilian currency weakened by 12.0 per cent, while the EUR strengthened by 4.8 per cent compared with the year-earlier quarter, the overall effect was an actual organic decrease of 2.0 per cent.

EBITA, operating profit excluding amortisation of intangible assets, is the performance measure used to monitor the Group's divisions. EBITA for Ringfeder Power Transmission decreased slightly year-on-year to SEK 16.5 M (17.8) with an EBITA margin of 13.6 per cent (14.1).

During the period, the division's working capital increased SEK 11.6 M to SEK 192.6 M and, plus property, plant and equipment, operating capital amounted to SEK 309.4 M at the end of March.

The division's return on operating capital (ROOC) for the period, where EBITDA for the quarter is put in relation to average operating capital for the quarter, was 6.5 per cent.

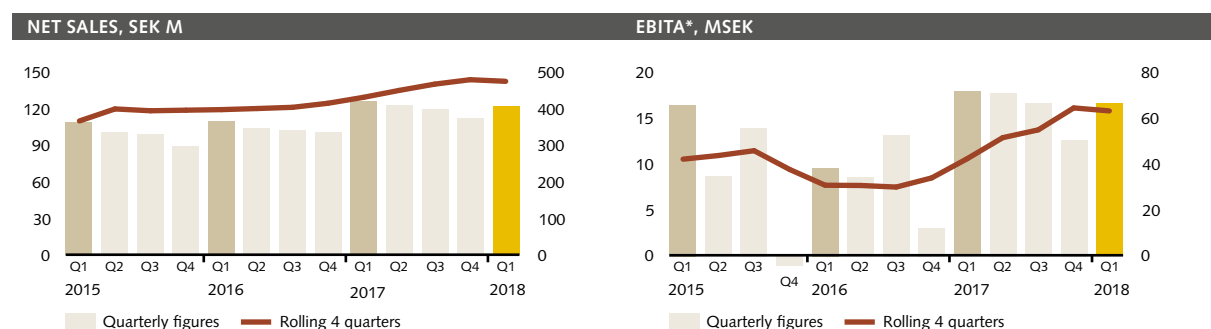
EBITDA on a rolling four-quarter basis, in relation to the same operating capital, resulted in an annual return of 24.9 per cent.

Investments and depreciation/amortisation

Ringfeder Power Transmission's investments during the first quarter amounted to SEK 1.6 M (3.8) and depreciation totalled SEK 4.2 M (4.2) for the quarter.

Personnel

During the first quarter, Ringfeder Power Transmission employed an average of 317 persons (330 during the year-earlier period). At 31 March 2018, there were 349 employees in the division (350 on 31 March 2017), compared with 342 employees at year-end.



* Before items affecting comparability.

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

The Parent Company's net sales pertain primarily to intra-Group services and licence revenues and amounted to SEK 2.6 M (5.6) during the period. Operating loss for the period was SEK 8.6 M (loss: 4.3). After dividends from Group companies totalling SEK 1.3 M (1.3), negative exchange rate differences of SEK 8.6 M (neg: 0.7) and net interest expenses totalling SEK 3.6 M (expense: 7.6), loss before tax amounted to SEK 19.5 M (loss: 11.3).

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 2017.

Financial information 2018/2019

Interim report, six months 2018	21 August 2018
Interim report, nine months 2018	22 October 2018
Year-end report 2018	19 February 2019

Related party transactions

There have been no related party transactions in 2018 that have significantly affected the company's financial position and results.

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, with the exception of IFRS 15 and IFRS 9, which the Group applies from 1 January 2018. IFRS 15 is the new standard for revenue recognition. IFRS 15 has replaced IAS 18 Revenue and IAS 11 Construction Contracts. IFRS 15 is based on the principle that revenue is recognised when the customer gains control of the presold goods or services – a principle that replaced the earlier principle that revenue is recognised when risks and rewards are transferred to the buyer. IFRS 9 Financial Instruments replaced most of the guidance in IAS 39. The new standard updates classifying, recognising and impairment testing for financial assets and sets new requirements in the application of hedge accounting. An analysis by the Group indicates that the implementation of IFRS 9 and IFRS 15 has no material impact on the Group's financial statements. Consequently, no transitional effects will arise as a consequence of the introduction of these reporting standards.

This report may contain rounding differences.

Vänernborg, 25 April 2018
VBG Group AB (publ)

Anders Birgersson
Managing Director and CEO

This report is unaudited.

Note

The information in this 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 25 April 2018 at 3:00 p.m.

Press releases issued in the first quarter of 2018

VBG Group AB (publ) publishes

2017 Annual Report 28 Mar 2018

Notice to attend the Annual General

Meeting of VBG Group AB (publ) 27 Mar 2018

Year-end report 2017 20 Feb 2018

For further information, please contact:

Anders Birgersson, Managing Director and CEO

Telephone: 0521–27 77 67, 0702–27 77 78

E-mail: anders.birgersson@vbgroup.com

Consolidated Income Statement and Statement of other comprehensive income – Highlights

SEK M	Q1 Jan–Mar 2018	Q1 Jan–Mar 2017	Full-year 2017
Net sales	817.7	768.6	3,002.0
Cost of goods sold	-529.1	-485.2	-1,934.1
Gross profit	288.6	283.4	1,067.9
Selling expenses	-93.5	-82.3	-332.1
Administrative expenses	-61.8	-63.2	-253.5
Research and development costs	-29.5	-26.5	-106.4
Other operating income and expenses	1.4	-8.7	-24.9
	-183.4	-180.7	-716.8
Operating profit	105.2	102.7	351.1
Exchange rate effects, net	-10.9	4.0	4.6
Interest income	0.3	0.5	1.7
Interest expenses	-6.8	-9.7	-31.9
Other financial expenses	-2.2	-3.3	-9.9
Total financial items	-19.6	-8.5	-35.5
Profit after financial items	85.6	94.2	315.6
Tax	-22.1	-27.6	-95.1
Profit for the period	63.5	66.6	220.5
Profit for the period attributable to Parent Company shareholders	63.5	66.6	220.5
Other comprehensive income			
Profit for the period	63.5	66.6	220.5
Items that will not be reversed in the Income Statement			
Effect of translation of defined-benefit pension plans, net after tax	—	—	-5.8
Items that may later be reversed in the Income Statement			
Translation differences pertaining to foreign operations	52.8	-3.6	28.7
Translation differences pertaining to hedge accounting for net investments in foreign operations	-0.9	0.0	1.2
Other comprehensive income, net after tax	51.9	-3.6	24.2
Comprehensive income for the period	115.4	63.0	244.7
Comprehensive income for the period attributable to Parent Company shareholders	115.4	63.0	244.7
Earnings per share, basic and diluted, SEK	2.54	3.80	9.62
Number of outstanding shares at end of period ('000)	25,004	25,004	25,004
Average number of shares during the period ('000)	25,004	17,503	22,920
Number of own shares at end of period ('000)	1,192	1,192	1,192

Sales and Earnings by Segment

SEK M		VBG Truck Equipment	Edscha Trailer Systems	Mobile Climate Control	Ringfeder Power Transmission	Group-wide	Group
2018							
Q1 Jan–Mar	Net sales	239.4	88.7	368.3	121.4		817.7
	Operating profit/loss before items affecting comparability	57.5	11.7	23.4	15.4	–2.9	105.2
	Operating margin, %	24.0	13.2	6.3	12.7		12.9
	Items affecting comparability	—	—	—	—	—	—
	Reported operating profit/loss	57.5	11.7	23.4	15.4	–2.9	105.2
	Reported operating margin, %	24.0	13.2	6.3	12.7		12.9
	Net financial items					–19.6	–19.6
	Profit after financial items						85.6
2017							
Q1 Jan–Mar	Net sales	225.8	69.5	347.5	125.8		768.6
	Operating profit/loss before items affecting comparability	53.3	8.2	28.8	16.7	–4.5	102.7
	Operating margin, %	23.6	11.8	8.3	13.3		13.4
	Items affecting comparability	—	—	—	—	—	—
	Reported operating profit/loss	53.3	8.2	28.8	16.7	–4.5	102.7
	Reported operating margin, %	23.6	11.8	8.3	13.3		13.4
	Net financial items					–8.5	–8.5
	Profit after financial items						94.2
2017							
Full-year	Net sales	836.7	259.7	1,426.7	479.1		3,002.0
	Operating profit/loss before items affecting comparability	169.8	21.1	127.9	60.3	–20.5	358.6
	Operating margin, %	20.3	5.3	9.0	12.6		11.9
	Items affecting comparability	—	–7.5 ¹	—	—	—	–7.5 ¹
	Reported operating profit/loss	169.8	13.6	127.9	60.3	–20.5	351.1
	Reported operating margin, %	20.3	5.3	9.0	12.6		11.7
	Net financial items					–35.5	–35.5
	Profit after financial items						315.6

¹ Negative SEK 7.5 M pertaining to costs in connection with the reorganisation relating to Edscha Trailer Systems.

Consolidated Balance Sheet

SEK M	31 Mar 2018	31 Mar 2017	31 Dec 2017
Assets			
Non-current assets			
Intangible assets			
Brands, customer relationships and other intangible assets	822.7	850.4	827.9
Goodwill	1,130.3	1,114.8	1,118.9
	1,953.0	1,965.2	1,946.7
Property, plant and equipment			
Land and buildings	183.8	170.6	179.3
Plant and machinery	100.7	99.9	101.8
Equipment, tools, fixtures and fittings	56.0	49.0	54.0
Construction in progress	10.8	3.2	11.4
	351.3	322.8	346.5
Deferred tax asset	49.8	68.0	48.1
Total non-current assets	2,354.1	2,356.2	2,341.5
Current assets			
Inventories			
Raw materials and consumables	298.4	255.1	256.9
Work in progress	82.6	78.5	75.4
Finished products and merchandise	173.6	160.0	163.7
	554.6	493.5	496.0
Current receivables			
Trade receivables	506.0	456.5	418.2
Current tax assets	36.3	30.6	26.0
Other receivables	54.0	56.2	42.7
Prepaid expenses and accrued income	24.3	23.5	17.9
	620.5	566.8	504.7
Cash and cash equivalents			
Cash on hand and demand deposits	386.9	295.2	321.4
Total current assets	1,562.0	1,355.5	1,322.2
Total assets	3,916.0	3,711.6	3,663.6
Equity and liabilities			
Equity			
Share capital	65.5	65.5	65.5
Other contributed capital	779.4	779.6	779.4
Reserves	43.2	50.5	84.1
Retained earnings, incl. net profit for the year	1,232.1	971.5	1,075.8
Total equity	2,120.2	1,867.1	2,004.9
Non-current liabilities			
Provisions for pensions and similar obligations	189.6	175.0	185.7
Deferred tax liability	207.5	231.6	207.9
Other provisions	29.4	23.2	23.7
Liabilities to credit institutions	812.6	913.0	801.9
Total non-current liabilities	1,239.1	1,342.8	1,219.2
Current liabilities			
Liabilities to credit institutions	76.1	76.2	76.1
Trade payables	247.4	219.3	176.2
Current tax liabilities	24.6	25.8	18.9
Other liabilities	32.5	36.5	22.5
Accrued expenses and deferred income	176.1	143.8	145.8
Total current liabilities	556.7	501.7	439.5
Total equity and liabilities	3,916.0	3,711.6	3,663.6

Changes in Consolidated Equity

SEK M	Q1 2018	Q1 2017	Full-year 2017
Opening equity according to balance sheet at 31 December	2,004.9	1,025.3	1,025.3
Total comprehensive income for the period	115.4	63.0	244.7
Contributed capital, new share issue, net	—	778.8	778.6
Dividend	—	—	-43.8
Equity at end of period	2,120.2	1,867.1	2,004.9

Consolidated Cash Flow Statement

SEK M	Q1 2018	Q1 2017	Full-year 2017
Operating activities			
Operating profit before financial items	105.2	102.7	351.1
Depreciation/amortisation	19.2	19.1	77.2
Other items not affecting liquidity	17.8	30.5	-15.6
Interest received, etc.	0.4	0.8	2.5
Interest paid, etc.	-9.1	-13.3	-42.7
Tax paid	-31.6	-16.5	-98.3
Cash flow before change in working capital	101.9	123.3	274.3
Decrease/increase (-) in inventories	-49.9	-15.3	-11.8
Decrease/increase (-) in trade receivables	-75.5	-113.4	-71.5
Decrease/increase (-) in other current receivables	-14.3	-17.2	0.8
Increase/decrease (-) in trade payables	64.0	65.4	19.9
Increase/decrease (-) in other current liabilities	46.7	31.5	32.1
Cash flow from operating activities	73.0	74.3	243.7
Investing activities			
Investments in intangible assets	-1.1	-0.1	-1.8
Investments in property, plant and equipment	-13.8	-7.2	-58.5
Cash flow from investing activities	-14.9	-7.3	-60.3
Financing activities			
Repayment of loans	—	-804.3	-950.0
Loans raised and changes to existing loans	3.6	-22.6	76.1
New share issue	—	778.8	778.6
Dividend paid	—	—	-43.8
Cash flow from financing activities	3.6	-48.1	-139.0
Cash flow for the year	61.7	18.7	44.4
Cash and cash equivalents at start of year	321.4	276.4	276.4
Translation difference, cash and cash equivalents	3.7	0.1	0.6
Cash and cash equivalents at end of period	386.9	295.2	321.4
Unutilised overdraft facilities	100.0	100.0	100.0
Total cash and cash equivalents available	486.9	395.2	421.4

Key figures for Group

SEK M	Q1 2018	Q1 2017	Full-year 2017
Profit margin (ROS), %	10.5	12.3	10.5
Return on equity (ROE), %	12.3	17.6	12.3
Return on capital employed (ROCE), %	13.5	13.7	10.7
Equity/assets ratio, %	54.1	51.0	54.7
Equity per outstanding share at end of period, SEK	84.80	74.67	80.18
Cash flow from operating activities, per average outstanding share, SEK	2.92	4.25	10.64
Profit per average outstanding share during the period, SEK	2.54	3.80	9.62
Share price at end of period, SEK	134.00	112.75	132.00
Number of employees, average	1,485	1,396	1,446
Number of outstanding shares at end of period ('000)	25,004	25,004	25,004
Number of own shares at end of period ('000)	1,192	1,192	1,192
Average number of outstanding shares during the period ('000)	25,004	17,503	22,920

Parent Company Income Statement

SEK M	Q1 2018	Q1 2017	Full-year 2017
Net sales	2.6	5.6	29.2
Operating expenses	-11.2	-9.9	-45.9
Operating loss	-8.6	-4.3	-16.7
Net financial items	-10.9	-7.0	-19.1
Loss after financial items	-19.5	-11.3	-35.8
Appropriations	—	—	51.8
Tax	—	—	-0.8
Profit for the period	-19.5	-11.3	15.2

Parent Company Balance Sheet

SEK M	Q1 2018	Q1 2017	Full-year 2017
Other intangible assets	2.6	4.4	3.0
Property, plant and equipment	1.1	5.4	1.1
Long-term investments	1,987.5	2,042.6	1,992.6
Total non-current assets	1,999.1	2,052.4	1,996.7
Receivables	420.8	505.4	471.1
Cash on hand, demand deposits and short-term investments	221.4	127.3	119.4
Total current assets	642.2	632.7	590.5
Total assets	2,633.4	2,685.1	2,587.2
Equity	1,260.0	1,300.3	1,282.8
Untaxed reserves	4.8	7.8	4.8
Provisions	15.7	12.8	12.7
Non-current liabilities	801.4	898.4	795.7
Current liabilities	551.5	465.8	491.3
Total equity and liabilities	2,633.4	2,685.1	2,587.2

Alternative Performance Measures

Reconciliation between IFRS and performance measures used

Certain information in this report that is used by company management and analysts to assess the Group's performance has not been prepared in accordance with IFRS. Company management believes that this information makes it easier for investors to analyse the Group's earnings performance and financial structure. Investors should view this information as a supplement rather than a replacement of financial reporting in accordance with IFRS.

OPERATING PROFIT AND OPERATING MARGIN BEFORE ITEMS AFFECTING COMPARABILITY

Items affecting comparability refer to material income or expense items that are recognised separately due to the significance of their character or amount.

SEK M	Q1 2018	Q1 2017	2017
Group			
Net sales	817.7	768.6	3,002.0
Reported operating profit	105.2	102.7	351.1
Reported operating margin	12.9	13.4	11.7
Items affecting comparability	—	—	–7.5
Operating profit before items affecting comparability	105.2	102.7	358.6
Operating margin before items affecting comparability, %	12.9	13.4	11.9
VBG Truck Equipment			
Net sales	239.4	225.8	836.7
Reported operating profit	57.5	53.3	169.8
Reported operating margin	24.0	23.6	20.3
Items affecting comparability	—	—	—
Operating profit before items affecting comparability	57.5	53.3	169.8
Operating margin before items affecting comparability, %	24.0	23.6	20.3
Edscha Trailer Systems			
Net sales	88.7	69.5	259.7
Reported operating profit	11.7	8.2	13.6
Reported operating margin	13.2	11.8	5.3
Items affecting comparability	—	—	–7.5
Operating profit before items affecting comparability	11.7	8.2	21.1
Operating margin before items affecting comparability, %	13.2	11.8	8.1
Mobile Climate Control			
Net sales	368.3	347.5	1,426.7
Reported operating profit	23.4	28.8	127.9
Reported operating margin	6.3	8.3	9.0
Items affecting comparability	—	—	—
Operating profit before items affecting comparability	23.4	28.8	127.9
Operating margin before items affecting comparability, %	6.3	8.3	9.0
Ringfeder Power Transmission			
Net sales	121.4	125.8	479.1
Reported operating profit	15.4	16.7	60.3
Reported operating margin	12.7	13.3	12.6
Items affecting comparability	—	—	—
Operating profit before items affecting comparability	15.4	16.7	60.3
Operating margin before items affecting comparability, %	12.7	13.3	12.6

ACTUAL ORGANIC GROWTH

Growth in net sales excluding effects of structural changes, meaning acquired or divested operations, and excluding currency effects.

SEK M	Q1 2018	Q1 2017	2017
Group			
Net sales	817.7	768.6	3,002.0
Acquired volume (incl. full-year effect from preceding year)	—	–347.5	–1,309.2
Currency effect	10.7	–11.5	–20.0
Net sales excluding acquisitions and currencies	828.4	409.6	1,672.9
Actual organic growth	59.8	38.0	129.0
Organic growth, %	7.8	10.2	8.4
VBG Truck Equipment			
Net sales	239.4	225.8	836.7
Acquired volume (incl. full-year effect from preceding year)	—	—	—
Currency effect	–2.6	–3.7	–5.2
Net sales excluding acquisitions and currencies	236.8	222.1	831.5
Actual organic growth	10.9	28.7	74.2
Organic growth, %	4.8	14.9	9.8
Edscha Trailer Systems			
Net sales	88.7	69.5	259.7
Acquired volume (incl. full-year effect from preceding year)	—	—	—
Currency effect	–4.3	–1.3	–4.8
Net sales excluding acquisitions and currencies	84.4	68.2	254.9
Actual organic growth	14.9	–0.3	–15.6
Organic growth, %	21.5	–0.5	–5.8
Mobile Climate Control			
Net sales	368.3	347.5	1,426.7
Acquired volume (incl. full-year effect from preceding year)	—	—	–1,309.2
Currency effect	15.7	—	—
Net sales excluding acquisitions and currencies	384.0	347.5	117.5
Actual organic growth	36.5	n/a	16.1
Organic growth, %	10.5	n/a	15.9
Ringfeder Power Transmission			
Net sales	121.4	125.8	479.1
Acquired volume (incl. full-year effect from preceding year)	—	—	—
Currency effect	1.9	–6.5	–10.0
Net sales excluding acquisitions and currencies	123.3	119.3	469.1
Actual organic growth	–2.5	9.7	54.3
Organic growth, %	–2.0	8.9	13.1

INTEREST-BEARING NET DEBT

Interest-bearing provisions and loan liabilities less cash and cash equivalents.

Group, SEK M	Q1 2018	Q1 2017	2017
Provisions for pensions	189.6	175.0	185.7
Overdraft facilities	—	—	—
Loans	888.7	989.1	878.0
Bank balances	–386.9	–295.2	–321.4
Interest-bearing net debt	691.4	868.9	742.3

EBITDA

Operating profit before amortisation and impairment and property, plant and equipment.

Group, SEK M	Q1 2018	Q1 2017	2017
Operating profit	105.2	102.7	351.1
Depreciation/amortisation	19.2	19.1	77.2
EBITDA	124.4	121.8	428.3

EBITA

Operating profit before amortisation and impairment of intangible assets.

Group, SEK M	Q1 2018	Q1 2017	2017
Operating profit	105.2	102.7	351.1
Amortisation of intangible assets	7.9	7.9	31.7
EBITA	113.0	110.6	382.8

INTEREST-BEARING NET DEBT/EBITDA, ROLLING FOUR QUARTER

Interest-bearing net debt in proportion to operating profit before depreciation/amortisation and impairment.

Group, SEK M	Q1 2018	Q1 2017	2017
Interest-bearing net debt	691.4	868.9	742.3
EBITDA, rolling four quarter	430.9	302.4	428.3
Interest-bearing net debt/EBITDA	1.60	2.87	1.73

PROFIT MARGIN

Profit after financial items as a percentage of net sales.

Group, SEK M	Q1 2018	Q1 2017	2017
Net sales	817.7	768.6	3,002.0
Profit after financial items	85.6	94.2	315.6
Profit margin, %	10.5	12.3	10.5

VBG GROUP

Sweden
VBG GROUP AB (PUBL)
Kungsgatan 57
SE-461 34 Trollhättan
Tel +46 521 27 77 00
www.vbggroup.com

VBG TRUCK EQUIPMENT

Sweden
VBG GROUP TRUCK EQUIPMENT AB
Box 1216
SE-462 28 Vänersborg
Tel +46 521 27 77 00

Germany
VBG GROUP TRUCK EQUIPMENT GMBH
Postfach 13 06 55
DE-47758 Krefeld
Tel +49 2151 835-0

Denmark
VBG GROUP SALES A/S
Industribuen 20–22
DK-5592 Ejby
Tel +45 64 46 19 19

Norway
VBG GROUP SALES AS
Postboks 94 Leirdal
NO-1009 Oslo
Tel +47 23 14 16 60

UK
VBG GROUP SALES LIMITED
Unit 9, Willow Court
West Quay Road, Winwick Quay
Warrington, Cheshire WA2 8UF
Tel +44 1925 23 41 11

Belgium
VBG GROUP TRUCK EQUIPMENT NV
Industrie Zuid Zone 2.2
Lochtemanweg 50
BE-3580 Beringen
Tel +32 11 458 379

USA
ONSPOT OF NORTH AMERICA, INC.
P.O. Box 1077
North Vernon, IN 47265-5077
Tel +1 800 224 2467

Branch:
555 Lordship Blvd
Stratford, CT 06615-7124
Tel +1 800 766 7768

France
ONSPOT E.U.R.L.
14 Route de Sarrebruck
FR-57645 Montoy-Flanville
Tel +33 387 763 080

EDSCHA TRAILER SYSTEMS

Germany
EUROPEAN TRAILER SYSTEMS GMBH
Im Moerser Feld 1f
DE-47441 Moers
Tel +49 2841 6070 700

Czech Republic
EUROPEAN TRAILER SYSTEMS S.R.O.
Ke Gabrielce 786
CZ-39470 Kamenice nad Lipou
Tel +420 565 422 402

MOBILE CLIMATE CONTROL

Sweden
MOBILE CLIMATE CONTROL
GROUP HOLDING AB
Kungsgatan 57
SE-461 34 Trollhättan
Tel +46 521–27 77 00

MOBILE CLIMATE CONTROL SVERIGE AB
Sikvägen 9
SE-761 21 Norrtälje
Tel +46 8 402 21 40

MOBILE CLIMATE CONTROL SVERIGE AB
Odinslundsgatan 15
SE-412 66 Gothenburg
Tel +46 8 402 21 40

Germany
MCC GmbH
Jägerstraße 33
712 72 Renningen
Tel +49 715 993 087–0

Canada
MOBILE CLIMATE CONTROL INC.
7540 Jane St.
Vaughan, Ontario
L4K 0A6
Tel +1 905 482 2750

MOBILE CLIMATE CONTROL INC.
6659 Ordan Drive
Mississauga, Ontario
L5T 1K6
Tel +1 905 482 2750

USA
MOBILE CLIMATE CONTROL CORP.
P.O. Box 803
Goshen, Indiana 46527
Tel +1 574 534 1516

MOBILE CLIMATE CONTROL CORP.
3189 Farmtrail Road
York, PA 17406
Tel +1 717 767 6531

MOBILE CLIMATE CONTROL CORP.
27 Corporate Circle Suite 1
East Syracuse, NY 13057
Tel +1 315 434 1851

Poland
MOBILE CLIMATE CONTROL S.P.Z.OO
Ul. Szwedzka 1
55-200 Olawa
Tel +48 71 3013 701

China
NINGBO MOBILE CLIMATE CONTROL
MANUFACTURING/TRADING CO., LTD
No.7 Jinxi Road
Zhenhai, Ningbo, 315221
Tel +86 574 863 085 77

South Africa

MCC AFRICA PTY (LTD)
Unit 7B, Rinaldo Industrial Park
50 Moreland Drive, Red Hill
4071 Durban
Tel +27 31 569 3971

India
MOBILE CLIMATE CONTROL THERMAL
SYSTEMS INDIA PVT. LTD.
Plot No. 4B
Road No.2, Phase-I
KIADB Industrial Area Narasapura
Kolar – 56313, Karnataka

Brazil
MCC DO BRASIL LTDA
Rua Silverio Finamore, 920-Gp 3
Louveira- SP, 13.290-000
Tel +55 19 3878 2058

RINGFEDER POWER TRANSMISSION

Germany
RINGFEDER POWER TRANSMISSION GMBH
Werner-Heisenberg-Straße 18
DE-64823 Groß-Umstadt
Tel +49 6078-9385-0

RINGFEDER POWER TRANSMISSION
TSCHAN GMBH
Postfach 2166
DE-66521 Neunkirchen
Tel +49 6821 866 0

Czech Republic
RINGFEDER POWER TRANSMISSION S.R.O.
Oty Kovala 1172
CZ-33441 Dobruška
Tel +420 377 201 511

USA
RINGFEDER POWER TRANSMISSION
USA CORPORATION
165 Carver Avenue
Westwood, NJ 07675
Tel +1 201 666 3320

India
RINGFEDER POWER TRANSMISSION
INDIA PRIVATE LTD.
Plot No. 4, Door No. 220
Mount Poonamallee High Road
Kattupakkam
Chennai-600056
Tel +91 44 2679 1411

China
KUNSHAN RINGFEDER POWER
TRANSMISSION CO., LTD.
No. 10, Dexin Road
Zhangpu 215321
Kunshan, Jiangsu Province
Tel +86 512 5745 3960

Brazil
HENFEL INDÚSTRIA METALÚRGICA LTDA.
Major Hilario Tavares Pinheiro, 3447
Cep 14871 - 300
Jaboticabal, SP
Tel +55 16 3209 3422