HANZA YEAR-END REPORT
January – December 2015

HANZA

ALL YOU NEED IS ONE™

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YEAR-END REPORT 1 January – 31 December

Year 2015 – Successful development of HANZA

FOURTH QUARTER (1 October – 31 December 2015)

- Net sales increased 39% to SEK 331.3m (237.8). The acquisition of Metalliset had a positive impact of SEK 76.5m on sales, while volumes discontinued in connection with the coordination of factories had a negative impact of about SEK 24m. Excluding volumes from acquired and discontinued units, organic growth was 17%
- Operating profit from the operational business areas amounted to SEK 4.3m (-8.7). Operating profit in the Group amounted to SEK 2.4m (-12.9). Non-recurring items due to the acquisition and coordination of factories had a negative impact of about SEK 1.6m on operating profit and a positive impact of some SEK 0.7m on operating profit in the Group; also refer to Note 5, Segment information
- Profit after tax amounted to SEK 3.7m (-13.5) equivalent to SEK 0.18 (-1.75) per share
- Cash flow from operating activities amounted to SEK 15.6m (12.6)

FULL-YEAR PERIOD (1 January – 31 December)

- Net sales increased 23% to SEK 1,206.4m (984.6) Excluding volumes from acquired and discontinued units, organic growth was 16%
- Operating profit from the operational business areas amounted to SEK 12.5m (-5.2). Operating profit in the Group amounted to SEK 51.5m (-23.3). Operating profit includes non-recurring items in a net amount of SEK 40.4m (-7.4)
- Profit after tax amounted to SEK 37.5m (-33.6) corresponding to SEK 3.18 (-4.62) per share
- Cash flow from operating activities amounted to SEK 5.0m (23.0)

Erik Stenfors, HANZA's CEO, comments on the report:

”2015 was a successful year. We executed the comprehensive plan that we presented at the beginning of the year, embracing merger of factories, acquisitions and MIG™ launches. It is with satisfaction we now view the outcome in both the top and the bottom line of our income statement.”

”Excluding acquisitions and divestments, organic growth was 17% in the fourth quarter. Including acquisitions, our sales rose nearly 40%. More importantly, even excluding the positive non-recurring result of SEK 40m, the operating profit was SEK 34m better in 2015 compared with 2014. We will continue with undiminished strength to develop the Group in the same direction in 2016.

“In 2015, we also improved our financial position. The activities conducted in 2015 increased our equity by SEK 108m, from SEK 146m to SEK 254m. Our equity ratio increased from 25% to 33%.”

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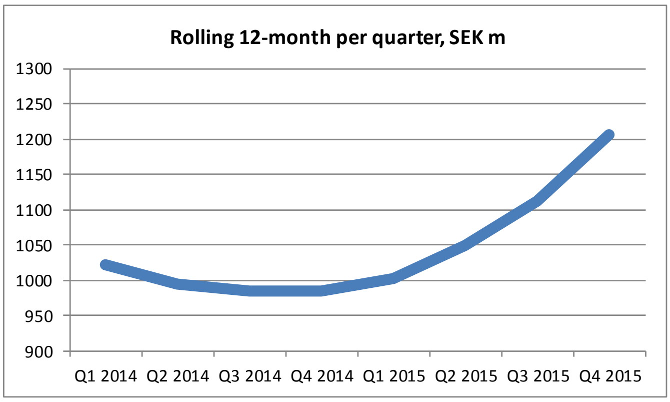
SIGNIFICANT EVENTS IN THE FOURTH QUARTER OF 2015

- On 16 October, a small factory in northern Finland was sold as part of the company's strategy to streamline its factory structure.
- On 23 October, an Extraordinary General Meeting resolved that the Board was to consist of six members with no deputies, as follows: Per Tjernberg (re-election), Björn Bostrom (re-election), Francesco Franzé (re-election), Pauli Pöllänen (re-election), Mikael Smedeby (re-election) and Hakan Halén (newly elected, previously deputy board member).
- In November, HANZA completed a major investment of some SEK 20m in the Mechanics business area, in order to expand capacity for new products.
- Also in November, HANZA refinanced loans from – and sold shares to – Gerald Engström, who thus became one of the major shareholders of HANZA. Gerald is, among other positions, founder and principal owner of Systemair AB, which is listed on Nasdaq OMX.
- HANZA continued to coordinate its operations following the summer acquisition of Metalliset. The factory in Slovakia was divested in December, at the same time as HANZA initiated the development of the Group's new manufacturing cluster in Central Europe.
- The following were appointed to the Nomination Committee ahead of the 2016 AGM: Per Tjernberg, Francesco Franzé, Mikael Smedeby, Eugen Steiner and Pauli Pöllänen.

SIGNIFICANT EVENTS AFTER THE PERIOD

- In January, the Group's property in Töreboda was sold. During 2015, the previous operations conducted in Töreboda were transferred to HANZA's manufacturing clusters in Årjäng, Sweden, and Tartu, Estonia.
- In February, HANZA decided to merge a production unit in Estonia, which accompanied the acquisition of Metalliset, with the Group's manufacturing cluster in Tartu, Estonia.



Consolidated sales are reported for eight quarters up to and including the quarter indicated in the graph.
The third quarter of 2015 includes sales of about SEK 31m for the acquired company Metalliset and the fourth quarter includes some SEK 77m.

SEK m	Oct - dec 2015	Oct - dec 2014	Jan - dec 2015	Jan - dec 2014
Net sales	331,3	237,8	1 206,4	984,6
Operative business area EBIT	4,3	-8,7	12,5	-5,2
Business development *)	-1,9	-4,2	38,6	-18,1
EBIT	2,4	-12,9	51,1	-23,3
Cash flow from operating activities	15,6	12,6	5,0	23,0
Interestbearing net debt			244,2	185,9
Solidity			33%	25%

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) For items in the Business Development segment, refer to "Revenues and earnings" below.

CEO COMMENT

2015 was a successful year. We determinedly implemented the comprehensive plan that we presented at the beginning of the year, involving the transfer/merger of factories (into clusters), the acquisition of Metalliset and new MIG™ launches. It is with satisfaction we now view the outcome in both the top and the bottom line of our income statement.". Excluding acquisitions and divestments, organic growth was 17% in the fourth quarter. Including acquisitions, our sales rose nearly 40%. More importantly, even excluding the positive non-recurring results of SEK 40m, the operating profit was SEK 34m better in 2015 compared with 2014.

During 2015, we also improved our financial position. The activities conducted in 2015 increased our shareholders' equity by SEK 108m – from SEK 146m to SEK 254m. Our equity ratio increased from 25% to 33%. We will continue with undiminished strength to develop the Group in the same direction in 2016.

The business model is a decisive component for the success of a company. We have previously reported on the increase of companies with outsourced manufacturing that find it difficult to anticipate the future demand. This, in turn, increases the need for flexible new solutions. HANZA's *All-you-need-is-ONE™* business model offers a decisive advantage compared with traditional contract manufacturing: Our offering encompasses the entire manufacturing chain, which results in greater flexibility and total control in terms of production times, quality and costs.

In addition to our complete manufacturing chains, HANZA offers the *MIG™* service product, which helps customers who are "stuck" in obsolete supply chains with conventional contract manufacturersing. We offer optimization of the customers' manufacturing process and customise each individual solution. This consultancy feature moves HANZA upwards in the value chain, thus increasing the value for our customers and for us. HANZA's offer, combining consultancy and manufacturing, is unique.

The basic building blocks of HANZA's business model are the unique *industrial clusters* – strategic geographic locations, where we combine various manufacturing competencies (e.g. sheet metal mechanics, electronics, cabling, machining processing and assembly) in order to satisfy our customers' needs for complete manufacturing. We took a major step in 2015 and we have continued this development in 2016 by coordinating our newly acquired factory in Aruküla with the existing manufacturing cluster in Tartu, Estonia. The cluster model also offer a major support for the *MIG™* projects that we are currently working with. This will have a positive impact on HANZA during 2016.

In a short time, HANZA has become the leading Nordic player in strategic contract manufacturing. While the global economic climate remains turbulent, our competitive offering, in combination with the best employees of the industry, provides a solid foundation for further positive development of HANZA.

Erik Stenfors, CEO

MARKET TREND

HANZA's customers are mainly active in the Nordic region, but it also has customers in the rest of Europe, Asia and the US. During 2015, the Swedish economy continued to strengthen, although certain industries were relatively harshly affected by the decline in oil and raw material prices. In Finland, the market remained weak and the situation in Norway deteriorated considerably during the year.

The economic situation for HANZA is reflected in its customers' volumes. In Sweden, order bookings have risen in pace with the economic increase, while volumes in Finland and Norway have declined. In China, a few customers have chosen to repatriate production (known as backsourcing), which has had an adverse impact on production in China but a positive impact on Europe. Increased demand is also noticeable for HANZA's service product, MIG™. In total, the growth is mainly deriving from new contracts.

The favourable level of order bookings probably means that the volumes discontinued in 2015, in connection with divestments and production relocations, will be replaced in full by organic and acquired growth.

NET SALES AND RESULTS

Fourth quarter

HANZA's net sales during the fourth quarter amounted to SEK 331.3m (237.8). During 2015, in connection with the divestment of manufacturing units, HANZA discontinued production corresponding to some SEK 115m on an annual basis, including about SEK 23m during the fourth quarter. The acquisition of Metalliset contributed SEK 76.5m during the fourth quarter. Adjusted for acquisitions and divestments, organic growth was 17% in the fourth quarter. Currency fluctuations had no appreciable impact on comparative figures.

Due to the expansive area of operation, sales are relatively independent of season, except for the third quarter, when sales are lower due to the summer holiday period.

Operating profit in the Group amounted to SEK 2.4m (-12.9). Efficiency-enhancing activities during 2015 have already had a favourable impact on the Electronics Division. During the fourth quarter of 2015, the Electronics segment achieved an operating margin of 7.3%.

In the Mechanics Division, the Group's development work continues, primarily integration of the mechanics group Metalliset. During the fourth quarter, production was affected by alignment needs and integration, which is why the units acquired from Metalliset in the fourth quarter made only a marginally positive contribution to operating profit in the Group. During 2016, the focus will continue to be on profitability and a particular effort will now be devoted to completing the integration and raising the profitability of the Mechanics Division.

The Business Development segment mainly comprises costs for the development of the Group's clusters due to the discontinuation of individual production units and the transfer of production. In the fourth quarter, the Business Development segment had earnings of SEK 1.9m (-4.2).

The gross margin has risen as new assignments have been secured and older production discontinued and was 43.9% for the quarter (42.9). Other external expenses amounted to SEK 46.1m (36.7), up SEK 9.4m during the quarter, while personnel expenses of SEK 87.3m (67.3) reflect an increase of SEK 20.0m, which is attributable to acquired units.

Net financial items amounted to SEK -2.6m (-5.1) in the quarter. The improvement in net financial items largely derived from positive exchange-rate differences. However, interest expenses increased due to the acquisition of Metalliset. The result after financial items amounted to SEK -0.2m (-18.0). Profit after tax was SEK 3.7m (-13.5).

Full-year period

For the full year, net sales amounted to SEK 1,206.4m (984.6). Sales were adversely impacted by discontinued units and positively affected by acquisitions and a slightly positive currency effect. Excluding these items, organic growth during 2015 was some 15%.

Operating profit during the year was SEK 51.1m (-23.3). Operating profit includes non-recurring items of SEK 40.4m (-7.4). Operating profit for operational activities amounted to SEK 12.5m (-5.2) in 2015. Operating profit during the year was adversely impacted by acquisition and integration costs, and somewhat positively affected by the profitability of the units added. Excluding the acquisition, HANZA improved its profitability substantially during 2015 compared with 2014.

Full-year EBITDA was SEK 90.6m (10.2). Depreciation/amortisation during the year amounted to SEK 39.5m (33.5). The gross margin was 41.0% (39.5). Net financial items totalled SEK -17.1m (-13.6). In 2014, net financial items included non-recurring revenue of SEK 2.9m. Profit after net financial items amounted to SEK 34.0m (-36.9). Profit after tax for the period was MSEK 37.5 (-33.6).

Under the Business Development segment, costs are recognised for special projects that are not related to HANZA's regular operational activities. During 2015, expenses for business development declined compared with 2014, primarily due to expenses for the IPO process in 2014. During the year, the result from business development was affected by non-recurring items (see specification below). In 2014, these costs mainly comprised costs for the IPO process and comprehensive work under the strategy of further developing HANZA into a knowledge and service company by completing the MIG™ (Manufacturing Solutions for Increased Growth and Earnings) service product. The item also included certain costs related to the Group's acquisition strategy.

CASH FLOW AND INVESTMENT

The merger of production units ("cluster formation") reduces the capital tied up in operations and thus has a positive impact on cash flow. During the fourth quarter, cash flow from operating activities amounted to SEK 15.6m (12.6).

In recent years, HANZA has completed extensive investments by developing the Group's production facilities and automating processes by installing new machinery, thus making the company well invested today. As a result, investments moving forward are expected to be lower than depreciation. The merger of production units is enhancing this effect. Cash flow from investing activities amounted to SEK -4.8m (-12.7) in the quarter, and mainly pertained to investments in property, plant and equipment, while the figure for the preceding year also included company acquisitions.

Cash flow from operating activities amounted to SEK 5.0m (23.0) for the full year. Cash flow from investing activities amounted to SEK -46.1m (-39.7), of which SEK 9.3m primarily pertained to machinery and equipment (24.0) and SEK 36.8m to company acquisitions (15.7).

FINANCIAL POSITION
Total assets at the end of the year amounted to SEK 776.3m (578.0). Cash and cash equivalents increased during the year to SEK 48.8m (31.8).

Shareholders' equity increased by SEK 108m during 2015, from SEK 146m to SEK 254m. The equity ratio thus increased from 25% at the end of 2014 to 33% at the end of 2015.

Interest-bearing net liabilities declined during the fourth quarter and amounted to SEK 244.2m at the end of the year (SEK 260.0m at the end of the third quarter).

The acquired company, Metalliset, is included in the consolidated financial statements as of 1 September 2015. This means that the entire balance sheet is consolidated as of this date, although only four months are included in the income statement. To provide a fair calculation of key figures, such as indebtedness in relation to earnings, it is therefore necessary to use pro forma figures. For example, pro forma accounts would show that net debt in relation to EBITDA (excluding non-recurring items) amounts to SEK 3.4m (excluding pro forma: 4.9).

EMPLOYEES
During 2015, the average number of employees in the Group increased to 1,169 (983). The acquired company Metalliset had 502 employees on the takeover date. At the end of 2015, the number of employees amounted to 1,432; at the beginning of the year, HANZA had 1,045 employees.

PARENT COMPANY
The Parent Company's net sales, which consisted solely of revenues from Group companies, amounted to SEK 3.0m during 2015 (3.4). The Parent Company granted shareholder contributions of SEK 63.5m to subsidiaries. These shareholder contributions have subsequently been impaired. The result before income taxes in the quarter amounted to SEK -68.4m (-22.8). No investment in addition to the shareholder contributions were made in Parent Company. The full-year result before income taxes was SEK -70.3m (-18.6).

ACCOUNTING POLICIES
The Group applies International Financial Reporting Standards (IFRS). This year-end report has been prepared in compliance with IAS 34 "Interim Reporting" and the Swedish Annual Accounts Act. For further information about accounting policies, reference is made to Note 2 in the company's annual report for för 2014.

THE SHARE
The total number of shares at year-end amounted to 20,642,179. During the year, the number of shares was increased through a private placement of SEK 13.0m effected in June 2015, a rights issue and new share issue in August 2015, and a minor share issue offsetting debt during October 2015; see table below. During the fourth quarter of 2015, the company's holding of treasury shares (a total of 437,630) was divested externally. The company has only one class of shares. Erik Penser Bankaktiebolag is the company's Certified Adviser and also serves as liquidity provider.

	Number of shares
Opening balance 2015-01-01	7 643 920
Directed share issue june	1 368 421
Preferential share issue august	8 574 711
Offset issue august	3 026 369
Offset issue october	28 758
Closing balance 2015-12-30	**20 642 179**

The share is traded on Nasdaq First North Premier. Shares traded in the Premier segment are subject to more stringent requirements concerning information disclosure and financial reporting than shares subject to First North's normal regulations. A listing on the Premier segment also entails that the company operates on the basis of higher transparency, thus preparing the company for a possible transfer to the main Nasdaq list. The share price at 31 December was SEK 8.35.

The company has issued the following options.

Options	Number	Due date	Issue price, SEK
Share options	413 793	2016-03-31	25,39
Staff options	260 000	2017-11-30	25,39
	673 793		

The exercise prices above have been recalculated to take into account the August rights issue. Following the said recalculation, each option provides entitlement to subscription of 1.14 shares.

Using the Black and Scholes model to arrive at a fair market interest rate and a volatility that matches that of similar companies in the industry, the market value of the employee stock option programme for senior executives has been calculated at SEK 1.7m plus social security contributions. No changes in the number of options occurred during the year or the interim period.

On 16 February 2015, HANZA issued convertible debentures of SEK 4.5m at a conversion price of SEK 25.39 each (following recalculation due to the rights issue). Under certain special terms and conditions, the company is entitled during December 2016 to convert SEK 2.5m of this debt to shares at a price corresponding to 50% of the average price of the share during the preceding three months. From the viewpoint of the holders, the convertible debentures will lead to a maximum of 177,528 shares. From the viewpoint of the company, the number of new shares is capped at 760,000.

In December, a convertible loan was issued to Färna Invest in a nominal amount of SEK 15m. In accordance with the prevailing accounting standards, the debt has been divided up, resulting in an equity component of SEK 2.3m that is expensed over the term of the loan. The holder is entitled to demand conversion at the due date of the loan and under special circumstances. The conversion price is 85% of the average market price of the company's share during the three-month period immediately preceding conversion, but not less than SEK 5.80.

The company has the following convertible loans:

Convertible loans	Duration	Loan amount SEK m	Issue price, SEK
Published 2015	2016-12-31	4,5	25,39
Published 2015	2017-12-31	15,0	See comment above

The exercise price of SEK 25.39 has been recalculated to take into account the August rights issue.

SIGNIFICANT RISKS AND UNCERTAINTIES

The risk factors of greatest significance to HANZA are financial risks and changes in market conditions. For further information about risks and uncertainties, reference is made to Note 3 in the company's annual report for 2014. No significant changes in the risks have arisen since the 2014 annual report was published, although the assessment is that the liquidity risk is lower following the broadening of the ownership base and the capital contributions made in 2015.

RELATED-PARTY TRANSACTIONS

Those who have signed for units in the convertible debentures issued on 11 February 2015 include the former Board member Eugen Steiner. Steiner is subject to normal market terms and conditions, which are the same as those for the other investors.

In connection with the Offering made in the prospectus underlying the August rights issue, the Board members Francesco Franzé and Håkan Halén, the former Board member Britta Dalunde and the CEO Erik Stenfors have entered into subscription undertakings and underwriting agreements with HANZA. The implication of these agreements was described in the prospectus and in a press release published on 3 August 2015. In December, the company raised a loan of SEK 6m from the company's principal owner, PH Intressenter. This loan was used to settle loans that became due for payment at the end of 2015. No other transactions between the HANZA Group and its related parties occurred during the year that had a material impact on the Group's position or earnings.

The year-end report provides a true and fair overview of the operations, position and earnings of the Parent Company and the Group and it describes the material risks and uncertainties to which the Parent Company and the companies within the Group are exposed.

DIVIDEND

The Board of Directors proposes that no dividend be paid for the 2015 financial year.

NOMINATION COMMITTEE

The Nomination Committee prior to the Annual General Meeting (AGM) comprises the following members: Per Tjernberg, Francesco Franzé, Mikael Smedeby, Eugen Steiner and Pauli Pöllänen.

ANNUAL GENERAL MEETING

The annual meeting of HANZA shareholders will be held on Tuesday, 10 May 2016 in Stockholm. Shareholders are welcome to contact the Nomination Committee prior to the AGM to forward proposals of opinions: Per Tjernberg, Chairman of the Board, Telephone +46 70 344 73 70, E-mail per.tjernberg@kullsvik.com

Stockholm, 16 February 2016

On assignment from the Board of Directors

Erik Stenfors, CEO

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

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amount in SEK m	Note	Jan - dec 2015	Jan - dec 2014	Oct - dec 2015	Oct - dec 2014
Net sales	**5**	**1 206,4**	**984,6**	**331,3**	**237,8**
Change in inventories to production, finished gods and work in progress		2,5	-5,8	4,3	5,9
Other operating income	6	62,8	2,2	7,0	0,2
Total revenue		**1 271,7**	**981,0**	**342,6**	**243,9**
Operating costs					
Raw material and supplies		-713,9	-589,8	-190,1	-141,8
Other external costs		-163,6	-134,3	-46,1	-36,7
Personnel costs		-296,8	-244,7	-87,3	-67,3
Depreciation		-39,5	-33,5	-14,2	-9,2
Other operating costs		-6,8	-2,0	-2,5	-1,7
Total operating costs		**-1 220,6**	**-1 004,3**	**-340,2**	**-256,7**
EBIT	**5**	**51,1**	**-23,3**	**2,4**	**-12,9**
Result from financial items					
Financial income		0,1	3,0	0,0	0,1
Financial costs		-17,2	-16,6	-2,6	-5,2
Financial items - net	**7**	**-17,1**	**-13,6**	**-2,6**	**-5,1**
Result before taxes		**34,0**	**-36,9**	**-0,2**	**-18,0**
Income taxes		3,5	3,3	3,9	4,5
Result after taxes		**37,5**	**-33,6**	**3,7**	**-13,5**
Other comprehensive income					
Poster som senare kan återföras i resultaträkningen					
Currency differences		-11,2	**6,9**	-10,1	3,6
Other comprehensive income		**-11,2**	**6,9**	**-10,1**	**3,6**
Total comprehensive income		**26,3**	**-26,7**	**-6,4**	**-9,9**

Total comprehensive income is fully related to parent companys shareholders.

Result per share, calculated on result relating to parent companys shareholders during the period (expressed in Swedish kronor per share).

	Jan - dec 2015	Jan - dec 2014	Oct - dec 2015	Oct - dec 2014
Result per share before dilution	3,18	-4,62	0,18	-1,75
Result per share after dilution	3,17	-4,62	0,18	-1,75
Weighted average number of shares	11 810 193	7 273 127	20 369 876	7 726 475
Adjustment for calculation of result per share after dilution:				
Convertibles	29 809	-	119 237	-
Weighted average number of shares after dilution	11 840 002	7 273 127	20 489 113	7 726 475

Calculated based on the number of shares, adjusted for holdings of treasury shares and a recalculated historical number of shares due to the rights issue element of the rights issue.

CONSOLIDATED BALANCE SHEET

Amount in SEK m	Note	2015-12-31	2014-12-31
ASSETS			
Fixed assets			
Intangible assets			
Goodwill		141,4	144,8
Other intangible assets		0,3	0,7
Sum intangible assets		**141,7**	**145,5**
Tangible assets		**253,0**	**129,1**
Financial assets			
Other securities held as fixed assets		0,4	0,2
Deferred tax assets		17,0	13,3
Sum fixed assets		**17,4**	**13,5**
Current assets			
Inventory		239,3	202,3
Accounts receivables		51,7	38,7
Other current assets		15,0	7,5
Prepaid expenses and accrued income		9,4	9,6
Cash and bank		48,8	31,8
Sum current assets		**364,2**	**289,9**
SUM ASSETS		**776,3**	**578,0**

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CONSOLIDATED BALANCE SHEET, cont.

Amounts in SEK m	Note	2015-12-31	2014-12-31
EQUITY			
Equity related to parent companys shareholders		**254,1**	**146,3**
LIABILITIES			
Long term liabilities			
Liabilities to credit institutes	4	98,0	22,0
Other long term interest bearing liabilities		21,8	32,3
Convertible loan		12,8	-
Long term non interest bearing liabilities		6,9	7,3
Sum long term liabilities		**139,5**	**61,6**
Short term liabilities			
Bank overdraft	4	66,3	71,1
Liabilities to credit institutes		54,8	53,5
Convertible loan		4,5	9,0
Other interest bearing liabilities		34,8	29,8
Accounts payable		147,4	138,6
Other short term liabilities		22,5	21,6
Accrued expenses and deferred income		52,4	46,5
Sum short term liabilities		**382,7**	**370,1**
SUM EQUITY AND LIABILITIES		**776,3**	**578,0**
Equity per share at the end of the period		12,31	18,46
Number of shares at the end of the period		20 642 179	7 926 919

Calculated based on the number of shares, adjusted for holdings of treasury shares and a recalculated historical number of shares due to the rights issue element of the rights issue.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEKm

	Share capital	Other contributions received	Provisions	Profit brought forward including profit for the year	Total equity
Opening balance per 1 January 2015	**0,7**	**218,1**	**7,9**	**-80,4**	**146,3**
Net profit for the period				37,5	37,5
Other comprehensive income					
Exchange-rate difference			-11,2		-11,2
Total comprehensive income			**-11,2**	**37,5**	**26,3**
Employee stock options		0,6			0,6
New issue	1,3	80,5			81,8
Issuance costs		-6,7			-6,7
Holding of treasury shares, settlement				3,5	3,5
Convertible debenture loan		2,3			2,3
Total contribution from and value transfers to shareholders, recognised directly in shareholders' equity	**1,3**	**76,7**	**-**	**3,5**	**81,5**
Closing balance per 31 December 2015	**2,0**	**294,8**	**-3,3**	**-39,4**	**254,1**
Opening balance per 1 January 2014	**0,6**	**185,6**	**1,0**	**-34,8**	**152,4**
Net profit for the period				-33,6	-33,6
Other comprehensive income					
Exchange-rate difference			6,9		6,9
Total comprehensive income			**6,9**	**-33,6**	**-26,7**
Employee stock options		0,3			0,3
New issue	0,1	26,4			26,5
Issuance costs		-2,6			-2,6
Non-cash issue		8,4			8,4
Holding of treasury shares in subsidiaries				-12,0	-12,0
Total contribution from and value transfers to shareholders, recognised directly in shareholders' equity	**0,1**	**32,5**	**-**	**-12,0**	**20,6**
Closing balance per 31 December 2014	**0,7**	**218,1**	**7,9**	**-80,4**	**146,3**

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

Amounts in SEKm	**Jan - dec 2015**	**Jan - dec 2014**	**Oct - dec 2015**	**Oct - dec 2014**
Cash flow from operating activities				
Profit/loss after financial items	34,0	-36,9	-0,2	-18,0
Depreciation/Amortisation	39,5	33,5	14,2	9,2
Other non-cash items	-55,2	-1,2	-1,6	0,9
Income taxes paid	-3,5	-2,0	-1,5	3,2
Cash flow from operating activities before changes in working capital	**14,8**	**-6,6**	**10,9**	**-4,7**
Total change in working capital	**-9,8**	**29,6**	**4,7**	**17,3**
Cash flow from operating activities	**5,0**	**23,0**	**15,6**	**12,6**
Cash flow from investing activities				
Company acquisitions	-36,8	-15,7	0,0	-6,7
Investments in fixed assets	-9,3	-24,0	-4,8	-6,0
Cash flow from investing activities	**-46,1**	**-39,7**	**-4,8**	**-12,7**
Cash flow from financing activities				
New issue	62,7	24,0	0,0	0,0
Change in loans	-4,5	-0,3	5,0	18,0
Cash flow from financing activities	**58,2**	**23,7**	**5,0**	**18,0**
Decrease/increase in cash and cash equivalents	**17,1**	**7,0**	**15,8**	**17,9**
Cash and cash equivalents on the opening date	31,8	25,5	32,7	14,8
Exchange-rate differences in cash and cash equivalents	-0,1	-0,7	0,3	-0,9
Cash and cash equivalents at the end of the period	**48,8**	**31,8**	**48,8**	**31,8**

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CONDENSED INCOME STATEMENT, PARENT COMPANY

Amounts in SEKm	Jan - dec 2015	Jan - dec 2014	Oct - dec 2015	Oct - dec 2014
Operating revenue	**3,0**	**3,4**	**-4,3**	**-1,9**
Operating expenses	**-10,6**	**-8,7**	**-2,9**	**-1,4**
Operating profit/loss	**-7,6**	**-5,3**	**-7,2**	**-3,3**
Profit/loss from financial items				
Profit from participations in Group	-63,5	-0,7	-60,6	-0,7
Impairment loss on receivables classified as non-current assets	0,0	-18,0	0,0	-18,0
Other interest income and similar profit/loss items	3,7	8,2	0,0	1,5
Interest expenses and similar items	-2,9	-0,8	-0,6	-0,3
Total profit/loss from financial items	**-62,7**	**-11,3**	**-61,2**	**-17,5**
Profit/loss after financial items	**-70,3**	**-16,6**	**-68,4**	**-20,8**
Appropriations	0,0	-2,0	0,0	-2,0
Profit/loss before tax	**-70,3**	**-18,6**	**-68,4**	**-22,8**
Tax on net profit/loss for the period	3,5	-	3,5	-
Net profit/loss for the period	**-66,8**	**-18,6**	**-64,9**	**-22,8**

Profit/loss from participations in Group companies pertains to impairment loss on shareholder contributions granted. Other interest income and similar profit/loss items include interest income from Group companies of SEK 3.7m (4.2). To cover impairment losses on receivables, capital contributions of SEK 18.0m have been provided, while a reversal of previous impairment losses of SEK 18.0m has been recognised.

Since there are no items in the Parent Company that are recognised in comprehensive income, total comprehensive income matches profit/loss for the period.

CONDENSED BALANCE SHEET, PARENT COMPANY

Amounts in SEKm	Not	2015-12-31	2014-12-31
ASSETS			
Fixed assets			
Financial non-current assets		**258,2**	**231,9**
Total non-current assets		**258,2**	**231,9**
Current assets			
Current receivables		1,5	2,7
Cash and cash equivalents		1,0	0,0
Total current assets		**2,5**	**2,7**
TOTAL ASSETS		**260,7**	**234,6**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity		**213,7**	**202,9**
Provisions		**2,6**	**8,1**
Non-current liabilities		**16,0**	**8,7**
Current liabilities		**28,4**	**14,9**
TOTAL EQUITY AND LIABILITIES		**260,7**	**234,6**

NOTES

NOTE 1 General information

All amounts are stated in SEK millions (SEKm) unless otherwise indicated. Figures in parentheses pertain to the corresponding year-earlier period.

NOTE 2 Basis for preparation of the report

HANZA Holding AB (publ) applies the International Financial Reporting Standards (IFRS) adopted by the EU. This year-end report has been prepared in compliance with IAS 34 Interim Reporting. The year-end report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act and RFR 2, Accounting for legal entities. The year-end report should be read together with the Annual Report for the financial year that ended on 31 December 2014.

NOTE 3 Accounting policies

The accounting policies comply with the policies applied in the preceding financial year.

NOTE 4 Financial instruments – Fair value of financial liabilities measured at amortised cost

The Group's borrowing comprises a large number of contracts entered into at various times and subject to various terms. Most of the loans are subject to variable interest rates. Against this background, the recognised amounts may be considered a fair approximation fair value.

Because the discounting effect is not material, the fair value of short-term loans corresponds to their carrying amounts.

NOTE 5 Segment information

Revenues

Inter-segment sales take place on commercial terms.

Amounts in SEK m	Jan – dec 2015			Jan – dec 2014		
	Business area net sales	Less net sales between business areas	Net sales external customers	Business area net sales	Less net sales between business areas	Net sales external customers
Mekanik	721,8	-14,2	707,6	582,1	-7,6	574,5
Elektronik	530,8	-32,7	498,1	437,9	-27,8	410,1
Affärsutveckling	0,8	-	0,8	-	-	-
Sum	**1 253,4**	**-46,9**	**1 206,4**	**1 020,0**	**-35,4**	**984,6**

	Oct – dec 2015			Oct - dec 2014		
	Business area net sales	Less net sales between business areas	Net sales external customers	Business area net sales	Less net sales between business areas	Net sales external customers
Mekanik	211,2	-4,8	206,4	133,6	-2,7	130,9
Elektronik	129,6	-5,4	124,2	113,1	-6,2	106,9
Affärsutveckling	0,8	-	0,8	-	-	-
Sum	**341,6**	**-10,2**	**331,3**	**246,7**	**-8,9**	**237,8**

Operating results are reconciled with results before tax in the following manner:

	Jan - dec 2015	Jan - dec 2014	Oct - dec 2015	Oct - dec 2014
Mekanik	-10,3	-12,1	-5,1	-9,6
Elektronik	22,8	6,9	9,4	0,9
Business development	38,6	-18,1	-1,9	-4,2
SUM	**51,1**	**-23,3**	**2,4**	**-12,9**
Financial items - net	-17,1	-13,6	-2,6	-5,1
Result before tax	**34,0**	**-36,9**	**-0,2**	**-18,0**

One time items	Jan - dec 2015	Jan - dec 2014	Oct - dec 2015	Oct - dec 2014
Revenue negative goodwill	47,3	-	-	-
Revaluation additiona purchase price	5,5	-	0,7	-
Transactions expenses Metalliset	-2,4	-	0,0	-
Transactions expenses KA	-	-0,7	-	-0,7
Restructure reserve Sweden & Finland	-10,0	-3,0	-1,6	-3,0
Listing expenses 2014	-	-3,7	-	0,0
SUM	**40,4**	**-7,4**	**-0,9**	**-3,7**
Europe relates to Sweden, Finland, Estonia and Slovakia.				
Adjusted segment				
Mekanik	-5,8	-9,1	-4,0	-6,6
Elektronik	25,6	6,9	10,5	0,9
Summa	**19,8**	**-2,2**	**6,5**	**-5,7**
Business development	-9,1	-13,7	-3,1	-3,5
Summa	**10,7**	**-15,9**	**3,4**	**-9,2**
One time items	40,4	-7,4	-0,9	-3,7
EBIT	**51,1**	**-23,3**	**2,4**	**-12,9**
Financial items - net	-17,1	-13,6	-2,6	-5,1
Result before tax	**34,0**	**-36,9**	**-0,2**	**-18,0**

NOTE 6 Other operating income

Amounts in SEK m	Jan – dec 2015	Jan – dec 2014	Oct – dec 2015	Oct – dec 2014
Revenue negative goodwill	47,3	-	-	-
Revaluation additional consideratior	5,5	-	0,7	-
Other items	10,0	2,2	6,3	0,2
Sum	**62,8**	**2,2**	**7,0**	**0,2**

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NOTE 7 **Financial income and expenses – Net financial items**

Financial income	**Jan - dec 2015**	**Jan - dec 2014**	**Oct - dec 2015**	**Oct - dec 2014**
Interest income	0,1	0,1	0,0	0,1
Capital gain convertible	-	2,9	-	0,0
	0,1	3,0	0,0	0,1
Financial cost				
Interest costs	-17,0	-13,8	-4,6	-2,8
Other financial items	-0,2	-2,8	2,0	-2,4
	-17,2	-16,6	-2,6	-5,2
Sum financial items - net	**-17,1**	**-13,6**	**-2,6**	**-5,1**

Not 8 **Company acquisitions**

Hanza Holding AB acquired 100% of Metalliset Group Oy on 1 September 2015.

Since the purchase consideration was less than the equity of Metalliset, the transaction gave rise to negative goodwill. After the negative goodwill had been established, a review and assessment was conducted to determine that all acquired assets and all assumed liabilities had been correctly identified. No intangible assets were identified. Due to the above, the negative goodwill has been recognised as revenue.

In connection with issuing the interim report for 1 January – 30 September 2015, HANZA established a preliminary acquisition analysis, based on Metalliset's balance sheet on the day of taking possession, 1 September 2015. Based on the acquisition analysis, negative goodwill of SEK 50.2m was identified. At the date of issue of this year-end report, the preliminary acquisition analysis has been adjusted. In part, inventories of SEK 11.4m have been categorised as machinery and equipment, and SEK 7.6m of this amount has been impaired. At the same time, the assessment is that no additional purchase consideration will be paid, which means that the previous liability of SEK 4.5m for an additional purchase consideration has been de-recognised. These changes in the acquisition balance result in a net change of SEK 2.9m in the recognised operating revenue, which now amounts to SEK 47.3m.

Metalliset Group, based in Heinävesi, Finland, and with subsidiaries in Estonia, Czech Republic and China, had sales of approximately SEK 375m in 2014 resulting in profit before depreciation of just over SEK 45m. The purchase consideration on the takeover date consisted of cash, HANZA shares and an additional purchase price (however, the additional purchase price will now be de-recognised). In September 2015, Metalliset Group's sales slightly exceeded SEK 31m, generating operating profit of approximately SEK 1.9m and, during the fourth quarter, sales slightly amounted to SEK 76.5m, resulting in an operating result of SEK -0.6m.

The table below summarises the purchase consideration for Metalliset Group and the fair value of acquired assets and liabilities recognised on the acquisition date.

PRELIMINARY AQUISITION ANALYSIS

Purchase price	**SEK m**
Cash	47,5
Debt to sellers settled with shares in Hanza Holding AB	18,6
Summa köpeskilling	**66,1**
Recognised amounts of identifiable acquired assets and liabilities	
Tangible fixed assets	154,3
Financial fixed assets	0,3
Inventories	47,7
Trade and other receivables	28,4
Cash and cash equivalents	10,7
Accounts payable and other liabilities	-42,5
Borrowing	-85,5
Total identifiable net assets	**113,4**
Negative goodwill	**-47,3**
Total input net assets	**66,1**

In the consolidated income statement for the 2015 financial year, other external costs include acquisition-related costs of SEK 2.4m.

If Metalliset Group Oy had been consolidated from 1 January 2015, the consolidated income statement would have shown net sales of SEK 1,430m.

NOTE 9 Events after the balance-sheet date

- In January, HANZA entered into an agreement to sell its property in Töreboda. During 2015, the previous operations conducted in Töreboda were transferred to HANZA's factories in Årjäng, Sweden, and Tartu, Estonia. This coordination was in line with HANZA's consolidation strategy of creating manufacturing clusters, so that it can provide the company's customers with comprehensive production offerings.
- HANZA merged two production units in Estonia in February, thus taking another step in the company's strategy of creating modern and efficient manufacturing clusters.

KEY FINANCIAL RATIOS

	Jan - dec 2015	Jan - dec 2014	Jan - dec 2013
EBITDA %	7,5%	1,0%	2,6%
Operating margin (%)	4,2%	-2,4%	-0,5%
Operative adjusted EBIT, SEKm	12,5	-5,2	9,6
Operative adjusted EBIT, %	1,0%	-0,5%	0,9%
Operating capital, SEKm	498,3	332,2	305,6
Return on operating capital, %	3,0%	-1,6%	9,5%
Capital turnover rate on operating capital, times	2,9	3,1	3,3
Interest-bearing liabilities, SEKm	293,0	217,7	178,7
Net debt/equity ratio	1,0	1,3	1,0
Equity ratio, %	32,7%	25,3%	29,4%
Average no. of employees	1 169	983	949

DATES FOR FORTHCOMING FINANCIAL INFORMATION

Interim report for the period January-March 2016: 10 May 2016
Interim report for the period January-June 2016: 25 August 2016
Interim report for the period January-September 2016: 31 October 2016

The Annual Report for 2015 will be available on the company's website as of 19 April 2016.
The AGM will be held on 10 May 2016.

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DEFINITIONS

Unless otherwise stated in this year-end report, the definitions refer to the Group. Figures in parentheses pertain to the outcome for the corresponding period in 2014.

EBITDA (Earnings before interest, taxes, depreciation and amortisation) is profit/loss before interest, taxes and depreciation and amortisation of tangible and intangible items

EBIT (Earnings before interest and taxes) is profit/loss before interest and taxes

EBIT margin is EBIT divided by net sales

Business development costs include non-recurring costs for developing the business model and the organisation, such as listing costs, costs of transition to IFRS, the discontinuation of unprofitable factories on acquisition and acquisition costs in the form of due diligence

Operating profit (operating EBIT) is operating profit/loss before business development costs

Adjusted operating EBIT is operating EBIT before business development costs

Adjusted operating EBIT% is adjusted operating EBIT divided by net sales

Operating capital is total assets less cash, financial assets and non-interest bearing liabilities

Return on operating capital is operating profit divided by average operating capital

Capital turnover on average operating capital, times is net sales divided by average operating capital

Net debt/equity ratio is net debt divided by equity, where net debt is defined as interest-bearing liabilities less cash and cash equivalents plus short-term investments

Equity ratio is equity divided by total assets

ABOUT HANZA

HANZA is a fast-growing industrial business partner in manufacturing. The company creates increased growth and profitability for customers by providing complete manufacturing solutions involving mechanics, electronics, cabling and final assembly. HANZA was founded in 2008 and has rapidly grown into a billion kronor company. The company has operations in Sweden, Finland, Estonia, Poland, Czech Republic and China. HANZA's customers include leading companies such as ABB, Atlas Copco, Ericsson, Saab Defence and Siemens.

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