

Q3

**Interim Report
January–September
2017**



Continued transition

Third quarter

- Sales increased by 8.9 % to SEK 544.9 million (500.3)
- Organic sales growth excluding exchange rate fluctuations amounted to -5.0 %
- EBITA (adjusted) amounted to SEK 3.5 million (7.9) and the adjusted EBITA margin amounted to 0.6 % (1.6)
- Operating profit amounted to SEK 0.5 million (4.9) and the operating margin was 0.1% (1.0)
- Profit/loss after tax was a loss of SEK 5.7 million (profit: 1.1)
- Earnings per share before and after dilution were SEK -0.37 (0.12)
- Cash flow from operating activities totalled SEK -35.0 million (-24.4)



Organic sales growth excluding exchange rate fluctuations 5.0 %

January-September

- Sales increased by 7.8 % to SEK 1,797.9 million (1,667.7)
- Organic sales growth excluding exchange rate fluctuations amounted to 5.3 %
- EBITA (adjusted) amounted to SEK 37.3 million (40.2) and the adjusted EBITA margin amounted to 2.1 % (2.4)
- Operating profit amounted to SEK 15.8 million (21.5) and the operating margin was 0.9 % (1.3)
- Profit after tax was SEK 5.0 million (14.0)
- Earnings per share before and after dilution were SEK 0.33 (1.06)
- Cash flow from operating activities totalled SEK -61.2 million (-27.0)

KEY FIGURES	Q3 17	Q3 16	9M 17	9M 16	12M R*	2016
Sales	544.9%	500.3%	1,797.9	1,667.7	2,471.6	2,341.4
Organic growth excluding exchange rate effects, %	5	-5	5	-9	6	4
EBITA* (adjusted)	3.5	7.9	37.3	40.2	58.2	61.1
EBITA margin* (adjusted)	0.6	1.6	2.1	2.4	2.4	2.6
Operating profit/loss	0.5	4.9	15.8	21.5	21.8	27.5
Profit/loss after tax	-5.7	1.1	5.0	14.0	5.0	14.0
Earnings per share before dilution	-0.37	0.12	0.33	1.06	0.78	1.03
Earnings per share after dilution	-0.37	0.12	0.33	1.06	0.78	1.03
Cash flow from operating activities	-34.8	-24.4	-61.2	-27.0	7.1	41.2
Net debt/EBITDA rolling 12 mo., times	2.4	3.8	2.4	3.8	2.4	3.4

* As of the first quarter of 2017, Rejlers recognises EBITA (adjusted) as operating profit/loss. For the definition, refer to page 18.

* R = Rolling

Statement by the President and CEO

Rejlers is showing good growth at the same time that continued profitability problems have marked the seasonally weak third quarter. The profit decreased as a result of efficiency problems for the telecom operations in Norway, a significant project impairment in Sweden and one working day less in all three countries. At the same time, the billing ratio continued to rise in all segments during the quarter, compared with both the previous year and the first half of 2017. During the quarter, Rejlers Norway implemented the first part of the announced programme of measures to reduce the cost base and improve profitability on the long term.

Continued transition

Growth regained speed in the third quarter with an organic sales growth excluding exchange rate fluctuations of 5 per cent. It is primarily the segments Finland and Embriq that have contributed to the sales increase, while Rejlers Norway reports a negative growth during the quarter. The market continued to develop well, primarily in Finland, and the delivery of smart electric meters contributed to a positive growth in Embriq. The transformation work with the discontinuation of less profitable areas in the Swedish operation is continuing.

Focus on improved efficiency

However, we are still struggling with profitability problems in certain segments and individual transactions. Adjusted EBITA amounted to SEK 3.5 million (7.9), where the decline is mainly attributable to continued profitability problems for Rejlers Norway, a project impairment in the infrastructure operations in Sweden and low efficiency in certain parts of the Swedish industrial operations. Profitability was also negatively impacted by having one working day less, but we also see that the on-going transformation resulted in improved efficiency in several business areas and that the billing ratio increased in all segments during the quarter, compared both with last year and the first half of 2017.

New CEO

In August, the Board of Directors decided to appoint Viktor Svensson the new President and CEO of Rejlers beginning in the first quarter of 2018. I am very pleased that Viktor has chosen to take over as the CEO. Viktor has extensive experience and thorough expertise in the technical consulting industry and with it a significant understanding of Rejlers' strategy, our markets and our business areas.

Strategic initiatives

In September, we launched Rejlers Accelerated, a portfolio of new digital solutions adapted to a number of different industries and business areas to be able to meet the customers' growing needs in digitalisation. Initially, we are offering practical solutions for design, operation and maintenance adapted mainly to the industrial and energy area.

Strong financial position

The quarter's cash flow of SEK -35 million (-24) from operating activities is mainly due to the losses in Norway and the uneven cash flow in Embriq. We nonetheless have a good equity/assets ratio and are well equipped to continue the on-going transformation work. The demand for our services remains strong in all segments and we are continuing work towards our financial targets through a more efficient organisation and operations.



"The demand for our services remains strong in all segments and we are continuing work towards our financial targets through a more efficient organisation and operations."

Stockholm, October 2017

Peter Rejler

Financial summary

Profit/loss items and cash flow are compared with the corresponding period in the previous year. Balance sheet items pertain to the position at the end of the period and are compared with the immediately preceding accounts.

THIRD QUARTER JULY - SEPTEMBER 2017

Net sales

Net sales amounted to SEK 544.9 million (500.3), an increase of 8.9 per cent compared with the corresponding quarter in the preceding year. Organic growth excluding exchange rate fluctuations was 5.0 per cent. It is primarily the segments Finland and Embriq that have contributed to the sales increase, while Rejlers Norway reports a negative growth during the quarter.

Adjusted EBITA

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Adjusted EBITA decreased to SEK 3.5 million (7.9) corresponding to an adjusted EBITA margin of 0.6 per cent (1.6).

Operating profit/loss

Operating profit amounted to SEK 0.5 million (4.9). The decrease is mainly attributable to a project impairment in the Swedish operations, continued profitability problems for Rejlers Norway as a result of low efficiency in several large telecom projects and the calendar effect with one less working day during the quarter in Sweden, Norway and Finland compared with the previous year. Operating profit was affected by a project impairment in the Swedish operations by SEK 5 million. The billing ratio continued to rise in all segments during the quarter, compared with both the previous year and the first half of 2017.

Financial income and expenses

The quarter's financial income amounted to SEK 0.3 million (1.4) and pertains mainly to currency translations. Financial expenses amounted to SEK 1.6 million (6.3) and are mainly attributable to interest expenses and currency translations.

Tax

The quarter's tax expense amounted to SEK 4.9 million (tax income: 1.1). The increased tax expense is mainly due to a reduced allocation of deferred taxes.

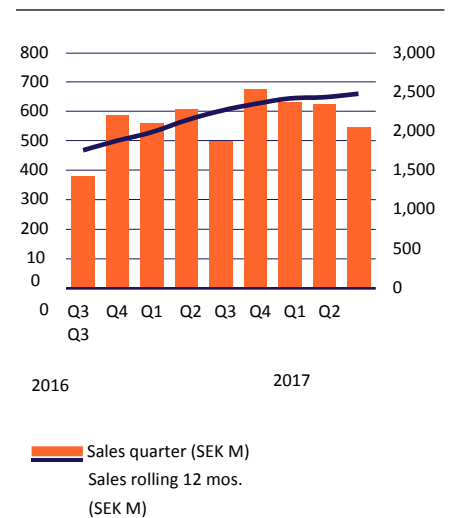
Profit/loss after tax for the period

Profit/loss after tax for the period amounted to a loss of SEK 5.7 million (profit: 1.1). Earnings per share amounted to SEK -0.37 (0.12) both before and after dilution.

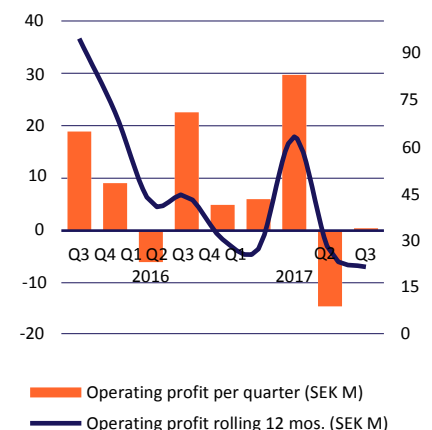
Cash flow

During the quarter, the Group generated a cash flow from the operating activities of SEK -35.0 million (-24.4), largely due to the losses in Norway and the uneven cash flow in Rejlers Embriq.

SALES PER QUARTER AND ROLLING 12 MONTHS



OPERATING PROFIT PER QUARTER AND ROLLING 12 MONTHS



THE PERIOD JANUARY - SEPTEMBER 2017

Net sales

Net sales totalled SEK 1,797.9 million (1,667.7), an increase of 7.8 per cent compared to the corresponding period the previous year. Organic growth excluding exchange rate fluctuations was 5.3 per cent. It is primarily the segments Finland and Embriq that have contributed to the sales increase, while Rejlers Norway reports a negative growth.

Adjusted EBITA

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Adjusted EBITA increased to SEK 37.3 million (40.2) corresponding to an adjusted EBITA margin of 2.1 per cent (2.4).

Operating profit/loss

Operating profit amounted to SEK 15.8 million (21.5). Operating profit was affected by items affecting comparability of SEK 12.1 million (9.7) concerning the restructuring of the operations in Sweden and Norway.

Financial income and expenses

The period's financial income amounted to SEK 1.9 million (5.9) and pertains mainly to currency translations. Financial expenses amounted to SEK 6.4 million (8.6) and are mainly attributable to interest expenses and currency translations.

Tax

The tax expense for the interim period amounted to SEK 6.3 million (4.8), corresponding to an effective tax rate of 56 per cent (26). The lower tax expense is mainly due to more deductible costs and a reduced allocation of deferred taxes.

Profit/loss after tax for the period

Profit after tax for the period amounted to SEK 5.0 million (14.0). Earnings per share amounted to SEK 0.33 (1.06) both before and after dilution.

Cash flow

During the period, the Group generated a cash flow from operating activities of SEK -61.2 million (-27.0), largely due to the losses in Norway and the uneven cash flow in Rejlers Embriq.

Financial position

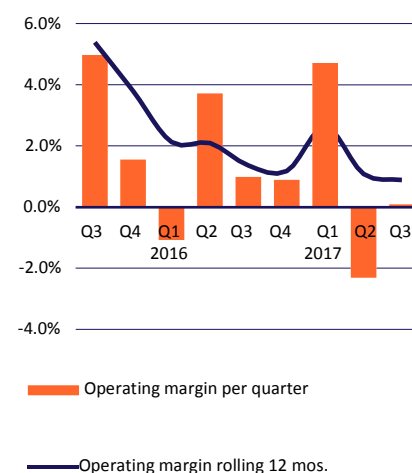
Consolidated cash and cash equivalents at the end of the period amounted to SEK 22.8 million compared to SEK 64.9 million on 31 December 2016. The change in cash and cash equivalents has among other things been affected by amortisation in an amount of SEK 121.2 million. The new share issue conducted in March/April strengthened cash and cash equivalents by SEK 191.0 million after deduction of share issue costs.

Interest-bearing liabilities decreased by SEK 122.3 million since 31 December 2016 to amount to SEK 166.1 million at the end of period. Net debt amounted to SEK 165.2 million, compared with SEK 244.2 million as at 31 December 2016.

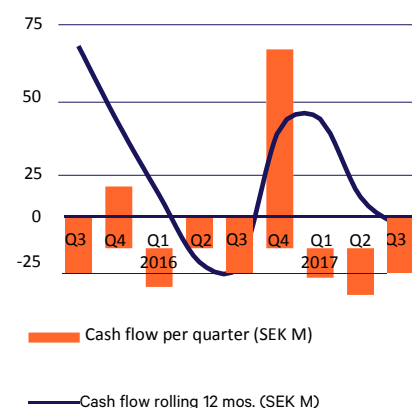
The ratio of net debt to EBITDA amounted to 2.4 at the end of the period compared with 3.3 at 31 December 2016. The equity/assets ratio amounted to 53.5 per cent compared with 40.6 as at 31 December 2016.

Equity per share was SEK 40.61 at the end of the period compared to SEK 41.50 as of 31 December 2016. The Group's overdraft facilities of SEK 50.0 million (50.0) are entirely unutilised.

OPERATING MARGIN PER QUARTER AND ROLLING 12 MONTHS



CASH FLOW FROM OPERATING ACTIVITIES



Investments

Investments in tangible assets amounted to SEK 4.7 million (6.7) during the interim period and mainly pertain to servers and other IT equipment while investments in intangible assets, mainly attributable to the development of IT platforms at Rejlers Embriq, amounted to SEK 27.1 million (24.8). Investments in subsidiaries and businesses amounted to SEK 16.1 million (0.2). Depreciation, amortisation and impairment losses amounted to SEK 34.5 million (31.2).

Billing ratio

The billing ratio increased to 75.3 per cent (72.4), mainly as a result of higher order volumes in Finland and Sweden.

Employees

At the end of the period, there were 2,064 employees (2,001). Number of full-time employees was 1,978 (1,903). At the end of the period, 3 (23) employees in Finland and 2 (0) in Norway had been laid off.

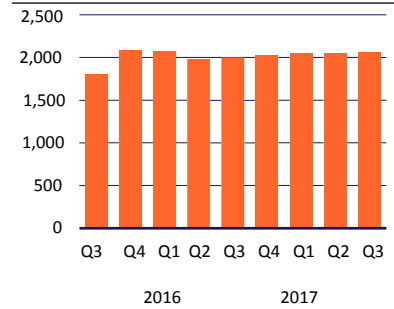
Parent Company

Net sales for the parent company during the interim period amounted to SEK 25.5 million (17.1) and the profit/loss before tax amounted to a loss of SEK 12.2 million (loss: 8.2).

Seasonal variations

Rejlers is affected by seasonal variations and calendar effects. The respective quarters are relatively comparable over the years, but are affected by minor calendar effects, such as when in time Easter occurs. Sales are normally higher in the first, second and fourth quarters and lower in the third quarter. Similar seasonal variations occur in all geographic markets.

NUMBER OF EMPLOYEES AT END OF PERIOD



SIGNIFICANT EVENTS DURING THE THIRD QUARTER AND AFTER THE END OF THE PERIOD

Rejlers is grows in fibre network operations and acquires Infrakonsult Syd

On 27 July, Rejlers acquired the assets in Infrakonsult Syd, which means that Rejlers is strengthening its expertise in the fibre field. At the same time, the company is gaining access to software for documentation adapted to medium-sized and small fibre networks with great business potential throughout Sweden.

New President and CEO of Rejlers

The Board of Directors of Rejlers AB has appointed Viktor Svensson as the new President and CEO of Rejlers, beginning no later than 1 March 2018. Viktor most recently comes from ÅF where he has worked in several different roles over the past 15 years, in recent years as the President of the ÅF Technology Division. Peter Rejler will be proposed as the Chairman of the Board of the company at the 2018 Annual General Meeting.

Rejlers Accelerated is launched – new digital solutions across multiple business areas

To meet the growing client need for digitalisation, Rejlers launched a portfolio with new digital solutions. The first tools – Accelerated Design, Performance, Operations and Fleet – build on new technologies, including digital models, advanced data analysis, IoT (Internet of Things) and AR (Augmented Reality).

Nomination Committee in Rejlers appointed

In accordance with the resolution at Rejlers Annual General Meeting in 2017, three representatives for the company's major shareholders were appointed to be members of the Nomination Committee. The task of the Nomination Committee is to draft proposals on the Board to be presented to the 2018 Annual General Meeting for resolution. The following people have accordingly been asked and accepted to be members of the Nomination Committee:

Kent Hägglund, Martina Rejler and Johan Lannebo.

SIGNIFICANT PROJECTS DURING THE THIRD QUARTER

Rejlers supplies new control and monitoring system to SKB

Rejlers has been awarded a major contract for SKB, Swedish Nuclear Fuel and Waste Management Company. It includes project design, delivery and installation of a new control and monitoring system at SKB's plant for short-lived radioactive waste in Forsmark.

Rejlers Norway renews agreement with Agder Energi.

Rejlers is extending two major framework agreements with Agder Energi by two years, which means deliveries from Rejlers for more than NOK 100 million. The one agreement comprises technical consulting services for all of the companies in the Agder Energi Group. The other concerns implementation of electrical inspections at the electricity customers of Agder Energi Net. Each of the agreements is estimated to have a value of around NOK 25 million per year.

Rejlers Embriq extends agreement with Gresvig

Rejlers Embriq has been a supplier of IT services to Gresvig (chain that owns, develops and operates G-SPORT, G-MAX and INTERSPORT in Norway) since 2003 and has now entered a new three-year agreement. The contract comprises the delivery and operation of IT services including platforms, networks and support/customer centres.

Rejlers Finland wins office renovation contract in Helsinki

Icon Kiinteistöt Oy has chosen Rejlers as the heating, ventilation and sanitation project engineers for Storåker's central district. The building area amounts to 25,000 m² which includes residential high-rises, business premises and parking spaces. The district is scheduled for completion in 2020.

OTHER INFORMATION

Related party transactions

Related party transactions take place on market-based terms.

Rejlers' shares

The closing price for Rejlers' Class B shares on 29 September 2017 was SEK 67 per share, a reduction of 3.8 percent compared to 30 December 2016. On 24 October 2017, the closing price for Rejlers' Class B shares was SEK 63.25 per share. The Rejlers share is listed on Nasdaq Stockholm.

As a result of the rights issue that Rejlers AB previously provided information on, the number of shares and votes in Rejlers changed in April 2017. All shares subscribed for in the rights issue have been registered at the Swedish Companies Registration Office. As a result of this, the total number of shares in Rejlers increased by 498,000 Class A shares, corresponding to 4,980,000 votes, and 4,668,188 Class B shares, corresponding to 4,668,188 votes. At 28 April 2017, the total number of shares in Rejlers totalled 18,087,909, of which 1,749,250 were Class A shares and 16,338,659 Class B shares. The number of votes at Rejlers totalled 33,831,159 on the same date.

After the share issue, the share capital has increased by SEK 10,332,376 from SEK 25,843,442 to SEK 36,175,818.

Segment Rejlers Sweden

The reorganisation of the Rejlers Sweden operation continues, with discontinuation of unprofitable areas and initiatives for the digitalisation of our engineering services. There are new initiatives in the area of energy, primarily on power supplies, energy efficiency and energy optimisation, as well as sustainable electricity production. The market generally developed well during the quarter.

Net sales totalled SEK 256.9 million (252.9) in the third quarter, an increase of 1.6 per cent compared with the year-before period. Organic growth amounted to 1.6 per cent. The higher sales are mainly attributable to a higher billing ratio and a continued good development in construction, energy and ICT/Telecom.

Adjusted EBITA decreased to SEK 2.4 million (3.4), corresponding to an adjusted EBITA margin of 0.9 per cent (1.3) where the decrease is mainly attributable to an impairment loss of around SEK 5 million in a project in infrastructure in southern Sweden and low efficiency in some parts of the Swedish industrial operations. The on-going transformation has resulted in improved efficiency in several business areas and the billing ratio increased during the quarter, compared with both last year and the first half of 2017.

Operating profit for the quarter was SEK 1.1 million (2.1), equivalent to an operating margin of 0.4 per cent (0.8). The calendar effect in the third quarter was negative by one day compared with the corresponding period the previous year.

KEY FIGURES	Q3 17	Q3 16	9M 17	9M 16	12M R	2016
Sales, SEK million	256.9	252.9	872.4	892.0	1,205	1,226.2
Adjusted EBITA, SEK million	2.4	3.4	39.2	32.0	61.8	54.6
Adjusted EBITA margin, %	0.9	1.3	4.5	3.6	5.1	4.5
Operating profit/loss, SEK million	1.1	2.1	31	18.5	40.5	28.0

Segment Rejlers Finland

Rejlers Finland is experiencing improved market conditions with higher public and private construction and a positive development for energy, industry and infrastructure. In the third quarter, Rejlers Accelerated was launched, digital solutions for design, operations and maintenance in a number of different industries and business areas.

Net sales totalled SEK 106.4 million (85.4) in the third quarter, an increase of 24.6 per cent compared with the year-before period. This growth is mainly attributable to the acquisition of CMN Oy and the generally more favourable market conditions. Organic growth excluding exchange rate fluctuations was 7.9 per cent.

Adjusted EBITA increased to SEK 8.6 million (6.1) corresponding to an adjusted EBITA margin of 8.1 per cent (7.1).

Operating profit for the quarter was SEK 8.1 million (5.4), equivalent to an operating margin of 7.6 per cent (6.3). The improved earnings are mainly attributable to a higher billing ratio as a result of a generally higher demand for our services and the acquisition of CMN Services Oy.

The calendar effect in the third quarter was negative by one day compared with the corresponding period the previous year.

KEY FIGURES	Q3 17	Q3 16	9M 17	9M 16	12M R	2016
Sales, SEK million	106.4	85.4	338.7	274.5	453.6	389.4
Adjusted EBITA, SEK million	8.6	6.1	24.4	10.8	31.3	17.7
Adjusted EBITA margin, %	8.1	7.1	7.2	3.9	6.9	4.5
Operating profit/loss, SEK million	8.1	5.4	22.3	8.8	28.5	15.0



Segment Rejlers Norway

Rejlers Norway is marked by continued profitability problems as a result of low efficiency in some large telecom projects. At the start of the quarter, Thomas Pettersen assumed responsibility for Rejlers' entire Norwegian operation. Through this change, we expect both business and administrative synergies between the operations of Rejlers Norway and Rejlers Embriq. During the quarter, the first part of the announced programme of measures was implemented to reduce the cost based and improve profitability on the long term.

Net sales amounted to SEK 63.6 million (74.8) in the third quarter, a decrease by 15.0 per cent compared with the corresponding quarter in the previous year. The decrease is mainly attributable to a generally low order volume and personnel cuts in some less profitable parts of the business. Organic growth excluding exchange rate fluctuations was -13.9 per cent.

Adjusted EBITA increased to SEK -4.7 million (-0.8) corresponding to an adjusted EBITA margin of -7.4 per cent (-1.1). Operating profit/loss for the quarter was still weak and amounted to SEK -5.5 million (-1.5), equivalent to an operating margin of -8.6 per cent (-2.0). The earnings were affected by continued efficiency problems in ICT/telecom and the railway area, as well as a negative calendar effect. The billing ratio increased during the quarter, compared with both the previous year and the first half of 2017.

The calendar effect in the third quarter was negative by one day compared with the corresponding period the previous year.



KEY FIGURES	Q3 17	Q3 16	9M 17	9M 16	12M R	2016
Sales, SEK million	63.6	74.8	232.9	247.5	321.0	335.6
Adjusted EBITA, SEK million	-4.7	-0.8	-15.9	-4.9	-21.2	-10.2
Adjusted EBITA margin, %	-7.4	-1.1	-6.8	-2.0	-6.6	-3.0
Operating profit/loss, SEK million	-5.5	-1.5	-26	-7.2	-32.1	-13.3

Segment Rejlers Embriq

Rejlers Embriq has a strong position in a growing market in the energy sector and offers a complete range of products, IT services and solutions in energy, infrastructure and energy measurement services in all of the Nordic countries. During the quarter, the Connected Stores concept was implemented in 84 stores, which entails a digitalisation of the retail trade, which contributes to minimal goods stock, optimal logistics and reduced emissions.

Net sales totalled SEK 128.0 million (99.1) in the third quarter, an increase of 29.2 per cent compared with the year-before period. The increase is mainly attributable to continued large volumes in installation and sales of electrical meters to Nettalliansen, but also higher income from operating agreements. Organic growth excluding exchange rate fluctuations was 29.2 per cent.

Adjusted EBITA decreased somewhat to SEK -2.3 million (2.1) corresponding to an adjusted EBITA margin of -1.8 per cent (2.1).

Operating profit for the quarter was SEK -2.3 million (2.1), equivalent to an operating margin of -1.8 per cent (2.1).

Start-up costs related to the delivery of smart electrical meters to Nettalliansen and the initiative in Connected Stores entail an initial margin pressure, which is estimated to decline in the coming years.

Rejlers Embriq was affected by negative calendar effect by one day in both Norway and Sweden.



KEY FIGURES	Q3 17	Q3 16	9M 17	9M 16	12M R	2016
Sales, SEK M Adjusted	128.0	99.1	374.4	272.8	518.7	417.1
EBITA, SEK M Adjusted	-2.3	2.1	3.2	12.9	5.9	15.6
EBITA margin, %	-1.8	2.1	0.9	4.7	1.1	3.7
Operating profit/loss, SEK million	-2.3	2.1	3.2	12.9	5.9	15.6

The undersigned provide assurance that this interim report provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

Stockholm, 25 October 2017 Rejlers AB (publ)

Peter Rejler

Board Member, President and CEO

AUDITOR'S REVIEW REPORT

Introduction

We have conducted a general review of the interim report for Rejlers AB (publ) for the period 1 January 2017 to 30 September 2017. The Board of Directors and the CEO are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express our conclusion about this interim report, based on our general review.

Focus and scope of the general review

We have conducted our general review in accordance with the International Standard on Review Engagements ISRE 2410 Review of interim financial information performed by the independent auditor of the entity. A general review consists of making enquiries, in the first instance with individuals who are responsible for financial and accounting issues, for carrying out analytical reviews and for implementing other general review procedures. A general review has a different approach and is substantially less in scope than an audit conducted in accordance with ISA and good auditing practice in general. The review procedures that are implemented in conjunction with a general review do not enable us to acquire such assurance that we are aware of all important circumstances that might have been identified had an audit been carried out. The expressed conclusion based on a general review does not therefore have the same level of assurance as an expressed conclusion based on an audit.

Conclusion

Based on our general review, no circumstances have come forth that give us reasons to consider that the interim report has not, in every essential respect, been prepared for the Group in accordance with IAS 34 and the Annual Accounts Act as well as for the parent company in accordance with the Annual Accounts Act.

Stockholm, 25 October 2017

Deloitte AB

Birgitta Lööf,

Authorized Public Accountant

The information in this interim report is such that Rejlers AB (publ) is obliged to publish under the EU Market Abuse Directive and the Swedish Securities Market Act. The information was submitted through the care of the contact persons above for publication on 25 October 2017 at 8:00 CET. This report is also available in Swedish. The English version is a translation of the Swedish original. If there are any differences, the Swedish version takes precedence.

Group

Condensed income statement

SEK million	JUL-SEP 2017	JUL-SEP 2016	JAN-SEP 2017	JAN-SEP 2016	FULL YEAR 2016
Net sales	544.9	500.3	1,797.9	1,667.7	2,341.4
Personnel expenses	-304.2	-307.5	-1,067.2	-1,061.5	-1,453.7
Other external expenses	-229.2	-177.2	-680.6	-553.7	-816.4
Depreciation and impairment	-11.0	-10.8	-34.5	-31.2	-44.2
Participations in associates	0.0	0.1	0.2	0.2	0.4
Operating profit/loss	0.5	4.9	15.8	21.5	27.5
Net financial income/expense	-1.3	-4.9	-4.5	-2.7	-5.3
Profit/loss after net financial items	-0.8	0.0	11.3	18.8	22.2
Tax	-4.9	1.1	-6.3	-4.8	-8.2
Profit for the period	-5.7	1.1	5.0	14.0	14.0
Attributable to:					
Parent Company's shareholders	-5.1	1.5	5.3	13.6	13.3
Shareholders without a controlling influence	-5.0	-0.4	-0.3	0.4	0.7
Average number of shares	18,087,909	12,921,721	15,854,905	12,921,721	12,921,721
Earnings per share before and after dilution, SEK	-0.37	0.12	0.33	1.06	1.03

Condensed statement of comprehensive income

SEK million	JUL-SEP 2017	JUL-SEP 2016	JAN-SEP 2017	JAN-SEP 2016	FULL YEAR 2016
Profit/loss for the period	-5.7	1.1	5.0	14.0	14.0
<i>Items that may be reclassified to the income statement:</i>					
Translation differences of foreign operations, net after tax	0.4	15.5	-6.9	31.3	28.5
<i>Items that will not be reclassified to the income statement:</i>					
Revaluation of net pension liability	1.4	-	1.4	-	4.3
Total other comprehensive income	1.8	15.5	-5.5	31.3	32.8
Comprehensive income for the period	-3.9	16.6	-0.5	45.3	46.8

Condensed balance sheet

SEK million	30 SEP 2017	30 SEP 2016	31 DEC 2016
Assets			
Non-current assets			
Goodwill	435.6	407.3	432.6
Other intangible assets	120.0	112.8	121.8
Tangible assets	33.5	36.9	37.5
Other non-current assets	51.4	53.6	47.6
Total non-current assets	640.5	610.6	639.5
Current assets			
Current receivables	725.0	689.3	656.0
Cash and cash equivalents	22.8	45.2	64.9
Total current assets	747.8	734.5	720.9
Total assets	1,388.3	1,345.1	1,360.4
Equity and liabilities			
Equity attributable to shareholders in the Parent Company	734.6	535.5	536.2
Non-controlling interests	8.6	8.8	16.0
Total equity	743.2	544.3	552.2
Non-current liabilities			
Provision for pensions	21.9	27.9	20.7
Interest-bearing non-current liabilities	125.7	162.4	155.0
Other non-current liabilities	49.6	51.2	50.9
Total non-current liabilities	197.2	241.5	226.6
Current liabilities			
Interest-bearing current liabilities	40.4	133.0	133.4
Other current liabilities	407.5	426.3	448.2
Total current liabilities	447.9	559.3	581.6
Total liabilities and equity	1,388.3	1,345.1	1,360.4

Condensed changes in equity

SEK million	30 SEP 2017	30 SEP 2016	31 DEC 2016
Equity at start of period	552.2	524.8	524.8
Comprehensive income for the period	-0.5	45.3	46.8
The minority's share of acquired companies	-	-	6.9
<i>Changes attributable to transactions with the owners</i>			
Dividends	-0.5	-25.8	-26.3
New share issue	192.0	-	-
Total changes attributable to transactions with the owners	191.5	-25.8	-26.3
Equity at end of period	743.2	544.3	552.2
Attributable to:			
Parent Company's shareholders	734.6	535.5	536.2
Non-controlling interests	8.6	8.8	16.0
Total	743.2	544.3	552.2

Condensed cash flow statement

SEK million	JUL-SEP 2017	JUL-SEP 2016	JAN-SEP 2017	JAN-SEP 2016	FULL YEAR 2016
Cash flow from operating activities before changes in working capital and tax paid	15.5	21.0	52.1	58.3	70.5
Tax paid	-11.7	-11.5	-16.8	-36.7	-21.0
Change in working capital	-38.8	-33.9	-96.5	-48.6	-8.3
Cash flow from operating activities	-35.0	-24.4	-61.2	-27.0	41.2
Cash flow from investing activities	-13.6	-8.8	-51.2	-30.8	-71.5
Cash flow from financing activities	-7.7	39.5	70.3	-12.7	-19.9
Cash flow for the period	-56.3	6.3	-42.1	-70.5	-50.2
Cash and cash equivalents at start of period	79.0	35.5	64.9	108.8	108.8
Exchange rate differences in cash and cash equivalents	0.1	3.4	0.0	6.9	6.3
Cash and cash equivalents at end of period	22.8	45.2	22.8	45.2	64.9

Net liabilities

SEK million	30 SEP 2017	30 SEP 2016	31 DEC 2016
Interest-bearing non-current liabilities	125.7	162.4	155.0
Interest-bearing current liabilities	40.4	133.0	133.4
Pension provisions	21.9	27.9	20.7
Cash and cash equivalents	-22.8	-45.2	-64.9
Total	165.2	278.1	244.2

Parent Company

Condensed income statement

SEK million	JUL-SEP 2017	JUL-SEP 2016	JAN-SEP 2017	JAN-SEP 2016	FULL YEAR 2016
Sales	11.5	5.9	25.5	17.1	22.7
Personnel expenses	-5.0	-3.5	-14.6	-11.0	-15.0
Other external expenses	-7.1	-5.1	-24.6	-15.9	-23.6
Depreciation	-0.1	-0.1	-0.2	-0.6	-0.7
Operating profit/loss	-0.7	-2.8	-13.6	-10.4	-16.6
Net financial income/expense	3.7	-1.1	1.4	2.2	10.7
Profit/loss after net financial items	3.0	-3.9	-12.2	-8.2	-5.9
Appropriations	-	-	-	-	8.8
Tax	-	-	-	-	0.2
Profit/loss after tax	3.0	-3.9	-12.2	-8.2	3.1

The Parent Company has no items to report in other comprehensive income, which is why this financial statement has been omitted.

Condensed balance sheet

SEK million	30 SEP 2017	30 SEP 2016	31 DEC 2016
Assets			
Non-current assets			
Tangible assets	0.5	0.4	0.4
Financial assets	391.9	402.4	402.4
Total non-current assets	392.4	402.8	402.8
Current assets			
Current receivables	235.7	150.4	142.7
Cash and cash equivalents	2.7	22.7	50.2
Total current assets	238.4	173.1	192.9
Total assets	630.8	575.9	595.7
Equity and liabilities			
Equity	406.1	215.1	226.4
Untaxed reserves	22.0	30.8	22.0
Non-current liabilities	121.6	157.0	152.1
Current liabilities	81.1	173.0	195.2
Total liabilities and equity	630.8	575.9	595.7

Notes

Note 1 Rejlers Group

Rejlers AB (publ) (556349-8426) (the Parent Company) and its subsidiaries (jointly called the Group) is a Nordic business group that offers services to customers in the areas of buildings and properties, energy, industry and infrastructure.

The Parent Company is a Swedish public limited company with its registered office in Stockholm. The address of the head office is Box 30233, Lindhagensgatan 126, SE-104 25 Stockholm, SWEDEN. The company's B shares are listed on Nasdaq Stockholm.

Note 2 Accounting policies

This interim report has been prepared for the Group in accordance with IAS 34 Interim Reporting and RFR 1, Supplementary Accounting Rules for Groups. The same accounting policies were applied as in the most recent annual report for both the Group and the Parent Company. A number of changes in the standards entered into effect in 2017. None of these has materially affected the Group's accounts and reporting. Information according to IAS 34 is provided in both notes and elsewhere in the interim report. The company has initiated an analysis of the effects of IFRS 9 and IFRS 15. It is the company's preliminary assessment that the implementation of these new standards, in addition to expanded disclosures, will not have significant effects.

The Parent Company's reports are prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for Legal Entities.

Note 3 Risks and uncertainty factors

Through its operations, the Group is subject to various financial risks, such as market risk (comprehensive foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management involves striving for minimal unfavourable effects on financial position and performance.

The Group's business risks and risk management as well as financial risks are described in detail in the annual report for 2016. No events of material significance occurred during the interim period that affects or changes these descriptions of the Group's risks and the management of them.

Note 4 Items affecting comparability

SEK MILLION	Q3 17	Q3 16	9M 17	9M 16	12M R	2016
Restructuring costs	-	-	12.1	9.7	23.9	21.5

Note 5 Business combinations

On 24 February, Rejlers acquired the assets in Sähkölinna Oy.

So far this year, the acquisition has contributed SEK 0.9 million to sales and SEK 0.2 million to operating profit. If the operation had been owned as of 1 January, it would have contributed sales of SEK 1.0 million and an operating profit of SEK 0.2 million. The remaining 49 per cent of CMN Services Oy was acquired on 5 May. After this transaction, Rejlers owns 100 per cent of the company. In July, the assets in Infrakonsult Syd AB were acquired.

Net assets of companies acquired at the time of acquisition

SEK million	JAN – SEP
	Total
Non-current assets	0.1
Current assets	0.0
Cash and cash equivalents	0.1
Other current liabilities	-0.2
Net identifiable assets and liabilities	0.0
Goodwill	1.1
Customer values	-
Deferred tax on intangible assets	-
Purchase price, cash and cash equivalents	1.1
Less:	
Cash and cash equivalents in acquired companies	-0.2
Net cash outflow during the period	1.0

Acquisition analyses for the acquired operations are preliminary because the assets have not been fully analysed. The goodwill value, which is not tax deductible in business acquisitions (but is tax deductible in net asset acquisitions), includes the technical skills of staff, acquired customer relationships that are not separable and synergies. Otherwise, the fair value of the assets and liabilities at the time of acquisition corresponds to the carrying amount in the acquired companies. There are no uncertain receivables among the acquired assets. Acquisition-related costs were expensed as other external expenses when they were incurred.

Note 6 Segments

	SALES, SEK MILLION					OPERATING PROFIT/LOSS, SEK MILLION					OPERATING MARGIN, SEK MILLION				
	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Full year 2016	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Full year 2016	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Full year 2016
Rejlers Sweden	256.9	252.9	870.7	892.0	1,226.2	1.1	2.1	31.0	18.5	28.0	0.4	0.8	3.6	2.1	2.3
Rejlers Finland	106.4	85.4	338.7	274.5	389.4	8.1	5.4	22.3	8.8	15.0	7.6	6.3	6.6	3.2	3.9
Rejlers Norway	63.6	74.8	232.9	247.5	335.6	-5.5	-1.5	-26.0	-7.2	-13.3	-8.6	-2.0	-11.2	-2.9	-4.0
Rejlers Embriq	128	99.1	374.4	272.8	417.1	-2.3	2.1	3.2	12.9	15.6	-1.8	2.1	0.9	4.7	3.7
Group-wide	11.5	11.9	25.5	16.4	22.7	0.9	-3.2	-14.7	-11.5	-17.8	-	-	-	-	-
Eliminations	-21.5	-17.8	-44.3	-36.2	-49.6	-	-	-	-	-	-	-	-	-	-
Consolidated total	544.9	500.3	1797.9	1,667.7	2,341.4	0.5	4.9	15.8	21.5	27.5	0.1	1.0	0.9	1.3	1.2
Net financial income/expense	-	-	-	-	-	-	-4.9	-	-2.7	5.3	-	-	-	-	-
Profit/loss before tax	-	-	-	-	-	-0.8	0.0	11.3	18.8	22.2	-	-	-	-	-

NOTE 7 Financial instruments

The carrying amount of financial instruments recognised in amortized cost matches the fair value as the duration for financial assets and liabilities is short.

NOTE 8 Related party transactions

Related party transactions take place on market-based terms.

NOTE 9 Pledged assets and contingent liabilities

Pledged assets and contingent liabilities are essentially unchanged compared with the previous year.

Quarterly summary

SEK million	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016	Q1 2017	Q2 2017	Q3 2017
Sales													
Sweden	267.2	276.7	233.9	321.2	1,099.0	309.2	329.9	252.9	334.2	1,226.2	308.7	305.1	256.9
Finland	83.5	86.1	70.5	96.3	336.4	91.6	97.5	85.4	114.9	389.4	118.8	113.5	106.4
Norway	81.0	80.1	64.2	73.2	298.5	73.6	99.1	74.8	88.1	335.6	88.1	81.2	63.6
Embriq	19.9	16.4	14.8	100.2	151.3	87.8	85.9	99.1	144.3	417.1	118.6	127.8	128.0
Group-wide, etc.	0.6	-2.8	-3.3	-4.2	-9.7	-3.0	-4.2	-11.9	-7.8	-26.9	-4.2	-4.6	-10.0
Total	452.2	456.5	380.1	586.7	1,875.5	559.2	608.2	500.3	673.7	2,341.4	630.0	623.0	544.9
Operating profit/loss													
Sweden	14.5	15.6	14.1	7.2	51.4	-1.4	17.8	2.1	9.5	28.0	23.5	6.4	1.1
Finland	4.6	4.7	2.0	7.6	18.9	0.3	3.1	5.4	6.2	15.0	10.5	3.7	8.1
Norway	0.3	0.2	4.5	-1.5	3.5	-7.8	2.1	-1.5	-6.1	-13.3	-4.6	-15.9	-5.5
Embriq	4.2	2.2	1.2	1.7	9.3	5.8	5.0	2.1	2.7	15.6	4.9	0.6	-2.3
Group-wide, etc.	-0.7	-2.6	-2.9	-5.9	-12.1	-2.9	-5.4	-3.2	-6.3	-17.8	-4.6	-9.2	-0.9
Total	22.9	20.1	18.9	9.1	71.0	-6.0	22.6	4.9	6.0	27.5	29.7	-14.4	0.5
Operating margin													
Sweden	5.4	5.6	6.0	2.2	4.7	-0.5	5.4	0.8	2.8	2.3	7.6	2.1	0.4
Finland	5.5	5.5	2.8	7.9	5.6	0.3	3.2	6.3	5.4	3.9	8.8	3.3	7.6
Norway	0.4	0.2	7.0	-2.0	1.2	-10.6	2.1	-2.0	-6.9	-4.0	-5.2	-19.6	-8.6
Embriq	21.1	13.4	8.1	1.7	6.1	6.6	5.8	2.1	1.9	3.7	4.1	0.5	-1.8
Group-wide, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	5.1	4.4	5.0	1.6	3.8	-1.1	3.7	1.0	0.9	1.2	4.7	-2.3	0.1
Number of employees													
Sweden	1,016	1,018	1,022	1,173	1,173	1,163	1,082	1,089	1,090	1,090	1,070	1,066	1,056
Finland	447	464	482	482	482	500	501	497	526	526	572	582	603
Norway	236	230	231	239	239	249	240	249	244	244	239	236	229
Embriq	57	57	56	179	179	155	147	155	156	156	155	157	164
Group-wide, etc.	12	11	11	8	8	10	10	11	11	11	12	12	12
Total	1,778	1,760	1,733	1,742	1,742	2,077	1,980	2,001	2,027	2,027	2,048	2,053	2,064

Key figures

As of the first quarter of 2017, Rejlers has used the key performance indicator of adjusted EBITA, which is a measure that Rejlers considers to be relevant for investors who wish to understand profit generation excluding items affecting comparability. Definitions for key figures are provided below and in the company's latest annual report.

SEK million	JUL-SEP 2017	JUL-SEP 2016	JAN-SEP 2017	JAN-SEP 2016	FULL YEAR 2016
IFRS key performance indicators					
Earnings per share before and after dilution, SEK	-0.37	0.12	0.33	1.06	1.03
Average number of shares	18,087,909	12,921,721	15,854,905	12,921,721	12,921,721
Number of shares at end of period	18,087,909	12,921,721	18,087,909	12,921,721	12,921,721
Operational key performance indicators					
Billing ratio	76.2	71.6	75.3	72.4	73.0
Sales per full-time employee	275	261	909	876	1,208
Number of full-time employees	1,950	1,920	1,978	1,903	1,939
Number of employees at end of period	2,064	2,001	2,064	2,001	2,027
Alternative performance measures					
Acquired growth, %	3	33	2	30	22
Currency effect, %	1	4	1	8	-2
Organic growth, %	5	-5	5	-9	4
Adjusted EBITA	3.5	7.9	37.3	40.2	61.1
Depreciation/amortisation of acquisition-related items	-3.0	-3.0	-9.4	-9.0	-12.1
Items affecting comparability	-	-	-12.1	-9.7	-21.5
Operating profit/loss (EBIT)	0.5	4.9	15.8	21.5	27.5
Adjusted EBITA margin, %	0.6	1.6	2.1	2.4	2.6
Net liabilities	165.2	278.2	165.2	278.2	244.2
Net debt/EBITDA, R12, times	2.4	3.8	2.4	3.8	3.4
Equity/assets ratio	53.5	40.5	53.5	40.5	40.6
Operating profit/loss per full-time employee, SEK thousand	0	3	8	11	14
Equity per share at the end of the period	40.61	41.44	40.61	41.44	41.50

Definitions

Adjusted EBITA

Operating profit/loss (EBIT) according to the income statement, before items affecting comparability and amortisation and impairment of acquisition related intangible assets.

Adjusted EBITA margin

Adjusted EBITA in relation to net sales.

Items affecting comparability

Significant income and expense items, which are recognised separately due to the significance of their nature and amounts and are also to be viewed as non-recurring or rarely occurring.

Rejlers is one of the Nordic region's largest technical consultants. Our 2,000 experts work with projects in the areas of construction and property, energy, industry and infrastructure. At Rejlers, you will meet specialist engineers with the knowledge, cutting edge expertise and energy to achieve results. We continue to grow and can now be found in 80 locations in Sweden, Finland and Norway. Rejlers had sales of SEK 2.3 billion in 2016 and its class B share is listed on Nasdaq Stockholm.

COMING REPORTS

Interim report, January-December 2017	8 February 2018
Interim report, January-March 2018	7 May 2018
Interim report, January-June 2018	26 July 2018
Interim report, January-September 2018	25 October 2018

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