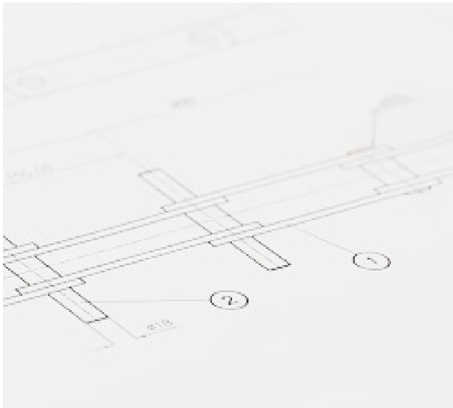
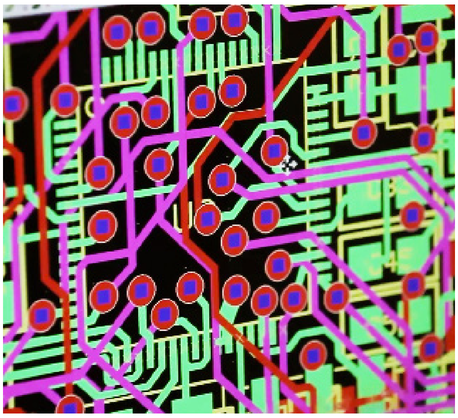
ADDTECH



VALUE ADDING
TECH PROVIDER



6,776 MILLION
IN NET SALES

GLOBAL
NETWORK

ANNUAL REPORT 2014/2015

THE YEAR IN BRIEF

Technology trading under many brands

Addtech is a technology trading group that provides both technological and economic value added in the link between manufacturers and customers. The Group operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and public sector.

Strong corporate culture

Addtech's operating companies aim to be market leaders in their niches. Cohesion between the companies is formed through the corporate culture, in which business skills and technical expertise are crucial, and in which the flexibility, personality and efficiency of a small company are teamed with the broad networks, resources and financial strength of the Group.

The northern european market

The emphasis of the business is in the Nordics, but in recent years the markets outside the Nordic countries have grown well and increased in significance. Besides having its own operations in 14 countries outside the Nordic region, Addtech also exports to a further 20 countries.

Listed on OMX Stockholm since 2001

The Group has more than 2,200 employees in about 140 subsidiaries, which operates under their own brands and achieves annual sales of over SEK 6.8 billion. The Addtech shares are listed on Nasdaq OMX Stockholm.

CONTENT

The year in brief

STABLE GROWTH AND STRONG CASH FLOW

For the 2014/2015 financial year the Group is reporting growth in both sales and profit, which is attributable mainly to previously implemented acquisitions. Business gradually improved during the year, but demand continues to vary between product segments, customer segments, geographic areas and companies. During the financial year, the Group completed nine acquisitions, adding annual sales of about SEK 540 million. Cash Flow from operations amounted to SEK 557 million.

Q1 BUSINESS WAS STABLE

During the first quarter business was relatively stable on the whole, but the market variations in terms of geography, customer segments and product segments prevail. Two acquisitions were implemented in the quarter.

Q2 IMPROVED DEMAND

Demand improved somewhat during the second quarter, above all for Components and Energy, despite the lack of change in the total market situation. Six acquisitions were implemented in the quarter.

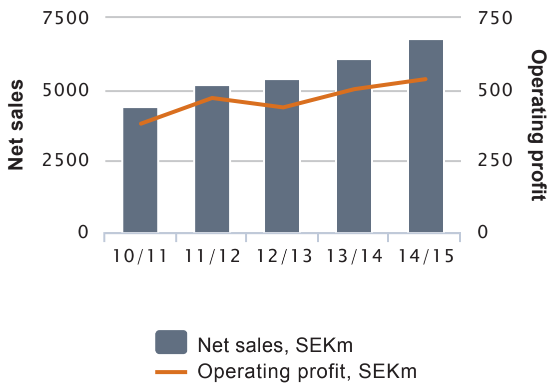
Q3 GOOD ORGANIC GROWTH

In the third quarter all business areas displayed good organic growth and, with contributions from implemented acquisitions, both sales and profit rose. Business improved somewhat further in Sweden and Denmark.

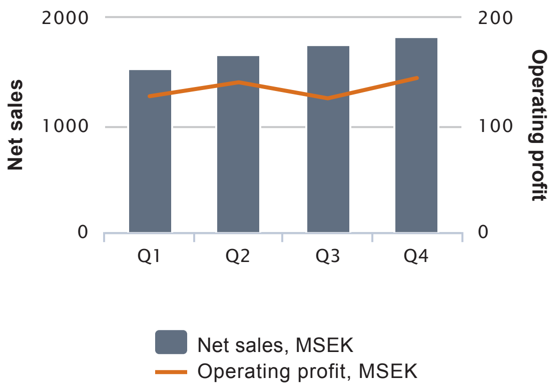
Q4 STRONG CASH FLOW

Business continued to flourish for all business areas in the final quarter of the year. Life Science was affected by low profitability in certain projects in Process Technology. Cash flow from operations was strong.

Net sales and operating profit, year



Net sales and operating profit, quarter



	2014/2015	2013/2014	Change, %
Net sales, SEKm	6,776	6,089	11
Operating profit, SEKm	536	501	7
Cash flow from operations, SEKm	557	479	16
Return on working capital (P/WC), %	44	47	-3
Earnings per share, SEK	5.90	5.50	7
Shareholders' equity per share, SEK	22.60	20.10	12
Return on equity, %	28	30	-2
Average number of employees	2,224	2,100	6

For definitions, see page 107.

INTERNATIONAL AND NICHE TECHNOLOGY TRADING

Addtech operates in the international technology trading market as a cooperation partner in the supply chain between manufacturers and customers. The Group focuses on selected niches and provides both technological and economic value added. The business is based on a large number of agency companies, in which Addtech is responsible for selling a certain supplier's products to one or more markets.

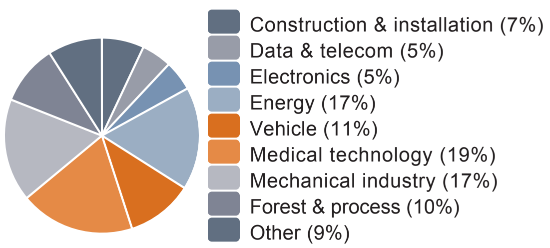
Addtech's customers comprise industrial companies or technology-intensive service companies in the private and public sectors. The operational focus is on the Nordic region, although markets outside the Nordic countries have also grown in importance in recent years. Besides having its own operations in 14 countries outside the Nordics, Addtech also exports to a further 20 countries.

TECHNOLOGY TRADING UNDER MANY BRANDS

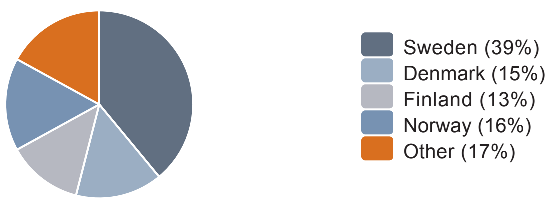
The business comprises about 140 independent companies that operate within separate, yet carefully selected, niches in the market for high-tech products and solutions. Addtech's success is based on the subsidiaries being key partners of both suppliers and customers, and that they provide technological and economic value added in various ways.

The Group has more than 2,200 employees and achieves annual sales of over SEK 6.8 billion to more than 30 countries.

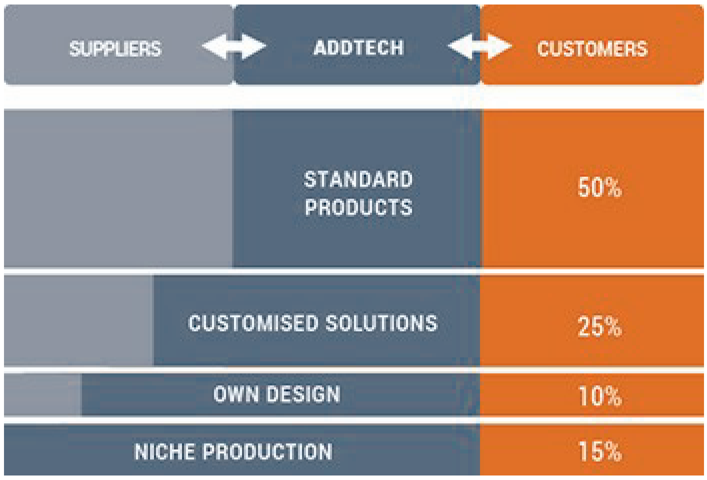
Sales by customer segment



Sales by geographic market



HALF STANDARD, HALF SPECIAL



About half of sales are generated from standard products and half from specially adapted products. The Group's subsidiaries have worked for decades with several world-leading customers such as ABB, Ericsson, Siemens, Novo Nordisk, Sandvik, Tetra Pak and Volvo. Cooperation with these customers requires high levels of innovation and technical expertise, which are two key characteristics of the Addtech Group's sales representatives. Equally important success factors are Addtech's long-standing relationships with market-leading, innovative suppliers who are ultimately guarantee delivery reliability, technological development and quality.

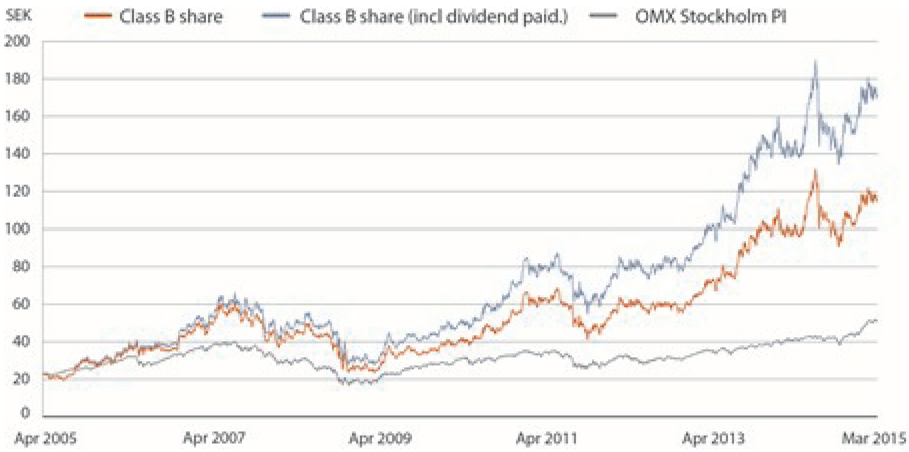
HISTORICALLY HIGH RETURN AND EXTENSIVE RISK DIVERSIFICATION

Half of an investment in Addtech comprises an investment in Northern European industry, and the other half constitutes an investment in the Nordic public sector and infrastructure.

Owning shares in Addtech means ownership in about 140 entrepreneur-driven companies with operations spanning a wide variety of technological fields and market segments. Addtech's shareholder value is driven by:

- 140 subsidiaries' ability to generate profit growth,
- Corporate governance that drives the subsidiaries to achieve even better results,
- Acquisitions that bring new employees, customers and suppliers to Addtech.

Since the Addtech share was listed in 2001 it has increased by 747 percent.



Comments by the President and CEO

ADVANCED MARKET POSITIONS

Our long-term creation of a leading technology trading group has produced results. Market positions have been moved forward in selected niches and we have gained market share with sound profitability in a challenging environment.

The financial year offered a mixed market trend seeing as certain segments and geographic markets grew robustly, while others faced more of a headwind. Overall, the market conditions have not been optimal even though our business situation was strengthened, above all in Sweden and Denmark compared to the preceding year.

Addtech is a group of approximately 140 companies that are focused on niches of various products and markets. Our business model creates good risk diversification, which is a major strength, while also giving our subsidiaries the opportunity to develop their offer within their niches. Our subsidiaries are relatively independent and are run under the motto of freedom with responsibility. As a result, they are agile and accustomed to continuously managing changed market conditions. Our subsidiaries excel at accelerating and braking at the same time that they create demand for our products and solutions through their long-term hard work.

GOOD AVERAGE VALUE GROWTH

Since its listing in 2001, Addtech has developed well, increasing its sales about threefold and its profit more than sixfold. For shareholders this has led to average share value growth, including dividends, of about 19 percent per year. One central success factor is our focus on striving to attain strong cash flows in our companies. The money earned is invested in expansion of existing operations and in acquisitions of new complementary companies, which in turn contribute to future profit and cash flow and dividends to shareholders.

> **"We create demand through long-term hard work"**

A prerequisite for our positive trend is that, through our strategic decisions at subsidiary and Group levels, we have invested in product areas and customer areas that have thrived. We took a major step in 2008 when the Group organised its subsidiaries into business units. Our goal was to position ourselves in a number of carefully selected product or market areas that were judged to have particularly favourable development opportunities. The strategy has resulted in the acquisition of about 50 companies, which have all contributed to reinforcing our market position in these areas. With our current subsidiaries as a basis, we have good opportunities of further boosting our business by developing our cooperation within and between business units. This may concern cooperation regarding customers, suppliers, product knowledge and application knowledge that creates competitive advantages for each subsidiary.

FOUR BUSINESS AREAS BECOME FIVE

Our business growth and focus on selected market areas have led to greater affinity between various operations. Prior to the new financial year we decided to further streamline the Group and turn four business areas into five. In other words, we are continuing to apply our success strategy of active ownership through operating mobility. The aim of the organisational change is to encourage growth and increase profitability in the companies. By streamlining Life Science we can enable a separate listing on NASDAQ OMX and payment of dividends from the operation to Addtech shareholders. We are also creating a new exciting business area: Power Solutions. The Industrial Solutions business area is being renamed Industrial Process to highlight a strategic focus on industrial processes in conjunction with this business area gaining the Process Technology business unit, which was previously part of Life Science. This change deepens our focus on our market segments, which also creates suitable conditions for further value-adding acquisitions.

STRATEGIC ACQUISITIONS

All our acquisitions have a strategic perspective. In relation to our size we generally make small acquisitions, which both limits risk and speeds up the integration of the acquired companies so that they adopt our corporate philosophy and corporate governance. Acquisitions are a key part of our operations and a necessity for achieving our average profit growth target of 15 percent. We always have several acquisition candidates in the pipeline, and in this past year we made nine acquisitions with total annual sales of about SEK 540 million. The acquisitions took place at the start of the year and the integration of our new companies has gone well.

At the time of writing, two months into the new financial year, we were able to announce our acquisition of Mediplast, which brings its 120 employees and sales of about SEK 465 million to Addtech. Mediplast complements the Life Science business area and forms the foundation of the new Medical Technology business unit. For several years we have worked on making Life Science a robust and independent business area with a critical size and level of profitability suited to a listed company. And we are truly proud to now be able to proceed in preparing payment of dividend from the operation to Addtech shareholders and a separate listing on Nasdaq OMX Stockholm.

> **"All our acquisitions have a strategic perspective."**

SUSTAINABLE VALUE-ADDING TECHNOLOGY TRADING

Our vision of being the leading value-adding tech provider also involves considerable responsibility for sustainability. In the same way that we work with a long-term approach to developing our business, we also work on our focus regarding sustainability. Development takes place continuously in small steps and takes account of the subsidiaries' capacity and resources. The goal of our sustainability work is that it will develop us so that we become even stronger in our markets. To us, sustainability means working with development issues concerning employees, suppliers and the environment.

In terms of our employees, we have identified several areas for development. Like many others, we have potential for improvement, mainly in age and gender distribution, diversity and career advancement. The introduction of structured employee surveys and performance appraisals with employees in recent years has helped the Group, our companies and their leaders to evolve and become more proficient at harnessing the enthusiasm of our employees.

Addtech has long-standing and close relationships with its suppliers, and sustainability work has always been conducted at subsidiary level based on market requirements and environmental consideration. This year Addtech has introduced a structured dialogue and analysis process, in which the Group's 30 largest suppliers and those in risk areas have been initially selected. The aim of the survey is to give us insights and thereby opportunities to improve.

Now that we have added yet another year to our records, I would like to take this opportunity to thank all our employees for the past year. Your commitment is crucial to Addtech's continuous development and it makes us a world-class technology trading group.

Stockholm, June 2015

Johan Sjö, President and CEO, Addtech AB

This is addtech

PROFIT GROWTH FOR MORE THAN 100 YEARS

Addtech has fundamentally maintained the same business concept for more than 100 years. Its founders, Arvid Bergman and Fritz Beving, started a company with the business concept of importing technical products from Germany to sell to the rapidly expanding Swedish industry.

Addtech's founders became the foreign suppliers' agent in Sweden, which meant that they bought the suppliers' products and then sold them on and provided aftermarket service. Some of the company's first products were automatic weighing scales, water meters, electricity meters, cable and electrical recording instruments (such as ECG instruments).

Today the company's offering is thousands of times broader, and alongside standard products it includes more advanced and specialised products incorporating elements of Addtech's own design, development and manufacture. Addtech, or in actual fact, Addtech's many subsidiaries, are constantly on the look out for new niche products that fit into the business model.

LEADER IN VALUE-ADDING TECHNOLOGY TRADING

Addtech's vision is to be the leading value adding tech provider in Northern Europe. To be the leader means that Addtech must be the best in a number of selected niches. In turn, this means that we are to stand for development and continuity and are to be perceived by our customers, suppliers and employees as the most skilled partner.

Being a value-adding company means that we can always add value to our customers' products and processes through our expertise, understanding and resources.

GROWTH, PROFITABILITY AND DEVELOPMENT

Over time Addtech has established three core requirements that summarise the expectations that customers, suppliers and shareholders have of the operation. Addtech's subsidiaries shall aim to generate growth, achieve profitability and drive development.

Growth is the foundation for long-term profitability and enables the operation to evolve. The profitability target, P/WC of 45 percent, encourages high operating profit and low levels of tied-up capital. When combined with the profit growth target of 15 percent, this creates positive cash flow and enables long-term growth that is financed from within the company.

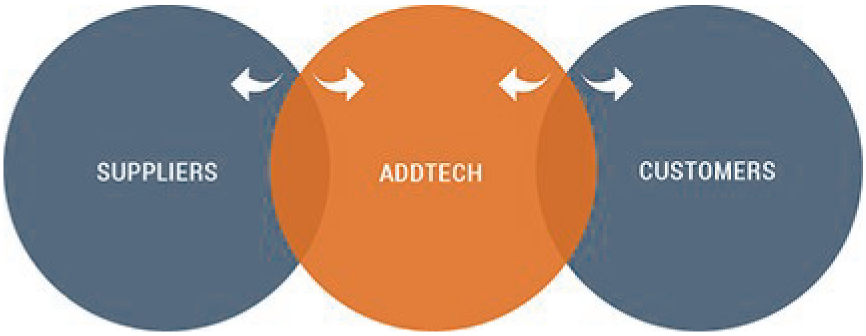
Profitability and growth are not, however, the only factors required for lasting success. To be robust, Addtech, our companies and employees must also be able and dare to develop and change over time, depending on conditions and opportunities. Each subsidiary and employee must actively identify success factors and tackle issues and problematic situations to achieve change and positive development.

Business model and strategies

A LINK BETWEEN CUSTOMERS AND SUPPLIERS

Addtech's business model, or THE MINDSET as it is known in Addtech's world, describes what action Addtech should take to meet core requirements and steer towards our vision. It comprises the business concept, business model, strategies and organisation.

Within the framework of the overall and central business concept there are a number of business concepts that describe the operations and conditions of each subsidiary. The common denominator of the subsidiaries' business concepts is that they work with technology trading in selected niches.



In addition to operations that purely comprise technology trading in standard products, specially tailored solutions and/or sub-systems, Addtech sells products under its own brands and runs some niche production operations. Irrespective of whether the subsidiaries run technology trading or their own production operations, Addtech is a technology partner and specialist that helps its customers find the right supplier and the right technology. Technically complex products require sales representatives with technical expertise and in-depth understanding of customers' business operations.

In order to serve our customers, we have strong suppliers who offer relevant products and systems. We obtain such suppliers by offering them the best market options for their products in our markets. Close cooperation with suppliers enables us to contribute our own expertise in order to tailor suppliers' products and systems to customers' needs.

In simple terms, you could say that we aim to add value to our customers in two ways: either by helping them to manufacture their products more efficiently, or by helping to make their products more competitive.

MARKET-LEADING POSITIONS

The subsidiaries set out to be market leaders and build positions in selected, clearly defined niches with a high knowledge and technology content and where customers demand carefully selected products, solutions and sub-systems often in small and medium-sized volumes. Being market leaders in selected niches is important to give us stable growth and lasting profitability.

OPERATING MOBILITY

Operating mobility is a term that permeates Addtech. As a strategy it means aiming to have extensive freedom to take action quickly. The subsidiaries should be flexible and agile so that they can harness new business opportunities. The growth potential of each subsidiary or product area must be nurtured, which means that constant changes take place within the organisation, in roughly the same way as in a plant nursery. A considerable focus is placed on identifying and nurturing the products and market areas with inherent growth potential.

GROWTH THROUGH ACQUISITIONS

Growth through acquisitions enables the company to expand to new market segments, obtain new agency companies and widen its range of niche products and services. The acquisitions aim to build an industrial company structure in which there is a connection between the various operations.

The added subsidiaries usually continue to operate under their own brands, but are imbued with Addtech's mindset and soul. The strategy has meant that Addtech now comprises a large number of independent subsidiaries, operating in various types of markets and technologies, in which niche technology trading is the common denominator.

Addtech has a well-developed acquisition process that describes how to identify interesting companies and how newly acquired companies are managed following their implemented acquisition.

Organisation

ENTREPRENEURSHIP AND A SMALL-SCALE APPROACH ON A LARGE SCALE

Addtech has more than 140 independent subsidiaries, and efficient decentralised corporate governance constitutes one of the keys to success. Freedom with responsibility is the core principle that applies throughout the organisation. The independence of the subsidiaries is crucial in order to recruit and retain business-driven employees and entrepreneurs. It also means that decisions about the subsidiaries' operations are made close to both customers and the market. Each subsidiary has every opportunity to grow and develop its operations, provided that it follows Addtech's business model and Group-wide rules.

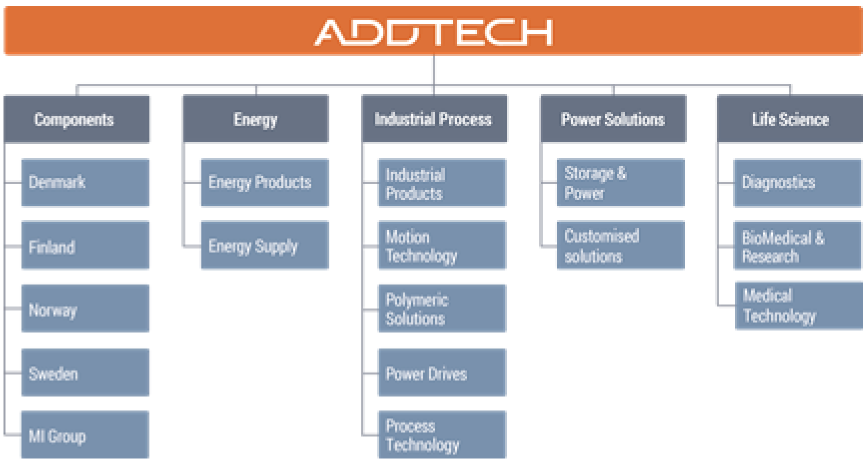
The subsidiaries are relatively small with an average of 20–30 employees per company. Addtech does not control subsidiaries' operations in detail, but is involved through active board work. The Parent Company also provides an array of tools that support efficiency enhancement and profitability optimisation. The tools are available in areas such as law, accounting and finance, training, quality and IT systems as well as in framework agreements (master contracts) for the purchase of services.

NEW ORGANISATION AS OF 1 APRIL 2015

Operating mobility is one of Addtech's overall strategies; it means that the organisation is constantly adapted to goals and strategic priorities. The business units were introduced in 2008 to create an industrial context between the Group's subsidiaries and their market niches. This organisation with the business units enabled key development issues to be pursued, and led to additional and strategically important operations being acquired and the Group strengthening its offering to both customers and suppliers in a number of market segments.

Addtech changed its organisation as of 1 April 2015, thereby taking its next important steps in development towards clearer and even more market-oriented business areas. The reorganisation further streamlines the operations: five somewhat smaller business areas gain clear responsibility, within the framework of Addtech's decentralised governance and business model, to develop their operations in a number of selected market and technology areas.

The aim of the organisational change is to increase the potential for growth and profitability. The new organisation creates a clearer market focus and better conditions for cooperation. It is hoped that our subsidiaries, which often encounter similar challenges, will benefit from each others' networks and experience in order to thereby offer better solutions to customers. We also expect the organisational change to increase the opportunity for strengthened market positions, among other things by forging a path towards more value-adding acquisitions.



FOUR BECOME FIVE

The new organisation involved the creation of a new business area, *Power Solutions*, which takes over the Storage & Power business unit from the Energy business area and the Customised Solutions business unit from the Industrial Solutions business area and a company within the Energy Products business unit. Power Solutions develops, markets and sells components and system solutions that ensure power supply, as well as operation and control of movements and energy flows, such as battery solutions and products used in the interaction between humans and machines. The business area has developed a large range of its own strong brands and has significant R&D expertise as well as niche production.

The remaining parts of the *Energy* business area continue to develop the markets for electricity distribution and transmission, as well as products and solutions in electrical safety, electrical installation, energy efficiency enhancement and connection technology. The business area's market is in an interesting development phase – partly because major investments in infrastructure for power grids and railways are expected. The construction and installation industry is also interesting as there is an ongoing need for new housing.

The Industrial Solutions business area is now called *Industrial Process* and no longer encompasses the Customised Solutions business unit. In return, the business area has taken over the Process Technology business unit from Life Science. The name change marks the shift in focus towards industrial process flows, where Addtech sees major potential in producing solutions and systems that improve the efficiency of industrial processes and flows in all their forms.

The re-organisation means that *Life Science* now focuses entirely on research, health and medical technology. The business area enjoys a strong market position and is the Nordic region's largest independent player in laboratory equipment and diagnostics. Through the acquisition of the Mediplast Group, which was completed on 4 June 2015, the business area gained a leading Nordic supplier of medical technology equipment and consumables. The acquisition is strategically important and forms the foundation of the new Medical Technology business unit. The acquisition also means that Life Science has reached a critical size and level of profitability that makes it suitable to become an independent listed company. In conjunction with the acquisition, the Board of Directors announced that a decision had been made to start preparing for a separate listing on Nasdaq OMX Stockholm. The ambition is to carry out the listing in the first half of 2016.

The Components business area was not affected by this reorganisation and continues to operate as before.

BUSINESS UNITS CREATE SYNERGIES

The main task of the business units will continue to be pursuing development issues in their respective units in order to identify and harness business opportunities in each market segment and promote exchanges between the subsidiaries. The cooperation in the business units creates a natural platform for a broader and more customer-oriented business focus in the subsidiaries.

COMPONENTS

Components markets and sells components and subsystems in mechanics, electromechanics, hydraulics and electronics, as well as automation solutions. Its customers mainly operate in the Nordic manufacturing industry.

Key financial indicators	2014/2015	2013/2014
Net sales, SEKm	1,889	1,587
Operating profit, SEKm	129	93
Operating margin, %	6.9	5.9
Return on working capital, %	36	31
Average number of employees	476	443
Acquired annual sales*	215	55

* Refers to conditions at the time of acquisition on a full-year basis.

MARKET POSITION

The business area holds a strong market position in the Nordics. A solid local base combined with high levels of technical expertise gives the companies competitive advantages in their respective niche markets. Four of the five business units each operate from one of the Nordic countries. Having one country as a basis achieves a better focus on the conditions and opportunities in each geographic market. The fifth business unit MI Group operates in all Nordic countries with a focus on automation and communication solutions.

MARKET

Demand follows developments in the manufacturing industry in the Nordic countries. Competition is tough for standard products in large volumes. In segments with lower volumes the priorities are service, customisation and delivery capacity to a considerable extent. Long-term relationships with leading international suppliers are essential to success and a high priority.

FUTURE PROSPECTS

Sales follow the development seen in Nordic industrial production. There is potential to continue developing cross-selling and other collaborative ventures within the business area. The focus on niches and value-added continues to generate decent margins, and the OEM market creates stable demand throughout the OEM product's lifecycle.

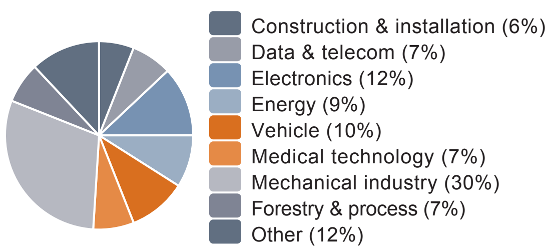
EXAMPLES OF CUSTOMERS

Tetra Pak, Danfoss, Metso och ABB.

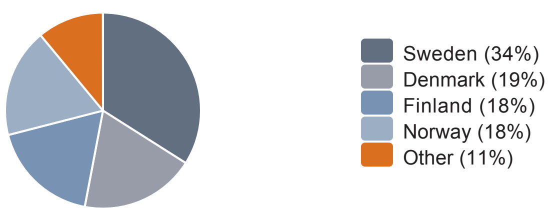
EXAMPLES OF PRODUCTS

Linear units, ball screws, electric motors, switches, sensors and transducers. The hydraulics section, which also includes pneumatics, vacuums and compressed air, sells components and solutions such as valves, pumps, installations and filters. The automation section provides fibre and industrial communication solutions, as well as sensor and vision products.

Components - Customer segment



Components - Geographic market



ENERGY

Energy markets and sells products for the transmission and distribution of electricity and products in electrical safety, electrical installation and connection technology. Its customers mainly operate in the energy and electrical installation market via specifiers and electricity wholesalers.

Key financial indicators	2014/2015	2013/2014
Net sales, SEKm	1,346	1,282
Operating profit, SEKm	114	129
Operating margin, %	8.4	10.1
Return on working capital, %	48	65
Average number of employees	568	512
Acquired annual sales*	250	150

* Refers to conditions at the time of acquisition on a full-year basis.

MARKET POSITION

Energy's companies hold leading market positions in their respective niches in electrical power products and electrical safety. In addition to trading, several companies also manufacture niche products under their own brands.

MARKET

Demand in the energy and electrical installation market is relatively stable, but is adversely affected by low energy prices that curb investments in the sector. However, the business area provides a large proportion of aftermarket services, which are driven by maintenance requirements.

FUTURE PROSPECTS

The energy market is in an interesting development phase – partly as a result of investments in infrastructure for power grids and railways. Above all the Baltic Sea region is an interesting market with growth potential. Countries such as Poland, Estonia, Latvia and Lithuania are still experiencing sound economic growth that is spurring on investments in electricity.

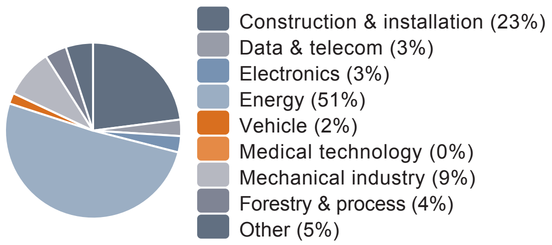
EXAMPLES OF CUSTOMERS

ABB, Ahlsell, Onninen och Rexel, Vattenfall, Eon och Fortum.

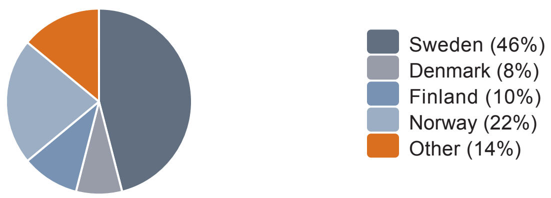
EXAMPLES OF PRODUCTS

Electricity pylons, sectionalizers for the medium voltage distribution network, transformers, cable cabinets, fuses and measuring transducers. In addition to trading, the companies also manufacture niche products under their own brands.

Energys - Customer segment



Energys - Geographic market



INDUSTRIAL PROCESS

Industrial Process markets and sells solutions, sub-systems and components that contribute to optimised industrial process flows. Its customers are mainly in Northern European industry, but also in global customer segments such as offshore and shipping operations.

Key financial indicators	2014/2015	2013/2014
Net sales, SEKm	1,403	1,282
Operating profit, SEKm	77	92
Operating margin, %	5.5	7.2
Return on working capital, %	25	33
Average number of employees	635	621
Acquired annual sales*	50	29

* Refers to conditions at the time of acquisition on a full-year basis.

MARKET POSITION

With their technical expertise, the business area's subsidiaries hold a leading position in a number of narrow niches, such as blast media, transmissions, products made of polymeric materials, electrical drives, process analysis and environmental analysis.
The business area concentrates on broadening its offering to existing customer segments that fit in with the area's focus on solutions with greater customer value.

MARKET

Industrial process flows develop alongside technological developments, and there is a continual stream of innovations that justify investments in making processes more efficient. Competition is relatively tough, but it is significantly less for companies offering a high level of technical expertise, efficiency improvements and system solutions that contain sub-systems and components.

FUTURE PROSPECTS

The market for individual components and sub-systems is growing concurrently with broad industry indexes. There is also tremendous market potential in improving the efficiency of and cleaning various industrial processes. More stringent requirements on energy-efficient and sustainable processes drive technological development, which in turn creates opportunities for more efficient solutions.

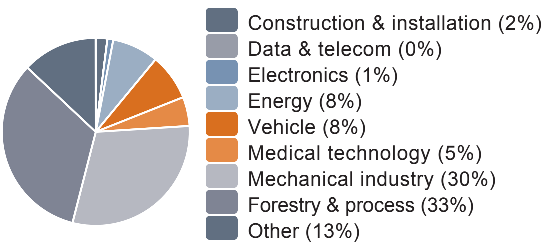
EXAMPLES OF CUSTOMERS

DESMI, Statoil, MAN, JCB och Sandvik.

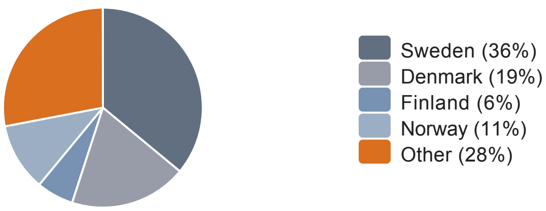
EXAMPLES OF PRODUCTS

Chemical analysis equipment for the process industry, consultation, training, support and servicing. Gaskets, seals, moulded components, vibration dampers, chains, roller bearings and components for electrical motor solutions such as electric motors and electronic speed control as well as equipment and materials in blasting, tumbling and industrial washing.

Industrial Process - Customer segment



Industrial Process - Geographic market



POWER SOLUTIONS

Power Solutions develops and sells system solutions, primarily to OEMs – mostly in the EU, but also in the rest of the world. The business area's customers are mainly in the markets for vehicles, telecom, environmental technology and medical technology. The business area has strong brands of its own and niche production.

Key financial indicators	2014/2015	2013/2014
Net sales, SEKm	1,088	961
Operating profit, SEKm	123	97
Operating margin, %	11.4	10.0
Return on working capital, %	67	54
Average number of employees	215	199
Acquired annual sales*	25	65

* Refers to conditions at the time of acquisition on a full-year basis.

MARKET POSITION

The business area's companies hold leading market positions in their respective niches. The business area mainly has proprietary products that are sold under their own brands and enjoy international demand. For several years the business area has been investing in cutting-edge expertise in power supply and control; investments that have created competitive advantages concurrently with increasingly complex technology.

MARKET

Power Solutions operates in a relatively stable market, in which the underlying demand depends on the development in the markets for vehicles, telecom, environmental technology and medical technology. Competition is tough, however, for standardised volume products. However, the rapid technological development drives demand for technically skilled players who are often involved in the products' design phase and initial deliveries.

FUTURE PROSPECTS

Demand for the business area is favourable and is fuelled by a rise in demand for technically complex but increasingly reliable and cost-efficient new battery technologies. The transition to renewable energy increases demand for efficient technical solutions for electricity transmission, storage and control. A heightened global focus on working environment and function automation, in which Nordic industry has been working for a long time to develop sensor and mechatronic solutions that are used in products such as armrests, joysticks and electric motors.

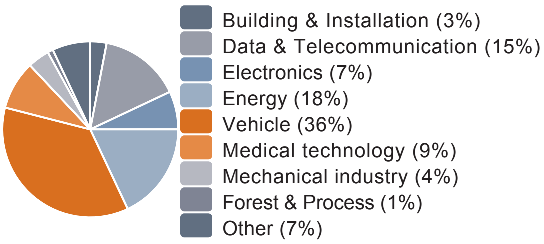
EXAMPLES OF CUSTOMERS

TMHE, John Deere, Ericsson, Siemens, Volvo, Onninen, Eon, Vestas och TeliaSonera.

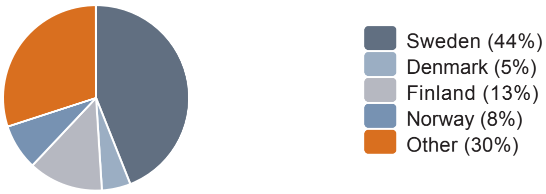
EXAMPLES OF PRODUCTS

Battery solutions, ergonomic operating environments, control and activation of movements. The companies run their own niche manufacturing operations, but also run trading in closely related products.

Power Solutions - Customer segment



Power Solutions - Geographic market



LIFE SCIENCE

Life Science markets and sells instruments, equipment, consumable supplies and service to laboratories in healthcare and research as well as diagnostic equipment and related services to the healthcare sector. Its customers comprise laboratories in healthcare and research, along with hospitals and healthcare companies. The business area's customers operate in both the private and public sectors.

Key financial indicators	2014/2015	2013/2014
Net sales, SEKm	1,057	983
Operating profit, SEKm	105	103
Operating margin, %	9.9	10.5
Return on working capital, %	82	87
Average number of employees	283	276
Acquired annual sales*	–	–

* Refers to conditions at the time of acquisition on a full-year basis.

MARKET POSITION

The business area is the Nordic region's largest independent distributor of diagnostic products. The companies in the business area have strong market positions in their respective areas of operation and are leading distributors of diagnostic solutions, such as blood gases, coagulation, haematology, molecular biology and clinical chemistry.

MARKET

The Nordic life science and biotechnology industry is globally competitive, and the market is fuelled by rapid technological development.

The market for diagnostic equipment is characterised by stability over time. It is propelled by efficiency requirements and an ageing population with increasing healthcare needs. Society also requires new technological healthcare solutions in order to meet these needs given the limited resources available in society.

FUTURE PROSPECTS

The constantly growing knowledge and technology content in analysis and diagnostic products increases the need for partners with technical expertise for both customers and suppliers. The technological development also drives a growing need for servicing and aftermarket services, which benefits Addtech.

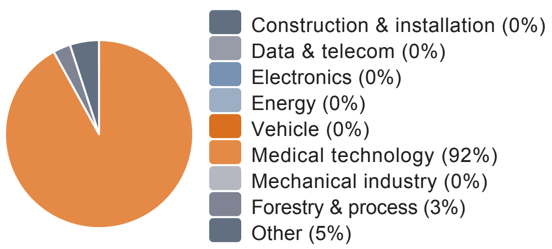
EXAMPLES OF CUSTOMERS

AstraZeneca, Karolinska Institutet, Novo Nordisk och Sahlgrenska Universitetssjukhuset.

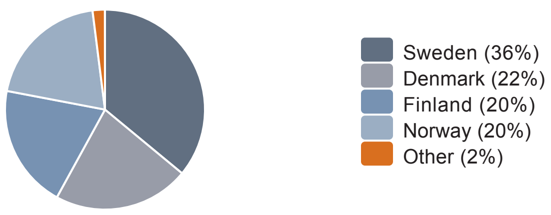
EXAMPLES OF PRODUCTS

Blood gas equipment for the healthcare sector, chromatography instruments for research, medical devices for COPD patients, microscopes, molecular biology products, extraction robots, etc.

Life Science - Customer segment



Life Science - Geographic market



BUSINESS SKILLS AND FREEDOM WITH RESPONSIBILITY

Addtech has a well-established corporate culture and shared core values that serve as a good source of guidance for employees in their work. The corporate culture is rooted in business skills with high levels of technical expertise, combined with individual freedom and a willingness to take personal responsibility.

The corporate culture and business operation are permeated by Addtech's corporate philosophy, which is known in-house as THE SOUL. This philosophy describes how employees should approach their tasks, customers, business partners, colleagues and the surrounding world. The attitude and approach of Addtech's employees are decisive factors when customers and suppliers choose to do business with Addtech. With a joint corporate philosophy the Group's employees gain a tested, successful working method and business skills, regardless of where they are in the Group.

Freedom with own responsibility has always been a central concept within the Group and is a key prerequisite to enable employees to work close to customers and suppliers. Employees' business skills also encompass the ability to see to their company's long-term profitability and growth based on doing business that benefits all parties.

Over time, Addtech's corporate culture has become a deeply anchored root system that links employees and subsidiaries. It also paves the way for Addtech's future, and all employees are trained in the corporate philosophy via the Addtech Business School. A total of five core values are to permeate the employees' work. Freedom and responsibility have already been mentioned; the other three are simplicity, efficiency and change.

SCOPE FOR INDIVIDUAL DEVELOPMENT

Addtech depends on skilled, highly proactive employees, and its operations are designed to give these people scope to flourish.

The decentralised organisation safeguards employees' interest in developing their capacity to assume increased responsibility in their own subsidiary or other parts of the Group. Further career opportunities in a listed company improve the possibilities of recruiting skilled employees. Career advancement opportunities may also be important to motivated entrepreneurs who are considering selling their business operation, but want to continue leading their companies within the framework of a larger company.

Addtech's core values help to develop its employees and build the future-focused approach that runs through the companies.

INVESTING IN SKILLS DEVELOPMENT

Addtech aims to have highly qualified engineers as sales representatives. Technical competence and in-depth understanding of customers' technical challenges are the key to Addtech's success in personal sales work.

The Group takes a long-term approach on several levels to increase internal knowledge transfer, further the growth of employees and refine the corporate culture. The Addtech Business School and various internal Group cooperation projects are important tools in this context. Each year, the Business School trains about a hundred employees in the Group's corporate culture and in business acumen, presentation skills and negotiation techniques. Furthermore, various themed training courses are organised in fields such as marketing, and accounting and finance. This results in the personal and professional development of employees. It enhances opportunities for achievement and development at both company and Group level. All new employees, including those who join Addtech via acquisitions, attend the Vision & Corporate Philosophy foundation course during their first year of employment in the Group.

Acquisitions

WE ACQUIRE COMPANIES TO KEEP AND DEVELOP THEM

Acquisitions are an important part of business and organisational growth and they are necessary for goal achievement. Addtech is always looking for entrepreneurs and technology trading companies that can bolster existing operations or contribute with new product or market segments where the conditions are right for taking leading niche positions.

Addtech acquires companies in order to maintain and further develop them in the long term. The new companies contribute with a presence on new sub-markets, supplementary agents and suppliers and, perhaps most importantly, skilled employees with a strong entrepreneurial spirit. For its part, Addtech is able to make a contribution as a financially robust, well-established and committed owner with clear goals and tools for growth and profitability.

COMPREHENSIVE EXPERIENCE OF CORPORATE ACQUISITIONS

Over the years Addtech has acquired and integrated many companies, and through these experiences a clear, successful process for integrating and developing the companies acquired has emerged.

The route to a successful acquisition for both buyer and seller is rarely a rapid process; it may well take several years, giving the parties time to become well acquainted with each other before the deal is finalised. This acquisition process minimises the risk of misunderstandings or false expectations. Also, it lays the foundations for trust and for the parties and key personnel to be satisfied with the outcome.

In each acquisition process the company is evaluated according to a series of acquisition criteria that, when met, create good conditions for further development within Addtech. The acquired company is expected to contribute to the Group's profitability in both the short and long term and have good growth prospects. As a rule, Addtech's subsidiaries are wholly owned.

Acquistions	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011
Number of acquisitions	9	5	8	6	12
Acquired annual sales	540	299	591	430	633
Number of employees	140	87	300	157	180

* Refers at the time of acquisition on a full-year basis.

SUPPLEMENT AND GRADUALLY DEVELOP

Addtech's focus on niche areas is clear through the division into various business units under the respective business areas. Entrepreneurs interested in selling their companies to Addtech often see a natural position for their companies within the Group structure.

Future acquisitions will primarily be made within the framework of existing business areas. However, the market is constantly changing, providing opportunities for developing new business areas, while Addtech gradually moves forward its positions.

Market Drivers

GLOBALISATION AND TECHNOLOGICAL DEVELOPMENT

Addtech operates in the international technology trading market, where players buy, adapt and sell technical products and solutions. Our market is large and we have chosen to focus on carefully selected niches with a high technology and knowledge content. Addtech's subsidiaries are key partners to industrial companies and to technology-intensive service operations in the private and public sectors in Northern Europe. The rapid development of technology makes it very important to constantly stay at the forefront of technological development. This is where we can make a difference for our manufacturers and customers.

THE NORTHERN EUROPEAN MARKET

Addtech is based in Nordic industry, but operates internationally. The emphasis of the business is in the Nordics, but the markets outside the Nordic countries have grown well and increased in significance. Besides having its own operations in 14 countries outside the Nordic region, Addtech also exports to a further 20 countries.

The subsidiaries find and represent market-leading manufacturers from all over the world. In addition to trading in standard products, specially tailored solutions and/or sub-systems, Addtech sells products under its own brands and runs some niche production operations. Many of Addtech's products are incorporated into the end products of globally exporting customers. Addtech often continues to supply its parts to these customers when they relocate their manufacturing operations abroad.

DRIVING FORCES

The long-term growth and profitability of the technology trading market depend on the size and diversity of the industrial and service sectors. Northern Europe's relatively high costs have spurred the development of knowledge-intensive, automated and specialised industrial and service sectors. This has also contributed to differentiation of the value chain, increased trade and greater reliance on external partners for product development and component modifications as well as for maintenance and other aftermarket services. Addtech cooperates with manufacturers who, via their in-house product development, supply market-leading, high-quality products with an advanced technological content. Cooperation with our companies should be the most profitable way for suppliers to sell their products in the geographic markets where we operate.

Customers need a partner who helps them select the right supplier and technology from an increasingly complex supplier market. When we can provide a range of market-leading products, combined with our own technological and market knowledge alongside flexible customisation options, we become an attractive partner for customers. Our goal is to be a value-adding company, which means that we can always add value to our customers' products and processes through our expertise, understanding and resources. In simple terms, you could say that we aim to add value to our customers in two ways: either by helping them to manufacture their products more efficiently, or by helping to make their products more competitive. Our range of products and services is aimed at both end users and OEM customers (Original Equipment Manufacturers, who integrate Addtech's products into their own products).

GROWTH AND PROFITABILITY

In the short term, growth and profitability are closely tied to the state of the economy in industry and the economic conditions prevailing in the Group's markets.

Addtech's focus on infrastructure, the public sector and narrow market niches reduces sensitivity to economic volatility. However, growth and profitability are highly dependent on the state of competition among our customers and their possibilities of performing well domestically and/or globally. Addtech therefore evaluates each of its markets on an ongoing basis to ensure that they offer the Group scope for reaching its financial targets.

SUSTAINABILITY – A COMPETITIVE TOOL

Addtech's overall goal is to run a sustainable business. Addtech shall meet sustainability requirements and expectations set by customers, shareholders and employees.

The sustainability work involves Addtech taking long-term responsibility for the sustainable development of employees, the environment and profitability. Structured measures grow the operation to make it both stronger and more sustainable. Sustainability is a competitive tool in the technology trading market, and Addtech aims to be a better choice than its competitors.

Addtech's subsidiaries have many years' experience of meeting market requirements on quality and environmental certifications. However, since 2010 sustainability work has been a strategic issue within the Group. Addtech has established a CSR Council of business area representatives. The aim of the Council is to plan and decide on activities that help step-by-step integration of strategic sustainability thinking into areas concerning working conditions, the environment and ethics. The work began in 2010 with the creation of a Code of Conduct. Addtech subsequently submitted its first sustainability report under the Guidelines of the Global Reporting Initiative (GRI), Application Level C. An annually recurring and Group-wide employee survey was introduced in 2012, which led to the introduction of a structured and regular performance appraisal dialogue with employees and leadership adapted to individuals. The next strategic sustainability dialogue will focus on suppliers.

Addtech's corporate structure and operations, with more than operating 140 companies, is a challenge when it comes to achieving rapid results in sustainability work, and many units will introduce completely or partly new processes. The work paves the way for creating greater value, for example through more attractive customer offerings, larger cost reductions and improved quality and HR work.

SUSTAINABLE DEVELOPMENT AT ADDTECH

At Addtech we aim to continue to create value for our shareholders, employees, society and environment. We summarise it in three categories: economic, social and environmental value creation.

- **Added economic value.** Economic strength is a cornerstone for being able to invest in sustainable development, and Addtech is dedicated to ensuring that we are both competitive and cost-efficient.
- **Added social value.** A key factor in Addtech's sustainable development is that we take account of all the people affected by our operations. This includes our customers, suppliers, employees, business partners and the communities in which we operate. Addtech's Code of Conduct acts as a compass for each employee, and our suppliers are encouraged to work in line with it.
- **Added environmental value.** Nearly half of the electricity used in the Group comes from renewable sources. Addtech's goal is to constantly increase this proportion. The Group's companies are primarily involved in technology trading, so our operations have a limited direct environmental impact. The Group continuously works on improvement measures in the areas where we can make a difference.

CODE OF CONDUCT

Addtech's sustainability work is based on the Group's Code of Conduct. The central concepts of CSR are the environment, ethics and morality and they have long been part of the Group's operations. The Code applies not only to all employees in our own operations but also to our relationship with our suppliers of products and services. Our ambition is that our subsidiaries will work with suppliers towards achieving positive change. The Addtech Group's Code of Conduct is based on the UN's Global Compact, ILO's Core Conventions, and the OECD Guidelines for Multinational Enterprises.

Read more at http://www.addtech.com/code-of-conduct.

SUSTAINABILITY REPORT

The Addtech Group has published a sustainability report since 2011. The report is a key part of the company's sustainability work as it highlights these issues in the Group so that employees, owners and other stakeholders receive the opportunity to learn about how the CSR work is developed. The reports form the basis of the Group's further CSR development. Reported topics include the Group's use of energy, climate impact, employee turnover and employees' occupational health and safety.

EVENTS DURING THE YEAR

- Addtech conducted its third employee survey. The questionnaire follows up Addtech's long-term and strategic staff development work and the survey identifies the Group's strengths and weaknesses as an employer as well as mapping areas for improvement. Addtech achieved good results throughout, and in general has very satisfied employees. This year's survey demonstrated additional improvement in the working environment – largely thanks to the introduction of more structured performance appraisals with employees.

- Suppliers are a key group of stakeholders that affect Addtech's ability to pursue value-adding sustainability work. Both time and effort have been invested into finding and verifying a reasonable survey method. The method was established at the start of the financial year, and Addtech launched its work by mapping suppliers' sustainability and approach to Addtech's Code of Conduct. As a first step, Addtech has evaluated the Group's largest suppliers. The intention is to gradually expand the circle of suppliers that are evaluated. The status review is designed to ensure that the suppliers meet a sound level of requirements in relation to their employees and the environment. It is hoped that the dialogue with suppliers will boost their sustainability work and motivate them to integrate it into their business models so that we can add value together in the same direction.

Read more in the sustainability report for 2014/2015 at www.addtech.com/csr.

ADMINISTRATION REPORT

1 APRIL 2014 - 31 MARCH 2015

The Board of Directors and the CEO of Addtech AB, company ID number 556302-9726, hereby submit the annual accounts and consolidated financial statements for the 2014/2015 financial year.

MARKET TREND DURING THE YEAR

On the whole, the business climate for the 2014/2015 financial year stabilised and improved compared to the most recent financial years, which were more hesitant and uneven with major variations between different parts of our operations. Overall, the Group is reporting growth in both sales and profit. This growth comes primarily from acquisitions. The business situation gradually improved during the year, but demand continues to vary between product segments, customer segments, geographic areas and companies.

Demand for our operations in Sweden and Denmark was generally better than in the preceding year. We also continued to experience positive development in both Finland and Norway, despite underlying unease in several segments in those markets. In our markets outside the Nordics the business situation was positive from an overall perspective, but weakened somewhat in Q4.

The market situation for operations in the Components and Industrial Solutions business areas gradually improved during the year. Demand for production components from Nordic manufacturing companies increased, and several of our operations report sound organic growth in both sales and profit. The market situation for the Energy business area was stable during the year, but organic growth decreased, which is entirely attributable to weaker demand for projects in electricity transmission compared to the preceding year. Demand for the Life Science business area developed well during the year, but the business area's profit was affected by low profitability in certain process technology projects.

KEY EVENTS DURING THE YEAR

The Group continued to work actively on measures that affected the costs and working capital of the operations that have experienced a weaker business situation. In parallel we actively invested resources in boosting other operations in the Group. There was a focus on further developing the various operations and carrying out acquisitions in selected segments and niches. Nine acquisitions were implemented in our business areas during the year.

The growth in sales and profit in the Group during the financial year generated a positive impact on profit. Organic growth was favourable in the Components, Industrial Solutions and Life Science business areas. Overall, the Energy business area did not match the robust growth of the preceding year, which is entirely attributable to electricity transmission projects. The profit for the year, combined with our focus on working capital, resulted in good cash flow and a strong financial position, which creates good future opportunities.

PERFORMANCE BY QUARTER

- **First quarter.** During Q1 business was relatively stable on the whole, but the market variations in terms of geographic areas, customer segments and product segments prevailed from previous years. Demand for production components from Nordic manufacturing companies in the Components and Industrial Solutions business areas was slightly more positive. Customers in the vehicle, engineering and electronics industries remained hesitant, while other customer segments developed more favourably. The Energy business area experienced a largely stable business climate, but is adversely affected by lower demand for products for electric power distribution and transmission. In general, demand for the Life Science business area developed well. In total, the Group's sales for comparable units decreased slightly compared to the strong first quarter of the preceding year.

- **Second quarter.** During Q2 the business situation was further stabilised, but some geographic markets and customer segments continued to display uncertainty and volatile demand. Growth in sales and profit during Q2 was both organic and from previously implemented acquisitions. Net sales for comparable units rose by 3 percent during the second quarter. Demand from Nordic manufacturing companies improved for the Components business area in the second quarter, while the Industrial Solutions business area experienced subdued demand in certain customer segments and product segments. In the Energy business area we saw an improved business situation and above all a recovery in products for electric power distribution and transmission. Demand in Life Science continued to develop well.

- **Third quarter.** With good organic growth in all business areas and contributions from previously implemented acquisitions, the Group reported growth in both sales and profit during Q3. Generally speaking, the business situation was relatively stable and unchanged compared to the first six months of the financial year. Organically, net sales rose by 4 percent in Q3. On the whole demand from the Group's operations improved somewhat in Sweden and Denmark. In both Finland and Norway unease remained in several market segments, but in spite of this, our operations continued their positive development in these countries. Demand improved for the Components and Industrial Solutions business areas. The business situation was somewhat subdued in the Energy business area and despite falling sales in process technology, the Life Science business area continued to develop well overall thanks to increased demand from Nordic healthcare.
- **Fourth quarter.** All in all, business during Q4 was relatively stable for the Group. Demand improved for the Group's operations in Sweden and Denmark during the quarter. We continued to experience positive development in both Finland and Norway, despite prevailing unease in several segments in those markets. Demand was slightly subdued for the Group's companies that operate in markets outside the Nordics. The market for the operations in the Components and Industrial Solutions business areas developed well during the quarter. Organic growth for the Energy business area decreased in Q4, which is entirely attributable to weaker demand for projects in electricity transmission compared to the same quarter in the preceding year, which was very strong. On the whole demand for the Life Science business area developed positively, but the business area's profit is affected by certain process technology operations.

ACQUISITIONS

Addtech is constantly on the lookout for companies to acquire and is engaged in discussions with a number of possible companies. During this financial year Addtech made nine acquisitions that came into effect during the year. Five companies were acquired in the previous year. The year's acquisitions were carried out in all business areas and are diverse both in terms of the markets and products covered.

Our three main reasons for acquisitions are so that our:

- Subsidiaries can make small-scale bolt-on acquisitions in order to reinforce existing operations in their niche.
- Business units can expand and build market and/or product positions in selected market segments.
- Business areas can add new market segments in the areas where we see the right conditions for being able to become market leaders.

Since becoming a listed company in 2001, Addtech has acquired around 90 companies. The following companies were acquired during the year:

- **GigaCom AB.** On 1 April GigaCom AB and GigaCom AS were acquired to become part of the Components business area. The GigaCom companies are technology trading companies that provide fiber optic components and systems in the Swedish and Norwegian markets. The companies have 6 employees and sales of about SEK 30 million.
- **Solar Supply Sweden AB.** Solar Supply Sweden AB was acquired on 5 May to join the Energy business area. Solar Supply is a technology trading company that markets and installs solar cell systems with related components in the Swedish market. Solar Supply has 3 employees and sales of about SEK 15 million.
- **Hans Følsgaard A/S.** On 1 July Addtech acquired 90 percent of shares outstanding in Hans Følsgaard A/S to become part of business areas Components and Energy. Hans Følsgaard is a technology trading company that delivers components and systems to OEM customers and larger end users within the manufacturing industry and also products within infrastracture and power transmissions to e.g. electric producers and wind power manufacturers. Hans Følsgaard has 65 employees and sales of about DKK 300 million.
- **Frameco AB.** Frameco AB was acquired on 1 July to join the Industrial Solutions business area. Frameco is a technology trading company that delivers ergonomic armrest solutions mainly to construction equipment and buses. Frameco has 5 employees and sales of about SEK 10 million.

- **Tampereen Sähköpalvelu Oy.** On 4 July Tampereen Sähköpalvelu Oy (TSP) were acquired to become part of the Energy business area. TSP is a technology trading company that markets and sells components for electrical installations to OEM customers mainly on the Finnish market. TSP has 25 employees and sales of about EUR 7,5 million.
- **Flow-Teknikk AS.** On 1 August Flow-Teknikk AS were acquired to become part of the Life Science business area. Flow-Teknikk is a technology trading company that markets process instrumentation to the industry, research and offshore markets in Norway. Flow-Teknikk has six employees and sales of around NOK 30 million.
- **Amestec Oy.** Amestec Oy was acquired on 1 September to join the Components business area. Amestec is a technology trading company that sells portable measuring instruments and data loggers to industry and the public sector. Amestec has two employees and sales of about EUR 0,5 million.
- **Scandinavian Friction AB.** On 29 September Scandinavian Friction AB were acquired to become part of the Industrial Solutions business area. Scandinavian Friction AB is a technology trading company that markets high-, as well as low friction components to the industry. Scandinavian Friction has three employees and sales of about SEK 15 million.
- **Celltech China Ltd.** On 5 February Addtech acquired 51 percent of shares outstanding in Celltech China Ltd, Hong Kong, to become part of the Energy business area. Celltech China manufactures battery pack to the group companies in the business unit Storage & Power. The Company has 25 employees and sales of about SEK 20 million.

The total purchase consideration for the year's five acquisitions was SEK 341 million.

The combined effect of the acquisitions on the Addtech Group's net sales was SEK 465 million, on operating profit SEK 23 million and on profit after tax for the period SEK 14 million. If the acquisitions had taken place at 1 April 2014, they would have had an effect of an estimated SEK 611 million on consolidated net sales, about SEK 34 million on operating profit and about SEK 22 million on profit after tax for the year. The acquisitions were made using an average EV/EBIT multiple of about 5. The number of Addtech employees increased by 140 people as a result of the year's acquisitions.

FINANCIAL DEVELOPMENT

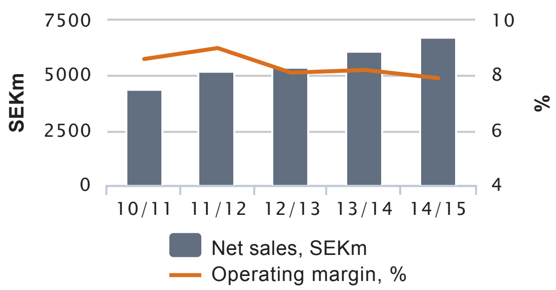
NET SALES AND PROFIT

The Addtech Group's net sales rose by 11 percent during the financial year to SEK 6,776 million (6,089). Comparable units showed an increase of 9 percent and acquisition-based growth was marginal. Changes in exchange rates had a positive effect of 2 percent on net sales, corresponding to SEK 125 million, and a positive effect of 2 percent, corresponding to SEK 11 million, on operating profit.

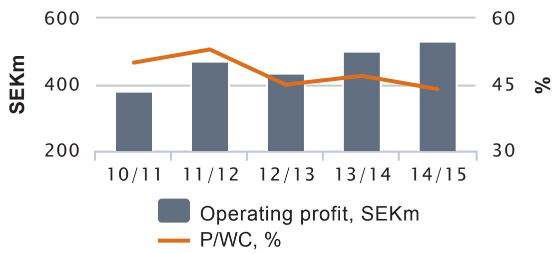
During the financial year, operating profit rose by 7 percent to SEK 536 million (501) and the operating margin reached 7.9 percent (8.2). The operating margin before amortisation of intangible non-current assets equalled 9.3 percent (9.5). Net financial items were SEK -23 million (-26) and profit after financial items increased by 8 percent to SEK 513 million (475).

Profit after tax for the financial year increased by 8 percent to SEK 400 million (369) and EPS rose to SEK 5.90 (5.50). The effective tax rate was 22 percent (22).

Net sales and operating margin



Operating profit and return on working capital (P/WC)



Profitability, financial position and cash flow

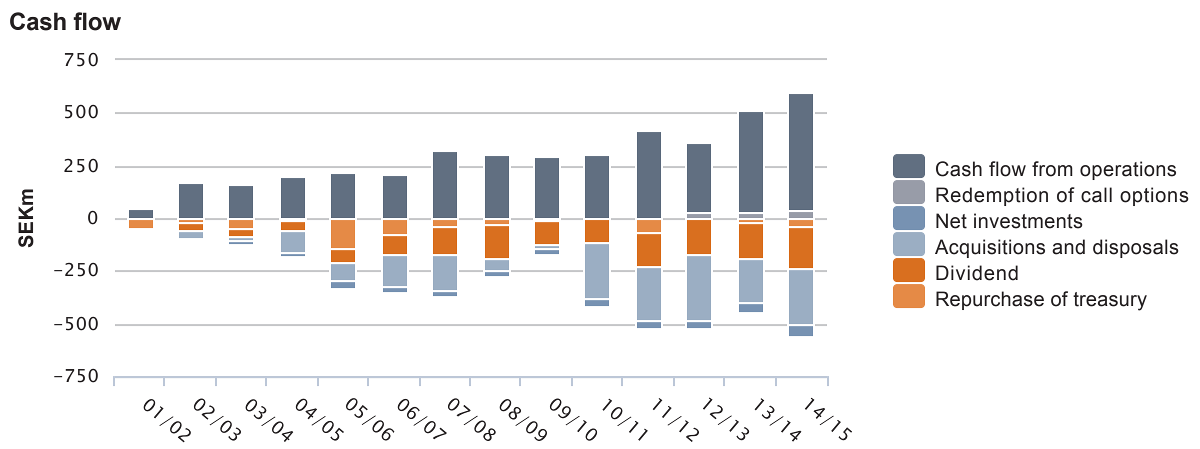
At the end of the financial year, the return on equity was 28 percent (30) and the return on capital employed was 23 percent (24).

Return on working capital, P/WC (operating profit in relation to working capital), amounted to 44 percent (47). The long-term target for P/WC in the Group and all units is 45 percent. The P/WC profitability ratio encourages high operating profit and low levels of tied-up capital. When combined with the growth target of 15 percent, this provides conditions for profitable growth in the companies and Group. Average working capital, which comprises inventories plus net accounts receivable and accounts payable for the calculation of P/WC, reached SEK 1,211 million (1,075) at the end of the financial year.

At the end of the financial year the equity ratio stood at 40 percent (39). Equity per share, excluding non-controlling interest, totalled SEK 22.60 (22.10). Consolidated financial net debt at the end of the year stood at SEK 510 million (524), excluding pension liabilities of SEK 318 million (252). The increase in the pension liability is the result of changed financial obligations and is mainly due to a drop in the discount rate. The net debt/equity ratio, based on net debt excluding pension provisions, was 0.3 (0.4).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 676 million (559) at 31 March 2015. The Group's available credit facilities totalled SEK 1,114 million (1,028) at 31 March 2015.

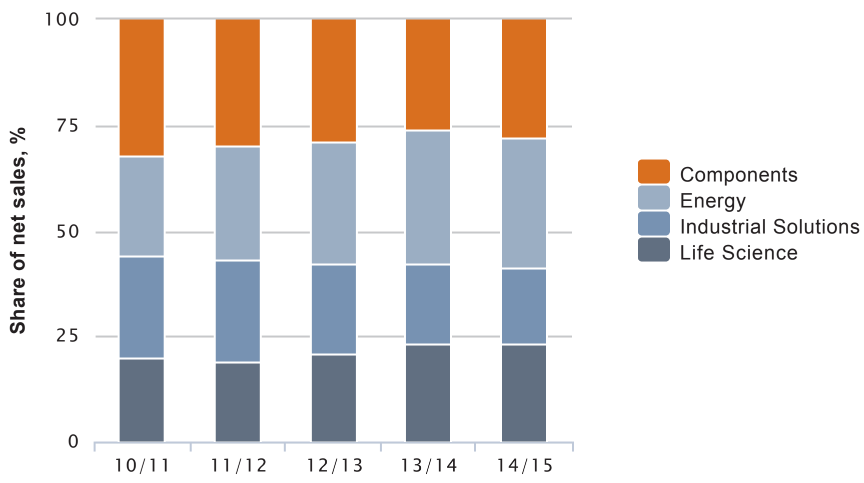
Cash flow from operating activities reached SEK 557 million (479) in the financial year. Company acquisitions, including settlement of additional purchase consideration for acquisitions implemented in previous years, totalled SEK 268 million (205). Investments in non-current assets amounted to SEK 61 million (58) and disposals of non-current assets amounted to SEK 6 million (4). The dividend for the year amounted to SEK 200 million (176), the repurchase of treasury shares amounted to SEK 35 million (15) and the exercise and issued call options totalled SEK 41 million (30).



BUSINESS AREAS

Addtech’s operations were divided into four business areas during the financial year: Components, Energy, Industrial Solutions and Life Science. The Group actively utilises its organisation as efficiently as possible, and the companies in the business areas cooperate with their sister companies to varying degrees. A reorganisation took place as at 1 April 2015 and five business areas were formed.

Revenue by business area



COMPONENTS

Components' net sales rose by 21 percent to SEK 1,882 million (1,554) and operating profit rose by 35 percent to SEK 130 million (96).

From an overall perspective, demand from the majority of customer segments and geographic areas was good within the business area during the year. Business gradually improved for our Danish operations which, like our operations in Sweden, ended the year strongly.

This was achieved despite the fact that growth in these markets is perceived to be very limited. The Finnish business climate remained challenging during the final quarter, but in spite of this there was sound demand for our operations. Reduced investments in oil and gas in Norway indicate lower demand for coming years, but this has not yet been reflected in our Norwegian operations.

During the year this business area acquired GigaCom AB and Amestec Oy. Components has also acquired Hans Følsgaard A/S along with the business area Energy.

ENERGY

Energy's net sales totalled SEK 2,121 million (1,975), an increase of 7 percent and operating profit rose by 1 percent to SEK 203 million (200).

In total, demand for the business area was stable during the year, but the business climate in Q4 was somewhat better than in previous quarters of the financial year. Demand for major projects regarding products for electricity distribution and transmission in the Swedish market remains weak. It is not certain when the recovery will occur in this market segment, but the investment plans communicated by customers remain in place. The market for products in battery and power supply solutions in the Nordic markets improved steadily throughout the entire financial year with strong demand for solutions incorporating new battery technology. Demand for products in electrical installation and electrical safety was good in Sweden, but slightly weaker in the other Nordic markets.

This business area made three acquisitions during the year, Solar Supply Sweden AB, Tampereen Sähköpalvelu Oy and Celltech China Ltd. Energy has also acquired Hans Følsgaard A/S along with the business area Components.

INDUSTRIAL SOLUTIONS

Industrial Solutions' net sales rose by 6 percent to SEK 1,254 million (1,173) and operating profit rose by 8 percent to SEK 100 million (93).

Demand improved on the whole during the year. Q2 was somewhat weaker than other quarters, and the business area ended the year well in Q4. Business continues to vary between different customer segments and geographic areas. The business climate for products for the special vehicles industry was further strengthened, apart from ongoing weak demand in the mining segment.

This business area made two acquisitions during the year, Frameco AB and Scandinavian Friction AB.

LIFE SCIENCE

Life Science's net sales were SEK 1,535 million (1,393), a 10 percent increase. Operating profit amounted to SEK 115 million (125).

Business developed well for the business area as a whole throughout the year. A low level of profitability in certain projects in the Process Technology business unit adversely affected the business area's profit trend and operating margin. Sales of measuring and analysis instruments to the Nordic process industry stabilised during Q4, but projects won previously in this area were challenging for some of our operations throughout the year. As of 1 April 2015 these operations belong to a different business area. Other operations in the business area, such as sales of diagnostic equipment and reagents to the Nordic healthcare sector, continued to develop well, and the will to invest in order to improve healthcare efficiency in several of the Nordic countries is positive. Growth mainly stems from the investments made in new diagnostic technologies in recent years. The market for sales of equipment to healthcare and research laboratories improved, and the research climate is favourable, particularly in Denmark and Sweden.

During the year this business area made one acquisition, Flow-Teknikk AS.

RISKS AND UNCERTAINTIES

Addtech uses risk management at both a strategic and operational level. Risk management involves identifying, measuring and preventing risks from occurring, and continually making improvements in order to reduce potential risks. Our risk management focuses on business risks, financial risks and other potential material risks, such as legal risks. Assessments of the operation's risk take place in all units. The Addtech Group has internal policies and instructions that give the responsible managers tools with which to identify and follow up the progress of operations and to detect deviations that could become risks. The level of risk is monitored via monthly reports, in which managers describe developments in their respective units. In these monthly reports, 'warning flags' about negative deviations are raised or risks are identified.

Addtech's profit and financial position, as well as its strategic position, are affected by various internal factors within Addtech's control and various external factors over which Addtech has limited influence. Addtech's most significant risks are the state of the economy combined with structural changes and competition.

In addition, Addtech is affected by financial risks such as transaction exposure, translation exposure, financing risk, interest rate risk and credit and counterparty risk. See Note 3 for a more detailed description of how Addtech manages financial risks.

RISK/DESCRIPTION	MANAGEMENT BY ADDTECH
ECONOMIC FLUCTUATIONS	
Addtech's sales performance depends on demand from customers and their willingness to invest, which in turn are linked to customers' confidence in economic growth. Addtech's sales follow the trend for the production industry in the Nordics. Investments in healthcare, research, social services and infrastructure are also highly significant for the Group.	Addtech's focus on various niche markets means Addtech is less sensitive to fluctuations in specific fields, sectors and geographic regions that experience major economic fluctuations. Furthermore, Addtech's large proportion of sales of technical service, support and consumables reduces the impact of economic fluctuations from individual industries. Addtech works to develop businesses that are less dependent on the performance of the Nordic manufacturing industry.
STRUCTURAL CHANGES IN CUSTOMERS' OPERATIONS	
Globalisation, digitisation and rapid technological development drive structural	Structural changes are both a threat and an opportunity. Addtech's focus on value-adding technology trading in the

RISK/DESCRIPTION	MANAGEMENT BY ADDTECH
change in customers' operations. The development exposes customers to tough competition, which increases demand for Addtech's advanced services, but can also lead to Addtech's customers disappearing through mergers, close-downs and relocations to low-cost countries.	low and medium volume segment, where manufacturing still largely takes place in the Nordic countries and Europe, has so far constituted a form of protection against structural changes. As an additional way of managing the development, Addtech is reinforcing its Nordic presence, which – combined with financial strength and a broad range of products and services – makes Addtech an attractive partner for many global suppliers who address the Nordic market. Addtech also constantly strives to enhance its competitiveness. By acquiring new companies, Addtech complements and develops its operations with interesting niches. Clear value added and the uniqueness of Addtech's offering to customers help counter competition on price and also provide Addtech with the opportunity to supply customers outside its domestic markets Finally, the Group's exposure to a large number of industries, and the fact that no customer accounts for more than 2 percent of the Group's sales, constitute protection against adverse impact on profit.
COMPETITIVE SITUATION	
Change and consolidation among companies in the technology trading industry affect competition. Economy of scale can lead to pricing pressure, while rapid technological change can undermine our offering.	Addtech's strategy aims to achieve market-leading positions in specific niches by offering products and services for which price is not the sole deciding factor. To keep up with technological developments, our companies need to be innovative and participate in these developments. Working closely with both suppliers and customers develops our expertise and we remain a competitive player on our markets.
ENVIRONMENT	
Addtech is a technology trading company and in itself produces relatively limited environmental impact. More stringent environmental legislation may, however, affect the products sold by our companies, the transport of goods and the way in which our customers use the products. There is also always a slight risk of one of the Group's subsidiaries, through its corporate ID number, being linked to responsibility for environmental pollution that occurred in the past.	Active environmental work is performed in the Group with the aim of reducing the Group's impact on the environment. 49 companies (47) have earned ISO 14001 or equivalent certification. The Group conducts operations requiring notification under the Swedish Environmental Code in five subsidiaries and conducts operations requiring a permit under this Code in three subsidiaries. Together these operations account for about 6 (6) percent of consolidated net sales. The Group follows up its operations with a sustainability report, and the operations comply with a Code of Conduct includes all important issues in the environment, human rights, labour conditions, and corruption. When making acquisitions, Addtech conducts an analysis of the company's corporate identification number to mitigate the risk of being deemed liable for historical pollution.
EMPLOYEES	
Employees are Addtech's main resource and most important means of being a competitive business. Addtech's employee risks concern the loss of key individuals, and the risk of lacking technically skilled and innovative business people. In addition, a	Employees receive good opportunities for personal development and Addtech takes a long-term approach on several levels aimed at increasing internal knowledge transfer, furthering the growth of employees and refining the corporate culture.

RISK/DESCRIPTION	MANAGEMENT BY ADDTECH
lack of skilled managers can hinder the development of the business.	Addtech Business School is key to developing Group employees, building common values and ensuring the supply of management staff. All employees attend courses run by the Addtech Business School, which constitutes a key platform from which to convey corporate culture, enhance business acumen and raise the degree of professionalism among employees. The Group conducts regular employee surveys. The purpose of these surveys is to find out how employees view the subsidiaries as employers, their work situation and what might potentially require further improvement and development in the individual companies and at Group level.
ACQUISITIONS	
All acquisitions involve a risk and it is not always certain that all acquisitions will prove favourable. Costs attributable to acquisitions may be higher than expected, and positive impacts on profits may take longer time to realise than expected. The Group thereby runs the risk of paying an excessively high price for the profit that the company will deliver.	Addtech's objective is to achieve long-term earnings growth of at least 15 percent a year. To achieve this we require a combination of organic growth and acquisitions. To ensure the success of our acquisitions, Addtech has well-established processes and structures for pricing and implementing the deals and integrating acquired companies into the Group effectively.
GOODWILL	
Goodwill arises when operations are acquired above their carrying amount. Goodwill risk arises when a business unit under-performs in relation to the assumptions that applied at the time of the goodwill valuation. If the company observes that goodwill (over-valuation) has arisen, the goodwill must be written down, which impacts the Group's profits.	Our experience of acquiring and pricing companies as well as the large number of companies we acquire constitutes considerable risk diversification. Goodwill is tested annually, and if goodwill is not deemed to have been correctly valued in such an assessment, this may result in an impairment loss being recognised.
FINANCIAL RISKS	
Various financial risks arise in the business operations, such as transaction exposures and currency translation exposure, as well as credit risk relating to customers. In addition, the overall Group is affected by financial risks such as financing risk, interest rate risk and credit and counterparty risk.	Addtech strives for structured and efficient management of the financial risks that arise in operations, in accordance with the financial policy adopted by the Board of Directors. The policy stipulates goals and risks in the financial operations, and how they are to be managed. The financial policy expresses the goal of minimising and controlling financial risks. The policy defines and identifies the financial risks that arise at Addtech and how responsibility for managing these risks is distributed in the organisation.

EMPLOYEES AND DEVELOPMENT

EMPLOYEES

At the end of the period, the number of employees was 2,286, compared to 2,150 at the beginning of the financial year. The year's acquisitions increased the number of employees by 140 (87). The average number of employees in the latest 12-month period was 2,224 (2,100).

	2014/2015	2013/2014	2012/2013
Average number of employees	2,224	2,100	1,815
proportion of men	74%	75%	74%
proportion of women	26%	25%	26%
Age distribution			
-up to 29 years old	10%	11%	9%
30-49 years	54%	55%	58%
50 and older	36%	34%	34%
Average age	45 years	45 years	45 years
Personnel turnover (adjusted as a result of programmes of measures and disposals)	13%	11%	10%
Average length of employment	about 10 years	about 10 years	about 11 years

RESEARCH AND DEVELOPMENT

The Addtech Group conducts limited research and development. The Group's business model includes continuous dialogue with and feedback to the Group's suppliers, who conduct most of the R&D that is relevant to the Group's product range.

PRINCIPLES FOR REMUNERATION TO SENIOR MANAGEMENT

The Board intends to propose that the Annual General Meeting in August 2015 approve the same guidelines as in the preceding year:

The guidelines are to relate to remuneration of the CEO and other members of Addtech Group management ('Group management').

Addtech seeks to offer a reasonable and competitive total remuneration package capable of attracting and retaining skilled individuals. The size of the overall package varies in relation to the performance of the employee and the Group and may comprise the different elements stated below.

A fixed salary forms the foundation of the total remuneration. The salary should be competitive and reflect the responsibilities of the position. Fixed salaries are reviewed annually. Variable pay can be based on factors such as the Group's earnings growth, profitability and cash flow. Annual variable remuneration can be at most 40 percent of the fixed salary. Retirement pension and sickness and healthcare benefits should be structured in accordance with applicable rules and market norms. The pensions should be based on defined contribution plans where possible. Other benefits may be provided to individual or all members of Group management and are structured to reflect market norms. These benefits may not account for a material portion of an individual's total remuneration package.

The Board of Directors will evaluate on an annual basis whether or not a long-term incentive programme shall be proposed to the Annual General Meeting and, if such is the case, whether or not the proposed long-term incentive programme shall include a transfer of shares in the Company.

A notice period of 6 months applies to termination of own employment by members of Group management. They are entitled to a maximum notice period of 12 months if the Company terminates their employment contracts. Members of Group management whose contracts are terminated by the Company are entitled to severance pay of up to 12 months' salary, in addition to salary and other employment benefits during the notice period. No severance pay is payable if the employee initiates termination.

The Board of Directors is entitled to waive the above guidelines for remuneration in individual cases and if there are special reasons for doing so. In the event of any such deviation, information about this and the reasons for the deviation shall be reported at the next Annual General Meeting.

The remuneration committee appointed by the Board prepares and submits proposals for the remuneration of the CEO to the Board, which decides on the matter. The remuneration committee sets the remuneration of other members of Group management based on proposals from the CEO. The Board is informed of the remuneration committee's decisions.

See Note 6 "Employees and employee benefits expense" for more details.

PARENT COMPANY

Operations of the Parent Company, Addtech AB, include Group management, Group reporting and financial management.

Parent Company net sales totalled SEK 54 million (48) and profit after financial items was SEK 263 million (211). Income from interests in Group companies is included and totals SEK 253 million (203). Net investments in non-current assets amounted to SEK 0 million (5). The Parent Company's net financial asset was SEK 104 million at the end of the year, compared with a net financial debt of SEK 40 million at the beginning of the financial year.

SHARE CAPITAL, REPURCHASE OF TREASURY SHARES, INCENTIVE PROGRAMMES AND DIVIDEND

At 31 March 2015, Parent Company share capital stood at SEK 51,148,872, distributed over the following number of shares with a quotient value of SEK 0.75 per share.

Share class	Number of shares	Number of votes	Percentage of capital	Percentage of votes
A 10 votes	3,241,704	32,417,040	4,8	33.3
B 1 vote	64,956,792	64,956,792	95,2	66.7
Total	**68,198,496**	**97,373,832**	**100,0**	**100.0**

The total number of shareholders on 31 March 2015 was 3,932 (3,557). Two shareholders each control 10 percent or more of the votes: Anders Börjesson (with family interests) owns shares corresponding to 15.4 percent of the votes and Tom Hedelius owns shares corresponding to 14.9 percent of the votes.

Chapter 6, Section 2a of the Swedish Annual Accounts Act requires listed companies to disclose specific circumstances that may affect the prospects for acquiring the Company via a public share offer. In the event of the Company being delisted from Nasdaq OMX Stockholm or a party other than the present principal shareholder attaining an ownership holding exceeding 50 percent of the capital or votes, the granted credit line in terms of contractual credit facilities of SEK 300 million and overdraft facilities of 600 SEK million can be terminated.

REPURCHASE OF TREASURY SHARES AND INCENTIVE PROGRAMMES

The Annual General Meeting in August 2014 authorised the Board of Directors to repurchase a maximum of ten percent of all shares in the Company during the period until the Annual General Meeting in 2015.

350,000 treasury shares were repurchased during the financial year. At 31 March 2015, Addtech's holding of treasury shares was 1,742,300 Class B shares, with an average purchase price of SEK 54.65. These shares correspond to 2.6 percent of the number of shares issued and 1.8 percent of the votes. Of the shares repurchased, 1,742,300 shares secure the Company's undertakings to holders of call options, issued by the Company, on repurchased Class B shares. The average number of treasury shares held during the year was 1,910,322 (2,195,148).

The Board of Directors will recommend that the Annual General Meeting in August 2015 approves renewal of the mandate to repurchase treasury shares. The mandate would empower the Board to acquire Company shares during the period until the next Annual General Meeting, provided that the Company's holding does not exceed 10 percent of all shares in the Company at any time. Repurchases shall be made in the stock market. The proposed mandate would also allow use of repurchased shares as payment for acquisitions or disposal of the repurchased shares outside the stock market to finance acquisitions.

Addtech has four outstanding call option programmes totalling 1,742,300 Class B shares. The programme from 2014 comprises 350,000 shares with an exercise price of SEK 116.70 and an expiration period from 17 September 2017 until 1 June 2018 inclusive. The programme from 2013 comprises 540,000 shares with an exercise price of SEK 106.13 and an expiration period from 19 September 2016 until 2 June 2017 inclusive. The programme from 2012 comprises 600,000 shares with an exercise price of SEK 71.50 and an expiration period from 14 September 2015 until 3 June 2016 inclusive. The programme from 2011 comprises 600,000 shares with an exercise price of SEK 59.80 and an expiration period from 15 September 2014 until 29 May 2015 inclusive. During the period 15 September 2014 until 31 March 2015 inclusive, 115,900 options were exercised, corresponding to 347,700 shares. The remaining 84,100 options, corresponding to 252,300 shares, have been redeemed since the end of the financial year.

The Board has decided to propose that the Annual General Meeting in August 2015 approve an incentive programme according to the same, or an essentially similar, model as decided at the 2009-2014 AGMs.

DIVIDEND

The Board of Directors proposes a dividend of SEK 3.25 (3.00) per share. The total dividend amounts to SEK 216 million (200). Addtech's dividend policy is based on a target of paying as a dividend more than 50 percent of average Group profit after tax over a business cycle. The proposed dividend represents a pay-out ratio of 55 percent (55).

FUTURE PROSPECTS AND EVENTS AFTER THE REPORTING PERIOD

FUTURE PROSPECTS

The business situation improved gradually during the financial year, but demand continues to vary between the different segments and geographic areas in which we operate. In Q4 demand improved further in Sweden and Denmark, and we expect to see some recovery in industry in these markets in coming years. The operations in Norway and Finland are observing some unease in several segments, and in these markets we expect a more modest growth rate in general in the coming year. Growth for companies outside the Nordics is expected to be stable. Our companies, which are run independently using a freedom with responsibility approach, have shown that they are able to rapidly adapt to changes in their various markets. Based on the market situation, some of our companies will implement activities to adapt their costs and working capital, while other companies will earmark extra resources with which to develop their operations. We are also continuing to actively attract new companies that are seeking a new long-term owner that can further develop their operations.

Historically, the combination of organic growth in our companies and new acquisitions has given the Group favourable opportunities for growth. This has resulted in strong cash flow and, teamed with a robust financial position, we expect continued good future opportunites. The Group's goal is earnings growth of at least 15 percent per year over a business cycle, combined with profitability.

EVENTS AFTER THE REPORTING PERIOD

The Group's organisational structure which has been in place since 2008 with business areas in which Group companies are grouped into different market segments (business units), has been good for cooperation between the companies, but also successful as we have had a focused acquisition strategy in order to further reinforce our positions in various market segments.

As of the start of the new financial year the Group implemented a reorganisation, meaning that we formed a fifth business area, moved a number of business units between our business areas and appointed two new business area managers from within the company, who also became part of Group Management. The aim of the organisational change is to achieve greater potential for growth and efficiency, both through cooperation between companies and through further acquisitions. The reorganisation is a result of the recent years' operational development, new contacts between companies in the Group and new opportunities created by acquired companies. The reorganisation did not affect the Components business area. As of the first quarter of 2015/2016, reporting for the Group will be according to the new structure. Note 5 contains segment reporting pro forma based on the new structure.

On 1 April Johan Dyberg became the business area manager of Industrial Process (previously Industrial Solutions). He succeeds Håkan Franzén who will retire. Johan Dyberg had previously been a business unit manager at Addtech since 2012. On 1 April Niklas Stenberg became the business area manager of the new business area, Power Solutions. Niklas Stenberg had previously been a business unit manager at Addtech since 2010. Both Johan and Niklas are part of Group Management since 1 April.

Two Company acquisitions took place after the end of the reporting period.

On 1 April Addtech acquired Dafine Engineering Oy to become part of the Energy business area. Dafine is a technology trading company that markets and sells equipment for cable harness manufacturing such as machines, accessories and testing systems. The Company has 4 employees and sales of about EUR 2,5 million.

On 4 June an agreement were signed to acquire all shares in Mediplast AB. Mediplast AB is the parent company of the Mediplast Group and is a leading Nordic supplier of medical technology equipment and consumables. The company has its head offices in Malmö and pursues operations via its own trading companies in Sweden, Denmark, Finland, Norway and the Netherlands. Mediplast also has its own production facilities in Denmark, Finland and Italy. The company holds a strong position in the Nordic countries and markets both its own products as well as those of leading suppliers in the areas of surgery, intensive care, thorax/neuro, ENT and ostomy care. Mediplast's customers operate in both the private and public sectors. In the 2014 financial year, the Mediplast Group generated sales totalling approximately SEK 465 million, an operating profit before amortisation of intangible assets (EBITA) of around SEK 45 million and had roughly 120 employees. The total purchase consideration of the acquisition of Mediplast amounts to approximately SEK 480 million. Of the total purchase consideration for Mediplast, roughly 50 percent will be paid in cash and 50 percent through an issue in kind in the parent company that owns the companies in Addtech's Life Science business area.

The acquisition analyses are not yet complete and will be presented in the next interim period.

In connection with the acquisition of the Mediplast Group, the Board of Directors of Addtech has decided to initiate the process of a separate listing on Nasdaq OMX Stockholm by distributing the shares in the Life Science's operations to Addtech's shareholders. The ambition is to carry out the listing in the first half of 2016. The motive for a separate listing is that Life Science has achieved a size and level of profitability that makes the business attractive as an independent, listed company. Life Science is today one of the leading independent suppliers in the Nordic region on its markets and the addition of Mediplast will mean that sales will exceed SEK 1,500 million.

PROPOSED ALLOCATION OF EARNINGS

See "Financial Statements" for details.

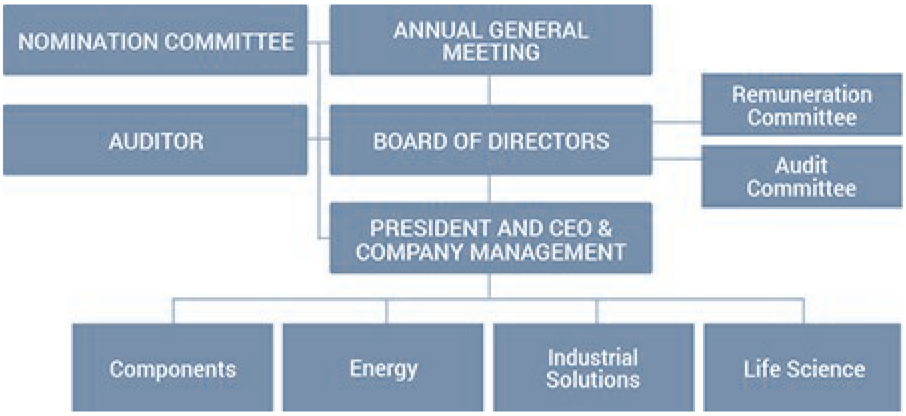
CORPORATE GOVERNANCE

PRINCIPLES FOR CORPORATE GOVERNANCE

In addition to requirements stipulated by law or other ordinances, Addtech applies the Swedish Code of Corporate Governance (the Code). The Code is part of self-regulation in Swedish trade and industry and is based on the 'comply or explain' principle. This means that a company that applies the Code may deviate from certain rules but, if so, must provide an explanation and reason for each deviation.

Deviations from aspects of the Code and justification for such deviations are stated where applicable throughout the text. The Company deviates on three points, two of which are included in the section on the Nomination committee and one in the section on Quarterly review by auditors. The Company's auditor has examined this corporate governance report. The Company's website is: www.addtech.com.

DISTRIBUTION OF RESPONSIBILITIES



The aim of corporate governance is to create a clear distribution of roles and responsibilities between owners, the Board of Directors, the Board's committees and executive management. Corporate governance at Addtech is based on applicable legislation, mainly the Swedish Companies Act, the stock exchange listing agreement with Nasdaq OMX Stockholm, the Swedish Code of Corporate Governance (the Code) and internal guidelines and regulations.

SYSTEM FOR INTERNAL CONTROL AND RISK MANAGEMENT IN FINANCIAL REPORTING

Internal control

The Board of Directors has overall responsibility for ensuring that the Group has an effective system for management and internal control. This responsibility includes annually evaluating the financial reports it receives and stipulating the content and format of these reports to ensure their quality. This requirement means that the financial reporting must fulfil its purpose and comply with applicable accounting rules and other requirements incumbent on listed companies. The CFO annually reports on the Group's internal control work to the Board.

Control environment

Addtech builds and organises its business on the basis of decentralised responsibility for profitability and earnings. Internal control in a decentralised operation is founded on a firmly established process for defining goals and strategies for each operation. Internal directives and Board-approved policies convey defined decision-making channels, powers of authority and responsibilities. The financial policy, reporting manual and instructions for each annual/quarterly accounts are the Group's primary financial policy documents. A Group-wide reporting system with related analysis tools is used in the Group's annual/quarterly accounts process. At a more comprehensive level, all operations in the Addtech Group must comply with the Group's Code of Conduct.

Risk assessment

Addtech has set procedures for managing the risks that the Board and Company management deem pertinent to internal control of financial reporting. The Group's exposure to several market and customer segments and the fact that operations are run in approximately 140 companies constitute a substantial distribution of risks. Risk assessments begin with the Group's income statement and balance sheet to identify the risk of material errors. For the Addtech Group as a whole, the greatest risks are linked to inventories and carrying amounts of intangible non-current assets related to business acquisitions.

Control activities

Control activities include transaction-related controls such as authorisation and investment rules and clear payment procedures, but also analytical controls performed by the Group controller function and the central finance and accounting function. Controllers and financial managers at all levels of the Group play a key role in creating the right environment for transparent and true financial reporting. This role places great demands on integrity, expertise and the capabilities of individuals.

Regular finance conferences are held to discuss current issues and safeguard effective sharing of knowledge and experience within the finance and accounting functions. The monthly review of results that is performed via the internal reporting system and is analysed and commented on internally by the Board is a key overall control activity. The review includes an evaluation of results compared to targets set and previous performance as well as a follow-up of key indicators.

A 'self-evaluation' of internal control issues is performed in all Group companies each year. The companies comment on how important issues were handled, such as business terms and conditions in customer contracts, assessments of customers' credit ratings, valuation and documentation of inventories, payment procedures, documentation and analysis of financial statements/closing accounts, and compliance with internal policies and procedures. An accepted minimum level has been set for critical issues and processes, and all companies are expected to meet this level. The responses of each company are validated and commented on by that company's external auditor in conjunction with the ordinary audit. The responses are then compiled and analysed, after which they are presented to business area management and Group management. The results of self-evaluation are taken into consideration in planning the self-evaluation and external auditing for the coming year.

In addition to the 'self-evaluation' work, a more in-depth analysis of the internal control in about 25 operating companies takes place each year. This is classed as 'internal auditing' and is performed at the companies by business area controllers and employees from the Parent Company's central finance and accounting function. This audit work involves charting and testing the companies' key processes and control points in such processes. The external auditors study the records kept of the internal audits in conjunction with their audit of the companies. The process provides a good foundation on which to chart and assess the internal control in the Group. KPMG also performs an annual review and assessment of the Group's internal control process.

Follow-up, information and communication

The Board receives monthly comments from the CEO regarding the business situation and development of operations. The Board reviews all quarterly reports and the annual report before their publication. The Board is updated annually about the internal control work and its results. The Board also examines the assessment made by KPMG of the Group's internal control processes.

The Group CFO, Group controller and business area controllers analyse the outcome of the internal control each year. An assessment is made of the improvement measures that are to be implemented in the various companies. The boards in the Group companies are informed of the outcome of the internal control in each company and the improvement measures that should be implemented. The business area controllers and company boards subsequently follow up this work on a continual basis during the following year.

Governance guidelines, policies and instructions are available on the Group intranet. The documents are regularly updated as needed. Changes are communicated separately via email and at meetings for controllers and financial managers.

Access to the documents for internal information on the intranet is governed via levels of authorisation. The Group's employees are divided into different groups and the groups have various levels of access to information. All financial guidelines, policies and instructions are available for each company's managing director and financial manager, business unit managers, business area managers, business area controllers and the central finance and accounting function. Access to financial data for the Group is also governed centrally via levels of authorisation.

Internal auditing

In light of the above risk assessment and structure of control activities, including self-evaluation and a more in-depth analysis of internal control, the Board has chosen not to have a separate internal auditing function.

Auditor

The Articles of Association stipulate that a registered auditing firm be selected as auditor. The 2014 Annual General Meeting elected KPMG to serve as the Company's auditor until the close of the 2015 Annual General Meeting. George Pettersson is the Auditor in charge, assisted by Jonas Eriksson. KPMG audits Addtech AB and practically all its subsidiaries.

The Company's auditor works according to an audit plan that includes comments from the Board and reports his or her findings to company managements and business area managements, Group management and the Board of Addtech AB. This takes place during the audit and when establishing the annual accounts. The Company's auditor also takes part in the Annual General Meeting, describing and commenting on his or her audit work.

The independence of the external auditor is regulated in a special directive decided on by the Board. It states the areas in which the services of the external auditor may be used regarding issues that are not part of regular auditing. KPMG continually assesses its independence of the Company and submits written affirmation to the Board each year stating that the auditing firm is independent of Addtech. In the past year, the auditors performed advisory assignments, mainly concerning accounting and taxation issues. The total fee for KPMG's non-auditing services totalled SEK 1 million during the 2014/2015 financial year and SEK 1 million during the preceding year.

Quarterly review by auditors

Addtech's six-month or nine-month reports were not reviewed by Addtech's external auditors during the 2014/2015 financial year, which deviates from the rules of the Code. Among other things, after consultation with the Company's external auditors, the Board has so far judged that the additional cost to the Company of extended quarterly reviewing by the auditors cannot be justified.

OWNERSHIP AND SHAREHOLDINGS

Addtech is a public limited liability company and was listed on Nasdaq OMX Stockholm on 3 September 2001. The Company was previously part of the listed Bergman & Beving group. Data on owners and shareholdings are provided in the section on the Addtech share in the annual report. Anders Börjesson (with family interests) and Tom Hedelius are the only shareholders who have a direct or indirect shareholding in the Company that represents at least a tenth of the number of votes for all shares in the Company.

LIMITATIONS TO VOTING RIGHTS

The Company's Articles of Association do not limit the number of votes that each shareholder may cast at an Annual General Meeting.

ARTICLES OF ASSOCIATION

According to the Articles of Association, the Company's name is Addtech Aktiebolag. Addtech is a public company. Share capital amounts to SEK 51,148,872. The number of shares is 68,198,496, of which 3,241,704 are Class A shares, entitling holders to 10 votes per share, and 64,956,792 are Class B shares, with one vote per share.

The Company's financial year is from 1 April to 31 March and the AGM is to be held in Stockholm. The Company's Articles of Association have no special provisions about the appointment and dismissal of Board members and about amendments to the Articles.

For the full Articles of Association, which the Extraordinary General Meeting on 19 November 2013 adopted in their present form, see the Company's website under Investors/Corporate governance/Articles of association of Addtech.

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) is the highest decision-making body at which shareholders exercise their voting rights. The AGM makes decisions on the annual report, dividend, election of the Board (and auditor where applicable), remuneration to Board members and the auditor and other issues as per the Swedish Companies Act and the Articles of Association. More information about the AGM and the minutes are available on the Company's website. No special arrangements regarding the function of the AGM, due to any provisions in the Articles of Association or as far as is known to the Company due to shareholder agreements, apply in the Company.

The 2014 Annual General Meeting

Shareholders representing 53.08 percent of the share capital and 65.32 percent of the votes took part in the AGM on 27 August 2014. Anders Börjesson was elected Chairman of the meeting. The meeting's decisions included approving a dividend of SEK 3.00 per share and a share-based incentive programme. Johan Sjö, the Company's President and CEO, commented on the Group's operations, the 2013/2014 financial year, developments during the first quarter of the new financial year and the Group's outlook for the future.

Board members Anders Börjesson, Eva Elmstedt, Tom Hedelius, Ulf Mattsson, Johan Sjö and Lars Spongberg were re-elected. Anders Börjesson was elected Chairman of the Board. At the subsequent first meeting of the new Board following its election, Tom Hedelius was re-appointed Vice Chairman of the Board.

In accordance with the Board's proposal, the AGM authorised the Board of Directors to purchase and dispose of shares in the Company on one or more occasions during the period until the next AGM. The objective of repurchases is to allow for adaptation of the Group's capital structure, and also to enable the Company to pay for future acquisitions of companies or operations using the Company's own (treasury) shares. Holdings of treasury shares also enable the Company to fulfil its commitments in the share-based incentive programmes decided on at the AGMs in 2011, 2012, 2013 and 2014. Purchases shall be made on the Nasdaq OMX Exchange in Stockholm at a price within the range registered at any given time, which is the interval between the highest purchase price and the lowest sale price. Purchases of treasury shares are limited by the stipulation that the Company's total holding of treasury shares shall not exceed 10 percent of all shares in the Company at any time.

Disposal of the Company's treasury shares should be possible with or without preferential rights for shareholders, although not via Nasdaq OMX Stockholm. Disposals may take place to finance acquisitions of companies or operations.

At the first meeting of the new Board following its election, the Board of Directors of Addtech AB decided to utilise the authorisation that the AGM on 27 August 2014 granted to the Board to repurchase shares in the Company.

The 2014 AGM was held in Swedish and, in light of the ownership structure, simultaneous interpretation to other languages was not deemed necessary. All material for the meeting was available in Swedish and English. Due to the ownership structure, the minutes of the AGM are only available in Swedish.

Information about the 2015 AGM is available in the Shareholder information section of the annual report and on the Company's website.

Board structure

According to the Company's Articles of Association, the Board of Directors is to consist of at least three and at most nine members.

Since 2012, the Board of Directors has comprised the following members elected by the AGM: Anders Börjesson (Chairman), Eva Elmstedt, Tom Hedelius (Vice Chairman), Ulf Mattsson, Johan Sjö and Lars Spongberg. The members of the Board of Directors are presented in the Board and management section of the annual report and on the Company's website. All Board members are independent of the Company, apart from Johan Sjö, who is employed in the Company as the CEO. In addition to being independent of the Company, Eva Elmstedt, Ulf Mattsson and Lars Spongberg are also independent of the Company's major shareholders. The Board thus complies with the requirement that at least two of the members who are independent of the Company are also independent of major shareholders.

Board fees

In accordance with the AGM's decision, the fee to each of the external Board members elected by the AGM amounts to SEK 250,000. The Chairman receives SEK 500,000 and the Vice Chairman receives SEK 380,000. Total Board fees amount to SEK 1,630,000, as decided on by the AGM.

Chairman of the Board

The task of the Board Chairman is to ensure that Board work is well organised and efficiently run and that the Board performs its duties. In particular, the Chairman is to organise and lead the work of the Board to create the best possible conditions for the Board's work. The Chairman shall also ensure that any new Board member undergoes requisite introductory training, as well as other training that the Chairman and member jointly deem suitable, that the Board members continually update and deepen their knowledge of the Company, that the Board meets when required and that it receives satisfactory information and background material for making decisions in its work.

Additionally, the Chairman shall establish proposals for Board meeting agendas after consulting with the CEO, check that Board decisions are implemented and ensure that Board work is evaluated annually. The Chairman is responsible for contacts with the owners about ownership issues and for conveying owners' opinions to the Board.

Board duties

The Board of Directors annually establishes written procedural rules governing its work and internal delegation of Board duties, including Board committees, Board decision-making processes, Board meeting procedures and the work of the Chairman. The Board has also issued a directive to the CEO and a directive regarding financial reporting to the Board. The Board has adopted various policies for the Group's operations such as a Financial Policy, Investment Policy and Addtech's Code of Conduct.

The Board oversees the work of the CEO through continuous monitoring of operations during the year and is responsible for ensuring that the organisation, the management and the guidelines for managing Company affairs are appropriate, and that the Company has good internal control and effective systems for following up and controlling the Company's operations as well as for ensuring compliance with laws and regulations that apply to the Company's operations. The Board is also responsible for establishing, developing and following up the Company's goals and strategy, decisions on acquisitions and disposals of operations, major investments and the appointment and remuneration of Group management. The Board and the CEO are responsible for submitting the annual accounts to the AGM.

Board work is evaluated annually in a process led by the Board Chairman, and the nomination committee is informed of the result of the evaluation. The Board continually evaluates the CEO's work. This issue is specially addressed annually, and no one from Company management attends this evaluation. The Board also evaluates and decides on material assignments held by the CEO outside the Company if he has any such assignments.

Board work

According to the Board's procedural rules, the Board is to meet in conjunction with presentation of the interim reports, at an annual strategy meeting and at the first post-election meeting of the new Board per year as well as on other occasions if required. The Board held eight meetings during the financial year, of which four preceded the 2014 AGM and four followed it. The next table shows attendance at Board meetings.

Board member	Elected	Board	Remuneration committee	Audit committee	Independent in relation to the Company	Independent in relation to major shareholders
Number of meetings		8	1	1		
Anders Börjesson (Chairman of the Board)	2001	8	1	1	Yes	No
Eva Elmstedt	2005	8		1	Yes	Yes
Tom Hedelius (Vice Chairman of the Board)	2001	8	1	1	Yes	No
Ulf Mattsson	2012	8		1	Yes	Yes
Johan Sjö	2008	8			No	Yes
Lars Spongberg	2001	8		1	Yes	Yes

The Company's CFO is the Board Secretary and the secretary of the nomination committee. Other salaried employees in the Company take part in Board meetings to present certain issues or when otherwise judged suitable. The Board's work during the year addressed various issues, for example concerning the Group's strategic development, day-to-day operations, the earnings trend, the profitability trend, business acquisitions, organisation, and the Group's financial position.

Remuneration committee

The remuneration committee elected by the Board of Directors consists of: Anders Börjesson (Board Chairman) and Tom Hedelius (Vice Chairman), and Johan Sjö as the reporting member. The remuneration committee draws up the 'Board's proposal for principles regarding remuneration to senior management'. The Board discusses the proposal, which is then presented to the AGM to decide on. The Board sets the remuneration of the CEO based on the AGM's decision. The CEO does not report on his own remuneration and does not take part in making the Board decision. The remuneration committee sets the remuneration of other members of Group management based on proposals from the CEO. The Board is informed of the remuneration committee's decisions. The remuneration committee then has the task of monitoring and evaluating application of the guidelines for remuneration to senior management as decided on by the AGM.

In addition, the remuneration committee must monitor and evaluate ongoing programmes, and those completed during the year, for variable remuneration to the Company management. The remuneration committee had one meeting during the financial year.

Audit committee

The Board has appointed an audit committee consisting of the Board members who are not employed by the Company, in other words, Anders Börjesson, Tom Hedelius, Eva Elmstedt, Ulf Mattsson and Lars Spongberg. The audit committee's tasks were integrated into Board work at the Board's regular meetings, so the Board Chairman also acted as Chair of the audit committee. The committee Chair has accounting and auditing knowledge.

Eva Elmstedt, Ulf Mattsson and Lars Spongberg are also independent of the Company's major shareholders and have accounting knowledge.

Without affecting the Board's responsibility and tasks in other respects, the audit committee shall monitor the Company's financial reporting; monitor the effectiveness of the Company's internal control and risk management regarding the financial reporting; stay informed about the audit of the annual accounts and the consolidated financial statements; assess and monitor the impartiality and independence of the auditor and in doing so shall pay particular attention to whether the auditor provides the Company with other services besides auditing services; and assist in drawing up proposals for the AGM's decision on selection of an auditor.

In conjunction with the adoption of the 2013/2014 annual accounts at the May 2014 Board meeting, the Board held discussions with the Company's external auditors and received their reporting. At this meeting, the Board also discussed matters with the auditors without the CEO or other members of Company management being present. A corresponding meeting was held in May 2015 for the 2014/2015 financial year.

CHIEF EXECUTIVE OFFICER

Johan Sjö is the CEO of Addtech. He is presented in the Board and management section and on the Company's website.

The CEO heads the operations as per the requirements of the Swedish Companies Act and the frameworks set by the Board. In consultation with the Board Chairman, the CEO prepares requisite documentation for information and decisions prior to Board meetings, gives presentations and explains proposals for decisions. The CEO leads the work of Group management and makes decisions in consultation with other members of the management. Group management consists of Johan Sjö, Artur Aira, Anders Claeson, Åke Darfeldt, Håkan Franzen and Kristina Willgård. Group management regularly reviews operations in meetings chaired by the CEO. The members of Group management are presented in more detail in the Board and management section of the annual report and on the Company's website. After the end of the financial year, a reorganisation took place and Group management was expanded with the addition of Niklas Stenberg, while Johan Dyberg succeeded Håkan Franzén.

OPERATING ORGANISATION

The Group’s operations were organised in four business areas during the financial year: Components, Energy, Industrial Solutions and Life Science. The business is conducted through subsidiaries in Sweden, Denmark, Finland, Norway, the United Kingdom, Austria, Germany, Poland, Estonia, Latvia, Lithuania, Japan, China, Taiwan, Trinidad/Tobago, Turkey and the US. Each operating company has a board of directors, in which the company's managing director and employees in managerial positions from business areas or business units are represented. Within each business area the companies are organised in business units linked to product or market concepts. Each company's managing director reports to a business unit manager, who in turn reports to the business area manager. Each business area manager reports to the CEO of Addtech AB. The business areas and business units hold internal board meetings chaired by the CEO of Addtech AB and the managers of the business areas, respectively. A reorganisation took place following the financial year and a fifth business area, Power Solutions, was formed, at the same time that Industrial Solutions was renamed Industrial Process.

ACQUISITION OF COMPANIES

Acquisitions are a key part of the Group's growth strategy, and since its listing in 2001 Addtech has acquired more than 90 companies. From a governance perspective it is important, in certain issues of significance to the Group, to integrate the acquired company directly in conjunction with the acquisition. This work starts before the takeover date, during the negotiation and analysis period.

Immediately after the new ownership commences, the company's employees receive training in matters such as the Group's financial reporting, which enables consolidation in the Group's accounts right from the acquisition date. Other areas may consist of drawing up administrative routines to comply with the Group's established working methods, integration in the Group's insurance programmes, or training titled Vision and Corporate Philosophy, in which all employees receive the opportunity to learn about the Group's core values.

NOMINATION COMMITTEE

The Annual General Meeting in August 2013 authorised the Board Chairman to establish a nomination committee for the 2014 AGM. The members were to be selected from representatives of the five shareholders known to the Company who controlled the largest number of votes at 31 December 2013, to serve with the Chairman on the nomination committee. The following were thus chosen: Marianne Nilsson (representing Swedbank Robur), Martin Wallin (representing Lannebo Fonder), Johan Strandberg (representing SEB fonder), Tom Hedelius, and Anders Börjesson (Chairman of the Board). For the AGM in August 2014, the nomination committee presented proposals for AGM Chairman, number of Board members, fees to Board members and auditors, candidates for Board members and Board Chair, and proposals for how to appoint the nomination committee in preparation for the AGM in 2015 and its tasks.

The committee had three meetings at which minutes were taken prior to the 2014 AGM. Addtech's Board Chairman provided the nomination committee with information on the Board's own evaluation. In its evaluation, the nomination committee stated that the Board was effective and that the competence required was represented on the Board.

The Board is responsible for costs linked to performance of the nomination committee's assignments. The members of the nomination committee receive no remuneration from the Company for their work on the committee. During the year the Company paid no costs linked to the nomination committee's assignments.

In August 2012, the AGM resolved that selection criteria and policies for appointing the nomination committee and its assignments shall not be decided annually by the AGM. Rather, the selection criteria and the procedure applicable in previous years shall apply until further notice unless changes need to be made.

The nomination committee comprises: Marianne Nilsson (representing Swedbank Robur), Martin Wallin (representing Lannebo Fonder), Johan Strandberg (representing SEB fonder), Tom Hedelius, and Anders Börjesson (Chairman of the Board). Two nomination committee members are Board members and are not independent of the Company's major shareholders, which deviates from the Code's rules on composition of the nomination committee. If more than one Board member is included on the nomination committee, no more than one of them may be in a position of dependence in relation to the Company's major shareholders. The composition of the committee follows the principles set by the AGM. Anders Börjesson is chairman of the nomination committee and Board Chairman. This deviates from the Code's rules which state that the chairperson of the nomination committee shall not, without an explanation, be a Board member of the Company. However, the Chairman knows the Company and other shareholders well. In conjunction with its first meeting, the nomination committee also deemed it suitable that the committee chairperson should be the member who represents the largest group of shareholders. The composition of the nomination committee was disclosed in conjunction with presentation of the interim report on 12 February 2015.

The nomination committee is to present proposals for selection of an AGM Chairman, the number of Board members, fees to each of the Board members, candidates for Board members and the Board Chair, as well as choice of registered auditing firm and auditing fees. The proposals of the nomination committee to the AGM will be presented in the notice to attend the meeting and on the Company's website.

CONTRAVENTIONS

The Company has not contravened any regulations that apply to the stock exchange on which the Company's shares are listed for trading, nor has it contravened fair practice in the stock market.

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

SEKm	Notes	2014/2015	2013/2014
Net sales	4, 5	6,776	6,089
Cost of sales		-4,608	-4,106
GROSS PROFIT		**2,168**	**1,983**
Selling expenses		-1,241	-1,136
Administrative expenses		-412	-358
Other operating income	9	25	28
Other operating expenses	9	-4	-16
OPERATING PROFIT	**3-10,16**	**536**	**501**
Finance income	11	3	2
Finance costs	11	-26	-28
NET FINANCIAL ITEMS		**-23**	**-26**
PROFIT BEFORE TAX		**513**	**475**
Income tax expense	13	-113	-106
PROFIT FOR THE YEAR		**400**	**369**
Attributable to:			
Equity holders of the Parent Company		392	363
Non-controlling interests		8	6
Earnings per share (EPS), (SEK)	30	5.90	5.50
Diluted EPS (SEK)	30	5.90	5.45
Average number of shares after repurchases ('000s)		66,288	66,003
Number of shares at end of period after repurchases ('000s)		66,456	66,135

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	2014/2015	2013/2014
Profit for the year	400	369
Components that will be reclassified to profit of the year		
Cash flow hedges	1	0
Foreign currency translation differences for the period	27	31
Tax attributable to items that can later be reversed in profit or loss	0	0
Components that will not be reclassified to profit of the year		
Revaluations of defined benefit pension plans	-63	0
Tax attributable to items not to be reversed in profit or loss	14	0
OTHER COMPREHENSIVE INCOME	**-21**	**31**
Comprehensive income for the year	**379**	**400**
Attributable to:		
Equity holders of the Parent Company	369	394
Non-controlling interests	10	6

CONSOLIDATED BALANCE SHEET

SEKm	Notes	2015-03-31	2014-03-31
ASSETS			
NON-CURRENT ASSETS			
Intangible non-current assets	14	1,543	1,343
Property, plant and equipment	15	198	187
Financial assets	17	15	13
Non-current receivables	17	5	4
Deferred tax assets	13	4	3
TOTAL NON-CURRENT ASSETS		**1,765**	**1,550**
CURRENT ASSETS			
Inventories	18	849	709
Tax assets		14	58
Accounts receivable	3	1,043	963
Prepaid expenses and accrued income	19	64	58
Other receivables		35	58
Cash and cash equivalents		83	69
TOTAL CURRENT ASSETS		**2,088**	**1,915**
TOTAL ASSETS		**3,853**	**3,465**
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	**20**		
Share capital		51	51
Other contributed capital		344	344
Reserves		-18	-44
Retained earnings, including profit for the year		1,127	979
Equity attributable to equity holders of the Parent Company		**1,504**	**1,330**
Non-controlling interests		35	19
TOTAL SHAREHOLDERS' EQUITY		**1,539**	**1,349**
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	24	20	14
Provisions for pensions	22	318	252
Deferred tax liabilities	13	217	214
Total non-current liabilities		**555**	**480**
CURRENT LIABILITIES			
Current interest-bearing liabilities	25	573	580
Accounts payable		619	556
Tax liabilities		40	38
Other liabilities		211	170
Accrued expenses and deferred income	26	305	285
Provisions	23	11	7
Total current liabilities		**1,759**	**1,636**
TOTAL LIABILITIES		**2,314**	**2,116**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**3,853**	**3,465**

For information about contingent liabilities and pledged assets, see Note 27

CONSOLIDATED CASH FLOW STATEMENT

SEKm	Notes	2014/2015	2013/2014
OPERATING ACTIVITIES			
Profit after financial items		513	475
Adjustment for items not included in cash flow	28	126	110
Income tax paid		-100	-121
Cash flow from operating activities before changes in working capital		539	464
Cash flow from changes in working capital			
Changes in inventories		-67	26
Changes in operating receivables		56	-76
Changes in operating liabilities		29	65
CASH FLOW FROM OPERATING ACTIVITIES		**557**	**479**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		-52	-51
Disposal of property, plant and equipment		6	4
Acquisition of intangible non-current assets		-9	-7
Acquisition of operations, net liquidity effect	28	-268	-205
CASH FLOW FROM INVESTING ACTIVITIES		**-323**	**-259**
FINANCING ACTIVITIES			
Repurchase of treasury shares		-35	-15
Exercised and issued call options		41	30
Borrowings		135	110
Repayments on loans		-168	-169
Other financing		-	-6
Dividend paid to equity holders of the Parent Company		-200	-176
Dividend paid to non-controlling interests		-4	-3
CASH FLOW FROM FINANCING ACTIVITIES		**-231**	**-229**
Cash flow for the year		**3**	**-9**
Cash and cash equivalents at beginning of year		69	72
Exchange differences on cash and cash equivalents		11	6
Cash and cash equivalents at year-end		**83**	**69**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	Share capital	Other contributed capital	Reserves	Retained earnings, including profit for the year	Total, equity holders of the Parent Company	Non-controlling interests	Total equity
EQUITY, OPENING BALANCE 2014-04-01	**51**	**344**	**-44**	**979**	**1,330**	**19**	**1,349**
Profit for the year	**–**	**–**	**–**	**392**	**392**	**8**	**400**
Cash flow hedges	–	–	1	–	1	–	1
Foreign currency translation differences for the period	–	–	25	–	25	2	27
Actuarial effects of the pension obligation	–	–	–	-63	-63	–	-63
Tax attributable to other comprehensive income	–	–	0	14	14	–	14
Other comprehensive income	**–**	**–**	**26**	**-49**	**-23**	**2**	**-21**
Total comprehensive income	**–**	**–**	**26**	**343**	**369**	**10**	**379**
Call options issued	–	–	–	2	2	–	2
Call options exercised	–	–	–	39	39	–	39
Repurchase of treasury shares	–	–	–	-35	-35	–	-35
Dividend	–	–	–	-200	-200	-4	-204
Change in non-controlling interests	–	–	–	-1	-1	10	9
EQUITY, CLOSING BALANCE 2015-03-31	**51**	**344**	**-18**	**1,127**	**1,504**	**35**	**1,539**

SEKm	Share capital	Other contributed capital	Reserves	Retained earnings, including profit for the year	Total, equity holders of the Parent Company	Non-controlling interests	Total equity
EQUITY, OPENING BALANCE 2013-04-01	**51**	**344**	**-68**	**770**	**1,097**	**16**	**1,113**
Profit for the year	**–**	**–**	**–**	**363**	**363**	**6**	**369**
Cash flow hedges	–	–	0	–	0	–	0
Foreign currency translation differences for the period	–	–	24	7	31	0	31
Actuarial effects of the pension obligation	–	–	–	0	0	–	0
Tax attributable to other comprehensive income	–	–	0	0	0	–	0
Other comprehensive income	**–**	**–**	**24**	**7**	**31**	**0**	**31**
Total comprehensive income	**–**	**–**	**24**	**370**	**394**	**6**	**400**
Call options issued	–	–	–	4	4	–	4
Call options exercised	–	–	–	26	26	–	26
Repurchase of treasury shares	–	–	–	-15	-15	–	-15
Dividend	–	–	–	-176	-176	-3	-179
'EQUITY, CLOSING BALANCE 2014-03-31	**51**	**344**	**-44**	**979**	**1,330**	**19**	**1,349**

For comments on shareholders' equity, refer to Note 20.

SEK	2014/2015	2013/2014
Dividend per share	3,25 1)	3,00

1) As proposed by the Board of Directors.

PARENT COMPANY INCOME STATEMENT

SEKm	Notes	2014/2015	2013/2014
Net sales		54	48
Administrative expenses		-62	-52
OPERATING PROFIT/LOSS	**6–9, 16**	**-8**	**-4**
Profit from interests in Group companies	11	253	203
Profit from non-current financial assets	11	32	33
Interest income and similar items	11	8	8
Interest expense and similar items	11	-22	-29
PROFIT AFTER FINANCIAL ITEMS		**263**	**211**
Year-end appropriations	12	-18	-10
PROFIT BEFORE TAX		**245**	**201**
Income tax expense	13	-50	-44
PROFIT FOR THE YEAR		**195**	**157**
OTHER COMPREHENSIVE INCOME		**–**	**–**
Total comprehensive income for the year		**195**	**157**

PARENT COMPANY BALANCE SHEET

SEKm	Notes	2015-03-31	2014-03-31
ASSETS			
NON-CURRENT ASSETS			
Intangible non-current assets	14	0	0
Property, plant and equipment	15	4	5
Non-current financial assets			
Interests in Group companies	17	1,004	1,151
Receivables from Group companies	17	1,489	1,217
Total non-current financial assets		**2,493**	**2,368**
TOTAL NON-CURRENT ASSETS		**2,497**	**2,373**
CURRENT ASSETS			
Receivables from Group companies		354	308
Tax assets		–	8
Other receivables		2	1
Prepaid expenses and accrued income	19	7	8
Total current receivables		**363**	**325**
Cash and bank balances		–	–
TOTAL CURRENT ASSETS		**363**	**325**
TOTAL ASSETS		**2,860**	**2,698**
EQUITY AND LIABILITIES	20		
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital		51	51
Legal reserve		18	18
Unrestricted equity			
Retained earnings		710	746
Profit for the year		195	157
TOTAL SHAREHOLDERS' EQUITY		**974**	**972**
UNTAXED RESERVES	21	355	337
PROVISIONS			
Provisions for pensions and similar obligations	22	16	17
LIABILITIES			
Liabilities to Group companies	24	533	459
Total non-current liabilities		**533**	**459**
Liabilities to credit institutions	25	509	511
Accounts payable		2	2
Liabilities to Group companies		447	384
Tax liabilities		5	–
Other liabilities		5	3
Accrued expenses and deferred income	26	14	13
Total current liabilities		**982**	**913**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,860**	**2,698**
Pledged assets	27	–	–
Contingent liabilities	27	157	155

PARENT COMPANY CASH FLOW STATEMENT

SEKm	Notes	2014/2015	2013/2014
OPERATING ACTIVITIES			
Profit after financial items		263	211
Adjustment for items not included in cash flow	28	-228	-194
Income tax paid		-37	-56
Cash flow from operating activities before changes in working capital		**-2**	**-39**
Cash flow from changes in working capital			
Changes in operating receivables		1	-2
Changes in operating liabilities		-2	2
CASH FLOW FROM OPERATING ACTIVITIES		**-3**	**-39**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment and intangible non-current assets		0	-5
Acquisition financial non-current assets		-1	–
CASH FLOW FROM INVESTING ACTIVITIES		**-1**	**-5**
FINANCING ACTIVITIES			
Repurchase of treasury shares		-35	-15
Exercised and issued call options		41	30
Change in loans		50	50
Amortering av lån		-52	-43
Change in receivables from and liabilities to Group companies		4	-17
Dividend paid		-199	-176
Group contributions received		195	214
CASH FLOW FROM FINANCING ACTIVITIES		**4**	**43**
Cash flow for the year		0	-1
Cash and cash equivalents at beginning of year		0	1
Cash and cash equivalents at year-end		**0**	**0**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEKm	Restricted equity: Share capital	Restricted equity: Legal reserve	Unrestricted equity: Retained earnings, including profit for the year	Total equity
EQUITY, OPENING BALANCE 1 APR 14	**51**	**18**	**903**	**972**
Profit for the year	**–**	**–**	**195**	**195**
Other comprehensive income	**–**	**–**	**–**	**–**
Comprehensive income for the year	**–**	**–**	**195**	**195**
Dividend	–	–	-199	-199
Call options issued	–	–	2	2
Call options exercised	–	–	39	39
Repurchase of treasury shares	–	–	-35	-35
EQUITY, CLOSING BALANCE 31 MAR 15	**51**	**18**	**905**	**974**

SEKm	Restricted equity: Share capital	Restricted equity: Legal reserve	Unrestricted equity: Retained earnings, including profit for the year	Total equity
EQUITY, OPENING BALANCE 1 APR 13	**51**	**18**	**907**	**976**
Profit for the year	**–**	**–**	**157**	**157**
Other comprehensive income	**–**	**–**	**–**	**–**
Comprehensive income for the year	**–**	**–**	**157**	**157**
Dividend	–	–	-176	-176
Call options issued	–	–	4	4
Call options exercised	–	–	26	26
Repurchase of treasury shares	–	–	-15	-15
EQUITY, CLOSING BALANCE 31 MAR 14	**51**	**18**	**903**	**972**

For comments on shareholders' equity, refer to Note 20.

NOTE 1 ACCOUNTING AND VALUATION POLICIES

GENERAL ACCOUNTING POLICIES

The consolidated annual accounts were prepared in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as approved by the European Union (EU). Recommendation RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Financial Reporting Board, was also applied.

The annual accounts of the Parent Company were prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board.

The Parent Company's and the Group's accounting policies are consistent with each other, except in the case of reporting pensions, untaxed reserves and appropriations. See also "Accounting policies of the Parent Company".

The Board approved the Parent Company's annual report and the Group's consolidated financial statements for publication on 22 June 2015. The Parent Company's and Group's respective income statements and balance sheets will be submitted for adoption to the Annual General Meeting on 27 August 2015.

PRESENTATION OF THE ANNUAL REPORT

The financial reports are stated in million Swedish kronor (SEK million) unless otherwise specified. The Parent Company's functional currency is the Swedish krona, as is the presentation currency for the Parent Company and the Group. Assets and liabilities are recognised at historical cost, except for certain financial assets and liabilities that are measured at fair value. Assets held for sale are recognised at the lower of the previous carrying amount and fair value, less selling expenses.

Preparing financial reports according to IFRS requires that management makes judgements and estimates as well as assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on historical experience and numerous other factors deemed reasonable under the circumstances at the time. Estimates and assumptions are reviewed periodically.

The annual accounts were prepared in compliance with IAS 1 Presentation of Financial Statements, such that separate income statements and balance sheets, as well as statements of other comprehensive income, financial position, changes in shareholders' equity and cash flow, are prepared and notes are provided that detail the accounting policies and disclosures applied.

Assets are divided into current assets and non-current assets. An asset is considered current if it is expected to be realised within 12 months of the end of the reporting period or within the Company's operating cycle. 'Operating cycle' refers to the time elapsed from the start of production until the Company receives payment for goods or services delivered. The Group's operating cycle is judged to be less than one year.

If an asset does not fulfil the current asset criterion, it is classified as a non-current asset.

Receivables and liabilities, as well as income and expenses, are offset only if required or if expressly permitted under IFRS.

Liabilities are divided into current liabilities and non-current liabilities. Current liabilities are liabilities to be paid within 12 months of the end of the reporting period or, in the case of operating liabilities only, that are expected to be paid within the operating cycle. As this takes into account the operating cycle, no non-interest-bearing liabilities, such as accounts payable or accrued staff costs, are recognised as non-current liabilities.

New or revised IFRSs applied during the 2014/2015 financial year

There are no new IFRSs or IFRICs that have a material effect on the Group's or Parent Company's financial statements, besides the abovementioned standards.

New or revised IFRSs applied from the 2015/2016 financial year

No new or revised IFRSs or IFRICs that come into force during the coming 2015/2016 financial year or later are judged to have any material effect on Addtech's financial statements.

New or amended IFRSs issued but not yet in force

IASB has issued IFRS 9 Financial Instruments, which replaces large parts of IAS 39 Financial Instruments: Recognition and Measurement (2018) and IFRS 15 Revenue from Contracts with Customers, which is the new standard for revenue recognition (2017). IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. No assessment of the effects on the Group's financial reports has been performed to date. The standards have not yet been approved by the EU.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements follow IFRS 10 Consolidated Financial Statements and IFRS 3 Business Combinations, and include the annual accounts for the Parent Company and those companies that are under controlling influence of the Parent Company. Controlling influence exists if the Parent Company has influence over the object of investment, is exposed or entitled to variable yield from its involvement and can exert its influence over the investment to affect the yield. In the assessment of whether controlling influence exists, potential shares with an entitlement to vote are considered and whether de facto control exists. Shareholdings in Group companies are eliminated using the acquisition method. In brief, this means that identifiable assets, liabilities and contingent liabilities in the company acquired are measured and recognised in the consolidated financial statements as if they had been acquired directly by purchase and not indirectly by acquisition of the company's shares. The valuation is based on fair values. If the value of the net assets is less than the acquisition price, consolidated goodwill arises. If the opposite occurs, the difference is recognised directly in profit or loss. Goodwill is determined in local currency and is recognised at cost, less any impairment losses. Consolidated equity includes the Parent Company's equity and the portion of subsidiaries' equity earned after the time of acquisition. Companies acquired or disposed of are consolidated or deconsolidated, respectively, from the date of acquisition or disposal.

Contingent considerations are measured at fair value at the time of the transaction and are subsequently revalued on each reporting occasion. Effects of the revaluation are recognised as income or expense in consolidated profit or loss. In the Parent Company, a change in liability for an additional consideration affects the value of interests in subsidiaries. Transaction costs in conjunction with acquisitions are expensed; capitalisation only takes place in the Parent Company. It is now possible for a holding that is not a controlling interest to be measured at fair value upon acquisition, which means that goodwill is included in non-controlling interests. Alternatively, non-controlling interests constitute part of net assets. The choice is determined individually for each acquisition.

Intra-Group receivables and liabilities and transactions between companies in the Group, as well as related unrealised gains, are wholly eliminated. Unrealised losses are eliminated in the same way as unrealised gains, except in the case of impairment.

EXCHANGE RATE EFFECTS

Translation of the financial reports of foreign Group companies

Assets and liabilities in foreign operations, including goodwill and other surpluses and deficits on consolidation, are converted to Swedish kronor using the exchange rate prevailing at the end of the reporting period. Income and expenses in foreign businesses are converted to Swedish kronor using the average rate, which is an approximation of the rates prevailing at the time of each transaction. Translation differences resulting from the conversion of foreign operations' accounts are recognised through other comprehensive income in the foreign currency translation reserve in equity. This reserve contains translation differences accumulated from 1 April 2004, when IFRS were adopted.

Transactions denominated in foreign currencies

A transaction denominated in a foreign currency is converted to the functional currency at the rate of exchange on the transaction date. Monetary assets and liabilities in foreign currency are converted to the functional currency using the rate prevailing at the end of the reporting period. Non-monetary assets and liabilities recognised at historical cost are converted using the exchange rate at the time of the transaction. Exchange differences that arise in conversion are recognised in profit or loss. Exchange differences on operating receivables and operating liabilities are included in operating profit or loss, while exchange differences on financial receivables and liabilities are recognised among financial items. The Group uses forward foreign exchange contracts to a certain extent to reduce its exposure to exchange rate fluctuations. Forward foreign exchange contracts are recognised at fair value at the end of the reporting period.

FINANCIAL ASSETS AND LIABILITIES, RECOGNITION AND DERECOGNITION

Financial instruments recognised among assets in the balance sheet include cash and cash equivalents, loan receivables, accounts receivable, financial investments and derivatives. The liabilities include accounts payable, loans payable, contingent considerations and derivatives. A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the terms and conditions of the instrument. Accounts receivable are recognised in the balance sheet when an invoice has been sent. A liability is recognised when the counterparty has completed its undertaking and a contractual obligation to pay exists, even if no invoice has yet been received. A financial asset (or part thereof) is removed from the balance sheet when the rights in the contract are realised or expire or the Company loses control over them. A financial liability (or part thereof) is removed from the balance sheet when the obligation in the contract is fulfilled or in some other way ceases to exist. A financial asset and a financial liability are only offset and recognised at the net amount in the balance sheet when the Company is legally entitled to offset their amounts and the Company intends to settle the items with a net amount or simultaneously realise the asset and settle the liability.

FINANCIAL ASSETS AND LIABILITIES, MEASUREMENT AND CLASSIFICATION

Financial instruments are measured and recognised in the Group as per IAS 39.

A financial instrument that is not a derivative is initially recognised at cost, equivalent to the instrument's fair value plus transaction costs; this applies to all financial instruments except those in the category of financial assets measured at fair value through profit or loss. At initial recognition, a financial instrument is classified based on the purpose for which it was acquired. The classification determines how the financial instrument is measured after initial recognition, as described below.

Financial instruments measured at fair value are classified in a hierarchy based on the origin of the inputs used in the evaluation. At level 1 are financial instruments with a price quoted in an active market. Level 2 comprises financial instruments whose value is determined based on observable market data, though not prices quoted in an active market. Level 3 includes using inputs, such as cash flow analyses, not based on observable market data.

Financial assets and liabilities measured at fair value through profit or loss

This category consists of two subgroups: financial assets and liabilities held for trading, and other financial assets and liabilities that the Company initially chose to place in this category. The first group includes derivatives unless they are designated hedging instruments. The other group contains contingent considerations in conjunction with acquisitions of subsidiaries.

Accounts receivable and loan receivables

Loan receivables and accounts receivable are financial assets that are not derivatives, with fixed payments or with payments that can be determined, and that are not quoted on an active market. Assets in this category are measured at amortised cost.

Accounts receivable are recognised at the amount expected to be recovered, after deduction for doubtful receivables, assessed individually. The expected maturities of accounts receivable are short, so they are recognised at nominal amounts without discounting. Impairment losses on accounts receivable are recognised in operating expenses.

Available-for-sale financial assets

This category comprises financial assets not classified in any other category or financial assets that the Company initially chose to classify in this category. Shares and interests not recognised as subsidiaries, associates or joint ventures are recognised here. Assets in this category are measured on a current basis at fair value, with changes in value recognised directly in other comprehensive income, except for changes attributable to impairment losses. However, holdings that are unquoted and of which the fair value cannot be calculated reliably are recognised at cost. An accumulated gain/loss from the disposal of an asset previously recognised in other comprehensive income is recognised in profit for the year.

Other financial liabilities

Loans and other financial liabilities, such as accounts payable, are included in this category. These liabilities are measured at amortised cost. Accounts payable are measured at nominal amounts without discounting.

Derivatives and hedge accounting

Derivative instruments include currency clauses, forward foreign exchange contracts, currency options and currency swaps used to cover the risk of foreign exchange rate fluctuations. An embedded derivative, for example a currency clause, is disclosed separately unless closely related to its host contract. Derivatives are initially recognised at fair value, so transaction costs are charged to profit or loss for the period. After the initial recognition, the derivative instrument is measured at fair value according to the following: changes in value of derivative instruments are recognised in profit or loss based on purpose of the holding. When a derivative is used in hedge accounting, changes in a derivative's value are recognised in profit or loss on the same line and at the same time as the item it is hedging.

Hedge accounting is not applied to currency forward contracts and swaps. Increases and decreases in the value of such derivatives are recognised as income and expense, respectively, in operating profit or loss or in net financial items, based on the intended use of the derivative and whether or not its use is related to an operating item or a financial item.

In hedge accounting for currency clauses, the ineffective portion is recognised in the same way as changes in the value of derivatives not used for hedge accounting.

Transaction exposure cash flow hedges

Foreign currency exposure related to future contractual and forecasted flows is hedged either with currency clauses in customer and supplier contracts or by forward foreign exchange contracts or currency options. These derivatives, which protect the forecasted flow, are recognised in the balance sheet at fair value. Where hedge accounting applies, changes in value are recognised through other comprehensive income in the hedging reserve until the hedged flow enters the income statement, whereupon the accumulated changes in value of the hedging instrument are transferred to the income statement, where they will meet and match the impact of the hedged transaction on earnings.

Net investments in foreign subsidiaries

Investments in foreign subsidiaries (net assets including goodwill) are currently not hedged.

FINANCIAL ASSETS AND LIABILITIES, CLASSIFICATION

Cash and cash equivalents

Cash and cash equivalents consists of cash and funds immediately available in banks and equivalent institutions, as well as short-term liquid investments that mature within three months of the time of acquisition and are subject to only a negligible risk of fluctuation in value.

Financial assets and investments

Financial assets are classified either as non-current financial assets or current investments, depending on the purpose of the holding. If the maturity or the anticipated holding period is longer than one year, such financial assets are considered non-current assets; if shorter than one year, current investments.

Non-current receivables and other current receivables

Non-current receivables and other current receivables are receivables that arise when the Company provides funds without intending to trade in the resulting receivable. If the anticipated holding period is longer than one year, the receivable is a non-current receivable; if shorter, it is another current receivable.

Liabilities

Non-current liabilities have an anticipated term exceeding one year, while current liabilities have a term of less than one year.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised in accordance with IAS 16 Property, Plant and Equipment at cost, less accumulated depreciation and any impairment losses. The cost comprises the purchase price, including customs and excise duties, as well as costs directly attributable to the asset to bring it to the location in such condition that it can be used as intended by the acquisition. Discounts and the like are deducted from the purchase price. Examples of directly attributable costs included in the cost are shipping and handling, installation, legal ratification and consulting services.

Borrowing costs are also capitalised in the cost of qualifying assets. The Group does not normally have qualifying assets.

Additional expenditure for an item of property, plant and equipment is only added to the cost if it increases the future economic benefits. All other expenditure, such as expenditure for repair and maintenance, is expensed on a current basis. A decisive factor as to when an incremental expenditure should be added to the cost is whether the expenditure refers to the replacement of identified components or parts thereof, in which case the expenditure is capitalised. Also, if a new component has been created, the expenditure is added to the cost. Any undepreciated carrying amounts for replaced components, or parts of components, are retired and expensed in conjunction with the replacement.

Any impairment is reported as per IAS 36 Impairment of Assets.

Depreciation is effected on a straight-line basis over the estimated useful life and taking account of any residual value at the end of that period.

Property, plant and equipment comprising parts that have different useful lives are treated as separate components.

The carrying amount of an item of property, plant and equipment is removed from the balance sheet upon retirement or disposal of the asset, or when no future economic benefits are expected to be derived from its use. Gains or losses realised upon the disposal or retirement of an asset consist of the difference between the selling price and the carrying amount of the asset, less direct selling expenses. Gains or losses are recognised as other operating income or other operating expense.

Property, plant and equipment	Useful life
Buildings	15–100 years
Leasehold improvements	3–5 years
Equipment	3–5 years
Land improvements	20 years
Machinery	3–10 years

LEASES

IAS 17 Leases differentiates between finance and operating leases. A finance lease is characterised by the lessee assuming, in all essential respects, the economic benefits and risks associated with ownership of the asset. If that is not the case, the lease is regarded as an operating lease.

Significant finance leases are recognised as non-current assets, initially valued at the present value of the minimum lease payments when the agreement was entered into. On the liabilities side, the present value of remaining future lease payments is recognised as interest-bearing non-current and current liabilities. The asset is depreciated over its useful life, usually corresponding to the lease period, taking into account any residual value at the end of the period. Impairment is tested in accordance with IAS 36 Impairment of Assets.

Lease payments are divided into interest and amortisation of the liability. Other lease obligations are recognised as per rules for operating leases, such that lease payments are charged as an operating expense on a straight-line basis during the lease period.

INTANGIBLE NON-CURRENT ASSETS

Intangible non-current assets are recognised in accordance with IAS 38 Intangible Assets at cost, less accumulated amortisation, and are divided between goodwill and other intangible non-current assets. Any impairment of intangible assets is recognised as per IAS 36 Impairment of Assets.

An intangible asset is an identifiable non-monetary asset, without physical substance, that is used for marketing, producing or supplying goods or services, or for rental and administration. To be recognised as an asset, it must be probable that the future economic benefits attributable to the asset will benefit the Company and that the (acquisition) cost can be calculated reliably.

Additional expenditure for an intangible asset is only added to the cost if it increases future economic benefits beyond the original assessment and if the expenditure can be calculated reliably. All other expenditure is expensed as it is incurred.

Goodwill represents the difference between the cost, in connection with a business combination, and the fair value of acquired assets, assumed liabilities and contingent liabilities.

For acquisitions completed before 1 April 2004, goodwill has been recognised, after testing for impairment, at a cost corresponding to the carrying amount as per previous accounting policies. The classification and accounting treatment of business combinations that occurred before 1 April 2004 were not reassessed based on IFRS 3 when the Group's opening balance as of 1 April 2004 was calculated in accordance with IFRS.

Goodwill and intangible non-current assets with indefinable useful lives are measured at cost, less any accumulated impairment losses. Goodwill and intangible non-current assets with indefinable useful lives are allocated among cash-generating units and are not amortised but are tested for impairment on an annual basis.

Intangible assets aside from goodwill are recognised at their original cost, less accumulated amortisation and impairment losses.

Borrowing costs are also capitalised in the cost of qualifying assets. The Group does not normally have qualifying assets.

Amortisation is charged primarily on a straight-line basis and is based on the useful lives of the assets, which are reviewed on an annual basis. An asset's useful life is based on historical experience of use of similar assets, areas of application and other specific features of the asset.

Amortisation is included in cost of sales, selling expenses or administrative expenses, depending on where in the business the assets are used.

Expenditure for development, in which the results of research or other knowledge are applied to achieve new or improved products or processes, is recognised as an asset in the balance sheet if the product is technically and commercially viable and the Company has sufficient resources to complete development and subsequently use or sell the intangible asset. Other development expenditure is expensed as it is incurred.

Expenditure for internally generated goodwill and trademarks is recognised in profit or loss as an expense as it is incurred.

Intangible non-current assets	Useful life
Capitalised development projects	3-5 years
Customer relationships	5–10 years
Supplier relationships	5–33 years
Software for IT operations	3–5 years
Technology	5–15 years
Trademarks	indeterminable

IMPAIRMENT LOSSES

Property, plant and equipment, intangible assets and interests in subsidiaries and associates

The carrying amounts of Group assets are tested as soon as there is an indication that the asset in question has decreased in value. If such indication exists, impairment is determined after calculating the recoverable amount of the asset, which is the higher of an asset's value in use and its fair value. Impairment loss is recognised if the recoverable amount is less than the carrying amount. The value in use is calculated as the present value of future payments that the Company is expected to receive by using the asset. The estimated residual value at the end of the useful life is included in the value in use. If the recoverable amount of an individual asset cannot be determined, the recoverable amount is set at the recoverable amount for the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest group of assets that give rise to continuous payment surpluses independent of other assets or groups of assets. Goodwill on consolidation is attributable to the cash-generating unit to which the goodwill is linked. Impairment losses are reversed when the impairment, wholly or partly, no longer exists. However, this does not apply to goodwill or intangible non-current assets with indefinable useful lives. For goodwill and other intangible assets with indefinable useful lives and for intangible assets not yet ready for use, the recoverable amount is calculated annually.

Financial assets

When accounts are prepared for reporting, the Company assesses whether there is objective evidence that any financial asset or group of assets is impaired. The recoverable amount of loan receivables and accounts receivable recognised at amortised cost is calculated as the present value of future cash flows discounted by the effective interest rate prevailing when the asset was first recognised. Assets with short maturities are not discounted. Impairment losses are charged to the income statement.

INVENTORIES

Inventories, that is, raw materials and finished goods for resale, are carried at the lower of cost and net realisable value, hence taking into account the risk of obsolescence. The cost is calculated using the first in, first out (FIFO) principle or weighted average prices.

In the case of finished and semi-finished goods manufactured in-house, the cost consists of direct manufacturing costs and a reasonable portion of indirect manufacturing costs. Normal capacity utilisation is taken into account in valuation.

CAPITAL

No expressed measure related to shareholders' equity is used internally. Externally, Addtech's objective is to have a robust equity ratio.

Shareholders' equity

Addtech's dividend policy involves a pay-out ratio exceeding 50 percent of consolidated average profit after tax over a business cycle.

Repurchasing treasury shares occurs, and the Board normally proposes obtaining a mandate to repurchase treasury shares, which involves acquiring an amount of shares such that Addtech's own holding at no time exceeds 10 percent of all shares in the Company. The purpose of the repurchase is to provide the Board with increased scope for action in its work with the Company's capital structure, to enable the use of repurchased shares as payment in acquisitions, and to secure the Company's commitments in existing incentive programmes.

When treasury shares are repurchased, the entire consideration reduces retained earnings. Proceeds from the disposal of equity instruments are recognised as an increase in retained earnings, as are any transaction costs.

EMPLOYEE BENEFITS

Employee benefits are recognised in the consolidated financial statements as per IAS 19 Employee Benefits.

Employee benefits after termination of employment, pension obligations

Addtech has defined benefit pension plans in Sweden and Norway. In these plans, a pension is determined mainly by the salary received at the time of retirement. The plans cover many employees, but some defined contribution plans also apply. Subsidiaries in other countries in the Group mainly have defined contribution pension plans.

The recommendation differentiates between defined contribution pension plans and defined benefit pension plans. In defined contribution plans, the Company pays stipulated fees to a separate legal entity and has no obligation to pay additional fees. Costs are charged to the Group's profit or loss at the rate at which the benefits are earned. In defined benefit pension plans, benefits are paid to current and former employees based on their salary upon retirement and the number of years of service. The Group bears the risk for payment of promised benefits.

The Group's net obligation to defined benefit plans is calculated individually for each plan by estimating future benefits that employees have earned through employment in current and previous periods. These benefits are discounted to a present value. Any unreported costs related to service in previous periods and the fair value of any plan assets are deducted.

Defined benefit pension plans are both funded and unfunded. When a plan is funded, its assets have been separated into plan assets. These plan assets can only be used for payments of benefits as per the pension agreements. The net value of the estimated present value of the obligations and the fair value of plan assets is recognised in the balance sheet, either as a provision or as a non-current financial receivable. When a surplus in a plan cannot be fully utilised, only the portion of the surplus that the Company can recover through reduced future fees or repayments is recognised.

A surplus in one plan is only offset by a deficit in another plan if the Company is entitled to utilise a surplus in one plan to settle a deficit in another plan, or if the obligations are intended to be settled on a net basis.

The pension cost and pension obligation for defined benefit pension plans are calculated using the Projected Unit Credit Method. This method distributes the cost of pensions at the rate at which employees perform services for the Company that increase their rights to future benefits. The aim is to expense expected future pension pay-outs in a manner that provides an even cost over the employee's period of employment. This calculation takes into account anticipated future salary increases and anticipated inflation. The Company's obligation is calculated annually by independent actuaries. The discount rate used is equivalent to the interest rate on high-quality corporate bonds or mortgage bonds with a maturity equivalent to the average maturity of the obligation and currency. For Swedish pension liabilities, the interest rate for Swedish housing bonds is used as a basis and for Norwegian pension liabilities, the interest rate for Norwegian corporate bonds is used.

Revaluations may arise when establishing the obligation's present value and fair value on plan assets. These may arise either because the actual outcome differs from previously made assumptions (known as experienced-based adjustments), or because assumptions were changed. Such revaluations are recognised in the balance sheet and in profit or loss under other comprehensive income. The net present value of the defined benefit obligation is established by means of discounting estimated future cash flows. The discount rate used is equivalent to the interest rate on high-quality corporate bonds or government bonds with a maturity equivalent to the average maturity of the obligation and currency.

A portion of the Group's defined benefit pension obligations has been financed through premiums to Alecta. The required information cannot be obtained from Alecta, so these pension obligations are reported as a defined contribution pension plan.

The special employer's contribution constitutes part of the actuarial assumptions and is therefore recognised as part of the net obligation/asset. To make it simpler, the part of the special employer's contribution that is calculated based on the Swedish Act on Safeguarding Pension Obligations in legal entities is recognised as an accrued expense instead of as part of the net obligation/asset.

Policyholder tax is recognised on an ongoing basis for the period to which the tax relates and is therefore not included in the calculation of liabilities. In the case of funded plans, the tax is on the return on plan assets and is recognised in other comprehensive income. For unfunded or partially unfunded plans, the tax is levied on profit for the year.

When the cost of a pension is determined differently in a legal entity than in the Group, a provision or claim for taxes on pension costs is recognised, such as a special employer's contribution for Swedish companies based on this difference. The present value for the provision or claim is not calculated.

Benefits upon termination of employment

A cost for benefits in conjunction with termination of employment is recognised only if there is a formal, detailed plan to terminate employment prior to the normal date.

Short-term benefits

Short-term benefits to employees are calculated without discounting and are recognised as an expense when the related services are performed.

A provision for the expected costs of bonus disbursements is recognised when the Group has a valid legal or informal obligation to make such payments as a result of services received from employees and where the obligation can be calculated reliably.

Share-based incentive programmes

The Group's share-based incentive programmes make it possible for senior management to purchase shares in the Company. The employees have paid a market premium for call options on Class B shares. The programme includes a subsidy so that the employee receives the same sum as the option premium paid in the form of cash payment, i.e. salary. This subsidy shall be paid two years after the issue decision, providing that the option holder is still employed in the Group and owns call options at that time. The subsidy, and related social security costs, is distributed as employee benefits expense over the vesting period. Addtech has no obligation to repurchase the options when an employee terminates employment. The holder can redeem the options irrespective of future employment at the Group. See also Note 6.

PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised in the balance sheet when the Company has a formal or informal obligation as a result of a transpired event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. If the effect is material, the provision is based on a present value calculation.

Provisions are made for future costs resulting from warranty undertakings. The calculation is based on expenditure during the financial year for similar undertakings or the estimated costs for each undertaking.

Provisions for restructuring costs are recognised when a detailed restructuring plan has been adopted and the restructuring has either begun or been announced.

Contingent liabilities are recognised when a possible undertaking exists stemming from past events and the existence of the undertaking is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not entirely within the Company's control. Other obligations are also recognised as contingent liabilities if they result from past events but are not recognised as a liability or provision because it is unlikely that an outflow of resources will be required to settle the undertaking or because the size of the undertaking cannot be determined with sufficient accuracy.

REVENUE RECOGNITION

Sales revenue and revenue from projects in progress are recognised as per IAS 18 Revenue. The fair value of what has been received, or what will be received, is recognised as sales revenue. Deductions are made for value-added tax, returns, discounts and price reductions. Revenue from sales of goods is recognised when certain requirements have been met. These requirements are that material risks and benefits associated with ownership of the goods have been transferred to the purchaser, that the selling company does not retain any involvement in ongoing administration nor does it exert any real control over the goods sold, that the revenue can be calculated reliably, that it is likely that the economic benefits that the Company will obtain from the transaction will accrue to the Company, and that the expenses that have arisen or are expected to arise as a result of the transaction can be calculated reliably.

Revenue from projects in progress is recognised in increments as projects are completed. The degree of completion is determined on the basis of accumulated project expenses at the end of the period as a proportion of estimated total project expenses. If future costs to complete a project are estimated to exceed remaining revenue, a provision is made for estimated losses.

Lease revenue is recognised on a straight-line basis in profit or loss based on the terms of the lease.

FINANCE INCOME AND EXPENSES

Interest income on receivables and interest expense on liabilities are computed using the effective interest method. The effective rate is the interest rate that makes the present value of all future receipts and payments during the period of fixed interest equal to the carrying amount of the receivable or liability. Interest income includes accrued rebates, premiums and other differences between the original value of the receivable and the amount received upon maturity. Interest and dividends are recognised as income when it is probable that the economic benefits associated with the transaction will accrue to the Company and that the income can be calculated reliably.

INCOME TAXES

Income tax is recognised as per IAS 12 Income Taxes. Tax is recognised in profit or loss, except when the underlying transaction is recognised in other comprehensive income or directly in equity, in which case the associated tax effect is also recognised in other comprehensive income or equity. Current tax refers to tax that is to be paid or refunded for the current year. This also includes adjustments of current tax attributable to prior periods.

Deferred tax is calculated using the liability method based on temporary differences between carrying amounts and tax bases of assets and liabilities. The amounts are calculated depending on how the temporary differences are expected to be settled and by applying the tax rates and tax rules enacted or announced at the end of the reporting period. Temporary differences are not taken into account in Group goodwill, nor in differences attributable to interests in subsidiaries or associates owned by Group companies outside Sweden that are not expected to be taxed in the foreseeable future. In the consolidated financial statements, untaxed reserves are allocated to deferred tax liability and equity. Deferred tax assets related to deductible temporary differences and tax loss carry-forwards are only recognised to the extent it is likely they will reduce tax payments in the future.

SEGMENT REPORTING

The Group's operations are described in accordance with IFRS 8 Operating Segments. Assets and liabilities as well as income and expenses are attributed to the segment where they are used, earned and consumed, respectively. The operating segment's earnings are monitored by the highest executive decision-maker, i.e. the CEO of Addtech.

The division into operating segments is based on the business area organisation, by which the Group's operations are managed and monitored. These are Components, Energy, Industrial Solutions and Life Science. Operations that do not belong to these areas of operation are included under the heading Parent Company and Group items. On 1 April , the Group implemented a reorganisation and formed a fifth business area. For more information see note 5.

EARNINGS PER SHARE

Addtech discloses earnings per share (EPS) in direct connection with the income statement. Calculation of EPS is based on consolidated profit or loss for the year attributable to Parent Company shareholders and on the weighted average number of shares outstanding during the year. To calculate diluted EPS, the average number of shares is adjusted to take into account the effect of potentially dilutive ordinary shares that, during the periods reported, result from options awarded to employees.

CASH FLOW STATEMENT

In preparing the cash flow statement, the indirect method was applied as per IAS 7 Statement of Cash Flows. In addition to flows of cash and bank funds, current investments maturing within three months of the acquisition date that can be converted into bank deposits at an amount known beforehand are classified as cash and cash equivalents.

EVENTS AFTER THE REPORTING PERIOD

Events that occurred after the reporting period but whose circumstances were identifiable at the end of the reporting period are included in the reporting. If significant events occurred after the reporting period but did not affect the recognised results of operations or financial position, the event is disclosed under a separate heading in the administration report and in a note.

RELATED PARTY DISCLOSURES

Information about transactions and agreements with closely related companies and natural persons is disclosed in accordance with IAS 24 Related Party Disclosures. In the consolidated financial statements, intra-Group transactions fall outside this reporting requirement.

CHANGES IN ACCOUNTING POLICIES

When there is a change in accounting policy, the current period, previous period and accumulated amount per the opening of the comparative period are restated, unless otherwise prescribed by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. If a change in accounting policy affects equity, the effect is recognised on a separate line in the statement of changes in equity.

GOVERNMENT GRANTS

Government grants refers to support from the government in the form of transfers of resources to a company in exchange for the company fulfilling (in the past or future) certain conditions regarding its operations.

The Group is active in areas where government grants are insignificant in scope.

PERSONNEL INFORMATION

The Swedish Annual Accounts Act requires more information than IFRS, including information about the gender of the Board of Directors and management.

Data on gender distribution refer to the situation at the end of the reporting period. 'Members of the Board of Directors' are directors, elected by a general meeting of shareholders, in the Parent Company and in Group companies. 'Members of senior management' are people in Group management, Managing Directors and vice MDs at Group companies.

ACCOUNTING POLICIES OF THE PARENT COMPANY

The Parent Company applies the same accounting policies as the Group does, except where the Swedish Annual Accounts Act and the Swedish Act on Safeguarding Pension Obligations prescribe different procedures for the Parent Company.

The Parent Company prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and recommendation RFR 2 Accounting for Legal Entities, from the Swedish Financial Reporting Board. RFR 2 prescribes that, in the annual accounts for its legal entity, the Parent Company shall apply all EU-approved IFRSs and standard interpretations to the greatest extent possible within the scope of the Annual Accounts Act and taking account of the relationship between reporting and taxation. The recommendation specifies which exceptions from and additions to IFRSs must be made.

Interests in Group companies are recognised in the Parent Company using the cost method, which means that transaction costs are included in the carrying amount for holdings in subsidiaries. Any changes in liabilities for contingent consideration are added to or reduce the (acquisition) cost. In the Group, transaction costs are expensed and changes in liabilities for contingent considerations are entered as income or expense.

Dividends received are recognised as income.

Instead of IAS 19, the Swedish Act on Safeguarding Pension Obligations is applied in the Parent Company when calculating defined benefit pension plans. The most significant differences compared to IAS 19 are the method for determining the discount rate, that the defined benefit obligation is calculated based on current salaries without assuming future salary increases and that all actuarial gains and losses are recognised in profit or loss as they occur.

The Parent Company recognises untaxed reserves including deferred tax liabilities, rather than dividing them into deferred tax liabilities and equity as is done for the Group.

Group contributions are recognised in the Parent Company in accordance with the main principle. A Group contribution received from a subsidiary is recognised in the Parent Company as financial income, while a Group contribution paid from a Parent Company to a subsidiary is recognised as an increase in interests in a subsidiary. Shareholder contributions are recognised directly in the equity of the recipient and are capitalised in the contributor's shares and interests, insofar as no impairment is required. Because the Parent Company Addtech AB already recognised received Group contributions in the same way as dividends, this does not involve any change from the existing application.

Recommendation RFR 2 from the Swedish Financial Reporting Board was applied to financial guarantee contracts, so rules in IAS 39 for recognising and measuring financial guarantee contracts benefiting subsidiaries were not applied.

NOTE 2 CRITICAL ESTIMATES AND ASSUMPTIONS

The carrying amounts of certain assets and liabilities are based in part on estimates and assumptions. This applies particularly to impairment testing of goodwill (Note 14) and to defined benefit pension obligations (Note 22). Assumptions and estimates are continually evaluated and are based on historical experience and expectations regarding future events deemed reasonable under prevailing circumstances.

Tests are performed each year to determine if goodwill is impaired. The recoverable amount for cash-generating units has been determined by calculating values in use. For these calculations, certain estimates must be made.

A large part of the Group's pension obligations for salaried employees is on a defined benefit basis and is covered by collective policies with Alecta. Currently, it is impossible to obtain data from Alecta on the Group's share of obligations and plan assets, so the pension plan with Alecta must be recognised as a defined contribution plan. The consolidation ratio reported by Alecta does not indicate any deficit, but it is not possible to obtain detailed information from Alecta about the size of the pension obligation.

The present value of pension obligations recognised as defined benefit plans depends on multiple factors determined on an actuarial basis using a number of assumptions. In establishing these assumptions, Addtech consults with actuaries, and for the Norwegian pension liabilities Addtech complies with the guidelines issued by The Norwegian Accounting Standards Board. The assumptions used to determine the present value of the obligation include the discount rate and salary increases. Each change in these assumptions will affect the carrying amount of pension obligations. See also Note 22.

NOTE 3 FINANCIAL RISKS AND RISK MANAGEMENT

GOALS AND POLICY FOR RISK MANAGEMENT

Addtech strives for structured and efficient management of the financial risks that arise in operations, which is manifest in the financial policy adopted by the Board of Directors. The financial operations are not conducted as a separate line of the business; they are merely intended to constitute support for the business and reduce risks in the financial operations. The policy stipulates goals and risks in the financial operations, and how they are to be managed. The financial policy expresses the goal of minimising and controlling financial risks. The policy defines and identifies the financial risks that arise at Addtech and how responsibility for managing these risks is distributed in the organisation. The financial risks defined in the financial policy are transaction exposure, translation exposure, refinancing risk, interest rate risk, margin risk, liquidity risk and issuer/borrower risk. Operational risks, that is, financial risks related to operating activities, are managed by each subsidiary's management according to principles in the financial policy and subordinate process descriptions approved by the Group's Board of Directors and management. Risks such as translation exposure, refinancing risk and interest rate risk are managed by the Parent Company, Addtech AB. Financial derivatives with external counterparties may only be entered by Addtech AB. The subsidiaries hedge their risk with Addtech AB which, in turn, hedges the net risk on the external market.

CURRENCY RISKS

The Addtech Group conducts extensive trade abroad and a material currency exposure therefore arises in the Group, which must be managed in such a way as to minimise the impact on earnings ensuing from exchange rate fluctuations.

The Group applies decentralised responsibility for currency risk management. This involves risk identification and risk hedging occurring at subsidiary level. It is important to capitalise on the size of the Group and natural circumstances to match flows, and the subsidiaries shall therefore hedge their risk with the Parent Company which, in turn, hedges the net risk of the Group on the external market. Currency risk is defined as the risk of a negative effect on profit resulting from changes in foreign exchange rates.

For Addtech, currency risk arises 1) as a result of future payment flows in foreign currency, known as transaction exposure, and 2) because parts of the Group's equity comprise net assets in foreign subsidiaries, known as translation exposure.

Transaction exposure

Transaction exposure comprises all future contracted and forecast ingoing and outgoing payments in foreign currency. The Group's currency flows usually pertain to flows in foreign currency from purchases, sales and dividends. Transaction exposure also comprises financial transactions and balances. During the year, the Group's payment flows in foreign currencies were distributed as follows:

	Currency flows, gross 2014/2015		Currency flows, net	
SEKm	**Inflows**	**Outflows**	**2014/2015**	**2013/2014**
EUR	1,189	1,897	-708	-696
USD	380	582	-202	-235
NOK	64	23	41	26
JPY	54	74	-20	-32
DKK	33	65	-32	14
GBP	13	81	-68	-51
CHF	7	107	-100	-98

The effects of exchange rate fluctuations are reduced by buying and selling in the same currency, through currency clauses in customer contracts and, to a certain degree, by forward purchases or sales of foreign currency. Currency clauses are a common method in the industry for handling uncertainty associated with future cash flows. A currency clause means that compensation will be paid for any changes in the exchange rate that exceed a certain predefined level during the contract period. If these thresholds are not reached, for example when the exchange rate changes by less than two percentage points, no compensation is paid. The currency clauses adjust the exchange rate change between the time the order is placed and the invoice date. Currency clauses are symmetrically designed, which means that compensation is charged or credited when the exchange rate rises or declines beyond the predefined thresholds.

Of Group net sales, currency clauses cover about 14 percent and sales in the purchasing currency make up about 31 percent. In certain transactions, there is a direct link between the customer's order and the associated purchase order, which is a good basis for effective currency risk management. However, in many cases the dates of the orders do not coincide, which may reduce the effectiveness of these measures. The subsidiaries have reduced their currency exposure by using forward foreign exchange contracts. At the end of the financial year, there were outstanding forward foreign exchange contracts in a gross amount of SEK 180 million, of which EUR equalled SEK 115 million, JPY SEK 10 million, USD SEK 47 million and CHF SEK 8 million. Out of the total contracts, SEK 148 million matures within six months and SEK 32 million within 12 months. Hedge accounting does not apply to forward foreign exchange contracts and they are classified as a financial asset measured at fair value held for trading. Hedge accounting applies to embedded derivatives consisting of currency clauses, and they are classified as derivatives used in hedge accounting. The cash flow effect from embedded derivatives normally occurs within six months.

The Group has a net exposure in several currencies. If each separate currency pair changes by 5 percent, the aggregate effect on profit would total about SEK 40 million (27), all else being equal. Inflows and outflows in the same currency mean that the Group's exposure is relatively limited. Currency flows in the Parent Company are mainly in Swedish kronor (SEK). To the extent that internal and external loans and investments in the Parent Company are in foreign currency, 100 percent of the capital amount is hedged.

Translation exposure

The translation exposure of the Addtech Group is currently not hedged. The Group's net assets are divided among foreign currencies as follows:

	31 Mar 15		31 Mar 14	
Net investments	**SEKm**	**Sensitivity analysis 1)**	**SEKm**	**Sensitivity analysis 2)**
NOK	560.8	28.0	531.5	26.6
EUR	422.1	21.1	325.2	16.3
DKK	385.1	19.3	211.6	10.6
PLZ	52.9	2.6	50.1	2.5
TTD	28.8	1.4	19.7	1.0
GBP	20.5	1.0	16.7	0.8
HKD	13.7	0.7	10.7	0.5

1) Impact of +/−5% in exchange rate on Group equity

2) Circumstances in the previous year

When translating the income statement of units with a functional currency other than SEK, a translation effect arises when exchange rates vary. With the present distribution of Group companies' different functional currencies, a change of 1 percentage point in the exchange rates would have an effect of SEK +/- 38 million (28) on net sales and SEK +/- 3 million (2) on operating profit.

The exchange rates used in the financial statements are shown in the following table:

	Average rate		Closing day rate	
Exchange rate	**2014/2015**	**2013/2014**	**2015-03-31**	**2014-03-31**
CHF 1	7.87	7.11	8.88	7.34
CNY 100	118.24	106.62	139.26	104.35
DKK 100	123.83	117.17	124.37	119.86
EUR 1	9.23	8.74	9.29	8.95
GBP 1	11.77	10.36	12.77	10.80
HKD 1	0.94	0.84	1.11	0.84
JPY 1000	66.60	65.10	72.00	62.80
LTL 1	2.66	2.53	2.72	2.59
NOK 100	109.29	108.92	106.74	108.40
PLZ 1	2.20	2.08	2.27	2.14
TRY 1	3.25	3.26	3.30	3.01
TTD 1	1.18	1.03	1.37	1.03
TWD 1	0.24	0.22	0.28	0.21
USD 1	7.33	6.52	8.63	6.49

FINANCING AND LIQUIDITY

The overall objective of Addtech's financing and debt management is to secure financing for the operations in both the long and short term, and to minimise borrowing costs. The capital requirement shall be secured through an active and professional borrowing procedure comprising overdraft and credit facilities. Raising external financing is centralised at Addtech AB. Satisfactory payment capacity shall be achieved through contractual credit facilities. Surplus liquidity is primarily used to pay down outstanding loans. Temporary surpluses in liquid funds are invested at optimum return. Credit, interest rate and liquidity risks shall be minimised when investing liquid funds. The fixed interest term and the period during which capital is tied up may not exceed six months. Only counterparties with high credit ratings are permitted. At 31 March 2015 there were current investments of SEK 0.0 million (0.4). The Parent Company is responsible for the Group's long-term financing as well as its supply of liquidity. The Parent Company provides an internal bank which lends to and borrows from the subsidiaries. The Group's and Parent Company's non-current and current interest-bearing liabilities are shown in Notes 24 and 25.

To manage surpluses and deficits in different currencies, Addtech uses currency swaps from time to time. This allows the Group to reduce its financing costs and the Company's liquid funds to be used in an efficient manner.

With the current net financial debt, the impact on the Group's net financial items is SEK +/- 5 million if interest rates change by 1 percentage point.

Refinancing risk

The refinancing risk is the risk of Addtech not having access to sufficient financing on each occasion. The refinancing risk increases if Addtech's credit rating deteriorates or if Addtech becomes too dependent on one source of financing. If all or a large part of the debt portfolio matures on a single or a few occasions, this could involve the turnover or refinancing of a large proportion of the loan volume having to occur on disadvantageous interest and borrowing terms.

In order to limit the refinancing risk, the procurement of long-term credit facilities commences nine months at the latest before the credit facility matures. At 31 March 2015, the Group's bank overdraft facilities amounted to SEK 800 million (701) and contractual credit facilities to SEK 314 million (327). During the year the overdraft facility increased by SEK 99 million and agreed credit commitments decreased by SEK 13 million. At 31 March 2015, the Group had utilised SEK 430 million of the bank overdraft facilities and SEK 113 million of the credit commitments. Unutilised bank overdraft facilities and credit facilities amounted to SEK 572 million. SEK 300 million of contractually binding credit facilities and SEK 600 million of overdraft facilities are contingent upon loan covenants. For covenants, Addtech uses two ratios: EBITDA/net financial items and equity/assets. Addtech meets its present covenants by a margin.

Interest rate risk

The interest rate risk is defined as the risk of changes in interest rates having a negative effect on net financial items due to increased borrowing costs. The interest rate risk is regulated by ensuring that the average fixed interest term of the debt portfolio varies between 0-3 years. The debt portfolio consists of bank overdraft facilities and outstanding external loans. The interest rate at 31 March 2015 was variable, that is, 0-3 months. Addtech's main exposure to interest rate risk is in its debt portfolio. Aside from the pension liability, interest-bearing external debt totals SEK 593 million (594).

ISSUER/BORROWER RISK AND CREDIT RISK

Issuer/borrower risk and credit risk are defined as the risk of Addtech's counterparties failing to fulfil their contractual obligations. Addtech is exposed to credit risk in its financial transactions, that is, in investing its surplus liquidity and executing forward foreign exchange transactions, and in its commercial operations in connection with accounts receivable and advance payments to suppliers.

Addtech's financial function at the Parent Company is responsible for assessing and managing issuer/borrower risk. The financial policy prescribes that surplus liquidity only be invested with counterparties that have a very high credit rating. As in prior years, in 2014/2015 surplus funds were not invested with any counterparties other than Swedish banks, aside from the Group's normal bank contacts.

To utilise its subsidiaries' detailed knowledge of Addtech's customers and suppliers, Addtech has each company assess the credit risk in its commercial transactions. New customers are assessed before credit is granted, and credit limits set are strictly enforced. Short credit periods are the goal, and avoiding excessive concentration of business with individual customers and with specific sectors helps minimise risks. No individual customer accounts for more than 2 percent (2) of total credit exposure during a one-year period. The equivalent figure for the ten largest customers is about 12 percent (11). Exposure per customer segment and geographic market is presented in Note 5. Bad debt losses totalled SEK 1.1 million (2.8) during the year, equal to 0.0 percent (0.0) of net sales.

Accounts receivable, SEKm	2015-03-31	2014-03-31
Carrying amount	1,043.1	963.0
Impairment losses	4.0	3.4
Cost	**1,047.1**	**966.4**

Change in impaired accounts receivable	2014/2015	2013/2014
Amount at start of year	-3.4	-4.1
Corporate acquisitions	-0.1	0.0
Year's impairment losses/reversals	-1.1	-0.4
Settled impairment losses	0.6	1.2
Translation effects	0.0	-0.1
Total	**-4.0**	**-3.4**

Time analysis of accounts receivable that are overdue but not impaired	2015-03-31	2014-03-31
< = 30 days	88.3	86.2
31–60 days	6.3	15.2
> 60 days	8.4	10.1
Total	**103.0**	**111.5**

Financial instruments, SEKm	31 Mar 15			31 Mar 14		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives used in hedge accounting	3	3	–	0	0	–
Derivatives held for trading purposes	3	3	–	1	1	–
Total financial assets at fair value per level	**6**	**6**	**–**	**1**	**1**	**–**
Derivatives used in hedge accounting	1	1	–	0	0	–
Derivatives held for trading purposes	5	5	–	2	2	–
Contingent considerations	31	–	31	27	–	27
Total financial liabilities at fair value per level	**37**	**6**	**31**	**29**	**2**	**27**

Contingent considerations	2014/2015	2013/2014
Carrying amount, opening balance	27	61
Acquisitions during the year	31	24
Reversed through profit or loss	-13	-16
Consideration paid	-17	-43
Interest expenses	1	2
Exchange differences	2	-1
Carrying amount, closing balance	**31**	**27**

Impact of financial instruments on net earnings	2014/2015	2013/2014
Assets and liabilities measured at fair value through profit or loss	-1	-2
Derivatives used in hedge accounting	-1	0
Accounts receivable and loan receivables	-1	-3
Available-for-sale financial assets	–	0
Other liabilities	-8	-12
Total	**-11**	**-17**

NOTE 4 NET SALES BY REVENUE TYPE

Group	2014/2015	2013/2014
OEM		
Components	3,264	2,801
Products for end users		
Components	2,089	1,999
Machinery/Instruments	389	340
Materials	860	766
Services	174	183
Total	**6,776**	**6,089**

OEM components are built into the products that Addtech's customers produce. OEM stands for 'original equipment manufacturer'. Products for end users comprise all other uses. As regards other revenue types, dividends and interest income are recognised in financial items, see Note 11.

Components	2014/2015	2013/2014
OEM		
Components	1,371	1,157
Products for end users		
Components	385	304
Machinery/Instruments	56	41
Materials	54	43
Services	16	9
Total	**1,882**	**1,554**

Energy	2014/2015	2013/2014
OEM		
Components	1,005	849
Products for end users		
Components	1,036	1,073
Machinery/Instruments	32	16
Materials	34	25
Services	14	12
Total	**2,121**	**1,975**

Industrial Solutions	2014/2015	2013/2014
OEM		
Components	781	732
Products for end users		
Components	344	348
Machinery/Instruments	32	25
Materials	68	55
Services	20	13
Total	**1,245**	**1,173**

Life Science	2014/2015	2013/2014
OEM		
Components	116	70
Products for end users		
Components	323	289
Machinery/Instruments	270	254
Materials	703	633
Services	123	147
Total	**1,535**	**1,393**

NOTE 5 SEGMENT REPORTING

The division into business areas reflects Addtech's internal organisation and reporting system. Addtech reports its business areas as operating segments. Until 31 March 2015, Addtech consisted of four business areas; Components, Energy, Industrial Solutions and Life Science. As of the start of the new financial year, the Group implemented a reorganisation and formed a fifth business area. The changes that have taken place:

- The new business area, Power Solutions, was formed from the Storage & Power business unit (from the Energy business area) and the Customised Solutions business unit (from the Industrial Solutions business area) and a company within the Energy Products business unit.
- The Process Technology business unit was moved from the Life Science business area to the Industrial Solutions business area, which, based on a partly new overall strategy, was renamed Industrial Process.

Components

Components markets and sells components and sub-systems in mechanics, electromechanics, hydraulics and electronics as well as automation solutions. Its customers are mainly in the manufacturing industry.

Energy

Energy markets and sells products for the transmission and distribution of electricity and products in electrical safety, electrical installation and connection technology (circuitry). Its customers mainly operate in the energy and electrical installation market via specifiers and electricity wholesalers.

Industrial Process

Industrial Process markets and sells solutions, sub-systems and components (often under own brand) which help to optimise industrial processes and flows. Its customers mainly operate in the North European manufacturing industry.

Power Solutions

Power Solutions develops, markets and sells components and system solutions that ensure power supply, as well as operation and control of movements or energy flows, such as battery solutions and products used in the interaction between humans and machines. The business area's customers mainly work with special vehicles, telecoms, environmental technology and medical technology.

Life Science

Life Science markets and sells instruments, equipment, consumable supplies and service to laboratories in healthcare and research as well as diagnostic equipment and related services to the healthcare sector.

Pro forma according to the new organisation per 2015-04-01

Data by operating segment	2014/2015			2013/2014		
Net sales	External	Internal	Total	External	Internal	Total
Components	1,888	1	1,889	1,586	1	1,587
Energy	1,346	0	1,346	1,282	0	1,282
Industrial Process	1,398	5	1,403	1,278	4	1,282
Power Solutions	1,087	1	1,088	960	1	961
Life Science	1,057	0	1,057	983	0	983
Parent Company and Group items	0	-7	-7	–	-6	-6
Total	**6,776**	**0**	**6,776**	**6,089**	**0**	**6,089**

	2014/2015			2013/2014		
Operating profit/loss, assets and liabilities	Operating profit /loss	Assets 1)	Liabilities 1)	Operating profit /loss	Assets 1)	Liabilities 1)
Components	129	971	322	93	870	245
Energy	114	809	250	129	762	240
Industrial Process	77	733	231	92	649	212
Power Solutions	123	540	191	97	491	154
Life Science	105	540	181	103	524	151
Parent Company and Group items	-12	260	1,139	-13	169	1,114
Operating profit/loss, assets and liabilities	**536**	**3,853**	**2,314**	**501**	**3,465**	**2,116**
Finance income and expenses	-23			-26		
Profit after financial items	**513**			**475**		

1) Does not include balances in Group accounts or financial transactions with Group companies.

Organisation even 2015-03-31

Data by operating segment	2014/2015			2013/2014		
Net sales	External	Internal	Total	External	Internal	Total
Components	1,881	1	1,882	1,553	1	1,554
Energy	2,121	0	2,121	1,975	0	1,975
Industrial Solutions	1,239	6	1,245	1,168	5	1,173
Life Science	1,535	0	1,535	1,393	0	1,393
Parent Company and Group items	0	-7	-7	–	-6	-6
Total	**6,776**	**0**	**6,776**	**6,089**	**0**	**6,089**

	2014/2015			2013/2014		
Operating profit/loss, assets and liabilities	Operating profit /loss	Assets 1)	Liabilities 1)	Operating profit /loss	Assets 1)	Liabilities 1)
Components	130	971	322	96	857	240
Energy	203	1,187	394	200	1,100	352
Industrial Solutions	100	610	199	93	576	184
Life Science	115	825	260	125	763	226
Parent Company and Group items	-12	260	1,139	-13	169	1,114
Operating profit/loss, assets and liabilities	**536**	**3,853**	**2,314**	**501**	**3,465**	**2,116**
Finance income and expenses	-23			-26		
Profit after financial items	**513**			**475**		

1) Does not include balances in Group accounts or financial transactions with Group companies.

Investments in non-current assets	2014/2015 Intangible 1)	2014/2015 Property, plant and equipment 1)	2014/2015 Total	2013/2014 Intangible 1)	2013/2014 Property, plant and equipment 1)	2013/2014 Total
Components	2	9	11	3	7	10
Energy	–	13	13	0	17	17
Industrial Solutions	1	11	12	2	5	7
Life Science	3	18	21	1	15	16
Parent Company and Group Items	3	1	4	0	7	7
Total	**9**	**52**	**61**	**6**	**51**	**57**

1) The amounts do not include the effects from acquisitions.

Depreciation/amortisation of non-current assets	2014/2015 Intangible	2014/2015 Property, plant and equipment	2014/2015 Total	2013/2014 Intangible	2013/2014 Property, plant and equipment	2013/2014 Total
Components	-25	-7	-32	-24	-7	-31
Energy	-35	-10	-45	-29	-9	-38
Industrial Solutions	-9	-9	-18	-7	-9	-16
Life Science	-21	-12	-33	-18	-15	-33
Parent Company and Group Items	-2	-3	-5	-2	-2	-4
Total	**-92**	**-41**	**-133**	**-80**	**-42**	**-122**

Significant profit or loss items, other than depreciation or amortisation, not matched by payments in 2014/2015	Capital gains	Change in pension liability	Other items	Total
Components	-1	30	-2	27
Energy	0	5	-9	-4
Industrial Solutions	-1	7	3	9
Life Science	0	15	-2	13
Parent Company and Group Items	0	-53	1	-52
Total	**-2**	**4**	**-9**	**-7**

Data by country

	2014/2015 Net sales, external	2014/2015 Assets 1)	2014/2015 Of which non-current assets	2013/2014 Net sales, external	2013/2014 Assets 1)	2013/2014 Of which non-current assets
Sweden	2,624	1,862	888	2,613	1,851	878
Denmark	1,037	597	232	809	343	106
Finland	908	465	199	762	390	151
Norway	1,083	644	354	957	618	342
Other countries	1,124	214	56	948	174	40
Parent Company, Group items and unallocated assets	–	71	12	–	89	13
Total	**6,776**	**3,853**	**1,741**	**6,089**	**3,465**	**1,530**

1) Does not include Group account balances and financial assets. External net sales are based on the customers' location, and the carrying amounts of assets are based on where the assets are located.

Investments in non-current assets	2014/2015 Intangible	2014/2015 Property, plant and equipent	2014/2015 Total	2013/2014 Intangible	2013/2014 Property, plant and equipent	2013/2014 Total
Sweden	5	24	29	3	29	32
Denmark	1	8	9	0	6	6
Finland	3	6	9	3	6	9
Norway	–	3	3	0	3	3
Other countries	0	11	11	0	7	7
Total	**9**	**52**	**61**	**6**	**51**	**57**

NOTE 6 EMPLOYEES AND EMPLOYEE BENEFITS EXPENSE

	2014/2015			2013/2014		
Average number of employees	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Sweden						
Parent Company	6	5	11	6	4	10
Other companies	643	213	856	629	199	828
Denmark	233	130	363	195	123	318
Finland	182	94	276	180	86	266
Norway	205	56	261	193	52	245
Other countries	380	77	457	362	71	433
Total	**1,649**	**575**	**2,224**	**1,565**	**535**	**2,100**

	2014/2015			2013/2014		
Salaries and remuneration	**Senior management**	**of which profit-related remune-ration**	**Other employees**	**Senior management**	**of which profit-related remune-ration**	**Other employees**
Sweden						
Parent Company	19.6	3.4	3.3	17.5	2.9	3.0
Other companies	52.0	7.2	369.5	53.2	5.7	350.3
Denmark	27.5	3.9	203.5	22.9	2.0	166.5
Finland	24.3	2.6	112.2	20.1	1.0	97.3
Norway	26.8	1.4	153.9	20.4	1.1	143.0
Other countries	13.2	2.2	59.0	11.2	2.0	51.8
Total	**163.4**	**20.7**	**901.4**	**145.3**	**14.7**	**811.9**

Senior management is defined as Group management, Managing Directors and vice MD's in Group subsidiaries.

	Group		Parent Company	
Salaries, remuneration and social security costs	**2014/2015**	**2013/2014**	**2014/2015**	**2013/2014**
Salaries and other remuneration	1,064.8	957.1	23.0	20.5
Contractually agreed pensions for senior management	23.4	21.9	4.5	4.2
Contractual pensions to others	86.5	72.1	0.6	0.5
Other social security costs	205.7	192.8	8.9	7.8
Total	**1,380.4**	**1,243.9**	**37.0**	**33.0**

At year-end, outstanding pension commitments to senior management totalled SEK 10.6 million (9.5) for the Group and SEK 2.1 million (2.2) for the Parent Company. Different accounting policies are applied to pension costs in the Parent Company and the Group (see Note 1 Accounting Policies).

	Group		Parent Company	
Proportion of women	**2015-03-31**	**2014-03-31**	**2015-03-31**	**2014-03-31**
Board of Directors (not including alternates)	4%	3%	17%	17%
Other members of senior management	18%	18%	17%	17%

PREPARATION AND DECISION-MAKING PROCESS FOR REMUNERATION TO THE BOARD OF DIRECTORS, CEO AND GROUP MANAGEMENT

The guidelines applied in the 2014/2015 financial year for remuneration to senior management correspond to those in the proposal for the coming year included in the administration report. The principle for remuneration to the Board of Directors, Chief Executive Officer (CEO) and Group management is that remuneration should be competitive. The nomination committee proposes Board fees to the Annual General Meeting (AGM). Board fees are paid based on a resolution of the AGM.

No separate fees are paid for committee work. For remuneration to the CEO, members of Group management and other members of senior management in the Group, the Board of Directors has appointed a remuneration committee consisting of the Chairman and Vice Chairman of the Board, with the CEO as the reporting member. A fixed salary, variable remuneration and conventional employment benefits are paid to the CEO, Group management and other members of senior management. In addition, pension benefits and incentive programmes apply, as described below. The remuneration committee adheres to the guidelines for remuneration to senior management approved by Addtech AB's AGM.

PERSONNEL OPTIONS FOR MEMBERS OF SENIOR MANAGEMENT

The Group's share-based incentive programmes make it possible for senior management to purchase shares in the Company. The employees have paid a market premium for call options on Class B shares. The option premium in the different programmes was calculated by Nordea Bank using the Black & Scholes valuation method. The calculations presupposed that the redemption price was set at 120 percent of the volume-weighted average of the price paid during the measurement period, volatility was based on statistical source material based on historical data, the risk-free rate was based on the government bond rate, maturity and redemption period according to the terms of the programmes, and dividend according to the estimates available based on the Group's dividend policy.

The programmes include a subsidy so that the employee receives the same sum as the option premium paid in the form of cash payment, i.e. salary. This subsidy shall be paid two years after the acquisition of the call options, provided that the option holder is still employed in the Group and still owns call options at that time. The subsidy, and related social security costs, is distributed as employee benefits expense over the vesting period. Addtech has no obligation to repurchase the options when an employee terminates employment. The holder can redeem the options irrespective of future employment at the Group. The calculation of the dilution effect below is based on the number of outstanding shares on subscription to the programmes.

For information regarding outstanding call option programmes, please refer to Administration Report/Repurchase of Treasury Shares and Incentive Programmes.

BOARD OF DIRECTORS

The Board fees of SEK 1,630 thousand (1,630) set by the AGM are distributed, as per the AGM's decision, among those Board Directors who are not employed by the Parent Company.

PARENT COMPANY'S CEO

Johan Sjö, Parent Company CEO, received a fixed salary of SEK 4,030 thousand (3,697) and SEK 1,406 thousand (987) in variable pay. Variable remuneration includes SEK 288 thousand regarding the year’s cost for a subsidy for participation in the Group’s incentive programme. Taxable benefits totalling SEK 222 thousand (188) are additional. From age 65, the CEO is covered by a defined contribution pension, the size of which depends on the outcome of pension insurance agreements. During 2014/2015, a total of SEK 1,251 thousand (1,150) in pension premiums, determined annually by the remuneration committee, were paid for the CEO. Variable salary is not pensionable income.

Variable remuneration based on Group earnings may be payable in an amount up to 30 percent of fixed salary. In addition, a further premium of 20 percent may be payable of the variable remuneration received used in acquisition of shares in Addtech AB.

The period of notice is of 12 months when the Company terminates the employment contract and six months when the CEO does so. In the case of termination on the initiative of the Company, the CEO is entitled to a severance payment equivalent to one year's salary in addition to salary during the period of notice. No severance package is payable if the employee terminates the employment contract.

OTHER MEMBERS OF GROUP MANAGEMENT

Other members of Group management were paid a total of SEK 8,915 thousand (8,567) in fixed salaries and SEK 3,684 thousand (2,631) in variable remuneration. This variable remuneration was expensed during the 2014/2015 financial year and was paid during 2015/2016. Variable remuneration includes SEK 1,384 thousand (624) regarding the year’s cost for a subsidy for participation in the Group’s incentive programme. Taxable benefits totalling SEK 620 thousand (513) are additional. Persons in Group management are covered from age 65 by pension entitlements based on individual agreements. Existing pension schemes consist of defined contribution schemes, in which the pension amount depends on the outcome of pension insurance agreements, as well as defined benefit schemes. The cost of the defined benefit pensions and the defined contribution schemes is basically equivalent to the ITP plan (supplementary pension scheme for salaried employees).

During 2014/2015, a total of SEK 3,176 thousand (3,095) in pension premiums was paid for the group 'Other members of Group management'.

Variable remuneration based on Group earnings may be payable in an amount up to 30 percent of fixed salary. In addition, a further premium of 20 percent may be payable of the variable remuneration received used in acquisition of shares in Addtech AB.

The period of notice is 12 months when the Company terminates the employment contract and six months when the employee does so. Severance pay is payable upon termination of employment equivalent to no more than one year's salary. No severance package is payable if the employee terminates the employment contract.

Remuneration and other benefits during the year	Basic salary/ Board fees	Variable remuneration 1)	Other benefits	Pension costs	Total
Chairman of the Board	0.5	–	–	–	0.5
Other members of the Board	1.1	–	–	–	1.1
Chief Executive Officer	4.0	1.4	0.2	1.3	6.9
Other members of Group management (5 persons)	8.9	3.7	0.6	3.2	16.4
Total	**14.5**	**5.1**	**0.8**	**4.5**	**24.9**

1) Including remuneration to group management participating in incentive programmes.

There has been no remuneration for financial instruments or personnel options.

Board fees for 2014/2015, SEK '000s

Name	Position	Fee
Anders Börjesson	Chairman of the Board	500
Tom Hedelius	Vice Chairman of the Board	380
Eva Elmstedt	Director	250
Ulf Mattsson	Director	250
Johan Sjö	Director	–
Lars Spongberg	Director	250
Total		**1,630**

NOTE 7 REMUNERATION TO AUDITORS

	Group		Parent Company	
	2014/2015	2013/2014	2014/2015	2013/2014
KPMG				
Audit assignment	5.8	6.0	0.3	0.3
Tax consultation	0.2	0.3	0.0	0.1
Other assignments	1.2	0.7	0.3	0.0
TOTAL REMUNERATION TO KPMG	**7.2**	**7.0**	**0.6**	**0.4**
Other auditors				
Audit assignment	0.5	0.9	–	–
Tax consultation	0.1	0.1	–	–
Other assignments	0.1	0.1	–	–
TOTAL REMUNERATION TO OTHER AUDITORS	**0.7**	**1.1**	**–**	**–**
Total remuneration to auditors	**7.9**	**8.1**	**0.6**	**0.4**

NOTE 8 DEPRECIATION AND AMORTISATION

	Group		Parent Company	
Depreciation and amortisation, by function	**2014/2015**	**2013/2014**	**2014/2015**	**2013/2014**
Cost of sales	-23.9	-25.4	–	–
Selling expenses	-98.7	-87.4	–	–
Administrative expenses	-10.7	-9.1	-1.2	-0.7
Total	**-133.3**	**-121.9**	**-1.2**	**-0.7**

	Group		Parent Company	
Depreciation and amortisation, by type of asset	**2014/2015**	**2013/2014**	**2014/2015**	**2013/2014**
Intangible assets	-92.0	-80.0	-0.2	-0.2
Buildings and land	-3.4	-3.1	–	–
Leasehold improvements	-2.1	-1.3	-0.6	-0.3
Machinery	-12.1	-10.9	–	–
Equipment	-23.7	-26.6	-0.4	-0.2
Total	**-133.3**	**-121.9**	**-1.2**	**-0.7**

NOTE 9 OTHER OPERATING INCOME AND EXPENSES

Group	2014/2015	2013/2014
Other operating income		
Rental revenue	1.7	2.0
Gain on sale of operations and non-current assets	2.2	0.6
Change in value of share option	0.6	0.3
Change in loans for contingent considerations	13.0	15.8
Other	7.8	9.2
Total	**25.3**	**27.9**
Other operating expenses		
Property costs	0.0	-2.2
Loss on sale of operations and non-current assets	-0.5	-0.5
Exchange losses, net	-1.2	-11.5
Change in loans for contingent considerations	-0.7	-1.2
Other	-2.0	–
Total	**-4.4**	**-15.4**

NOTE 10 OPERATING EXPENSES

Group	2014/2015	2013/2014
Inventories, raw materials and consumables	4,090.1	3,618.5
Employee benefits expense	1,433.7	1,285.3
Depreciation/amortisation	133.3	121.9
Impairment of inventories	17.7	16.1
Impairment of doubtful accounts receivable	1.1	2.8
Other operating expenses	589.0	571.3
Total	**6,264.9**	**5,615.9**

NOTE 11 FINANCE INCOME AND COSTS

Group	2014/2015	2013/2014
Interest income on bank balances	2.5	1.9
Dividends	0.0	0.0
Exchange rate changes, net	–	0.9
Changes in value from revaluation of financial assets/liabilities, net	0.2	–
Other finance income	0.6	0.0
FINANCE INCOME	**3.3**	**2.8**
Interest expense on financial liabilities measured at amortised cost	-7.6	-12.0
Interest expense on financial liabilities measured at fair value	-1.1	-1.8
Interest expense on pension liability	-9.1	-7.8
Exchange rate changes, net	-1.4	–
Changes in value from revaluation of financial assets/liabilities, net	–	0.0
Other finance costs	-6.7	-7.0
FINANCE COSTS	**-25.9**	**-28.6**
Net financial items	**-22.6**	**-25.8**

Parent Company	2014/2015	2013/2014
Dividend income	23.3	8.0
Received and paid group contribution	230.3	194.6
PROFIT FROM INTERESTS IN GROUP COMPANIES	**253.6**	**202.6**
Interest income, etc:		
Group companies	31.7	33.2
PROFIT FROM NON–CURRENT FINANCIAL ASSETS	**31.7**	**33.2**
Interest income, etc:		
Group companies	1.3	1.0
Other interest income, change in value of derivatives and exchange rate differences	6.8	7.5
INTEREST INCOME AND SIMILAR ITEMS	**8.1**	**8.5**
Interest expense, etc:		
Group companies	-3.4	-5.4
Other interest expense, change in value of derivatives and banking fees	-18.5	-23.6
INTEREST EXPENSE AND SIMILAR ITEMS	**-21.9**	**-29.0**
Finance income and costs	**271.5**	**215.3**

NOTE 12 YEAR-END APPROPRIATIONS - PARENT COMPANY

	2014/2015	2013/2014
Reversal of tax allocation reserve	56.5	57.8
Provision made to tax allocation reserve	-74.9	-66.9
Excess amortisation/depreciation	0.0	-1.1
Total	**-18.4**	**-10.2**

Had the Parent Company reported deferred tax on year-end appropriations as per the policies applied in the consolidated financial statements, the deferred tax expense would have totalled SEK 4.0 million (2.2).

NOTE 13 TAXES

	Group		Parent Company	
	2014/2015	2013/2014	2014/2015	2013/2014
Current tax for the period	-134.6	-122.2	-49.9	-44.2
Adjustment from previous years	-0.5	0.5	–	–
Total current tax expense	**-135.1**	**-121.7**	**-49.9**	**-44.2**
Deferred tax	21.5	15.8	0.3	0.6
Total recognised tax expense	**-113.6**	**-105.9**	**-49.6**	**-43.6**

Group	2014/2015	%	2013/2014	%
Profit before tax	513.3		475.4	
Weighted average tax based on national tax rates	-115.8	22.6	-107.9	22.7
Tax effects of				
Non-deductible costs/non-taxable income	-5.7	1.1	-3.6	0.8
Transaction costs, revaluation contingent considerations acquisitions	4.4	-0.9	3.4	-0.7
Standard interest on tax allocation reserves	-0.6	0.1	-1.4	0.3
Changed tax rate	1.5	-0.3	4.2	-0.9
Adjustments from previous years	-1.2	0.2	-0.9	0.2
Other	3.8	-0.7	0.3	-0.1
Recognised tax expense	**-113.6**	**22.1**	**-105.9**	**22.3**

Parent Company	2014/2015	%	2013/2014	%
Profit before tax	245.1		200.8	
Tax based on current tax rate for parent company	-53.9	22.0	-44.2	22.0
Tax effects of				
Standard interest on tax allocation reserves	-0.5	0.2	-1.1	0.5
Non-deductible costs				
Other	-0.4	0.2	-0.3	0.1
Non-taxable income				
Dividends from subsidiaries	5.1	-2.1	1.8	-0.9
Other	0.1	0.0	0.1	0.0
Adjustments from previous years	–	–	0.1	0.0
Recognised tax expense	**-49.6**	**20.2**	**-43.6**	**21.7**

Deferred tax assets/liabilities, net, at year-end	2015-03-31			2014-03-31		
Group	Assets	Liabilities	Net	Assets	Liabilities	Net
Non-current assets	3.8	-155.9	-152.1	1.9	-138.7	-136.8
Untaxed reserves	–	-95.6	-95.6	–	-94.7	-94.7
Pension provisions	32.7	-0.5	32.2	18.1	-0.9	17.2
Other	4.8	-2.5	2.3	3.8	-0.9	2.9
Net recognised	-37.5	37.5	0.0	-21.1	21.1	0.0
Deferred taxes, net, at year–end	**3.8**	**-217.0**	**-213.2**	**2.7**	**-214.1**	**-211.4**

Group	2014/2015					
	Amount at start of year	Recognised in profit or loss	Acquisitions and disposals	Recognised in other comprehensive income	Translation effects	Amount at year-end
Non-current assets	-136.8	21.1	-36.4	–	0.0	-152.1
Untaxed reserves	-94.7	0.0	-0.9	–	–	-95.6
Pension provisions	17.2	0.6	–	14.2	0.2	32.2
Other	2.9	-0.2	–	-0.2	-0.2	2.3
Deferred taxes, net	**-211.4**	**21.5**	**-37.3**	**14.0**	**0.0**	**-213.2**

Group	2013/2014					
	Amount at start of year	Recognised in profit or loss	Acquisitions and disposals	Recognised in other comprehensive income	Translation effects	Amount at year-end
Non-current assets	-126.3	22.7	-32.4	–	-0.8	-136.8
Untaxed reserves	-86.4	-1.7	-6.6	–	–	-94.7
Pension provisions	17.7	-0.4	–	0.0	-0.1	17.2
Other	7.9	-4.8	–	0.1	-0.3	2.9
Deferred taxes, net	**-187.1**	**15.8**	**-39.0**	**0.1**	**-1.2**	**-211.4**

Parent Company	2014/2015			2013/2014		
	Amount at start of year	Recognised in profit or loss	Amount at year-end	Amount at start of year	Recognised in profit or loss	Amount at year-end
Financial instruments	0.2	0.3	0.5	-0.4	0.6	0.2
Deferred taxes, net	**0.2**	**0.3**	**0.5**	**-0.4**	**0.6**	**0.2**

There are no non-capitalised tax loss carry-forwards in the Group (-).

NOTE 14 INTANGIBLE NON-CURRENT ASSETS

	2014/2015							
	Intangible assets acquired						Intangible assets developed in the Group	
Group	Goodwill	Supplier relationships, customer relationships and technology	Trademarks	Capitalised R&D expenses	Leases (rental) and similar rights	Software	Software	Total
Accumulated cost								
Opening balance	785.2	813.0	22.9	15.6	1.0	60.7	3.7	1,702.1
Acquisition of companies	113.2	165.9	–	–	–	–	–	279.1
Investments	1.9	0.4	–	0.3	0.1	5.8	–	8.5
Reclassifications	–	–	–	–	–	0.6	–	0.6
Translation effect for the year	3.0	3.2	–	-0.1	0.0	0.5	–	6.6
Closing balance	**903.3**	**982.5**	**22.9**	**15.8**	**1.1**	**67.6**	**3.7**	**1,996.9**
Accumulated amortisation								
Opening balance	–	-289.8	-0.2	-11.3	-0.4	-54.0	-3.7	-359.4
Amortisation	–	-86.9	0.0	-1.4	-0.2	-3.5	–	-92.0
Translation effect for the year	–	-2.1	–	0.1	0.0	-0.3	–	-2.3
Closing balance	**–**	**-378.8**	**-0.2**	**-12.6**	**-0.6**	**-57.8**	**-3.7**	**-453.7**
Carrying amount at year-end	**903.3**	**603.7**	**22.7**	**3.2**	**0.5**	**9.8**	**0.0**	**1,543.2**
Carrying amount at start of year	**785.2**	**523.2**	**22.7**	**4.3**	**0.6**	**6.7**	**0.0**	**1,342.7**

	2013/2014							
	Intangible assets acquired						Intangible assets developed in the Group	
Group	Goodwill	Supplier relationships, customer relationships and technology	Trademarks	Capitalised R&D expenses	Leases (rental) and similar rights	Software	Software	Total
Accumulated cost								
Opening balance	696.2	672.3	22.9	9.9	0.8	58.6	3.7	1,464.4
Acquisition of companies	83.0	132.3	–	3.5	–	–	–	218.8
Investments	–	3.0	–	2.2	0.1	1.4	–	6.7
Reclassifications	-0.2	–	–	–	–	–	–	-0.2
Translation effect for the year	6.2	5.4	–	–	0.1	0.7	–	12.4
Closing balance	**785.2**	**813.0**	**22.9**	**15.6**	**1.0**	**60.7**	**3.7**	**1,702.1**
Accumulated amortisation								
Opening balance	–	-210.6	-0.2	-7.4	-0.2	-50.5	-3.7	-272.6
Acquisition of companies	–	–	–	-2.9	–	–	–	-2.9
Amortisation	–	-76.0	0.0	-1.0	-0.2	-2.8	–	-80.0
Translation effect for the year	–	-3.2	–	–	0.0	-0.7	–	-3.9
Closing balance	**–**	**-289.8**	**-0.2**	**-11.3**	**-0.4**	**-54.0**	**-3.7**	**-359.4**
Carrying amount at year-end	**785.2**	**523.2**	**22.7**	**4.3**	**0.6**	**6.7**	**0.0**	**1,342.7**
Carrying amount at start of year	**696.2**	**461.7**	**22.7**	**2.5**	**0.6**	**8.1**	**0.0**	**1,191.8**

	2014/2015		2013/2014	
Parent Company	Software	Total	Software	Total
Accumulated cost				
Opening balance	2.8	2.8	2.8	2.8
Investments	–	–	–	–
Closing balance	**2.8**	**2.8**	**2.8**	**2.8**
Accumulated amortisation				
Opening balance	-2.5	-2.5	-2.3	-2.3
Amortisation	-0.2	-0.2	-0.2	-0.2
Closing balance	**-2.7**	**-2.7**	**-2.5**	**-2.5**
Carrying amount at year-end	**0.1**	**0.1**	**0.3**	**0.3**
Carrying amount at start of year	**0.3**	**0.3**	**0.5**	**0.5**

	Group	
Goodwill distributed by business area	2015-03-31	2014-03-31
Addtech Components	252	213
Addtech Energy	321	268
Addtech Industrial Solutions	77	68
Addtech Life Science	253	236
Total	**903**	**785**

Impairment testing of goodwill

The Group's recognised goodwill amounts to SEK 903 million (785). Having adopted IFRS, the Company no longer amortises goodwill but rather tests goodwill annually in accordance with IAS 36. The latest test took place in March 2015.

The Group has carried out over 90 acquisitions since 2001. Goodwill in each individual acquisition is not material for the Group. Goodwill is therefore allocated among cash-generating units, which correspond to the business units. Impairment testing takes place at business unit level, because the acquired business is also integrated with another Addtech business to such an extent that it is not possible to separate assets and cash flows attributable to the acquired company. Goodwill is not assessed at a higher level than segment level.

The recoverable amount was calculated based on value in use and applies a current estimate of cash flows for the coming five-year period. Assumptions were made concerning gross margin, overhead costs, working capital required and investments required based on previous experiences. As the norm, these parameters were set to correspond to the profit forecast for the next financial year 2015/2016. An annual growth rate of 2 percent (2) was assumed for the remainder of the five-year period. Where major changes are expected, the parameters were adjusted to better reflect such expectations. For cash flows beyond the five-year period, the growth rate was assumed to correspond to growth during the fifth year. Cash flows were discounted using a weighted cost of capital corresponding to roughly 10 percent (12) before tax. These calculations show that value in use significantly exceeds the carrying amount. Consequently, impairment testing indicated no impairment. The sensitivity of these calculations means that the value of goodwill will continue to be justified even if the discount rate increases by 1 percentage point or if the long-term growth rate decreases by 2 percentage points.

Other impairment testing

Each year, trademarks are tested for impairment applying the same policies as with goodwill. No events or changes in circumstances were identified that would motivate impairment testing for other intangible non-current assets that are amortised.

NOTE 15 PROPERTY, PLANT AND EQUIPMENT

	2014/2015					
Group	Buildings and land	Leasehold improvements	Machinery	Equipment	Construction in progress	Total
Accumulated cost						
Opening balance	129.6	20.8	213.7	333.0	1.7	698.8
Acquisition of companies	–	8.3	–	6.2	0.0	14.5
Investments	0.2	2.2	14.0	30.7	4.5	51.6
Disposals and retirement of assets	–	0.0	-5.1	-20.8	–	-25.9
Reclassifications	–	0.0	0.6	0.1	-1.3	-0.6
Translation effect for the year	2.6	0.6	8.1	4.5	0.1	15.9
Closing balance	**132.4**	**31.9**	**231.3**	**353.7**	**5.0**	**754.3**
Accumulated depreciation and impairment losses						
Opening balance	-58.4	-12.4	-165.6	-275.1	-0.6	-512.1
Acquisition of companies	–	-8.3	–	-4.4	–	-12.7
Depreciation	-3.4	-2.1	-12.1	-23.7	–	-41.3
Disposals and retirement of assets	–	0.0	4.8	16.2	–	21.0
Reclassifications	–	–	-0.2	0.6	–	0.4
Translation effect for the year	-1.3	-0.4	-5.9	-3.7	0.0	-11.3
Closing balance	**-63.1**	**-23.2**	**-179.0**	**-290.1**	**-0.6**	**-556.0**
Carrying amount at year-end	**69.3**	**8.7**	**52.3**	**63.6**	**4.4**	**198.3**
Carrying amount at start of year	**71.2**	**8.4**	**48.1**	**57.9**	**1.1**	**186.7**

	2013/2014					
Group	Buildings and land	Leasehold improvements	Machinery	Equipment	Construction in progress	Total
Accumulated cost						
Opening balance	111.6	15.3	194.2	297.2	1.8	620.1
Acquisition of companies	10.5	0.5	2.7	13.9	–	27.6
Investments	5.8	4.5	10.9	28.6	1.1	50.9
Disposals and retirement of assets	-0.5	-0.1	-4.9	-12.8	–	-18.3
Reclassifications	-1.5	–	2.9	0.0	-1.4	0.0
Translation effect for the year	3.7	0.6	7.9	6.1	0.2	18.5
Closing balance	**129.6**	**20.8**	**213.7**	**333.0**	**1.7**	**698.8**
Accumulated depreciation and impairment losses						
Opening balance	-52.3	-10.6	-150.8	-240.2	-0.4	-454.3
Acquisition of companies	-2.5	-0.2	-0.8	-11.2	–	-14.7
Depreciation	-3.1	-1.3	-10.8	-26.6	-0.1	-41.9
Disposals and retirement of assets	0.5	0.1	4.2	8.6	–	13.4
Reclassifications	0.8	–	-0.8	0.0	–	0.0
Translation effect for the year	-1.8	-0.4	-6.6	-5.7	-0.1	-14.6
Closing balance	**-58.4**	**-12.4**	**-165.6**	**-275.1**	**-0.6**	**-512.1**
Carrying amount at year-end	**71.2**	**8.4**	**48.1**	**57.9**	**1.1**	**186.7**
Carrying amount at start of year	**59.3**	**4.7**	**43.4**	**57.0**	**1.4**	**165.8**

Parent Company	2014/2015 Leasehold improvements	Equipment	Total	2013/2014 Leasehold improvments	Equipment	Total
Accumulated cost						
Opening balance	3.1	2.2	5.3	0.0	1.9	1.9
Investments	0.0	0.2	0.2	3.1	1.7	4.8
Disposals and retirement of assets	–	-0.1	-0.1	0.0	-1.4	-1.4
Closing balance	**3.1**	**2.3**	**5.4**	**3.1**	**2.2**	**5.3**
Accumulated depreciation according to plan						
Opening balance	-0.2	-0.5	-0.7	0.0	-1.6	-1.6
Depreciation	-0.6	-0.4	-1.0	-0.2	-0.3	-0.5
Disposals and retirement of assets	–	0.1	0.1	0.0	1.4	1.4
Closing balance	**-0.8**	**-0.8**	**-1.6**	**-0.2**	**-0.5**	**-0.7**
Carrying amount at year-end	**2.3**	**1.5**	**3.8**	**2.9**	**1.7**	**4.6**
Carrying amount at start of year	**2.9**	**1.7**	**4.6**	**0.0**	**0.3**	**0.3**

NOTE 16 LEASING

Operating leases	Group		Parent Company	
Addtech as leasee	2014/2015	2013/2014	2014/2015	2013/2014
Lease payments				
Lease payments made during the financial year	124.1	110.4	4.2	3.5
of which variable payments	0.7	1.0	–	–
Future minimum lease payments under non-cancellable contracts fall due as follows:				
Within one year	95.6	87.1	3.5	–
Later than one year and within five years	179.3	161.2	11.8	12.5
Five years or later	9.7	11.4	–	2.9
Total	**284.6**	**259.7**	**15.3**	**15.4**

Significant operating leases primarily constitute rental contracts for premises in which the Group conducts business.

Addtech as lessor

Addtech received a total of SEK 0.8 million (1.0) in lease revenue during the financial year. SEK 1.3 million (2.0) remains to be received within one year, and thereafter a total of SEK 1.7 million (2.8) is receivable within five years or later. Most operating leases for which Group companies are lessors concern the rental of technical equipment to customers.

Finance leases

At present there are no significant finance leases in the Group.

NOTE 17 NON-CURRENT FINANCIAL ASSETS

	2014/2015			2013/2014		
Group	Financial assets 1)	Non-current receivables	Total	Financial assets	Non-current receivables	Total
Accumulated cost						
Opening balance	13.3	4.4	17.7	10.4	3.9	14.3
Acquisition of companies	0.0	0.1	0.1	2.2	1.6	3.8
Deductions of assets	–	-0.5	-0.5	0.0	-1.4	-1.4
Additions of assets	0.8	1.1	1.9	0.0	0.3	0.3
Translation effect for the year	1.1	0.0	1.1	0.7	0.0	0.7
Closing balance	**15.2**	**5.1**	**20.3**	**13.3**	**4.4**	**17.7**
Accumulated impairment losses						
Opening balance	0.0	-0.2	-0.2	0.0	-0.1	-0.1
Deduction of depreciation/amortisation	–	-0.1	-0.1	0.0	-0.1	-0.1
Closing balance	**0.0**	**-0.3**	**-0.3**	**–**	**-0.2**	**-0.2**
Carrying amount at year-end	**15.2**	**4.8**	**20.0**	**13.3**	**4.2**	**17.5**

1) Financial assets primarily consist of shares in housing corporations.

	Parent Company	
Receivables from Group companies	**2014/2015**	**2013/2014**
Opening balance	1,217.5	1,174.7
Increase during the year	326.3	120.2
Decrease during the year	-55.5	-77.4
Carrying amount at year-end	**1,488.3**	**1,217.5**

	Parent Company					
Specification of interests in Group companies	**Country**	**Number of shares**	**Quotient value**	**Holding %**	**Carrying amount 31 Mar 15**	**Carrying amount 31 Mar 14**
Addtech Nordic AB, 556236-3076, Stockholm	Sweden	1,750	100	100	1,003.7	1,003.7
Betech Seals A/S, 10611342, Herlev	Denmark	20,000	100	100	–	91.6
Metric Industrial OY, 0200580-9, Espoo	Finland	31,000	16.8	100	–	27.5
Metric Industrial AB, 556093-6998, Sollentuna	Sweden	10,000	100	100	–	17.1
Metric Industrial AS, 987209976, Trollåsen	Norway	8,500	100	100	–	10.9
Addtech Holding AB, 556995-8126, Stockholm	Sweden	500,000	1	100	0.5	–
Total					**1,004.2**	**1,150.8**

A complete statutory specification is included as an annex to the annual accounts submitted to the Swedish Companies Registration Office. The specification can be obtained from Addtech AB.

Interests in Group companies	Parent Company 2014/2015	Parent Company 2013/2014
Accumulated cost		
Opening balance	1,265.8	1,265.8
New investment	0.5	–
Intra-Group restructuring (disposal of subsidiaries)	-147.1	–
Closing balance	**1,119.2**	**1,265.8**
Accumulated impairment losses		
Opening balance	-115.0	-115.0
Closing balance	**-115.0**	**-115.0**
Carrying amount at year-end	**1,004.2**	**1,150.8**
Carrying amount at start of year	**1,150.8**	**1,150.8**

NOTE 18 INVENTORIES

Group	2015-03-31	2014-03-31
Raw materials and consumables	64.5	54.8
Work in progress	40.6	38.0
Finished goods	743.8	615.9
Total	**848.9**	**708.7**

The cost of sales for the Group includes impairment losses of SEK 17.7 million (16.1) on inventories. No significant reversals of prior impairment losses were made in 2014/2015 or 2013/2014.

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	2015-03-31	2014-03-31	2015-03-31	2014-03-31
Rent	16.1	14.7	0.9	1.1
Insurance premiums	8.1	8.8	1.9	3.2
Pension costs	4.5	3.1	0.5	0.5
Lease payments	3.5	3.5	0.1	0.1
Other prepaid expenses	24.9	23.8	3.4	2.9
Other accrued income	6.6	3.8	0.0	–
Total	**63.7**	**57.7**	**6.8**	**7.8**

NOTE 20 SHAREHOLDERS' EQUITY

GROUP

Other contributed capital

Refers to equity contributed by shareholders.

	Group	
Reserves 1)	**2014/2015**	**2013/2014**
Foreign currency translation reserve		
Opening translation reserve	-44.0	-67.2
Translation effect for the year	24.8	23.2
Closing translation reserve	**-19.2**	**-44.0**
Hedging reserve 2)		
Opening hedging reserve	-0.2	-1.2
Revaluations recognised via other comprehensive income	3.8	0.8
Recognised in profit or loss upon disposal (other operating income/expenses)	-2.5	0.1
Taxes attributable to the year's revaluations	-0.8	0.1
Taxes attributable to disposals	0.5	0.0
Closing hedging reserve	**0.8**	**-0.2**
Total reserves	**-18.4**	**-44.2**

1) Refers to reserves attributable to equity holders of the Parent Company.

2) Relates to cash flow hedges, consisting of currency clauses in customer contacts.

Foreign currency translation reserve

The translation reserve includes all exchange differences that arise in translating financial reports of foreign operations prepared in a currency other than the Group's presentation currency for financial reports. The Parent Company and Group present their financial reports in Swedish kronor (SEK).

Hedging reserve

The hedging reserve includes the effective portion of the accumulated net change in fair value for a cash-flow hedging instrument attributable to hedge transactions that have not yet occurred.

Retained earnings, including profit for the year

Retained earnings including profit for the year include earnings in the Parent Company and its subsidiaries. Prior provisions to the legal reserve are included in this equity item.

Repurchased shares

Repurchased shares includes the acquisition cost of own shares held in treasury by the Parent Company (known as treasury shares). At the end of the reporting period, the Group's holding of treasury shares was 1,742,300 (2,063,400).

Dividend

After the reporting period, the Board of Directors proposed a dividend of SEK 3.25 per share. The dividend is subject to approval by the Annual General Meeting on 27 August 2015.

PARENT COMPANY

Restricted reserves

Restricted reserves are funds that cannot be paid out as dividends.

Statutory reserve

The purpose of the statutory reserve is to save a portion of net profit that will not be used to cover a loss carried forward.

Retained earnings

Retained earnings comprises the previous year's unrestricted equity, less any provision to the statutory reserve and less any dividend paid. Together with profit for the year and any fair value reserve, retained earnings constitute the sum of unrestricted equity, that is, the amount available to be paid as dividends to shareholders.

Number of shares

The number of shares at 31 March 2015 consisted of 3,241,704 Class A shares, entitling the holders to 10 votes per share, and 64,956,792 Class B shares, entitling the holders to one vote per share. The quotient value of the share is SEK 0.75. The Company has repurchased 1,742,300 Class B shares, in the framework of the Company's ongoing repurchase programme. After subtracting repurchased shares, the number of Class B shares is 63,214,492 net.

Number of shares outstanding 2014/2015	Class A shares	Class B shares	All share classes
At start of year	3,253,800	62,881,296	66,135,096
Redemption of personnel options	–	671,100	671,100
Repurchase of treasury shares	–	-350,000	-350,000
Conversion of Class A shares to Class B shares	-12,096	12,096	–
At year-end	**3,241,704**	**63,214,492**	**66,456,196**

Number of shares outstanding 2013/2014	Class A shares	Class B shares	All share classes
At start of year	1,086,380	20,835,052	21,921,432
Split	2,172,760	41,670,104	43,842,864
Redemption of personnel options	–	523,500	523,500
Repurchase of treasury shares	–	-152,700	-152,700
Conversion of Class A shares to Class B shares	-5,340	5,340	–
At year-end	**3,253,800**	**62,881,296**	**66,135,096**

NOTE 21 UNTAXED RESERVES

Parent Company	2015-03-31	2014-03-31
Tax allocation reserve, allocation for tax assessment 2009	-	56.5
Tax allocation reserve, allocation for tax assessment 2010	35.7	35.7
Tax allocation reserve, allocation for tax assessment 2011	48.7	48.7
Tax allocation reserve, allocation for tax assessment 2012	60.7	60.7
Tax allocation reserve, allocation for tax assessment 2013	67.3	67.3
Tax allocation reserve, allocation for tax assessment 2014	66.9	66.9
Tax allocation reserve, allocation for tax assessment 2015	74.9	-
Accumulated excess depreciation/amortisation	1.3	1.3
Closing balance	**355.5**	**337.1**

SEK 78.2 million of the Parent Company’s total untaxed reserves of SEK 355.5 million represent deferred tax included in the deferred tax line item in the consolidated balance sheet.

NOTE 22 PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

Addtech has defined benefit pension plans in Sweden and Norway. In these plans, a pension is determined mainly by the salary received at the time of retirement. The plans cover many employees, but some defined contribution plans also applies. Subsidiaries in other countries in the Group mainly have defined contribution pension plans.

The Parent Company's data on pensions are reported in accordance with the Swedish Act on Safeguarding Pension Obligations.

DEFINED CONTRIBUTIONS

These plans are mainly retirement pension plans, disability pensions and family pensions. Premiums are paid on an ongoing basis during the year by each Group company to separate legal entities, such as insurance companies. The size of the premium is based on the salary. The pension cost for the period is included in profit or loss.

Obligations for retirement pensions and family pensions for salaried employees in Sweden are secured by insurance in Alecta. According to statement UFR 3 of the Swedish Financial Reporting Board, this is a defined benefit plan covering multiple employers. For the 2014/2015 financial year, the Company did not have access to information enabling it to report this plan as a defined benefit plan. Thus the pension plan according to ITP and secured by insurance in Alecta is recognised as a defined contribution plan. The year's fees for pension insurance with Alecta totalled SEK 24.7 million (16.5). Fees for the next financial year are considered to be in line with those for the latest year. The collective consolidation level for Alecta was 148 percent (147) in March 2015.

DEFINED BENEFIT PLANS

The revised IAS 19, Employee benefits, is applicable as of 1 April 2013. These pension plans primarily comprise retirement pensions. Each employer generally has an obligation to pay a lifelong pension. Vesting is based on the number of years of employment. The employee must subscribe to the plan for a certain number of years to be fully entitled to retirement benefits. Each year increases the employee's entitlement to retirement benefits, which is recognised as pension earned during the period and as an increase in pension obligations. Both funded and unfunded pension plans apply in Norway and Sweden. These funded pension obligations are secured by plan assets.

Obligations for employee benefits, defined benefit pension plans

	Group		Parent Company	
Pension liability as per balance sheet	**2015-03-31**	**2014-03-31**	**2015-03-31**	**2014-03-31**
Pension liability PRI	280.2	224.5	16.3	16.8
Other pension obligations	38.1	27.5	–	–
Total cost of defined benefit plans	**318.3**	**252.0**	**16.3**	**16.8**

	Group		Parent Company	
Obligations for defined benefits and the value of plan assets	**2015-03-31**	**2014-03-31**	**2015-03-31**	**2014-03-31**
Funded obligations:				
Present value of funded defined benefit obligations	92.4	76.4	–	–
Fair value of plan assets	-56.7	-51.8	–	–
Net debt, funded obligations	**35.7**	**24.6**	**–**	**–**
Present value of unfunded defined benefit obligations	282.6	227.4	16.3	16.8
Net amount in the balance sheet (obligation +, asset –)	**318.3**	**252.0**	**16.3**	**16.8**
Pension obligations and plan assets per country:				
Sweden				
Pension obligations	313.3	249.6	16.3	16.8
Plan assets	-20.4	-17.4	–	–
Net amount in Sweden	**292.9**	**232.2**	**16.3**	**16.8**
Norway				
Pension obligations	61.7	54.2	–	–
Plan assets	-36.3	-34.4	–	–
Net amount in Norway	**25.4**	**19.8**	**–**	**–**
Net amount in the balance sheet (obligation +, asset –)	**318.3**	**252.0**	**16.3**	**16.8**

	Group		Parent Company	
Reconciliation of net amount for pensions in the balance sheet	**2014/2015**	**2013/2014**	**2014/2015**	**2013/2014**
Opening balance	252.0	238.8	16.8	17.1
Change in accounting for pensions	17.2	17.8	0.7	0.8
Payment of pension benefits	-7.0	-6.8	-1.2	-1.1
Funds contributed by employer	-6.7	-7.1	–	–
Acquisitions of companies	–	10.3	–	–
Translation effects	-0.5	-0.4	–	–
Reclassification of plan assets	0.5	–	–	–
Revaluations	63.1	0.2	–	–
Gains and losses from settlements	-0.3	-0.8	–	–
Net amount in balance sheet (obligation +, asset -)	**318.3**	**252.0**	**16.3**	**16.8**

	Group	
Changes in the obligation for defined benefit plans recognised in the balance sheet	**2014/2015**	**2013/2014**
Opening balance	303.8	289.8
Pensions earned during the period	8.5	9.6
Interest on obligations	10.7	10.2
Benefits paid	-7.7	-7.7
Revaluations:		
Gain (-)/loss (+) resulting from demographic assumptions	–	0.9
Gain (-)/loss (+) resulting from financial assumptions	64.1	-2.4
Experienced-based gains (-)/losses (+)	0.3	0.8
Acquisitions of companies	–	10.3
Translation effects	-1.2	-1.5
Gains and losses from settlements	-3.5	-6.2
Present value of pension obligations	**375.0**	**303.8**

Changes in plan assets	Group 2014/2015	Group 2013/2014
Opening balance	51.8	51.0
Funds contributed by employer	6.7	7.1
Benefits paid	-0.7	-0.9
Interest income recognised in profit or loss	2.0	2.0
Return on plan assets, excluding interest income	1.3	-0.9
Translation effects	-0.7	-1.1
Reclassification of plan assets	-0.5	–
Gains and losses from settlements	-3.2	-5.4
Fair value of plan assets	**56.7**	**51.8**

	Group		Parent Company	
Pension costs	2014/2015	2013/2014	2014/2015	2013/2014
Defined-benefit pension plans				
Cost for pensions earned during the year	8.5	9.6	–	–
Interest on obligations	10.7	10.2	1.0	0.7
Interest income recognised in profit or loss	-2.0	-2.0	–	–
Total cost of defined benefit plans	**17.2**	**17.8**	**1.0**	**0.7**
Total cost of defined contribution plans	101.0	83.5	5.1	4.7
Social security costs on pension costs	15.7	14.0	1.4	1.3
Total cost of benefits after termination of employment	**133.9**	**115.3**	**7.5**	**6.7**

Allocation of pension costs in the income statement	Group 2014/2015	Group 2013/2014
Cost of sales	21.3	18.1
Selling and administrative expenses	103.5	89.3
Net financial items	9.1	7.9
Total pension costs	**133.9**	**115.3**

	2014/2015		2013/2014	
Actuarial assumptions	Sweden	Norway	Sweden	Norway
The following material actuarial assumptions were applied in calculating obligations:				
Discount rate, 1 April, %	3.80	3.60	3.60	3.85
Discount rate, 31 March, %	2.30	2.30	3.80	3.60
Future salary increases, %	1.50-3.00	2.75	2.00-3.50	3.75
Future increases in pensions (change in income base amount), %	2.50	–	3.00	–
Employee turnover, %	10.00	2.00-5.00	10.00	2.00-5.00
Expected ‘G regulation’, %	–	2.50	–	3.50
Mortality table	FFFS 2007:31	K2013 B.E	FFFS 2007:31	K2013 B.E

Sensitivity of pension obligations to changes in assumptions	Sweden	Norway	Total
Defined benefit pension obligations at 31 March 2015	313.3	61.7	375.0
The discount rate increases by 0.5%	-32.2	-6.2	-38.4
The discount rate decreases by 0.5%	37.0	7.0	44.0
Expected life expectancy increases by 1 year	16.4	2.0	18.4

The discount rate used is equivalent to the interest rate on high-quality corporate bonds or mortgage bonds with a maturity equivalent to the average maturity of the obligation and currency. For Swedish pension liabilities, the interest rate for Swedish housing bonds is used as a basis and for Norwegian pension liabilities, the interest rate for Norwegian corporate bonds is used. Future increases in pensions are based on inflation assumptions. Remaining period of employment (life expectancy) is based on statistical tables prepared by Finansinspektionen (Sweden's Financial Supervisory Authority) and the Insurance Society, in Sweden FFFS 2007:31 and in Norway K2013 B.E. Expected G regulation is used in the calculations in Norway and corresponds to Sweden's base amount.

These sensitivity analyses are based on a change in one assumption, while all the other assumptions remain constant. The same method, the projected unit credit method, is used to calculate the sensitivity in the defined benefit obligation as to calculate pension the obligation recognised in the balance sheet.

NOTE 23 PROVISIONS

Group 2014/2015	Premises	Personnel	Warranties	Other	Total
Carrying amount at start of period	0.2	0.0	0.5	5.9	6.6
Acquisitions	–	–	0.2	–	0.2
Provisions made during the period	3.3	1.6	1.1	4.1	10.1
Amounts utilised during the period	-0.4	–	-0.7	-4.2	-5.3
Unutilised amounts reversed	–	-0.2	-0.2	-0.6	-1.0
Translation effects	0.0	0.0	0.0	-	0.0
Carrying amount at end of period	**3.1**	**1.4**	**0.9**	**5.2**	**10.6**

Group 2013/2014	Premises	Personnel	Warranties	Other	Total
Carrying amount at start of period	0.2	0.0	7.3	1.6	9.1
Provisions made during the period	0.0	–	0.4	5.9	6.3
Amounts utilised during the period	–	–	-4.6	-2.0	-6.6
Unutilised amounts reversed	–	–	-2.6	0.4	-2.2
Translation effects	0.0	–	0.0	-	0.0
Carrying amount at end of period	**0.2**	**0.0**	**0.5**	**5.9**	**6.6**

PREMISES

The provision for premises refers to premises that the Group has vacated and cannot sublet or use during the remainder of the lease.

PERSONNEL

The provision refers to costs of personnel, including estimated remuneration upon termination of employment in connection with changes in operations. A provision is made when there is an approved restructuring plan and the restructuring has been announced.

WARRANTIES

Recognised provisions for warranties associated with products and services rest on calculations performed based on historical data or, in specific cases, on an individual opinion.

OTHER

Other includes provisions not classified under premises, personnel or warranties, such as equipment that cannot be used due to changes in operations. All provisions are classified as short-term and are expected to lead to an outflow of resources within 12 months of the end of the reporting period.

NOTE 24 NON-CURRENT INTEREST-BEARING LIABILITIES

	Group	
	2015-03-31	2014-03-31
Liabilities to credit institutions:		
Maturing within 2 years	0.1	5.1
Maturing within 3 years	–	0.1
Maturing within 4 years	–	–
Maturing within 5 years	–	–
Maturing in five years or later	–	–
TOTAL NON-CURRENT LIABILITIES TO CREDIT INSTITUTIONS	**0.1**	**5.2**
Other interest-bearing liabilities:		
Maturing within 2 years	16.9	8.9
Maturing within 3 years	2.7	–
Maturing within 4 years	–	–
Maturing within 5 years	–	–
Maturing in five years or later	–	–
TOTAL OTHER NON-CURRENT INTEREST-BEARING LIABILITIES	**19.6**	**8.9**
Total	**19.7**	**14.1**

There were no non-current interest-bearing liabilities in the Parent Company at 31 March 2015 (-). Other interest-bearing liabilities largely consist of additional contingent considerations with estimated interest of 5.0 percent.

The Addtech Group's non-current liabilities to credit institutions are divided among currencies as follows:

	2015-03-31		2014-03-31	
Currency	**Local currency**	**SEKm**	**Local currency**	**SEKm**
EUR	0.0	0.1	0.0	0.2
PLN	–	–	0.1	0.1
SEK	–	–	4.9	4.9
NOK	0.0	0.0	–	–
Total		**0.1**		**5.2**

	Parent Company	
	2015-03-31	2014-03-31
Liabilities to Group companies	533.0	458.9
Total	**533.0**	**458.9**

The Parent Company's liabilities to Group companies have no fixed maturity dates.

NOTE 25 CURRENT INTEREST-BEARING LIABILITIES

	Group		Parent Company	
	2015-03-31	2014-03-31	2015-03-31	2014-03-31
Bank overdraft facility				
Approved credit limit	800.0	701.0	800.0	701.0
Unutilised portion	-391.2	-240.4	-391.2	-240.4
Credit amount utilised	**408.8**	**460.6**	**408.8**	**460.6**
Other liabilities to credit institutions	112.4	72.0	100.0	50.0
Other interest-bearing liabilities	51.9	47.0	–	–
Total	**573.1**	**579.6**	**508.8**	**510.6**

Other interest-bearing liabilities largely consist of additional contingent considerations with estimated interest of 5.0 percent.

The Addtech Group's current liabilities to credit institutions are divided among currencies as follows:

	2015-03-31		2014-03-31	
Currency	Local currency	SEKm	Local currency	SEKm
SEK	100.0	100.0	59.4	59.4
CNY	8.7	12.1	11.4	11.9
NOK	0.1	0.1	0.4	0.4
PLN	–	–	0.0	0.1
EUR	0.0	0.1	0.0	0.1
TTD	0.1	0.1	0.1	0.1
Total		**112.4**		**72.0**

The Group's financing is primarily managed by the Parent Company Addtech AB.

The Parent Company's bank overdraft facility at 31 March 2015 varies from 0.30 to 1.92 percent interest depending on what currency utilised credit amount consists of.

The Parent Company's loans in SEK carry a fixed interest rate, which was 0.80 percent at 31 March 2015.

Loans in CNY carry a variable interest rate, which was 6.72 percent at 31 March 2015.

NOTE 26 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	2015-03-31	2014-03-31	2015-03-31	2014-03-31
Rental revenue	0.9	1.2	–	–
Other deferred income	1.8	11.1	–	–
Salaries and holiday pay	194.7	174.5	8.1	6.7
Social security costs and pensions	72.0	65.4	4.5	5.1
Other accrued expenses 1)	35.8	33.3	1.2	1.5
Total	**305.2**	**285.5**	**13.8**	**13.3**

1) Other accrued expenses mainly consist of overhead accruals.

NOTE 27 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Group		Parent Company	
	2015-03-31	2014-03-31	2015-03-31	2014-03-31
Pledged assets for liabilities to credit institutions				
Real estate and site leasehold mortgages	21.2	21.1	–	–
Floating charges	38.0	63.8	–	–
Other pledged assets	16.6	24.1	–	–
Total	**75.8**	**109.0**	**–**	**–**
Contingent liabilities				
Guarantees and other contingent liabilities	22.0	12.1	0.3	0.3
Guarantees for subsidiaries 1)	–	–	156.3	154.3
Total	**22.0**	**12.1**	**156.6**	**154.6**

1) Relates to PRI liabilities.

NOTE 28 CASH FLOW STATEMENT

	Group		Parent Company	
Adjustment for items not included in cash flow	2014/2015	2013/2014	2014/2015	2013/2014
Depreciation/amortisation	133.3	121.9	1.2	0.7
Gain/loss on sale of operations and non-current assets	-1.5	-0.1	–	–
Change in pension liability	3.6	-0.2	-0.5	-0.3
Group contributions/dividends not paid	–	–	-230.3	-194.6
Change in other provisions and accrued items	6.0	-1.6	–	–
Other	-15.2	-10.7	1.3	0.1
Total	**126.2**	**109.3**	**-228.3**	**-194.1**

For the Group, interest received during the year totalled SEK 2.5 million (1.9), and interest paid was SEK 7.5 million (12.1). For the Parent Company, interest received during the year was SEK 33.1 million (34.3), and interest paid was SEK 8.2 million (14.4).

The following adjustments were made as a result of the value of assets and liabilities in companies acquired during the year, together with adjustments such as contingent considerations paid for acquisitions made in previous years:

	2014/2015	2013/2014
Non-current assets	281.0	255.0
Inventories	51.1	45.5
Receivables	107.3	78.4
Cash and cash equivalents	45.8	15.3
Total	**485.2**	**394.2**
Interest-bearing liabilities and provisions	-40.1	-92.3
Non-interest-bearing liabilities and provisions	-125.8	-96.4
Total	**-165.9**	**-188.7**
Consideration paid 1)	-314.0	-220.8
Cash and cash equivalents in acquired companies	45.8	15.3
Effect on the Group's cash and cash equivalents	**-268.2**	**-205.5**

1) The consideration paid includes a contingent consideration charged to the income statement in the amount of SEK 12.8 million.

All businesses acquired during the year were consolidated in the accounts using the acquisition method.

Cash and cash equivalents in the cash flow statement consist of cash and bank balances. The same definition applied to determine cash and cash equivalents in the balance sheet was applied in the cash flow statement.

NOTE 29 ACQUISITIONS OF COMPANIES

The following nine corporate acquisitions were made in the 2014/2015 financial year:

Acquisitions	Country	Date of acquisition	Net sales, SEKm*	Number of employees*	Business area
GigaCom AB	Sweden	April, 2014	30	6	Components
Solar Supply Sweden AB	Sweden	May, 2014	15	3	Energy
Hans Følsgaard A/S	Denmark	July, 2014	360	65	Components/Energy
Frameco AB	Sweden	July, 2014	10	5	Industrial Solutions
Tampereen Sähköpalvelu Oy	Finland	July, 2014	70	25	Energy
Flow-Teknikk AS	Norway	August, 2014	35	6	Life Science
Amestec Oy	Finland	September, 2014	5	2	Components
Scandinavian Friction AB	Sweden	September, 2014	15	3	Industrial Solutions
Celltech China Ltd	Hong Kong	February, 2015	20**	25	Energy

* Refers to conditions at the time of acquisition on a full-year basis.
** The majority of net sales is internal within the Group.

Assets and liabilities included in the acquisitions were as follows:

	Carrying amount at acquisition date	Adjustment to fair value	Fair value
Intangible non-current assets	–	166	166
Other non-current assets	2	–	2
Inventories	51	–	51
Other current assets	153	–	153
Deferred tax liability/tax asset	0	-37	-37
Other liabilities	-97	–	-97
Acquired net assets	**109**	**129**	**238**
Goodwill			113
Non-controlling interests			-10
Consideration 1)			**341**
Less: cash and cash equivalents in acquired businesses			-46
Less: consideration not yet paid			-32
Effect on the Group's cash and cash equivalents			**263**

1) The consideration is stated excluding acquisition expenses.

The combined consideration for the acquisitions was SEK 341 million, of which SEK 279 million, according to preliminary acquisition analyses, was allocated to goodwill and other intangible assets. The combined effect of the acquisitions on the Addtech Group's net sales was SEK 465 million, on operating profit SEK 23 million and on profit after tax for the period SEK 14 million.

Had the acquisitions been completed on 1 April 2014, their impact would have been an estimated SEK 611 million on net sales, about SEK 34 million on operating profit and some SEK 22 million on profit after tax for the period. The transaction costs for acquisitions with a takeover date during the financial year amount to SEK 4 million and are recognised in the selling expenses item. Of the consideration not yet paid for acquisitions during the year, estimated contingent consideration amounts to SEK 21 million, which constitutes about 71 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

During the period, SEK 2 million (1) was recognised in other operating income because calculated contingent considerations regarding earlier acquisitions differed from the actual outcome. Revaluation of liabilities for contingent considerations not yet paid led to income of SEK 11 million (15) in the financial year, recognised in other operating expenses. No material changes in acquisition analyses were made in the financial year with regard to acquisitions carried out in the year or in previous years.

The values allocated to intangible non-current assets, such as supplier relationships, customer relationships, technology and trademarks, were assessed at the discounted value of future cash flows. The amortisation period is determined by estimating the annual decrease in sales attributable to each asset. Supplier relationships are generally amortised over a period of 5-33 years; customer relationships and technology are amortised over 5-15 years. Trademarks are not amortised but are tested annually (for impairment) as per IAS 36. Annual calculated amortisation regarding intangible non-current assets for the year's acquisitions amounts to about SEK 17 million.

The goodwill resulting from the acquisitions is attributable to expectations that the Group's position in the market in question for each acquisition will grow stronger and to the knowledge accumulated in the companies acquired.

NOTE 30 EARNINGS PER SHARE (EPS) BEFORE AND AFTER DILUTION

	2014/2015	2013/2014
Basic EPS (SEK)	5.90	5.50
Diluted EPS (SEK)	5.90	5.45

See Note 1 for the method of calculation.

The numerators and denominators used to calculate the above EPS are derived as stated below.

EARNINGS PER SHARE, BASIC

The calculation of earnings per share for 2014/2015 is based on profit for the year attributable to Parent Company shareholders, totalling SEK 392 million (363), and a weighted average number of shares outstanding during 2014/2015 of 66,288 thousand (66,003). The two components were calculated in the following manner:

	2014/2015	2013/2014
Profit for the year attributable to the equity holders of the Parent Company, before dilution (SEKm)	392	363

Weighted average number of shares outstanding, before dilution

In thousands of shares	2014/2015	2013/2014
Total number of shares 1 April	66,135	65,764
Effect of treasury shares held	153	239
Weighted average number of shares during the year, before dilution	**66,288**	**66,003**

EARNINGS PER SHARE, DILUTED

The calculation of diluted EPS for 2014/2015 is based on profit attributable to Parent Company shareholders, totalling SEK 392 million (363), and a weighted average number of shares outstanding during 2014/2015 of 66,615 thousand (66,457). The two components were calculated in the following manner:

	2014/2015	2013/2014
Profit for the year attributable to the equity holders of the Parent Company, after dilution (SEKm)	392	363

Weighted average number of shares outstanding, after dilution		
In thousands of shares	**2014/2015**	**2013/2014**
Weighted average number of shares during the year, before dilution	66,288	66,003
Effect of share options issued	327	454
Weighted average number of shares during the year, after dilution	**66,615**	**66,457**

NOTE 31 DISCLOSURES ABOUT PARENT COMPANY

Addtech AB, corporate ID number 556302-9726, is the Parent Company of the Group. The Company's registered office is in Stockholm, Stockholm County, and according to Swedish law Addtech AB is a limited liability company.

Head office address:
Addtech AB (publ.)
Box 5112
102 43 Stockholm, Sverige
Tel +46 8 470 49 00
Fax +46 8 470 49 01
www.addtech.com

NOTE 32 RELATED PARTY DISCLOSURES

For the Addtech Group, related parties mainly comprise members of senior management. Information about personnel costs is provided in Note 6 Employees and employee benefits expense.

NOTE 33 EVENTS AFTER THE REPORTING PERIOD

The Group's organisational structure which has been in place since 2008 with business areas in which Group companies are grouped into different market segments (business units), has been good for cooperation between the companies, but also successful as we have had a focused acquisition strategy in order to further reinforce our positions in various market segments.

As of the start of the new financial year the Group implemented a reorganisation, formed a fifth business area and appointed two new business area managers from within the company, who also became part of Group Management. The aim of the organisational change is to achieve greater potential for growth and efficiency, both through cooperation between companies and through further acquisitions. The reorganisation is a result of the recent years' operational development, new contacts between companies in the Group and new opportunities created by acquired companies. We have moved a number of business units between our business areas and have established a new business area. The reorganisation did not affect the Components business area.
As of the first quarter of 2015/2016, reporting for the Group will be according to the new structure. Appendix 1 describes the reorganisation in more detail and includes financial data pro forma for the new organisation.

On 1 April Johan Dyberg became the business area manager of Industrial Process (previously Industrial Solutions) and is now also part of Group Management. He succeeds Håkan Franzén who will retire. Johan Dyberg had previously been a business unit manager at Addtech since 2012. On 1 April Niklas Stenberg became the business area manager of the new business area, Power Solutions, and also joined Group Management. Niklas Stenberg had previously been a business unit manager at Addtech since 2010.

Two Company acquisition took place after the end of the reporting period.

On 1 April Addtech acquired Dafine Engineering Oy to become part of the Energy business area. Dafine is a technology trading company that markets and sells equipment for cable harness manufacturing such as machines, accessories and testing systems. The Company has 4 employees and sales of about EUR 2,5 million.

On 4 June an agreement were signed to acquire all shares in Mediplast AB. Mediplast AB is the parent company of the Mediplast Group and is a leading Nordic supplier of medical technology equipment and consumables. The company has its head offices in Malmö and pursues operations via its own trading companies in Sweden, Denmark, Finland, Norway and the Netherlands. Mediplast also has its own production facilities in Denmark, Finland and Italy. The company holds a strong position in the Nordic countries and markets both its own products as well as those of leading suppliers in the areas of surgery, intensive care, thorax/neuro, ENT and ostomy care. Mediplast's customers operate in both the private and public sectors. In the 2014 financial year, the Mediplast Group generated sales totalling approximately SEK 465 million, an operating profit before amortisation of intangible assets (EBITA) of around SEK 45 million and had roughly 120 employees. The total purchase consideration of the acquisition of Mediplast amounts to approximately SEK 480 million. Of the total purchase consideration for Mediplast, roughly 50 percent will be paid in cash and 50 percent through an issue in kind in the parent company that owns the companies in Addtech's Life Science business area.

The acquisition analyses are not yet complete and will be presented in the next interim period.

In connection with the acquisition of the Mediplast Group, the Board of Directors of Addtech has decided to initiate the process of a separate listing on Nasdaq OMX Stockholm by distributing the shares in the Life Science's operations to Addtech's shareholders. The ambition is to carry out the listing in the first half of 2016. The motive for a separate listing is that Life Science has achieved a size and level of profitability that makes the business attractive as an independent, listed company. Life Science is today one of the leading independent suppliers in the Nordic region on its markets and the addition of Mediplast will mean that sales will exceed SEK 1,500 million.

PROPOSED ALLOCATION OF EARNINGS

The following amounts are available for distribution by the Annual General Meeting of Addtech AB:	
Retained earnings	710 SEKm
Profit for the year	195 SEKm
	905 SEKm

The Board of Directors and the CEO propose that the funds available for distribution be allocated as follows:

A dividend paid to shareholders of SEK 3.25 per share 1)	216 SEKm
To be carried forward	689 SEKm
	905 SEKm

1) Based on the number of shares outstanding at 31 May 2015. The total dividend payout may change if the number of treasury shares repurchased changes prior to the proposed dividend record date of 1 September 2015.

The Board of Directors deems the proposed dividend justifiable in the context of the demands on Group equity made by the Group's operations, size and risks, and in the context of the Group's need for a strong balance sheet, liquidity and overall financial position.

At the end of the reporting period, equity in the Parent Company included SEK -3 million (-1) resulting from financial assets and liabilities being measured at fair value in accordance with the Swedish Annual Accounts Act (Chapter 4, Section 14a).

Assurance of the Board of Directors

The Board of Directors and the Chief Executive Officer deem the consolidated financial statements and annual accounts to be prepared in accordance with IFRS, as adopted by the EU, and with generally accepted accounting principles, and that they provide a true and fair overview of the financial position and results of operations of the Group and the Parent Company. The administration report for the Group and the Parent Company gives a true and fair overview of the Group's and the Parent Company's operating activities, financial position and results of operations and describes significant risks and uncertainties to which the Parent Company and the companies that comprise the Group are exposed. The other aspects of the results of operations and financial position of the Group and the Parent Company are shown in the income statements, balance sheets, cash flow statements and notes to the financial statements.

Stockholm, 23 June 2015

Anders Börjesson
Chairman of the Board

Tom Hedelius
Vice Chairman of the Board

Eva Elmstedt
Director

Ulf Mattsson
Director

Lars Spongberg
Director

Johan Sjö
Board member and CEO

We submitted our auditor's report on 24 June 2015

KPMG AB

George Pettersson
Authorised Public Accountant
Auditor in charge

KPMG AB

Jonas Eriksson
Authorised Public Accountant

AUDITOR'S REPORT

To the annual meeting of the shareholders of Addtech AB (publ.), corp. id. 556302-9726

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Addtech AB (publ.) for the financial year 1 April 2014 – 31 March 2015. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 21-95.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 March 2015 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration by the Board of Directors and the Managing Director of Addtech AB (publ.) for the financial year 1 April 2014 – 31 March 2015.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm, 24 June 2015

KPMG AB	KPMG AB
George Pettersson	Jonas Eriksson
Authorised Public Accountant	*Authorised Public Accountant*
Auditor in Charge	

BOARD OF DIRECTORS

The information about shareholdings and call options is as per 31 May 2015.

ANDERS BÖRJESSON

M.Sc. Econ.

Born in 1948. Board Chairman since 2001. Other board assignments: Chairman of B&B TOOLS, Tisenhultgruppen and Lagercrantz Group. Director of Bostad Direkt, Futuraskolan, Inomec and Ventilationsgrossisten Nordic. Professional experience: President and CEO of Bergman & Beving. Ownership (family): 1,490,760 Class A shares and 121,050 Class B shares.

EVA ELMSTEDT

Double Bachelor of Economics and Computer Science

Born in 1960. Director since 2005. Other board assignments: Director of Proact, Gunnebo and Syntavia. Professional experience: Senior management at Nokia, Ericsson, Hi3G Access AB '3', IBM and Semcon. Ownership (own and company): 10,000 Class B shares.

TOM HEDELIUS

M.Sc. Econ., Hon. Dr. of Economics.

Born in 1939. Vice Chairman since 2001. Other board assignments: Honorary Chairman of Svenska Handelsbanken. Chairman of Anders Sandrews Stiftelse and Jan Wallanders and Tom Hedelius Stiftelse. Vice Chairman of B&B TOOLS and Lagercrantz Group. Professional experience: Chairman, CEO and managerial positions at Svenska Handelsbanken and Chairman at Industrivärden. Ownership: 1,445,760 Class A shares and 16,200 Class B shares.

ULF MATTSSON

M.Sc. Econ.

Born in 1964. Director since 2012. Industrial advisor at EQT. Other board assignments: Chairman of AcadeMedia, itslearning, Granngården AB, Evidensia Djursjukvård AB, Musti Ja Mirri Oy and Crem International. Director of StormGeo and Oras Invest Oy. Professional experience: Senior management at Tarkett, CEO of Domco, Mölnycke Health Care, Capio and Gambro. Ownership: 8,000 Class B-shares

LARS SPONGBERG

M.Sc. Econ., LL M.

Born in 1945. Director since 2001. Other board assignments: Director of Bikuben and Valedo Capital Partners Fund 1. Professional experience: Senior management at Spectra Physics, Autoliv, Svenska Handelsbanken, Electrolux and Swedish Match. Ownership: 4,500 Class B shares.

JOHAN SJÖ

M.Sc. Econ.

Born in 1967. President and CEO. Director since 2008. Employed in the Group since 2007. Other board assignments: Director of BUFAB Professional experience: Senior management at B&B TOOLS, prior to that Alfred Berg ABN Amro. Ownership: 10,080 Class A shares and 128,000 Class B shares. Call options corresponding to 130,500 shares.

GROUP MANAGEMENT

The information about shareholdings and call options is as per 31 May 2015.

JOHAN SJÖ

M.Sc. Econ.

Born in 1967. President and CEO. Director since 2008. Employed in the Group since 2007. Other board assignments: Director of BUFAB Professional experience: Senior management at B&B TOOLS, prior to that Alfred Berg ABN Amro. Ownership: 10,080 Class A shares and 128,000 Class B shares. Call options corresponding to 130,500 shares.

KRISTINA WILLGÅRD

M.Sc. Econ.

Born in 1965. Chief Financial Officer. Employed in the Group since 2010. Professional experience: Finance Director Ericsson, CFO Netwise, CFO Frontec, Business controller Spendrups and Auditor at Arthur Andersen. Ownership: 94,500 Class B shares. Call options corresponding to 132,000 shares.

ARTHUR AIRA

Medical Technologist Engineer and MBA.

Born in 1967. Business Area Manager, Addtech Life Science. Employed in the Group since 2010. Professional experience: Self-employed business owner, Nordic CEO Organon Teknika, Nordic CEO bioMérieux, Global Program Director bioMérieux. Ownership: 39,300 Class B shares. Call options corresponding to 135,000 shares.

ANDERS CLAESON

M.Eng.

Born in 1956. Executive Vice President and Business Area Manager, Addtech Components. Employed in the Group since 1982. Professional experience: Various managerial positions at Bergman & Beving. Ownership: 229,655 Class B shares. Call options corresponding to 135,000 shares.

ÅKE DARFELDT

Economics at the University of Gothenburg

Born in 1954. Business Area Manager, Addtech Energy. Employed in the Group since 1984. Professional experience: Sales manager Singer Products, CEO and owner of CellTech AB and various managerial positions at Bergman & Beving. Ownership (family): 97,050 Class B shares. Call options corresponding to 120,000 shares.

NIKLAS STENBERG

Bachelor of Laws

Born in 1974. Business Area Manager of Addtech Power Solutions. Employed in the Group since 2010. Professional experience: Leading positions at B&B TOOLS, prior to which he was an attorney-at-law. Ownership: Call options corresponding to 10,800 shares.

JOHAN DYBERG

M.Sc Mechanical eng.

Born in 1967. Business Area Manager of Addtech Industrial Process. Employed in the Group since 2012. Professional experience: Leading positions at small entrepreneur-driven companies as well as at large service and product companies including Electrolux and Husqvarna. Ownership: Call options corresponding to 40,600 shares

AUDITOR

GEORGE PETTERSSON

KPMG

Auditor in charge: George Pettersson, Authorised Public Accountant, Stockholm. Born in 1964. George Pettersson has been in charge of auditing the Addtech Group since 2013/2014 and is also in charge of auditing Svenska Handelsbanken AB, Axfood AB, Kungsleden AB, Nobia AB, Sandvik AB and Skanska AB.

JONAS ERIKSSON

KPMG

Assistant auditor: Jonas Eriksson, Authorised Public Accountant, Stockholm. Born in 1974. Jonas Eriksson has been the assistant auditor for the audit of the Addtech Group since 2013/2014 and is also involved in auditing companies including Sandvik AB and Skanska AB. Jonas is also in charge of auditing numerous medium-size companies, including Carglass Sweden AB, RenoNorden AB and the Silva Group.

Addtech shares

LONG-TERM SHAREHOLDER VALUES

Addtech generates long-term shareholder values via approximately 140 independent and operating subsidiaries. Active ownership continuously streamlines the operation leading towards gradual improvement of the subsidiaries’ growth and profit. Besides operating activities, company acquisitions are central to profit growth and development – partly through the addition of agency companies, employees and customers, and partly through the multiple arbitrage that arises when acquired companies are added to the operation.

MARKET PERFORMANCE OF THE SHARES AND TURNOVER

The Addtech shares are listed on Nasdaq OMX Stockholm. Since their listing in September 2001 until 31 April 2014, the total return on the shares until 31 March 2015 has averaged 19 percent per year.

The highest price paid during the year was SEK 132.00 and was quoted on 4 July 2014. The lowest was SEK 77.00 on 13 October 2014. The final price paid before the end of the financial year was SEK 115.75. The value of the Addtech shares increased by 14 percent (41) during the financial year. The OMX Stockholm index on the Nasdaq OMX Stockholm Exchange increased by 23 percent (17) in the corresponding period.

During the period 1 April 2014 - 31 March 2015, 15.7 million (5.4) shares were traded with an aggregate value of approximately SEK 1.7 billion (5.4 million). Relative to the average number of Class B shares outstanding, this is equivalent to a turnover rate of 24 percent (13). Broken down by trading day, an average of 63,200 (22,000) Addtech shares were traded at an average value of about SEK 6.8 million (3.5).

SHARE CAPITAL

The share capital in Addtech amounts to SEK 51,148,872. The number of shares in the company increased to 68,198,496, of which 3,241,704 are Class A shares and 64,956,792 are Class B shares. The quotient value is SEK 0.75. Each Class A share entitles its holder to 10 votes, each Class B share one vote. All shares give the same right to dividends. Only the Class B shares are listed on Nasdaq OMX Stockholm.

REPURCHASE OF TREASURY SHARES

The Annual General Meeting in August 2014 authorised the Board of Directors to repurchase a maximum of ten percent of all shares in the Company during the period until the Annual General Meeting in 2015. 350,000 treasury shares were repurchased during the financial year.

At 31 March 2015, Addtech's holding of Class B treasury shares was 1,742,300 (2,063,400), with an average purchase price of SEK 54.65. These shares correspond to 2.6 percent of the number of shares issued and 1.8 percent of the votes. All of the repurchased shares secure the Company's undertakings to holders of call options, issued by the Company, on repurchased Class B shares. The average number of treasury shares held during the year was 1,910,322 (2,195,148).

INCENTIVE PROGRAMMES

At 31 March Addtech had four ongoing incentive programmes:

Ongoing incentive programmes				
Year	Options corresponding to number of shares	Percentage of total number of shares, %	Redemption price, SEK	Expiration period
2014	350,000	0.5%	116.70	17 sept 2017 - 1 june 2018
2013	540,000	0.8%	106.13	19 sept 2016 - 2 june 2017
2012	600,000	0.9%	71.50	14 sept 2015 - 3 june 2016
2011	252,300	0.4%	59.80	15 sept 2014 - 29 may 2015
Total	**1,742,300**	**2.7%**		
Total number of B shares	64,956,792			

Addtech has four outstanding call option programmes totalling 1,742,300 Class B shares. All programmes have been directed to 25 members of management within the group. The programme from 2014 comprises 350,000 shares with an exercise price of SEK 116.70 and an expiration period from 17 September 2017 until 1 June 2018 inclusive. The programme from 2013 comprises 540,000 shares with an exercise price of SEK 106.13 and an expiration period from 19 September 2016 until 2 June 2017 inclusive. The programme from 2012 comprises 600,000 shares with an exercise price of SEK 71.50 and an expiration period from 14 September 2015 until 3 June 2016 inclusive. The programme from 2011 comprises 600,000 shares with an exercise price of SEK 59.80 and an expiration period from 15 September 2014 until 29 May 2015 inclusive. During the period 15 September 2014 until 31 March 2015 inclusive, 115,900 options were exercised, corresponding to 347,700 shares. The remaining 84,100 options, corresponding to 252,300 shares, have been redeemed since the end of the financial year.

The Board has decided to propose that the Annual General Meeting in August 2015 approve an incentive programme according to the same, or an essentially similar, model as decided at the 2009-2014 AGMs.

DIVIDEND POLICY

The ambition of the Board of Directors is a pay-out ratio exceeding 50 percent of consolidated average profit after tax over a business cycle. Since the share was listed, the pay-out ratio, including the dividend proposed for the year, has averaged around 60 percent.

PROPOSALS TO THE ANNUAL GENERAL MEETING

- **Dividend.** The Board of Directors proposes a dividend of SEK 3.25 per share (3.00), equivalent to a pay-out ratio of 55 percent (55). The total dividend amounts to SEK 216 million (200).
- **Incentive programmes.** The Board of Directors has decided to propose that the Annual General Meeting should pass a resolution to adopt a long-term incentive programme. The programme, which it is proposed will include 25 members of management within the Addtech Group, involves the participants being given the opportunity to acquire, at market price, call options relating to Class B shares in Addtech AB ('the Company') repurchased by the Company, with the participants receiving a certain subsidy on premiums paid for the options after two years. The proposal also involves the Annual General Meeting approving that the Company - in deviation from the shareholders' preferential rights - transfer up to 400,000 of the Company's repurchased Class B shares to the option holders at the agreed redemption price in connection with any exercise of the call options. If the options are fully exercised, the number of B shares outstanding will increase by 400,000, equivalent to 0.6 percent of the number of shares outstanding and 0.4 percent of the votes.
- **Extension of repurchase mandate.** The Board of Directors has decided to propose to the AGM that the mandate to repurchase treasury shares be renewed. The proposed mandate would entitle the Board of Directors, during the period until the next AGM, to purchase shares such that the Company's holding at no time exceeds 10 percent of the total number of shares in the Company. Repurchases shall be made in the stock market. The proposed mandate would also allow use of repurchased shares as payment for acquisitions or disposal of the repurchased shares outside the stock market to finance acquisitions.

ADDITIONAL INFORMATION

Addtech's website www.addtech.com is updated continuously with information about shareholder changes and share price performance. The site also has information about which analysts follow Addtech.

KEY INDICATORS

	2014/2015		2013/2014	2012/2013
Earnings per share (EPS), SEK	5.90		5.50	4.85
Shareholders' equity per share, SEK	22.60		20.10	16.70
Price/earnings ratio	20		18	15
Dividend per share, SEK	3.25	1)	3.00	2.67
Payout ratio, %	55		55	55
Dividend yield, %	2.8		3.1	3.7
Last price paid, SEK	115.75		101.75	72.33
Price/equity, multiple	5.1		5.1	4.3
Market capitalisation, SEKm	7,519		6,608	4,757
Average number of shares outstanding	66,288,174		66,003,348	65,394,093
Number of shares outstanding at year-end	66,456,196	2)	66,135,096	65,764,296
Number of shareholders at year-end	3,932		3,557	3,379

1) Dividend proposed by the Board of Directors

2) The difference between the total number of shares and shares outstanding equals the shares repurchased by Addtech: 1,742,300 Class B shares at 31 mars 2015.

ADDTECH'S LARGEST SHAREHOLDERS, 31 MARCH 2015

			Proportion of	
Shareholder	**Class A shares**	**Class B shares**	**capital, %**	**votes, %**
Anders Börjesson (family)	1,490,760	121,050	2.4	15.4
Tom Hedelius	1,445,760	16,200	2.1	14.9
Lannebo Fonder	0	7,995,000	11.7	8.2
Swedbank Robur Fonder	0	5,933,421	8.7	6.1
SEB Investment Management	0	3,399,749	5.0	3.5
AMF - Försäkring och Fonder	0	2,976,000	4.4	3.1
Canadian Treaty Clients Account	0	2,441,562	3.6	2.5
Livförsäkringsbolaget Skandia Öms	0	2,323,697	3.4	2.4
Handelsbankens Fonder AB RE JPMEL	0	2,305,805	3.4	2.4
Säve family	60,000	1,250,000	1.9	1.9
Odin Sverige Aksjefondet	0	1,832,604	2.7	1.9
Sandrew AB	0	1,800,000	2.6	1.8
State Street Bank & Trust Client	0	1,589,147	2.3	1.6
Didner & Gerge Fonder AB	0	1,468,369	2.2	1.5
Fidelity Low-Priced Stock FD	0	1,418,600	2.1	1.5
Total 15 largest owners 3)	**2,996,520**	**36,871,204**	**58.5**	**68.7**

3) The proportion of capital and votes excludes the shares held in treasury by Addtech AB.

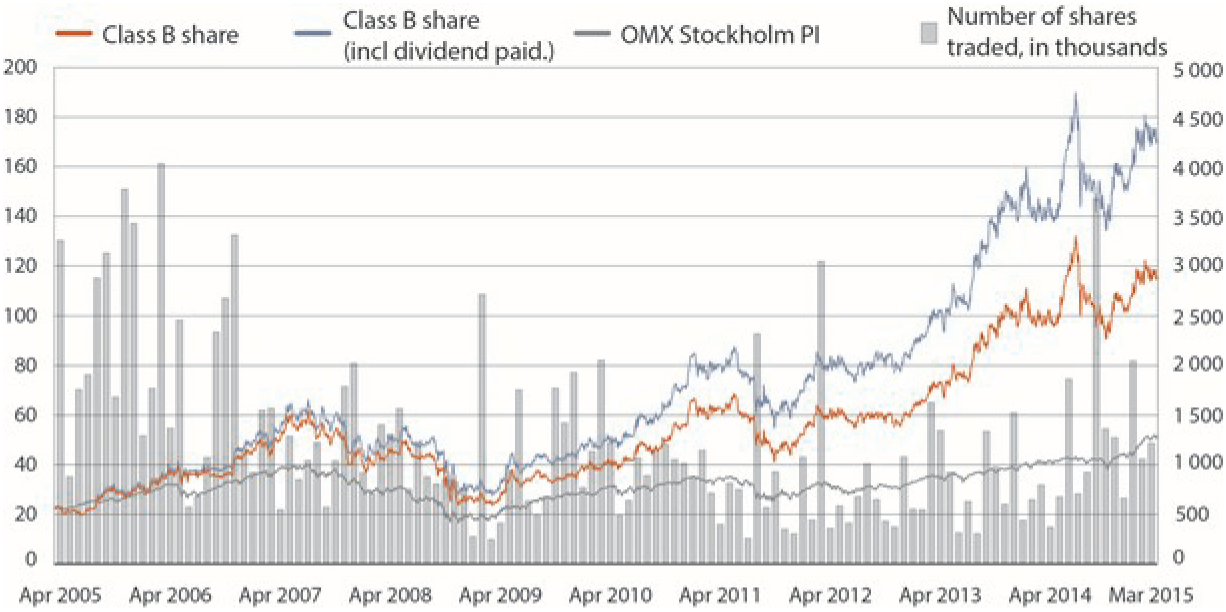
SIZE CLASSES

Number of shares	Proportion of share capital, %	Number of shareholders	Proportion of number of shareholders, %
1 - 500	0	1,982	51
501 - 1 000	1	620	16
1 001 - 5 000	3	897	23
5 001 - 10 000	2	173	4
10 001 - 20 000	2	92	2
20 001 -	92	168	4
Total	**100**	**3,932**	**100**

HOLDINGS BY CATEGORY

	2014/2015		2013/2014	
	Number of shareholders	Proportion of capital, %	Number of shareholders	Proportion of capital, %
Swedish owners	3,700	77	3,358	75
Foreign owners	232	23	199	25
Total	**3,932**	**100**	**3,557**	**100**
Legal entities	456	76	383	77
Natural persons	3,476	24	3,174	23
Total	**3,932**	**100**	**3,557**	**100**

SHARE PERFORMANCE CHART



MULTI-YEAR SUMMARY

SEKm, unless stated otherwise	2014/2015	2013/2014	2012/2013*	2011/2012*	2010/2011
Net sales	6,776	6,089	5,403	5,200	4,418
Operating profit	536	501	437	470	380
Finance income and costs	-23	-26	-29	-23	-16
Profit after financial items	513	475	408	447	364
Profit for the year	400	369	323	327	265
Intangible non-current assets	1,543	1,343	1,192	1,012	793
Property, plant and equipment	198	187	166	156	162
Non-current financial assets	24	20	14	14	13
Inventories	849	709	675	650	556
Current receivables	1,156	1,137	943	850	735
Cash and cash equivalents	83	69	72	50	50
Total assets	**3,853**	**3,465**	**3,062**	**2,732**	**2,309**
Shareholders' equity	1,504	1,330	1,097	971	907
Non-controlling interests	35	19	16	13	15
Interest-bearing liabilities and provisions	911	846	835	633	408
Non-interest-bearing liabilities and provisions	1,403	1,270	1,114	1,115	979
Total shareholders' equity and liabilities	**3,853**	**3,465**	**3,062**	**2,732**	**2,309**
Capital employed	2,450	2,195	1,948	1,617	1,330
Working capital, year average	1,211	1,075	969	890	753
Financial net liabilities	828	776	763	584	358
Net liabilities, excl. pensions	510	524	523	339	172
Operating margin, %	7.9	8.2	8.1	9.0	8.6
Profit margin, %	7.6	7.8	7.6	8.6	8.2
Return on equity, %	28	30	31	34	31
Return on capital employes, %	23	24	25	32	33
Return on working capital (P/WC), %	44	47	45	53	50
Equity ratio, %	40	39	36	36	40
Debt/equity ratio, multiple	0.6	0.6	0.7	0.6	0.4
Net debt/equity ratio, multiple	0.3	0.4	0.5	0.3	0.2
Interest coverage ratio, multiple	21.9	17.5	14.2	15.8	19.5
Financial net liabilities/EBITDA, multiple	1.2	1.2	1.4	1.0	0.8
Earnings per share (EPS), SEK	5.90	5.50	4.85	4.90	3.95
EPS, after dilution, SEK	5.90	5.45	4.85	4.85	3.90
Cash flow per share, SEK	8.40	7.25	5.20	6.30	4.50
Shareholders' equity per share, SEK	22.60	20.10	16.70	14.90	13.60
Dividend per share, SEK	3,25 1)	3.00	2.67	2.67	2.33
Average number of shares after repurchases, '000s	66,288	66,003	65,394	65,832	66,759
Average number of shares adjusted for dilution, '000s	66,615	66,457	65,533	66,000	66,878
Market price of share at 31 March, SEK	115.75	101.75	72.33	60.67	63.00
Turnover rate of the share, %	24	13	12	17	17
Cash flow from operating activities	557	479	339	415	300
Cash flow from investing activities	-323	-259	-351	-296	-302
Cash flow from financing activities	-231	-229	45	-119	5
Cash flow for the year	3	-9	33	0	3
Average number of employees	2,224	2,100	1,815	1,612	1,445
Number of employees at year-end	2,286	2,150	2,011	1,700	1,512

1) As proposed by the Board of Directors.

* Comparative figures for the financial years 2011/2012 and 2012/2013 have been recalculated due to the change of IAS 19.

WELCOME TO THE ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of Addtech AB (publ.) will be held at 4.00 p.m. on 27 August 2015 at IVA, Grev Turegatan 16, Stockholm.

NOTICE OF PARTICIPATION

Shareholders who wish to participate in the Annual General Meeting

- must be entered in the shareholders' register held by Euroclear Sweden AB on Friday, 21 August 2015,
- and provide the Company with notification of their attendance by 3.00 p.m. Friday, 21 August 2015 at the latest: by contacting Addtech AB (publ), Box 5112, 102 43 Stockholm, Sweden; by calling +46 (0)8-470 49 00; by faxing +46 (0)8-470 49 01; through the Company's website www.addtech.com/investors; or by e-mailing info@addtech.com. Such notice must contain the shareholder's name, personal identification number (or corporate ID number), address, telephone number and the number of shares represented as well as advisors/assistance (a maximum of two). The data submitted in such notification will be processed and used for the 2015 AGM.

Shareholders whose shares are held in trust must temporarily register their shares in their own name in order to exercise their voting rights at the AGM. Such changes in registration must be completed no later than Friday, 21 August 2015.

If a shareholder intends to participate by representation through a proxy, the original of the proxy notice as well as any documents for authorisation must be sent to the Company well before the AGM. Representatives of a legal entity must also submit a certified copy of the registration certificate or equivalent documents for authorisation that demonstrate that they are entitled to represent the legal entity. The Company provides a proxy form for shareholders which is available from the head office or from the Company's website www.addtech.com/arsstamma no later than 17 July 2015.

PAYMENT OF DIVIDEND

The dividend resolution adopted by the AGM will specify the date on which shareholders must be recorded in the share register maintained by Euroclear Sweden AB to be entitled to receive the dividend. The record date proposed by the Board is Monday, 1 September 2015 for dividend payment. Provided the AGM adopts the proposal, the dividend is expected to be paid through Euroclear Sweden AB on Friday, 4 September 2015, to shareholders entered in the share register at the record date.

CHANGE OF ADDRESS OR BANK ACCOUNT

Shareholders who have changed their name, address or account number should inform their trustee or account operator (bank) of any such change as soon as possible. A special form for this purpose is available from banks.

DEFINITIONS

Share turnover rate
Total trading volume divided by the average number of Class B shares outstanding during the financial year.

Return on equity
Profit/loss after tax attributable to shareholders, as a percentage of shareholders' proportion of average equity.

Return on working capital (P/WC)
Operating profit/loss in relation to average working capital.

Return on capital employed
Profit/loss after net financial items, plus interest expenses plus/minus exchange differences, as a percentage of average capital employed.

EBITDA
Operating profit before depreciation and amortisation of intangible assets and property, plant and equipment.

Equity per share
Shareholders' proportion of equity divided by the number of shares outstanding at the end of the reporting period.

Financial net liabilities
Interest-bearing liabilities and interest-bearing provisions, less cash and cash equivalents.

Net debt/EBITDA
Financial net liabilities divided by EBITDA.

Cash flow per share
Cash flow from operating activities, divided by the average number of shares.

Net Debt/Equity ratio
Interest-bearing liabilities and interest-bearing provisions, excluding pension provisions, in relation to shareholders’ equity.

Employee turnover
Number of employees who left during the year, in relation to the average number of employees.

Interest coverage ratio
Profit /loss after net financial items, plus interest expense, plus/minus exchange differences in relation to interest expense.

Working capital
Sum of inventories and accounts receivable, less accounts payable. Average working capital for the year is used to calculate return on working capital (P/WC).

Operating margin
Operating profit/loss as a percentage of net sales.

Equity ratio
Equity as a percentage of total assets.

Capital employed
Total assets, less non-interest-bearing liabilities and provisions.

Outstanding shares
Total number of shares less treasury shares repurchased by the Company.

Earnings per share (EPS)
Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding.

Earnings per share (EPS), diluted
Shareholders' proportion of profit/loss for the year in relation to the average number of shares outstanding, adjusted for the additional shares resulting from the exercise of outstanding personnel options or similar programmes.

Profit margin
Profit/loss after net financial items as a percentage of net sales.