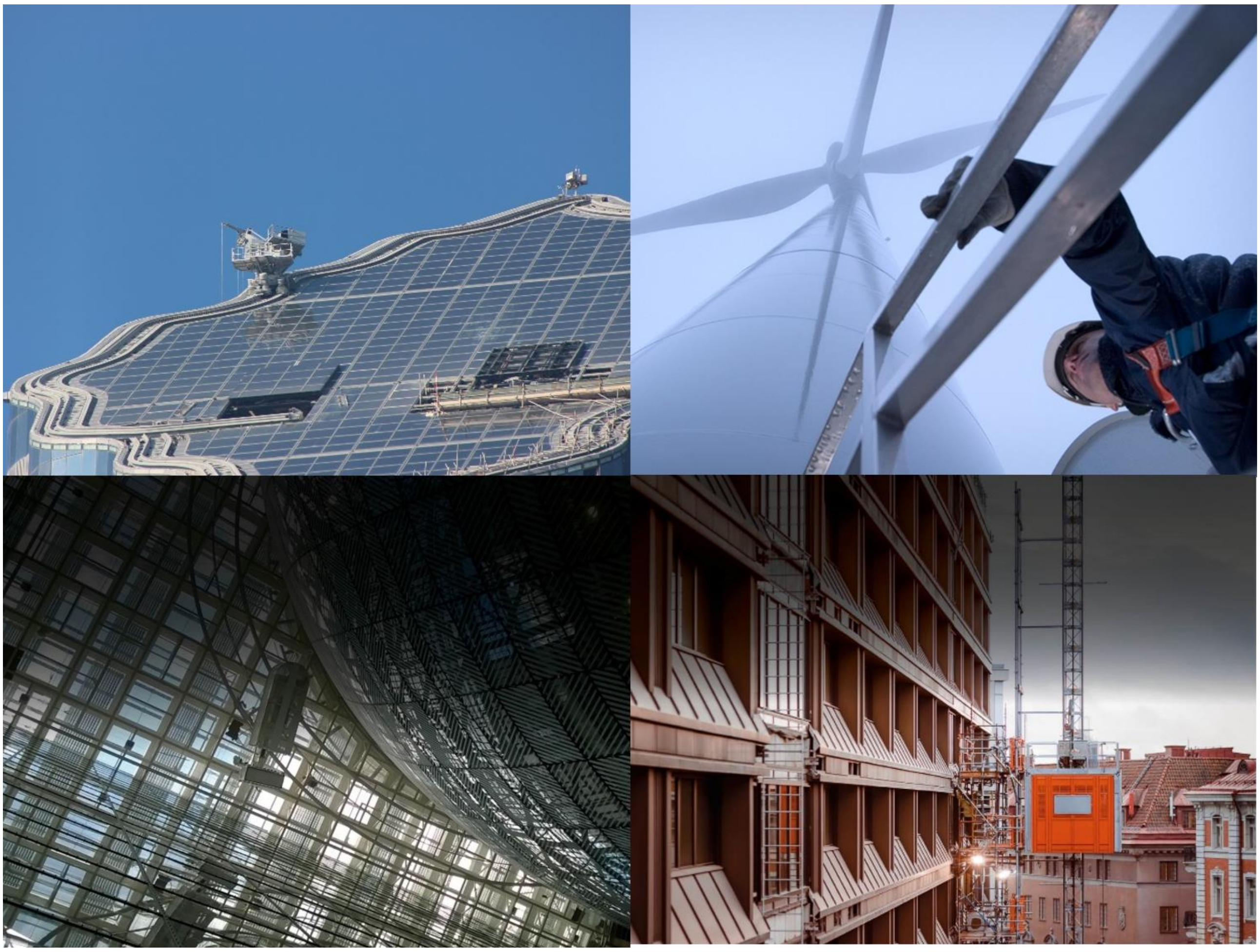
Alimak Group AB
ALIG, SE0007158910

Interim Report

January – September 2017

Q3



For more information contact:
Mathilda Eriksson, IR Manager, Phone: +46 (0)8 402 14 41
Stefan Rinaldo, COO and acting CFO, Phone: +46 (0)8 402 14 47

Q3 2017 – Continued good growth for the Group despite a slower quarter in Construction

THIRD QUARTER

- Order intake increased by 70% to MSEK 869 (512) with organic growth of 7%
- Revenue increased by 108% to MSEK 980 (471) with organic growth of 6%
- EBITA adj. increased to MSEK 101 (73), margin 10.3% (15.5) negatively impacted by a non-cash adjustment of MSEK 17 related to Avanti Purchase Price Allocation (PPA)*
- EBITA increased to MSEK 82 (80), margin 8.3% (16.9) also negatively impacted by the Avanti PPA adjustment*
- EBIT decreased to MSEK 69 (80), margin 7.0% (16.9)
- Net profit amounted to MSEK 72 (51)
- Earnings per share amounted to SEK 1.33 (1.08)
- Operating cash flow amounted to MSEK 74 (-8)

JANUARY–SEPTEMBER

- Order intake increased by 85% to MSEK 3,005 (1,625) with organic growth of 12%
- Revenue increased by 103% to MSEK 2,951 (1,451) with organic growth of 11%
- EBITA adj. increased to MSEK 365 (226), margin 12.4% (15.5) negatively impacted by a non-cash adjustment of MSEK 17 related to Avanti Purchase Price Allocation (PPA)*
- EBITA increased to MSEK 338 (232), margin 11.5% (16.0) also negatively impacted by the Avanti PPA adjustment*
- EBIT increased to MSEK 304 (232), margin 10.3% (16.0)
- Net profit amounted to MSEK 201 (146)
- Earnings per share amounted to SEK 3.90 (3.08)
- Operating cash flow amounted to MSEK 162 (89)

Management assessment: If the during Q1 2017 acquired companies, Avanti Wind Systems and Facade Access Group, had been fully consolidated by 1 January 2016, order intake growth during the period January-September 2017, would have been 3% and revenue growth would have been 8% compared to the same period 2016 (please find proforma figures on page 19, table 2).

**The adjustment relates to the fair value on acquired inventory in Avanti. Normally this fair value effect impacts the income statement (as a cost) during the period when the inventory is sold. However, as the inventory acquired already has been sold the full effect of MSEK 17 has been recorded as a cost in the third quarter.*

KEY FIGURES, GROUP	Q3 2017	Q3 2016	Δ	Jan-Sep 2017	Jan-Sep 2016	Δ
Order intake, MSEK	868.8	512.5	70%	3,004.9	1,625.1	85%
Revenue, MSEK	979.8	471.4	108%	2,950.8	1,451.2	103%
Whereof:						
Volume & price, %	5.5%	8.8%		11.1%	2.2%	
Exchange rate, %	-3.1%	-0.3%		1.3%	-2.0%	
Acquisition & divestment, %	105.4%	0.0%		90.9%	0.0%	
EBITA adj, MSEK[2]	101.3	73.0	39%	365.4	225.6	62%
EBITA margin adj, %[2]	10.3%	15.5%		12.4%	15.5%	
EBITA, MSEK	81.6	79.8	2%	337.9	232.5	45%
EBITA margin, %	8.3%	16.9%		11.5%	16.0%	
EBIT, MSEK	68.7	79.6	-14%	303.7	231.7	31%
EBIT margin, %	7.0%	16.9%		10.3%	16.0%	
Net profit, MSEK	72.1	51.2	41%	201.1	145.7	38%
Earnings per share, SEK[1]	1.33	1.08	23%	3.90	3.08	27%
Cash flow from operations, MSEK	74.1	-7.6	-1081%	161.7	89.5	81%

[1] Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017
[2] Before items affecting comparability

Comments by the CEO

In focus

- Increased EBITA, revenue and order intake on group level
- EBITA impacted by a one-time MSEK 17 non-cash PPA adjustment
- Integration running according to plan and solid contribution on order intake and revenues from acquired businesses

Third quarter showed continued growth with organic order intake and revenue increasing 7% and 6% respectively. Reported revenue also includes a solid contribution from the acquired businesses. The lower growth rate for the Group compared to the first six months this year is primarily due to a slowdown in Construction Equipment. The underlying EBITA margin adj. was, excluding the one-time PPA adjustment, 12.1% for the quarter and 13.0% year to date.

Construction Equipment reported a slightly lower order intake during the quarter following a strong performance during the first six months. Revenue during the third quarter grew 4% organically but was still on the low side considering the strong order intake earlier in the year. However, we expect the revenue level to pick up during the fourth quarter. The EBITA margin adj. decreased to 9.2% (11.7) caused by the low volumes and product mix.

Industrial Equipment reported strong organic growth in order intake and revenue. The organic order intake increased 78% from a low level in 2016 and we start to see encouraging signs of more leads and projects in the general industry segment. Revenue increased 31% organically, driven by higher volumes in general industry. The wind and BMU segments also contributed positively to revenue growth during the quarter. The underlying EBITA margin adj. for the quarter excluding the PPA adjustment, increased to 4.9% (-7.6), positively affected by the acquisitions.

After Sales reported organic order intake growth of 1% and including the acquired businesses, order intake grew 44%. Revenue decreased 3% organically in the quarter but for the nine-month period, revenue grew by 3%. The underlying EBITA margin adj. during the third quarter, excluding the PPA adjustment, was 26.8% (32.5). As part of our integration activities to expand our After Sales business, we have recently launched a pilot-project in the US introducing a joint sales and service organization. This will further enhance our offering and support to customers. This concept will, after evaluation and fine-tuning, be rolled out in additional markets during 2018.

In Rental, organic order intake and revenue grew 18% and 1% respectively during the quarter with positive development in all geographical markets. The EBITA margin adj. increased to 11.3% (9.9) driven by a significant improvement in utilization compared to the same period last year.

The integration of the acquired companies continues with good progress through our launched integration projects addressing After Sales, purchasing, production and cross selling opportunities to name a few. We remain confident that our started integration and strategic initiatives will support the achievement of our Mid-term financial targets.

We announced Charlotte Brogren as new CTO for the Group in October, and we are very pleased to have brought Charlotte on board in what I see as a key position in developing the Group's products and solution offering going forward.

Tormod Gunleiksrud, President & CEO

Key figures Q3 and January – September 2017

THIRD QUARTER 2017

- The integration of the acquired businesses progress according to plan. First After Sales pilot project launched
- EBITA margin adj. of 10.3% (15.5), due to lower margins in the acquired businesses and negatively impacted by a non-cash adjustment of MSEK 17 related to Avanti PPA
- Organic revenue growth was 6%, while reported revenue increased 108%
- Organic order intake growth was 7%, while reported order intake grew 70%

JANUARY – SEPTEMBER 2017

- EBITA margin adj. of 12.4% (15.5), due to lower margins in the acquired businesses and negatively impacted by a non-cash adjustment of MSEK 17 related to Avanti PPA
- Organic revenue growth was 11%, while reported revenue increased 103%
- Organic order intake growth was 12%, while reported order intake grew 85%

If the acquired companies would have been fully consolidated in the Group by 1 January 2016, the order intake growth during January-September 2017 would have been 3% and the revenue growth 8% compared to the same period 2016 (please find proforma figures on page 19, table 2).

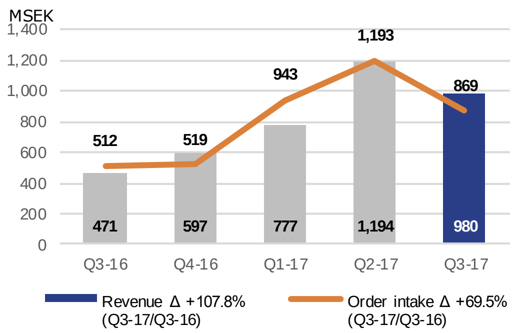
ORDER INTAKE	Q3		Jan-Sep	
	2017	2016	2017	2016
Orders, MSEK	**868.8**	**512.5**	**3,004.9**	**1,625.1**
Change, MSEK	356.3	27.9	1,379.9	-58.4
Change, %	69.5%	5.7%	84.9%	-3.5%
Whereof:				
Volume & price, %	7.0%	7.0%	11.6%	-1.5%
Exchange rate, %	-3.5%	-1.2%	1.2%	-2.0%
Acquisition & divestment, %	66.0%	0.0%	72.1%	0.0%

REVENUE	Q3		Jan-Sep	
	2017	2016	2017	2016
Revenue, MSEK	**979.8**	**471.4**	**2,950.8**	**1,451.2**
Change, MSEK	508.4	37.1	1,499.6	2.4
Change, %	107.8%	8.5%	103.3%	0.2%
Whereof:				
Volume & price, %	5.5%	8.8%	11.1%	2.2%
Exchange rate, %	-3.1%	-0.3%	1.3%	-2.0%
Acquisition & divestment, %	105.4%	0.0%	90.9%	0.0%

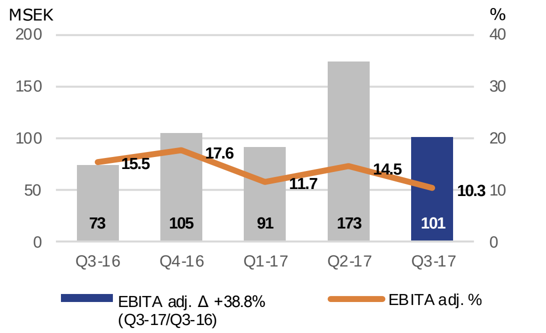
EBIT & EBITA adj.[1]	Q3		Jan-Sep	
	2017	2016	2017	2016
EBIT, MSEK	**68.7**	**79.6**	**303.7**	**231.7**
EBIT margin, %	**7.0%**	**16.9%**	**10.3%**	**16.0%**
EBITA adj, MSEK	**101.3**	**73.0**	**365.4**	**225.6**
EBITA margin adj, %	**10.3%**	**15.5%**	**12.4%**	**15.5%**
Change, MSEK	28.3	6.9	139.8	-20.2
Change, %	38.8%	10.5%	62.0%	-8.2%
Whereof:				
Volume & price, %	2.3%	9.2%	14.6%	-7.9%
Exchange rate, %	-1.8%	1.3%	1.4%	-0.3%
Acquisition & divestment, %	38.4%	0.0%	46.0%	0.0%

[1] Before items affecting comparability

Order intake & Revenue by quarters



EBITA adj. & EBITA margin adj. by quarters



OPERATING PROFIT/LOSS

EBIT in the third quarter was MSEK 69 (80), negatively impacted by a MSEK 17 one-time non-cash adjustment. The adjustment relates to the fair value on acquired inventory in Avanti. Normally this fair value effect impacts the income statement (as a cost) during the period when the inventory is sold. However, as the inventory acquired already has been sold the full effect of MSEK 17 has been recorded as a cost in the third quarter.

EBITA adj. was MSEK 101 (73). Earnings were positively impacted by the higher volumes derived from the acquired businesses. EBITA margin adj. decreased to 10.3% (15.5), mainly due to the lower margins in the acquired business and the MSEK 17 non-cash PPA adjustment.

Items affecting comparability amounted to MSEK 20 (7) of expenses related to acquisition and integration costs for the acquired businesses. Items affecting comparability last year related to the sale of US Rental operations. Amortization increased to MSEK 13 (0) related to the acquired businesses.

EBIT for the period January to September 2017 was MSEK 304 (232), negatively impacted by the MSEK 17 non-cash PPA adjustment.

EBITA adj. for the period January to September 2017 was MSEK 365 (226). Items affecting comparability amounted to MSEK 28 (7) of expenses related to acquisition and integration costs for the acquired businesses. Amortization increased to MSEK 34 (1) related to the acquired businesses.

NET PROFIT

Profit after tax for the third quarter increased to MSEK 72 (51). The profit was negatively impacted by the MSEK 17 non-cash PPA adjustment. Net financial items were MSEK 26 (-9) impacted by a positive revaluation effect of MSEK 43 related to the acquisition loans. Tax expense was MSEK 22 (20).

Profit after tax for the period January to September 2017 was MSEK 201 (146). Net financial items amounted to MSEK -13 (-24). Tax expense was MSEK 89 (62).

INVESTMENTS

Investments in fixed assets in the third quarter totalled MSEK 13 (19). Investments in fixed assets during January-September amounted to MSEK 33 (39).

FINANCIAL POSITION

Net debt totalled MSEK 1,047 (399) as of 30 September 2017. The equity ratio was 53.4% (64.5).

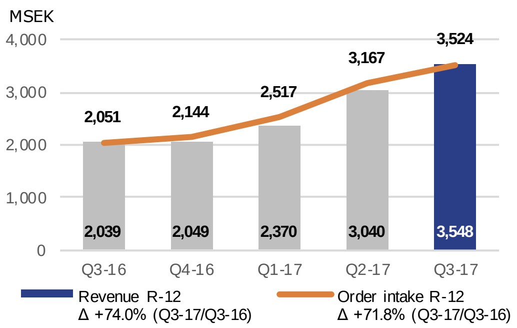
CASH FLOW

Cash flow from operating activities in the third quarter was MSEK 74 (-8). For the period January-September, cash flow from operating activities was MSEK 162 (89). Cash flow was positively impacted by good collection in the third quarter following high revenues in previous quarters. The revaluation of the acquisition loans which had a positive effect on the pre-tax result, has been reversed out as a non-cash item as not yet realized. The higher taxes paid year to date are driven by the taxes in the acquired companies.

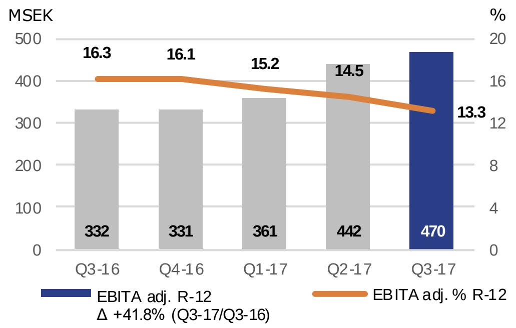
EMPLOYEES

As of 30 September 2017, there were 2,340 (1,193) employees.

Order intake & Revenue by R4 quarters



EBITA adj. & EBITA margin adj. by R4 quarters



Construction Equipment

- EBITA margin adj. of 9.2% (11.7) impacted by lower volumes and product mix
- Revenues of MSEK 146 (147). Organic revenue growth was +4%, a slower quarter following a strong performance in the first six months of the year
- Order intake of MSEK 188 (213)

Construction Equipment showed an organic decrease in order intake of 7% in the quarter compared to a strong third quarter 2016 when larger orders were awarded in Europe and Australia. Year to date, organic order intake increased 24% as a result of a strengthened sales organisation and an extended distributor network combined with favourable market conditions promoting complex project solutions where Alimak is strong.

The organic revenue growth of 4% during the quarter reflects a slowdown but should also be seen in view of the very high revenue during the first six months of this year. Revenue is expected to pick up in the fourth quarter as result of strong order intake earlier in the year. The EBITA margin adj. decreased to 9.2% (11.7) due to lower volumes and product mix during the quarter.

Business area Construction Equipment is not directly affected by the acquired companies.

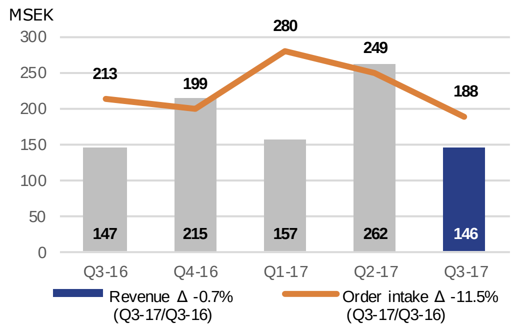
ORDER INTAKE	Q3		Jan-Sep	
	2017	2016	2017	2016
Orders, MSEK	**188.4**	**212.8**	**717.2**	**579.8**
Change, MSEK	-24.4	79.1	137.4	166.3
Change, %	-11.5%	59.2%	23.7%	40.2%
Whereof:				
Volume & price, %	-6.5%	64.1%	24.3%	44.0%
Exchange rate, %	-4.9%	-4.9%	-0.6%	-3.8%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2017	2016	2017	2016
Revenue, MSEK	**145.8**	**146.8**	**564.4**	**470.4**
Change, MSEK	-1.0	55.9	94.1	73.5
Change, %	-0.7%	61.4%	20.0%	18.5%
Whereof:				
Volume & price, %	4.3%	64.2%	20.2%	21.2%
Exchange rate, %	-5.0%	-2.8%	-0.2%	-2.6%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

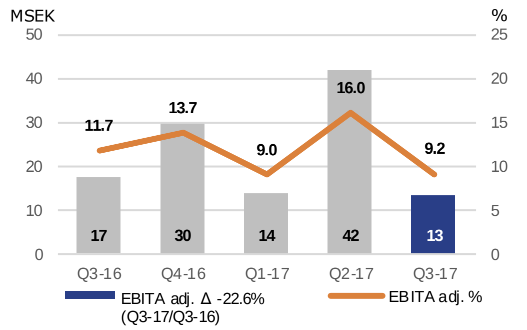
EBITA adj.[1]	Q3		Jan-Sep	
	2017	2016	2017	2016
EBITA adj, MSEK	**13.3**	**17.3**	**69.5**	**54.0**
EBITA margin adj, %	**9.2%**	**11.7%**	**12.3%**	**11.5%**
Change, MSEK	-3.9	13.3	15.5	14.7
Change, %	-22.6%	340.0%	28.7%	37.5%
Whereof:				
Volume & price, %	-21.3%	332.5%	28.5%	35.9%
Exchange rate, %	-1.3%	7.5%	0.2%	1.6%
Acquisition & divestment, %	0.0%	0.0%	0.0%	0.0%

[1] Before items affecting comparability

Order intake & Revenue by quarters



EBITA adj. & EBITA margin adj. by quarters



Industrial Equipment

- Increased EBITA margin adj. of 1.8% (-7.6) with positive impact from the acquired businesses but negatively affected by the PPA adjustment
- Organic revenue growth, +31%
- Improved organic order intake, +78% from a low level of orders in general industry in 2016

Industrial Equipment is, due to the acquired businesses, a more dynamic and diversified business area with a stronger focus on the BMU (Building Maintenance Unit) segment and renewable energy.

Organic order intake increased 78% in the quarter from a low level of orders in 2016. The acquired businesses contributed significantly to higher order intake in the quarter. The project pipeline in oil & gas and general industry improved during the quarter but conversion to firm orders is still to be proven.

Organic revenue growth was 31% in the quarter. The acquired businesses contributed significantly to higher revenues in the quarter. The EBITA margin adj. increased to 1.8% (-7.6), positively affected by the acquired businesses and the general industry segment but negatively impacted by MSEK 15, the Industrial share of the MSEK 17 Group PPA adjustment.

If the acquired companies had been fully consolidated in the Group by 1 January 2016, order intake growth during January-September 2017 would have been -7% and revenue growth 2% compared to the same period in 2016 (please find quarterly figures on page 19, table 2).

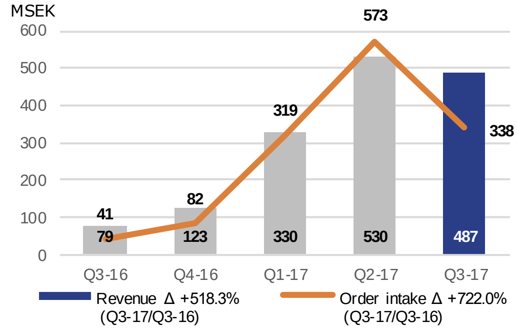
ORDER INTAKE	Q3		Jan-Sep	
	2017	2016	2017	2016
Orders, MSEK	**338.4**	**41.2**	**1,230.1**	**261.2**
Change, MSEK	297.2	-42.8	968.9	-186.1
Change, %	722.0%	-51.0%	371.0%	-41.6%
Whereof:				
Volume & price, %	78.4%	-50.6%	-2.8%	-41.1%
Exchange rate, %	-4.0%	-0.4%	1.2%	-0.5%
Acquisition & divestment, %	647.6%	0.0%	372.6%	0.0%

REVENUE	Q3		Jan-Sep	
	2017	2016	2017	2016
Revenue, MSEK	**487.3**	**78.8**	**1,346.8**	**250.6**
Change, MSEK	408.5	-23.2	1,096.2	-66.5
Change, %	518.3%	-22.7%	437.4%	-21.0%
Whereof:				
Volume & price, %	31.2%	-24.1%	19.5%	-19.8%
Exchange rate, %	-1.3%	1.3%	1.6%	-1.2%
Acquisition & divestment, %	488.5%	0.0%	416.3%	0.0%

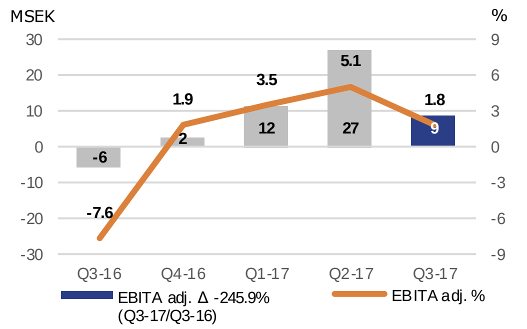
EBITA adj.[1]	Q3		Jan-Sep	
	2017	2016	2017	2016
EBITA adj, MSEK	**8.8**	**-6.0**	**47.2**	**-15.5**
EBITA margin adj, %	**1.8%**	**-7.6%**	**3.5%**	**-6.2%**
Change, MSEK	14.8	-13.2	62.7	-41.8
Change, %	245.9%	-183.9%	404.1%	-158.9%
Whereof:				
Volume & price, %	171.2%	-193.1%	65.2%	-161.9%
Exchange rate, %	-9.4%	9.1%	-0.2%	3.0%
Acquisition & divestment, %	84.2%	0.0%	339.1%	0.0%

[1] Before items affecting comparability

Order intake & Revenue by quarters



EBITA adj. & EBITA margin adj. by quarters



After Sales

- EBITA margin adj. of 26.1%, negatively affected by the PPA adjustment
- Organic revenue decrease of 4%, while reported revenue growth was 64%
- Organic order intake growth was 1%, while reported order intake growth was 44%

Organic order intake in After Sales increased 1% during the quarter. Services to the construction segment remained solid and showed growth across all regions. Year to date, organic order intake increased 13%.

Organic revenue during the quarter decreased 4%, mainly in Asia and in Americas. Onshore refurbishments showed continued good development and the acquired businesses performed well. Year to date, organic revenue increased 3%. The EBITA margin adj. in the quarter declined to 26.1% (32.5), impacted by the lower After Sales margin in the acquired businesses and negatively impacted by MSEK 2, the After Sales share of the MSEK 17 Group PPA adjustment.

The integration of the acquired After Sales business is an important part of realizing the identified synergies. A pilot project introducing a joint sales and service organization was launched in the US during October. This pilot will be followed by similar set-ups in additional markets during 2018 after evaluation and fine-tuning of the concept.

If the acquired companies had been fully consolidated in the Group by 1 January 2016, the order intake growth during January-September 2017 would have been 13% and the revenue growth would have been 14% compared to the same period in 2016 (please find quarterly figures on page 19, table 2).

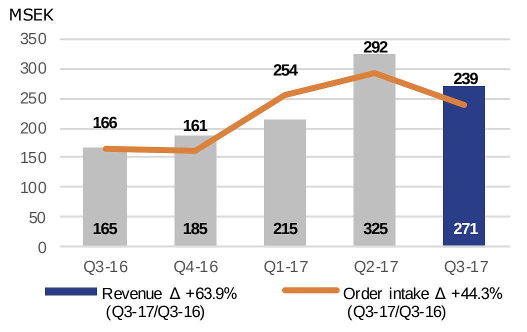
ORDER INTAKE	Q3		Jan-Sep	
	2017	2016	2017	2016
Orders, MSEK	**239.3**	**165.9**	**785.1**	**491.3**
Change, MSEK	73.4	6.6	293.8	-52.0
Change, %	44.3%	4.2%	59.8%	-9.6%
Whereof:				
Volume & price, %	0.9%	5.1%	13.2%	-7.7%
Exchange rate, %	-4.0%	-0.9%	2.0%	-1.8%
Acquisition & divestment, %	47.3%	0.0%	44.7%	0.0%

REVENUE	Q3		Jan-Sep	
	2017	2016	2017	2016
Revenue, MSEK	**271.2**	**165.5**	**811.2**	**494.9**
Change, MSEK	105.7	-1.9	316.3	-16.9
Change, %	63.9%	-1.1%	63.9%	-3.3%
Whereof:				
Volume & price, %	-3.5%	-0.2%	2.5%	-1.1%
Exchange rate, %	-3.6%	-0.9%	1.7%	-2.2%
Acquisition & divestment, %	70.9%	0.0%	59.8%	0.0%

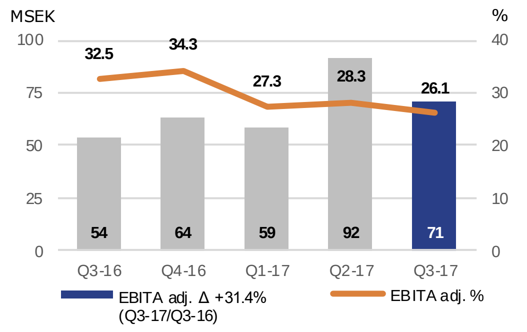
EBITA adj.[1]	Q3		Jan-Sep	
	2017	2016	2017	2016
EBITA adj, MSEK	**70.7**	**53.8**	**221.4**	**160.5**
EBITA margin adj, %	**26.1%**	**32.5%**	**27.3%**	**32.4%**
Change, MSEK	16.9	4.4	61.0	-5.3
Change, %	31.4%	8.9%	38.0%	-3.2%
Whereof:				
Volume & price, %	-7.0%	9.8%	3.8%	-2.0%
Exchange rate, %	-3.0%	-0.9%	1.3%	-1.2%
Acquisition & divestment, %	41.4%	0.0%	32.9%	0.0%

[1] Before items affecting comparability

Order intake & Revenue by quarters



EBITA adj. & EBITA margin adj. by quarters



Rental

— Improved EBITA margin adj. of 11.3% (9.9), driven by strong performance in European rental operations
— Organic revenue growth, +1%
— Organic order intake, +17% with strong momentum in most markets

Order intake increased 11%, driven by strong performance in the European operations. A continued strong market momentum was noted, both in Europe and in Australia. The third quarter growth was negatively impacted by 7% related to last year's divestment of the US Rental Operation.

Revenue declined 6% in the quarter, negatively impacted by 7% related to the divestment of the US Rental operation at the end of Q3 2016.

The EBITA margin adj. increased to 11.3% (9.9), mainly driven by higher utilization in the European rental operations but with France still being under price pressure due to local market conditions.

Business area Rental is not directly affected by the acquired companies.

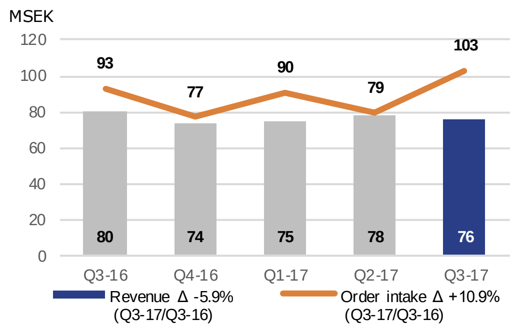
ORDER INTAKE	Q3		Jan-Sep	
	2017	2016	2017	2016
Orders, MSEK	**102.8**	**92.7**	**272.5**	**292.7**
Change, MSEK	10.1	-15.1	-20.3	13.4
Change, %	10.9%	-14.0%	-6.9%	4.8%
Whereof:				
Volume & price, %	17.5%	-16.2%	-3.2%	6.6%
Exchange rate, %	0.8%	2.2%	3.3%	-1.8%
Acquisition & divestment, %	-7.4%	0.0%	-7.0%	0.0%

REVENUE	Q3		Jan-Sep	
	2017	2016	2017	2016
Revenue, MSEK	**75.6**	**80.3**	**228.3**	**235.3**
Change, MSEK	-4.7	6.3	-7.0	12.3
Change, %	-5.9%	8.5%	-3.0%	5.5%
Whereof:				
Volume & price, %	1.2%	6.5%	2.0%	7.2%
Exchange rate, %	-0.2%	2.0%	3.3%	-1.7%
Acquisition & divestment, %	-6.9%	0.0%	-8.3%	0.0%

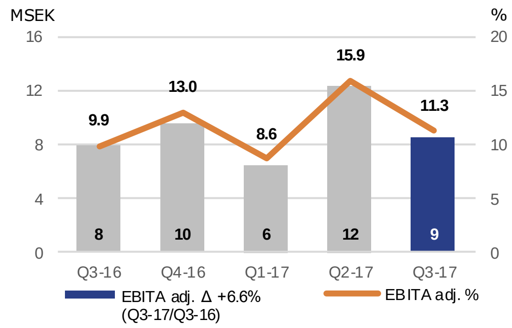
EBITA adj.[1]	Q3		Jan-Sep	
	2017	2016	2017	2016
EBITA adj, MSEK	**8.5**	**8.0**	**27.4**	**26.7**
EBITA margin adj, %	**11.3%**	**9.9%**	**12.0%**	**11.4%**
Change, MSEK	0.5	2.4	0.6	12.2
Change, %	6.6%	43.0%	2.4%	84.2%
Whereof:				
Volume & price, %	-2.3%	35.9%	5.1%	85.5%
Exchange rate, %	-0.2%	7.1%	3.7%	-1.3%
Acquisition & divestment, %	9.1%	0.0%	-6.4%	0.0%

[1] Before items affecting comparability

Order intake & Revenue by quarters



EBITA adj. & EBITA margin adj. by quarters



Group summary

PARENT COMPANY
Revenue for the third quarter 2017 amounted to MSEK 3 (2) and profit/loss for the period was MSEK -3 (-4).

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

RIGHTS ISSUE
On 8 March 2017, the Board resolved to undertake a share issue with preferential rights for existing shareholders. A prospectus was published on 13 March 2017 and the subscription price was set at SEK 73.0 per share for a maximum of 10,831,572 shares. The subscription period ended on 31 March 2017 and the share issue was fully subscribed. Alimak has thus received proceeds amounting to approximately MSEK 791 before issue costs.

DIVIDEND
The Annual General Meeting decided on a dividend of 86,652,578 SEK corresponding to 1.60 SEK per share for a total of 54,157,861 shares being the number of shares entitled to dividend following completion of the registration of the fully subscribed issue of new shares.

REPAYMENT OF BRIDGE LOAN FACILITY
The acquisition of Avanti Wind Systems was financed by a bridge loan facility of MSEK 800, to be repaid with proceeds from the issue of new shares. The loan was repaid in full in April 2017.

NUMBER OF SHARES AND VOTES IN ALIMAK GROUP
The number of shares and votes in Alimak Group AB has changed as a result of the right issue completed in April 2017. There are in total 54,157,861 shares in the company, entitling to a total of 54,157,861 votes. The company holds no own shares.

MANAGEMENT CHANGES
Per Ekstedt resigned from the position as CFO of Alimak Group on 6 September 2017 and is currently on sick leave. The company's former CFO, Stefan Rinaldo has been appointed acting CFO, in addition to his current role as COO. The process to find a successor has been initiated.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

MANAGEMENT CHANGES
Charlotte Brogren has been appointed Chief Technology Officer for Alimak Group. Charlotte has previously held the position as Director General for VINNOVA, The Swedish Governmental Agency for Innovation Systems. Before joining VINNOVA, she worked 15 years for ABB in various management positions within research & development, most recently, as Technology Manager for ABB's Robotics Division. She has a PhD in Chemical Engineering from the University of Lund, holds several board positions and is a member of the Royal Academy of Engineering Sciences. Charlotte Brogren is as of 1 October 2017 part of Alimak Group Management Team, with responsibility for technology, innovation and product management within the Group. She succeeded Frank Klessens in the Group Management who continues in his capacity as Head of Product Management for the Alimak brand.

THE NOMINATION COMMITTEE APPOINTED
In 2016, Alimak Group's Annual General Meeting adopted an instruction regarding the appointment of the Nomination Committee, applicable until the General Meeting resolves otherwise. Pursuant to this instruction, the Nomination Committee shall be composed of persons appointed by the four largest shareholders listed in the shareholders' register maintained by Euroclear Sweden as of 31 August each year together with the Chairman of the Board, who will also convene the first meeting of the Nomination Committee. The member appointed by the largest shareholder shall be the Chairman of the Nomination Committee.

The largest shareholder at 31 August 2017 was Triton Advisers AB (Triton). Triton sold most of its remaining shares to Investment AB Latour (Latour) on 14 September, thereby making Latour the largest owner. Pursuant to the instruction regarding the appointment of the Nomination Committee, the member appointed by Triton shall leave its chair of the committee available to Latour's disposal. Since Latour is the largest shareholder, the Chairman of the Nomination Committee is the member appointed by Latour.

The new Nomination Committee has been appointed and comprises of the following members: Anders

Mörck, Latour, Chairman of the Nomination Committee, Johan Lannebo, Lannebo Fonder, Åsa Nisell, Swedbank Robur Fonder, Michael Green, Handelsbanken Fonder and Anders Jonsson, Alimak Group's Chairman of the Board

The Nomination Committee shall prepare proposals for the 2018 Annual General Meeting regarding the Chairman of the Meeting, number of Board members, fees to be paid to each of the Board members, election of Board members and Board Chairman, remuneration to the auditor, election of auditor and, if necessary, proposal for changes in the instruction for the Nomination Committee.

Shareholders who wish to present proposals to the Nomination Committee for the 2018 Annual General Meeting can submit them by post: Alimak Group AB, att: Nomination Committee, Brunkebergstorg 5, 3 tr, SE-111 51 Stockholm or via e-mail: anders.morck@latour.se. In order for the Nomination Committee to be able to consider submitted proposals in a constructive manner, these should be submitted no later than by Monday 15 January 2018.

EXTRAORDINARY GENERAL MEETING

The board of directors of Alimak Group AB has resolved to convene an extraordinary general meeting of shareholders to be held Wednesday, 1 November 2017 at 6:00 pm at Tändstickspalatset, Västra Trädgårdsgatan 15 in Stockholm. Registration begins at 5:30 pm.

Since Triton has divested its holdings in Alimak Group, Carl Johan Falkenberg will leave his Board position in connection to the meeting. The Nomination Committee proposes that Jan Svensson should be elected new member of the Board for the period until the next annual general meeting. Further details on the proposals and notification of attendance are found in the notice convening the meeting available on Alimak Group's website www.alimakgroup.com.

FINANCIAL TARGETS

The financial targets were revised in February 2017 due to the acquisitions of Facade Access Group and Avanti affecting the business mix. The company aims to gradually reach its mid-term financial targets over a time span of 3-4 years. The Group's mid-term target is to have an average annual organic revenue growth of at least 6%. The Group's mid-term target is to reach an operating EBITA margin of at least 15%. The company will also maintain an effective capital structure with a net debt of around 2x EBITDA. The capital structure will be flexible and allow for strategic initiatives.

DIVIDEND POLICY

The company has a target of paying a dividend of approximately 50% of its net profit for the current period to its shareholders. Decisions on dividend payment will take account of the company's financial position, cash flow, acquisition opportunities, strategic considerations and prospects.

RISKS

For a description of risks and uncertainties please refer to Alimak Group AB's 2016 Annual Report.

DECLARATION

The CEO declares that the interim report presents a true and fair view of the operations, financial position and results of the Parent Company and Group, and describes the significant risks and uncertainties facing the Parent Company and the companies forming part of the Group.

Stockholm, 25 October 2017

Alimak Group AB (publ) corporate identity number 556714-1857

Tormod Gunleiksrud

President and CEO

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Review report
Alimak Group AB, corporate identity number 556714-1857

Introduction
We have reviewed the condensed interim report for Alimak Group AB as at September 30, 2017 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review
We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 25 October 2017

Ernst & Young AB

Rickard Andersson
Authorized Public Accountant

Condensed statement of comprehensive income, Group

Amounts in MSEK	Q3 2017	Q3 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Revenue	979.8	471.4	2,950.8	1,451.2	2,048.6
Cost of goods sold	-680.8	-275.4	-1,962.4	-851.2	-1,230.7
Gross Profit	**299.0**	**196.0**	**988.3**	**599.9**	**817.9**
Total operating expenses	-230.4	-116.5	-684.6	-368.2	-511.1
Operating profit (EBIT)	**68.7**	**79.6**	**303.7**	**231.7**	**306.8**
Net financial items	25.5	-8.5	-13.4	-23.8	-25.4
Result before tax (EBT)	**94.2**	**71.1**	**290.3**	**207.9**	**281.4**
Tax on profit for the period	-22.1	-19.9	-89.2	-62.3	-87.4
Profit for the period	**72.1**	**51.2**	**201.1**	**145.7**	**194.0**
Attributable to the parent company's shareholders	72.1	51.2	201.1	145.7	194.0
Earnings per share, SEK[1]	1.33	1.08	3.90	3.08	4.10
Other comprehensive income for the period					
Items that will be returned to net income					
Translation differences	-42.9	21.6	-125.6	34.2	66.8
Cash flow hedging	-5.2	1.1	0.2	-2.3	-2.5
Hedging of net investments	-30.6	-	0.0	-	-
Deferred tax attributable to hedging	7.9	-0.2	0.0	0.5	0.5
Total	**-70.8**	**22.5**	**-125.5**	**32.4**	**64.8**
Items not to be returned to net income					
Revaluation of pension plans	1.7	-12.3	-2.8	-26.3	-27.9
Deferred tax attributable to revaluation of pension plans	-0.3	2.4	0.6	5.3	5.6
Total	**1.3**	**-9.9**	**-2.2**	**-21.0**	**-22.3**
Other comprehensive income, net after tax	**-69.4**	**12.6**	**-127.7**	**11.4**	**42.5**
Total comprehensive income for the period	**2.6**	**63.8**	**73.3**	**157.0**	**236.5**
Attributable to the parent company's shareholders	2.6	63.8	73.3	157.0	236.5

[1] Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017

Condensed statement of financial position, Group

Amounts in MSEK	30 Sep 2017	30 Sep 2016	31 Dec 2016
ASSETS			
Intangible fixed assets	2,898.4	1,758.4	1,789.2
Tangible fixed assets	368.0	257.7	258.7
Financial and other non-current assets	86.7	89.4	48.0
Total non-current assets	**3,353.0**	**2,105.5**	**2,095.9**
Inventories	799.5	406.9	394.6
Other receivables	1,105.6	578.3	555.2
Cash and cash equivalents	292.3	200.7	230.6
Total current assets	**2,197.5**	**1,185.8**	**1,180.3**
TOTAL ASSETS	**5,550.5**	**3,291.2**	**3,276.2**
EQUITY AND LIABILITIES			
Shareholders equity	**2,964.2**	**2,122.5**	**2,202.1**
Non-current liabilities			
Interest bearing debts	1,293.5	500.0	446.5
Other long term liabilities	402.3	140.4	128.5
Total non-current liabilities	**1,695.8**	**640.4**	**575.0**
Current liabilities			
Interest bearing debts	46.2	100.0	78.7
Other current liabilities	844.3	428.3	420.5
Total current liabilities	**890.5**	**528.3**	**499.1**
TOTAL EQUITY AND LIABILITIES	**5,550.5**	**3,291.2**	**3,276.2**

Condensed statement of changes in equity, Group

Amounts in MSEK	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Retained earnings and profit for the period	Total equity
Opening balance, 1 Jan 2016	**0.9**	**2,175.4**	**91.4**	**0.4**	**-216.0**	**2,052.1**
Profit for the period					145.7	145.7
Changes of fair value				-2.3	-21.0	-23.3
Tax attributable to cash flow hedging				0.5		0.5
Translation difference			34.2			34.2
Total comprehensive income	**0.0**	**0.0**	**34.2**	**-1.8**	**124.7**	**157.1**
Dividend					-86.7	-86.7
Closing balance, 30 Sep 2016	**0.9**	**2,175.4**	**125.6**	**-1.4**	**-178.0**	**2,122.5**
Opening balance, 1 Jan 2017	**0.9**	**2,175.4**	**158.3**	**-1.5**	**-130.9**	**2,202.1**
Share issue[1]	0.2	775.3				775.5
Profit for the period					201.1	201.1
Changes of fair value				0.2	-2.2	-2.1
Tax attributable to hedging				0.0		0.0
Translation difference			-125.6			-125.6
Total comprehensive income	**0.0**	**0.0**	**-125.6**	**0.1**	**198.8**	**73.3**
Dividend					-86.7	-86.7
Closing balance, 30 Sep 2017	**1.1**	**2,950.6**	**32.6**	**-1.4**	**-18.7**	**2,964.2**

[1]A new issue of 10,831,572 shares for SEK 73.0 per share was fully completed and registered on 12 April 2017. Other paid-in capital is reported net for issue costs of MSEK 15.2.

Cash flow statement, Group

Amounts in MSEK	Q3 2017	Q3 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Operating activities:					
Profit before tax	94.2	71.0	290.3	207.9	281.4
Reversal of depreciation and amortisation	29.7	13.1	82.6	38.4	50.5
Taxes paid	-19.7	-2.6	-71.4	-35.0	-39.3
Adjustments for other non-cash items	-40.8	13.9	-44.7	-11.5	-31.8
Cash flow from operating actvities before change in working capital	**63.4**	**95.4**	**256.9**	**199.8**	**260.8**
Change in working capital:					
Change in inventory	-10.4	-16.9	-22.8	-64.9	-40.5
Change in operating receivables	33.6	-76.0	-147.7	-43.5	-29.5
Change in operating liabilities	-12.5	-10.1	75.3	-1.9	33.2
Cash flow from working capital	**10.7**	**-102.9**	**-95.2**	**-110.3**	**-36.8**
Cash flow from operating activities	**74.1**	**-7.6**	**161.7**	**89.5**	**224.0**
Investing activities:					
Business acquisitions, net of cash aquired	-1.6	0.0	-1,129.8	0.0	0.0
Investment in intangible fixed assets	0.4	-0.2	-0.1	-0.3	-0.1
Investment in tangible fixed assets	-13.2	-18.7	-32.9	-39.1	-57.0
Sales/disposal of tangible fixed assets	1.5	20.2	4.3	21.2	20.1
Cash flow from investing activities	**-13.0**	**1.3**	**-1,158.5**	**-18.3**	**-36.9**
Financing activities:					
Dividend	0.0	0.0	-86.7	-86.7	-86.7
Rights issue	-1.2	0.0	775.5	0.0	0.0
New loans and repayments, net	-53.5	-34.2	395.8	-246.5	-338.9
Cash flow from financing activities	**-54.8**	**-34.2**	**1,084.6**	**-333.1**	**-425.5**
Cash flow for the period	**6.4**	**-40.5**	**87.7**	**-261.9**	**-238.4**
Cash & cash equivalents at beginning of period	293.1	232.3	230.6	450.0	450.0
Translation differences	-7.2	8.8	-26.0	12.6	18.9
Cash & cash equivalents at end of period	292.3	200.7	292.3	200.7	230.6

Key figures

Quarterly data	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	868.8	1,193.3	942.8	518.8	512.5	543.1	569.4
Revenue, MSEK	979.8	1,194.3	776.6	597.5	471.4	524.5	455.3
EBITA adj, MSEK	101.3	173.2	90.9	105.0	73.0	92.4	60.3
EBITA margin adj, %	10.3%	14.5%	11.7%	17.6%	15.5%	17.6%	13.2%
EBITA, MSEK	81.6	170.5	85.8	75.4	79.8	92.4	60.3
EBITA margin, %	8.3%	14.3%	11.0%	12.6%	16.9%	17.6%	13.2%
EBIT, MSEK	68.7	156.1	79.0	75.1	79.6	92.1	60.0
EBIT, %	7.0%	13.1%	10.2%	12.6%	16.9%	17.6%	13.2%
Net profit, MSEK	72.1	78.6	50.4	48.4	51.2	65.2	29.2
Total comprehensive income, MSEK	2.6	24.3	46.4	79.5	63.8	76.0	17.3
Cash flow from operations, MSEK	74.1	44.0	43.6	134.6	-7.6	66.5	30.5
Total cash flow, MSEK	6.4	-13.9	95.3	23.5	-40.5	-62.2	-159.2
Number of shares, thousands[1]	54,157.9	54,157.9	43,326.3	43,326.3	43,326.3	43,326.3	43,326.3
Average number of shares, thousands	54,157.9	52,729.5	43,326.3	43,326.3	43,326.3	43,326.3	43,326.3
Earnings per share, SEK[2]	1.33	1.48	1.07	1.02	1.08	1.38	0.62
Earnings per share, SEK, as per numbers of shares at 30 Sep 2017	1.33	1.45	0.93	0.89	0.95	1.20	0.54
Total cash flow per share, SEK[2]	0.12	-0.26	2.02	0.50	-0.86	-1.32	-3.37
Equity per share, SEK[2]	54.73	54.71	52.49	46.57	44.89	43.54	43.76
Total assets, MSEK	5,550.5	5,654.2	5,998.6	3,276.2	3,291.2	3,204.4	3,187.3
Cash and cash equivalents end of period, MSEK	292.3	293.1	331.2	230.6	200.7	232.3	287.3
Equity, MSEK	2,964.2	2,962.8	2,482.1	2,202.1	2,122.5	2,058.8	2,069.3
Capital employed, MSEK	4,011.6	4,103.1	4,387.7	2,496.7	2,521.8	2,443.7	2,419.9
Net debt, MSEK	1,047.3	1,140.3	1,905.6	294.6	399.3	385.0	350.6
Equity ratio, %	53.4%	52.4%	41.4%	67.2%	64.5%	64.2%	65.0%
Return on equity, %	9.8%	9.1%	9.5%	9.1%	10.7%	10.3%	10.7%
Return on capital employed goodwill excluded, %	29.9%	30.3%	23.2%	43.3%	45.0%	45.3%	39.8%
Return on capital employed, %	11.6%	11.9%	9.6%	12.5%	13.6%	13.3%	11.7%
Interest coverage ratio, times	6.14	11.08	2.76	6.64	7.05	7.35	4.49
Net debt/EBITDA ratio	2.21	2.44	4.92	0.82	1.02	1.02	1.04
Number of employees	2,340	2,351	2,325	1,171	1,193	1,204	1,166

[1] There are no financial instrument or other contract that may entitle its holder to potential shares, thus there is no potential dilution
[2] Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017

Rolling 4 Quarters	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake, MSEK	3,523.8	3,167.4	2,517.3	2,143.9	2,050.7	2,022.9	2,142.7
Revenue, MSEK	3,548.2	3,039.8	2,370.0	2,048.6	2,038.7	2,001.6	2,029.3
EBITA adj, MSEK	470.5	442.1	361.3	330.7	331.7	324.7	336.2
EBITA margin adj, %	13.3%	14.5%	15.2%	16.1%	16.3%	16.2%	16.6%
EBIT, MSEK	378.8	389.7	325.8	306.8	336.2	322.6	284.2
EBIT, %	10.7%	12.8%	13.7%	15.0%	16.5%	16.1%	14.0%
Net profit, MSEK	249.4	228.5	215.2	194.0	217.7	202.7	159.5
Total comprehensive income, MSEK	152.8	213.9	265.6	236.5	268.2	253.1	194.8
Cash flow from operations, MSEK	296.2	214.6	237.1	224.0	207.9	282.0	257.4
Total cash flow, MSEK	111.2	64.4	16.2	-238.4	-142.0	-151.7	-61.9

Historical quarterly data 2015 – 2017

Amounts in MSEK	2017			2016				2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order Intake											
Construction Equipment	188	249	280	199	213	188	179	134	134	119	161
Industrial Equipment	338	573	319	82	41	111	109	84	84	277	87
After Sales	239	292	254	161	166	161	165	159	159	175	209
Rental	103	79	90	77	93	83	117	50	108	92	80
Total	**869**	**1,193**	**943**	**519**	**512**	**543**	**569**	**426**	**485**	**663**	**536**
Revenue											
Construction Equipment	146	262	157	215	147	166	157	156	91	179	127
Industrial Equipment	487	530	330	123	79	105	67	168	102	116	99
After Sales	271	325	215	185	165	172	158	177	167	179	165
Rental	76	78	75	74	80	82	73	86	74	78	71
Total	**980**	**1,194**	**777**	**597**	**471**	**524**	**455**	**588**	**434**	**552**	**462**
EBITA adj.											
Construction Equipment	13	42	14	30	17	23	14	20	4	24	12
Industrial Equipment	9	27	12	2	-6	2	-11	16	7	13	6
After Sales	71	92	59	64	54	59	47	58	49	61	55
Rental	9	12	6	10	8	9	10	12	6	6	3
Total	**101**	**173**	**91**	**105**	**73**	**92**	**60**	**106**	**66**	**104**	**76**
EBIT											
Construction Equipment	6	42	14	19	17	23	14	20	4	5	9
Industrial Equipment	-14	10	1	-6	-6	2	-11	16	7	-1	5
After Sales	68	91	58	57	54	59	47	57	49	49	55
Rental	9	12	6	5	15	9	10	12	6	0	3
Total	**69**	**156**	**79**	**75**	**80**	**92**	**60**	**104**	**66**	**54**	**72**

MANAGEMENT ASSESSMENT (PROFORMA), UNAUDITED, ONLY FOR REFERENCE* 2016 - 2017

Amounts in MSEK	2017			2016			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order Intake							
Construction Equipment	188	249	280	199	213	188	179
Industrial Equipment	338	573	622	448	566	593	485
After Sales	239	292	290	240	250	244	234
Rental	103	79	90	77	93	83	117
Total	**869**	**1,193**	**1,281**	**963**	**1,121**	**1,108**	**1,015**
Revenue							
Construction Equipment	146	262	157	215	147	166	157
Industrial Equipment	487	530	504	512	459	523	502
After Sales	271	325	255	273	257	262	228
Rental	76	78	75	74	80	82	73
Total	**980**	**1,194**	**990**	**1,074**	**943**	**1,033**	**961**

Income statement, parent company

Amounts in MSEK	Q3 2017	Q3 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Revenue	2.5	1.8	7.5	5.4	8.0
Operating expenses	-8.8	-6.6	-41.9	-21.0	-27.5
Operating profit/loss (EBIT)	**-6.3**	**-4.8**	**-34.4**	**-15.6**	**-19.5**
Net financial items	2.3	-0.2	5.7	-3.1	-4.0
Profit/loss after financial items	**-4.0**	**-5.0**	**-28.7**	**-18.7**	**-23.5**
Group contribution	-	-	-	-	160.1
Result before tax (EBT)	**-4.0**	**-5.0**	**-28.7**	**-18.7**	**136.6**
Tax on profit/loss for the period	0.9	1.1	9.5	4.1	-30.3
Profit/loss for the period	**-3.1**	**-3.9**	**-19.2**	**-14.6**	**106.3**

Balance sheet, parent company

Amounts in MSEK	30 Sep 2017	30 Sep 2016	31 Dec 2016
Non-current assets			
Shares in group companies	1,898.4	1,898.4	1,898.4
Other non-current assets	9.9	34.9	3.2
Total non-current assets	**1,908.4**	**1,933.3**	**1,901.7**
Current assets			
Receivables from group companies	1,381.5	383.9	558.2
Other short term receivables	3.9	2.5	1.7
Cash and cash equivalents	0.0	0.0	41.6
Total current assets	**1,385.4**	**386.4**	**601.5**
TOTAL ASSETS	**3,293.8**	**2,319.8**	**2,503.2**
EQUITY AND LIABILITIES			
Shareholders equity	2,876.1	2,084.6	2,205.4
Non-current liabilities, interest bearing	103.2	25.8	-
Current liabilities, interest bearing	14.7	9.5	-
Liabilities to group companies	285.4	191.9	287.6
Other current liabilities	14.4	8.1	10.2
TOTAL EQUITY AND LIABILITIES	**3,293.8**	**2,319.8**	**2,503.2**

Notes

NOTE 1. ACCOUNTING POLICIES

This interim report was prepared in accordance with IFRS, applying IAS 34, Interim Financial Reporting. The same accounting and valuation policies were applied as in the most recent annual report except for new and revised standards and interpretations effective from January 1, 2017.

The interim report for the parent company has been prepared in accordance with the Annual Accounts Act and with standard RFR 2 Reporting by a legal entity, issued by the Swedish Financial Reporting Board.

NOTE 2. RELATED-PARTY TRANSACTIONS

Significant related-party transactions are described in Note 24 to the consolidated accounts in the Company's 2016 Annual Report. No material changes have taken place in relations or transactions with related parties compared with the description in the 2016 Annual Report.

NOTE 3. FINANCIAL INSTRUMENTS

Amounts in MSEK	Total carrying amount			Fair value		
	30 Sep 2017	30 Sep 2016	31 Dec 2016	30 Sep 2017	30 Sep 2016	31 Dec 2016
FINANCIAL ASSETS						
Derivative financial instruments	7.9	4.4	4.9	7.9	4.4	4.9
Other financial receivables	903.2	531.2	509.6	903.2	531.2	509.6
Cash and cash equivalents	292.3	200.7	230.6	292.3	200.7	230.6
Total	**1,203.4**	**736.3**	**745.1**	**1,203.4**	**736.3**	**745.1**
FINANCIAL LIABILITIES						
Derivative financial instruments	5.9	10.8	7.7	5.9	10.8	7.7
Interest bearing debts	1,339.7	600.0	525.2	1,346.5	604.2	529.1
Other financial liabilities	385.4	283.1	265.5	385.4	283.1	265.5
Total	**1,731.0**	**893.8**	**798.5**	**1,737.7**	**898.1**	**802.4**

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

30 Sep 2017	Level 2
Financial assets	
Currency derivatives	7.9
Total	**7.9**
Financial liabilities	
Currency derivatives	5.9
Total	**5.9**

30 Sep 2016	Level 2
Financial assets	
Currency derivatives	4.4
Total	**4.4**
Financial liabilities	
Currency derivatives	10.8
Total	**10.8**

31 Dec 2016	Level 2
Financial assets	
Currency derivatives	4.9
Total	**4.9**
Financial liabilities	
Currency derivatives	7.7
Total	**7.7**

Level 1 - quoted prices in active markets for identical financial instruments

Level 2 - inputs other than quoted prices included in level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirect (i.e. derived from prices).

Level 3 – inputs for the financial instrument that are not based on observable market data (unobservable inputs)

Currency derivatives are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

NOTE 4. ACQUISTIONS

In the first quarter 2017 the acquisitions of Avanti Wind Systems and Facade Access Group were finalized. The acquisitions broaden and diversify the product portfolio of Alimak Group's business area Industrial Equipment and offers an expansion into a growing area of renewable energy. Opportunities related to cost synergies in the supply chain as well as an expanded after sales offering will be captured.

Goodwill related to both acquisitions is mainly pertaining to cost synergies in the supply chain area, leveraging of after sales business model, know-how and additional sales to non-relationship customers. Goodwill is not expected to be deductible for tax purposes.

Avanti Wind Systems

The acquisition of Avanti Wind Systems, headquartered in Denmark, was finalized on 30 January 2017. The acquisition of Avanti comprises 100% of the voting shares and the business is consolidated as of 1 February 2017. Acquisition costs of approximately MSEK 3.5 have been charged to the consolidated operating costs for the first nine months 2017. For the fourth quarter 2016 such costs amounted to about MSEK 10.0.

Avanti is the global market leader in vertical access solutions for wind turbine towers and has more than 30,000 service lifts installed globally. Avanti's revenue for the year 2016 totaled 918 MSEK.

The purchase price allocation is in process and has not yet been finalized. A provisional purchase price allocation is presented below. The purchase price does not include any contingent consideration. Fair values are indicative and subject to change following further analysis of net assets acquired.

Purchase Price Allocation - provisional	MSEK
Consideration transferred - Cash	**697.4**
Fair value of identified assets acquired and liabilities assumed:	
Tangible fixed assets	29.6
Trade name	127.7
Customer relationships	208.1
Technology	37.9
Net working capital	273.6
Cash and cash equivalents	47.8
Deferred tax liability	-88.9
Interest bearing liabilities	-187.1
Assets acquired and liabilities assumed, net	448.7
Goodwill	248.7
Total consideration transferred	**697.4**

From the date of acquisition 1 February 2017, Avanti Wind Systems has contributed MSEK 713.3 of revenue. If the acquisition had taken place at the beginning of the year, the contribution to revenue would have been MSEK 782.1.

Facade Access Group

The acquisition of Facade Access Group, headquartered in Melbourne, Australia, was finalized on 28 February 2017. The acquisition of Facade Access Group comprises 100% of the voting shares and the business is consolidated as of 1 March 2017. Acquisition costs of approximately MSEK 12.5 have been charged to the consolidated operating costs for the first nine months 2017. For the fourth quarter 2016 such costs amounted to about MSEK 20.0. Further costs for ongoing closing accounts work will affect coming periods.

With the trademarks CoxGomyl and Manntech, Facade Access Group is a global market leader in permanently installed facade maintenance solutions (Building Maintenance Units – BMUs). Revenue for Facade Access Group for the calendar year 2016 was approximately MSEK 1,044 (pro forma).

The purchase price allocation is in process and has not yet been finalized. A provisional purchase price allocation is presented below. The purchase price does not include any contingent consideration. The purchase consideration as well as fair values are indicative and subject to change following the preparation of closing accounts and further analysis of net assets acquired. The preparation of closing accounts and the PPA are expected to be completed in Q4 2017.

Purchase Price Allocation - provisional	MSEK
Consideration transferred - Cash	**553.1**
Fair value of identified assets acquired and liabilities assumed:	
Tangible fixed assets	140.9
Trade name	159.6
Customer relationships	104.1
Technology	62.5
Net working capital	120.4
Cash and cash equivalents	52.7
Deferred tax liability	-86.8
Bank debt	-311.6
Assets acquired and liabilities assumed, net	241.8
Goodwill	311.3
Total consideration transferred	**553.1**

From the date of acquisition 1 March 2017, Facade Access Group has contributed MSEK 625.9 of revenue. If the acquisition had taken place at the beginning of the year, the contribution to revenue would have been MSEK 776.7.

FINANCIAL CALENDAR

- Extraordinary General Meeting will be held on 1 November 2017 at 18:00 CET in Kreugersalen, Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm.
- The Year-End report of 2017 will be published on 23 February 2018.
- The Annual Report for 2017 will be published on 24 April 2018.
- The Interim Report for the first quarter of 2018 will be published on 25 April 2018.
- The Annual General Meeting will be held on 16 May 2018 at 17.00 CET in Kreugersalen, Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm.

Alimak Group's financial calendar is available at www.alimakgroup.com

WELCOME TO ALIMAK´S PRESENTATION OF THE INTERIM REPORT FOR JANUARY – SEPTEMBER 2017

A telephone conference / audiocast will be held on Wednesday 25 October at 10.00 CET.
CEO Tormod Gunleiksrud and COO and acting CFO Stefan Rinaldo will present and comment on the report. The presentation, that will be held in English, can also be followed via audiocast.

To participate by phone – please call:
SE: +46856642666
UK: +442030089813

Link to audiocast:
https://tv.streamfabriken.com/alimak-group-q3-2017

DEFINITIONS

Alimak presents certain financial measures that are not defined in the interim report in accordance with IFRS. Alimak believes that these measures provide useful supplemental information to investors and the company's management when they allow evaluation of trends and the company's performance. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. For definitions of key figures that Alimak uses, please visit www.alimakgroup.com

For further information, contact:

Mathilda Eriksson, IR Manager, Phone: +46 (0)8 402 14 41

Stefan Rinaldo, COO and acting CFO, Phone +46 (0)8 402 14 47

This information is information that Alimak Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.00 CET at 25 October 2017.

About Alimak Group

Alimak Group is a world-leading provider of vertical access solutions for industrial and construction industries. With presence in more than 100 countries, Alimak develops, manufactures, sells and provides service to vertical access solutions with focus on adding customer value through greater safety, higher productivity and improved cost efficiency. The Group´s products and solutions are sold under the brands Alimak Hek, CoxGomyl, Manntech and Avanti. Alimak has an installed base of more than 66,000 elevators, hoists, platforms, service lifts and building maintenance units around the world. Founded in Sweden 1948 Alimak has its headquarters in Stockholm, 12 manufacturing facilities in 8 countries and 2,400 employees around the world www.alimakgroup.com.

ALIMAK GROUP