

Reconciliation tables for alternative performance measurements

The alternative performance measurements below have been used in HANZA's interim reports

Gross margin

The measurement is considered relevant to give a picture of HANZA's contribution to the operations after material costs.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Net sales, SEK millions	438.6	508.0	431.2	432.8
- Change in inventories in production, finished goods and work in progress on behalf of others, SEK millions	21.5	-14.5	-8.5	-8.1
- Raw materials and consumables, SEK millions	-259.3	-269.4	-229.5	-237.9
= Gross profit, SEK millions	200.8	224.1	193.2	186.8
/ Net sales, SEK millions	438.6	508.0	431.2	432.8
= Gross margin, %	45.8%	44.1%	44.8%	43.2%

Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
- Change in inventories in production, finished goods and work in progress on behalf of others, SEK millions	21.5	7.0	-1.5	-9.6
- Raw materials and consumables, SEK millions	-259.3	-528.7	-758.2	-996.1
= Gross profit, SEK millions	200.8	424.9	618.1	804.9
/ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
= Gross margin, %	45.8%	44.9%	44.9%	44.5%

EBITDA och EBITDA-margin

The measurements are considered relevant to give a picture of HANZA's operational profitability before depreciations, amortizations and write-downs.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	21.7	17.1	-3.1
+ Depreciations, amortizations and write-downs, SEK millions	13.6	15.4	15.3	14.8
= EBITDA, SEK millions	32.0	37.1	32.4	11.7
/ Net sales, SEK millions	438.6	508.0	431.2	432.8
= EBITDA-margin, %	7.3%	7.3%	7.5%	2.7%

Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	40.1	57.2	54.1
+ Depreciations, amortizations and write-downs, SEK millions	13.6	29.0	44.3	59.1
= EBITDA, SEK millions	32.0	69.1	101.5	113.2
/ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
= EBITDA-margin, %	7.3%	7.3%	7.4%	6.3%

EBITA och EBITA-margin

The measurements are considered relevant to give a picture of HANZA's operational profitability before amortizations and write-downs of intangible assets, which primarily are intangible assets identified in acquisition analysis.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	21.7	17.1	-3.1
+ Amortizations and write-downs of intangible assets, SEK millions	1.3	1.9	2.0	2.0
= EBITA, SEK millions	19.7	23.6	19.1	-1.1
/ Net sales, SEK millions	438.6	508.0	431.2	432.8
= EBITA-margin, %	4.5%	4.6%	4.4%	-0.3%

Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	40.1	57.2	54.1
+ Amortizations and write-downs of intangible assets, SEK millions	1.3	3.2	5.2	7.2
= EBITA, SEK millions	19.7	43.3	62.4	61.3
/ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
= EBITA-margin, %	4.5%	4.6%	4.5%	3.4%

Operating margin (EBIT-margin)

The measurements are considered relevant to give a picture of HANZA's long-term operational profitability.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Operating profit, SEK millions	18.4	21.7	17.1	-3.1
/ Net sales, SEK millions	438.6	508.0	431.2	432.8
= Operating profit (EBIT-margin), %	4.2%	4.3%	4.0%	-0.7%

Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Operating profit, SEK millions	18.4	40.1	57.2	54.1
/ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
= Operating profit (EBIT-margin), %	4.2%	4.2%	4.2%	3.0%

Operating profit from operational segments (Operational EBIT), EBITA and EBITA margin

The measurements are considered relevant to give a picture of HANZA's long-term operational profitability.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	21.7	17.1	-3.1
+ Business development costs (Business development segments EBIT), SEK million	2.8	2.0	2.8	2.4
= Operating profit from operational segments (Operational EBIT), SEK millions	21.2	23.7	19.9	-0.7
+ Amortizations and write-downs of intangible assets, SEK millions	1.3	1.9	2.0	2.0
= Operational segmentens EBITA, SEK millions	22.5	25.6	21.9	1.3
/ Net sales, SEK millions	438.6	508.0	431.2	432.8
= Operational EBITA margin, %	5.1%	5.0%	5.1%	0.3%
Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Operating profit (EBIT), SEK millions	18.4	40.1	57.2	54.1
+ Business development costs (Business development segments EBIT), SEK million	2.8	4.8	7.6	10
= Operating profit from operational segments (Operational EBIT), SEK millions	21.2	44.9	64.8	64.1
+ Amortizations and write-downs of intangible assets, SEK millions	1.3	3.2	5.2	7.2
= Operational segmentens EBITA, SEK millions	22.5	48.1	70.0	71.3
/ Net sales, SEK millions	438.6	946.6	1 377,8	1 810,6
= Operational EBITA margin, %	5.1%	5.1%	5.1%	3.9%

Business development segment EBITA

The measurement is considered relevant to show the size of HANZA costs that are not connected to the operations.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
Business development segment EBITA (=Business development segment EBIT)	-2.8	-2.0	-2.8	-2.4
Akkumulerade kvartal	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
Business development segment EBITA (=Business development segment EBIT)	-2.8	-4.8	-7.6	-10.0

Operating capital, return on operating capital and capital turnover on operating capital

The measurement are considered relevant to give a picture of capital used in the operations and return on that capital.

Isolated quarters	Jan-Mar 2018	Apr-Jun 2018	Jul-Sep 2018	Oct-Dec 2018
+ Balance sheet total, SEK millions	1,147.9	1,146.5	1,131.2	1,096.1
- Cash and cash equivalents, SEK millions	-39.8	-58.0	-72.1	-77.5
- Financial assets, SEK millions	-	-	-	-
- Non-interest-bearing liabilities, SEK millions	-390.1	-392.6	-360.0	-347.9
= Operating capital, SEK millions	718.0	695.9	699.1	670.7
+ EBITA, SEK millions (se above)	19.7	23.6	19.1	-1.1
/ Average operating capital, SEK millions	584.7	707.0	697.5	684.9
= Return on operating capital, %	3.4%	3.3%	2.7%	-0.2%
+ Net sales, SEK millions	438.6	508.0	431.2	432.8
/ Average operating capital, SEK millions	584.7	707.0	697.5	684.9
= Capital turnover on operating capital, %	0.8	0.7	0.6	0.6

Accumulated values	Jan-Mar 2018	Jan-Jun 2018	Jan-Sep 2018	Jan-Dec 2018
+ Balance sheet total, SEK millions	1,147.9	1,146.5	1,131.2	1,096.1
- Cash and cash equivalents, SEK millions	-39.8	-58.0	-72.1	-77.5
- Financial assets, SEK millions	-	-	-	-
- Non-interest-bearing liabilities, SEK millions	-390.1	-392.6	-360.0	-347.9
= Operating capital, SEK millions	718.0	695.9	699.1	670.7
+ EBITA, SEK millions (se above)	19.7	43.3	62.4	61.3
/ Average operating capital, SEK millions	584.7	573.6	575.2	561.0
= Return on operating capital, %	3.4%	7.5%	10.8%	10.9%
+ Net sales, SEK millions	438.6	946.6	1,377.8	1,810.6
/ Average operating capital, SEK millions	584.7	573.6	575.2	561.0
= Capital turnover on operating capital, %	3.0	3.3	3.2	3.2

Net interest-bearing debt and net debt/equity ratio

The measurements are considered relevant to evaluate the financial risk in HANZA.

	Mar 2018	Jun 2018	Sep 2018	Dec 2018
+ Interest-bearing liabilities, SEK millions	373.1	355.6	365.4	342.2
- Cash and cash equivalents, SEK millions	-39.8	-58.0	-72.1	-77.5
= Net-interest-bearing debt, SEK million	333.3	297.6	293.3	264.7
/ Shareholders equity, SEK millions	388.9	402.6	410.2	410.5
= Net debt/equity ratio, times	0.9	0.7	0.7	0.6

Operational net debt

The measurements are considered relevant to increase comparability with periods before adaption of IFRS 16 and completed acquisitions.

	Mar 2018	Jun 2018	Sep 2018	Dec 2018
+ Net-interest-bearing debt, SEK million (see above)	333.3	297.6	293.3	264.7
- Provisions for post-employment benefit	-4.2	-4.3	-4.4	-4.5
- Lease liabilities related to buildings and premises	-	-	-	-
Operational net debt	329.1	293.3	288.9	260.2

Equity ratio

The measurement is considered relevant to, over time, give a picture of the portion of the total capital used which comes from shareholders equity and external financing respectively. This makes it possible for investors to evaluate HANZA's long-term financial stability.

	Mar 2018	Jun 2018	Sep 2018	Dec 2018
+ Shareholders equity, SEK millions	388.9	402.6	410.2	410.5
/ Balance sheet total, SEK millions	1,147.9	1,146.5	1,131.2	1,096.1
= Equity ratio, %	33.9%	35.1%	36.3%	37.5%

Equity per share

The measurement is considered relevant to show the net worth per share.

	Mar 2018	Jun 2018	Sep 2018	Dec 2018
+ Shareholders equity, SEK millions	388.9	402.6	410.2	410.5
- Paid but not yet registred equity, SEK millions				-1.2
/ Number of shares outstanding on the balance sheet date	29 021 208	29 021 208	29 021 208	29 869 718
Equity per share, SEK million	13.40	13.87	14.13	13.70