

ITAB

INTERIM REPORT
JANUARY - SEPTEMBER 2015

Q3

JANUARY – SEPTEMBER 2015

- ▶ Income amounted to SEK 3,839 million (2,787)
- ▶ Operating profit amounted to SEK 386 million (221)
- ▶ Profit after financial items amounted to SEK 362 million (195)
- ▶ Profit after tax amounted to SEK 275 million (148)
- ▶ Earnings per share amounted to SEK 7.52 (4.03)
- ▶ Cash flow from operating activities amounted to SEK 168 million (111)
- ▶ The company's net debt was SEK 918 million (900)

JULY – SEPTEMBER 2015

- ▶ Income amounted to SEK 1,389 million (1,025)
- ▶ Operating profit amounted to SEK 168 million (95)
- ▶ Profit after financial items amounted to SEK 157 million (84)
- ▶ Profit after tax amounted to SEK 119 million (64)
- ▶ Earnings per share amounted to SEK 3.30 (1.76)
- ▶ Cash flow from operating activities amounted to SEK 113 million (64)
- ▶ The company's net debt was SEK 918 million (900)

IMPORTANT EVENTS

- ▶ ITAB has entered into a global cooperation agreement with Toshiba Global Commerce Solutions Inc. in the United States for the sale of self-checkout systems
- ▶ Installation of self-checkout solutions in the French market
- ▶ Acquisition of JPD in Latvia

CEO ULF ROSTEDT'S COMMENTS

ITAB has had its strongest period to date, both in terms of sales and earnings. The acquired operations have been integrated in the Group and have continued to generate growth in volume and profitability. The acquisitions, alongside other growth, have provided good opportunities for synergy effects in the Group. Our offer is competitive and we will continue to develop our concept in order to create more effective and more attractive shop environments for our customers.



Currency-adjusted sales during the first three quarters rose by 29% compared to last year, and profit after financial items increased by 86%.

The Group's positive sales growth has continued during the third quarter of the year, and currency-adjusted sales increased by 28%. Profit after financial items increased by 87%.

Sales have developed positively on all markets compared to last year. The businesses that were acquired at the end of last year and the start of this year have been integrated into the Group and have contributed to the sales trend.

Several of our customers are choosing to use a larger proportion of our all-inclusive offer in order to achieve a more efficient establishment process, which is in line with our business concept of offering complete shop concepts. As in previous years, the volumes have been lower at the start of the year before gradually increasing during the early autumn. In recent years, more and more customers have chosen to bring their investments in shops forward to the third quarter of the year.

There is considerable interest in our self-checkout concept, and we have advanced our market position during the period. Lighting sales have developed positively compared to last year. We are now starting to see the results of the establishment and integration of the lighting business that has been implemented in existing markets.

The earnings trend is primarily due to increased sales volumes, increased capacity in the Group's production facilities and synergy effects in conjunction with acquisitions. The improvement in earnings can also be ascribed to the long-term rationalisation work being implemented in the Group.

STRATEGIC APPROACH

Auchan has opened its flagship store in Paris, with ITAB supplying self-checkout solutions. Initially more than half of the store's customers have used the systems, and there are considerable opportunities for streamlining. The French

market is one of the largest markets in Europe for self-checkout solutions, and Auchan is one of Europe's largest retail chains with around 3,000 stores.

We have entered into a global partnership agreement with Toshiba, one of the world's largest suppliers of POS systems. Toshiba will be selling and integrating our self-checkout concept, primarily in the American market. For us, this agreement confirms the potential we see in our self-checkout solutions. We have jointly initiated intensive marketing work on the European and American markets.

"For us, this agreement confirms the potential we see in our self-checkout solutions."

At the start of the year, we acquired JPD in Latvia, which focuses primarily on concept sales to the non-food segment in the European market. This is in line with the Group's continued investments in concept and lighting sales, and will further strengthen ITAB's customer offer in the European market.

MARKETING ACTIVITIES

During the period, we have continued our market expansion activities and marketing activities, primarily within lighting and self-checkouts. There continues to be considerable interest in our self-checkout concept, and several MoveFlow and TwinFlow installations were conducted during the period.

The proportion of LED products within lighting is continuing to increase. We are continuing to invest in product development in this area. During the last year we launched a new concept for linear LED products. Through acquisitions and the establishment of our own lighting companies, we have a good basis for the continued development of lighting sales. We can offer our customers a combination of local lighting expertise with global sourcing of lighting products.

THE FUTURE

Our markets have continued to develop positively and we are expecting continued good growth in the future. We will continue our long-term work aimed at streamlining all parts of our operation, in order to improve our offer.

In the long term, we believe that our customers will be on the lookout for more effective solutions, both for shops but also for the process of establishing shops. Thanks to our experiences, we have considerable confidence in our self-checkout concept for the years ahead. We also consider that the Group is well prepared, both in terms of expertise and capacity, to meet the high rate of development being witnessed as regards LED products in the lighting segment.

Our combination of local and flexible production coupled with centralised volume production enables the Group to meet specific requirements and preferences from different customers in different markets. We have the strength and the capacity to expand in line with our major customers. Our global presence is becoming even more important, as several of our customers are expanding significantly around the world.

Our all-inclusive offer, which includes shop concepts, checkouts, self-checkout solutions and professional lighting systems, alongside our working model and geographic presence, will lead to better business both for ITAB and for our customers.

Jönköping, 3 November 2015

Ulf Rostedt,
Managing Director & CEO
ITAB Shop Concept AB

JANUARY - SEPTEMBER OVERVIEW

SUMMARY JANUARY - SEPTEMBER

- ▶ Sales rose 38 % to SEK 3,839 million (2,787)
- ▶ Operating profit rose 75 % to SEK 386 million (221)
- ▶ Profit after financial items rose 86 % to SEK 362 million (195)
- ▶ Earnings per share rose 87% to SEK 7.52 (4.03)

SUMMARY Q3

- ▶ Sales rose 36 % to SEK 1,389 million (1,025)
- ▶ Operating profit rose 77 % to SEK 168 million (95)
- ▶ Profit after financial items rose 87% to SEK 157 million (84)
- ▶ Earnings per share rose 87 % to SEK 3.30 (1.76)

IMPORTANT EVENTS JANUARI - SEPTEMBER

- ▶ ITAB has acquired JPD in Latvia. JPD reported sales of SEK 105 million in 2014, and the acquisition is deemed to have a positive impact of SEK 0.50 in terms of earnings per share in 2015. JPD is mainly focused on concept sales to retail chain stores in the European market.
- ▶ ITAB has entered into an agreement for the delivery of self-checkout solutions to Auchan's flagship store in Paris. ITAB's 16 MoveFlow and 10 TwinFlow systems have been chosen by Auchan for its new store. Auchan is one of Europe's largest retail chains, with around 3,000 stores.
- ▶ ITAB has entered into a global cooperation agreement with Toshiba, which is one of the world's largest suppliers of POS systems with a global presence and cutting-edge expertise in application software and system integration to the retail sector. According to the agreement, Toshiba will sell and integrate ITAB's self-checkout concept primarily in the U.S. market, which is the world leader in self-checkout solutions for stores, but also globally in markets where ITAB currently does not have a presence.

Toshiba has operations and business partners around the world and is one of the largest players in the U.S. market with a recognised high level of quality and a wide customer base across the retail sector.

The first step in this partnership is that Toshiba will integrate ITAB's self-checkout concept in its global product portfolio. The agreement also presents opportunities for future collaboration in the development of the retail checkout area.

ITAB GROUP IN FIGURES

	3 MONTHS JUL-SEP 2015	3 MONTHS JUL-SEP 2014	9 MONTHS JAN-SEP 2015	9 MONTHS JAN-SEP 2014	ROLLING 12 MONTHS OCT-SEP 2014/2015	FULL YEAR JAN-DEC 2014
Net sales, SEK m	1,389	1,025	3,839	2,787	4,990	3,938
Operating profit, SEK m	168	95	386	221	490	325
Operating margin, %	12.1	9.3	10.1	7.9	9.8	8.3
Profit after net financial items, SEK m	157	84	362	195	455	288
Profit margin, %	11.3	8.2	9.4	7.0	9.1	7.3
Net profit after tax, SEK m	119	64	275	148	345	218
Earnings per share, SEK	3.30	1.76	7.52	4.03	9.52	6.03
Equity per share, SEK	41.19	33.49	41.19	33.49	41.19	36.14
Return on equity, %	33.4	22.0	26.1	17.4	25.4	18.8
Portion of risk-bearing capital, %	44.0	43.7	44.0	43.7	44.0	46.2
Cash flow from operating activities, SEK m	113	64	168	111	334	277
Average no. employees	2,842	2,422	2,796	2,371	2,654	2,441

JANUARY - SEPTEMBER

Net sales and income

Consolidated net sales amounted to SEK 3,839 million (2,787), representing an increase of 38 %. The Group's currency-adjusted net sales figures have risen by 29 % during the period compared to last year. Sales growth was better than in the previous year in all market areas. Sales of lighting systems surpassed last year's figure.

The Group's operating profit amounted to SEK 386 million (221), an increase of 75 % compared to last year. The improvement in earnings is primarily due to increased sales volumes and increased capacity in the Group's production facilities.

Financial position

The net debt was SEK 918 million (900). The Group's cash and cash equivalents, including undrawn committed credit facilities, amounted to SEK 446 million (305) on closing day. The equity/assets ratio was 41 % (40). Cash flow from operating activities amounted to SEK 168 million (111). The improved cash flow is primarily due to the earnings trend and improved capital utilisation.

Investments

The Group's net investments amounted to SEK 111 million (50), of which SEK 56 million (3) are attributable to corporate transactions during the period. At the beginning of the year, ITAB acquired all shares in JPD in Latvia. For more information on corporate transactions, see Note 1 page 9.

Employees

The average number of employees at the end of the period was 2,796 (2,371).

Parent Company

The Parent Company ITAB Shop Concept AB's operations consist primarily of Group-wide functions. The Parent Company's net sales amounted to SEK 26 million (32) and profit after financial items to SEK 112 million (52).

JULY - SEPTEMBER

Net sales and income

Consolidated net sales during third quarter amounted to SEK 1,389 million (1,025), representing an increase of 36 %. The Group's operating profit amounted to SEK 168 million (95), an increase of 77 %.

Investments

The Group's net investments amounted to SEK 26 million (17), of which SEK 0 million (0) are attributable to acquisition.

Employees

The average number of employees at the end of the period was 2,842 (2,422).

Parent Company

The Parent Company's net sales amounted to SEK 9 million (11) and profit after financial items to SEK -19 million (12).

OTHER DISCLOSURES

Seasonal variations

ITAB's operations are affected to a certain extent by seasonal variations. The sales volumes are often lower at the start of the year and then gradually increase during the year. As a result, sales and earnings are generally higher during primarily the third but also the fourth quarter. The quarterly sales and earnings are presented in the diagrams on page 8.

Risks and uncertainties

The Group's significant risks and uncertainties include business risks and financial risks. The Group's significant financial risks are more fully discussed in Note 4 on page 59 of the 2014 Annual Report.

ITAB's business risks are associated with our own operations, customers and suppliers, as well as other external factors. Some of the most significant business risks are summarised on page 45 of the 2014 Annual Report. No further significant risks have been identified.

Convertible debenture loan

During the period 4 June to 14 June 2012, a subscription for convertible shares was carried out in which all ITAB employees had the right to subscribe, for a maximum total of SEK 40 million. The offer was considerably oversubscribed. The allocation was 650,406 convertibles that can be converted at a rate of SEK 61.50 during the period 1 June 2016 to 10 June 2016.

During the period 22 May to 2 June 2014, a subscription for convertible shares was carried out in which all ITAB employees had the right to subscribe, for a maximum total of SEK 30 million. The offer was considerably oversubscribed. The allocation totalled 100,334 convertibles, and during the period 1 June 2018 to 11 June 2018 each convertible can be converted to two Class B shares at a conversion rate of SEK 149.50 (the recalculation has taken place as a result of the implemented share split 2:1).

Accounting policies

ITAB applies the International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1, additional accounting principles consolidated Group and RFR 2, Accounting for Legal Entities. The accounting policies that have been applied are consistent with the accounting policies used in the preparation of the most recent annual report.

Estimates and judgements

The preparation of the interim report requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. However, the actual results may ultimately differ from those estimates and judgements. The critical judgements and sources of uncertainty in the estimates used in the preparation of this interim report are the same as in the most recent annual report.

Financial assets and liabilities

ITAB has derivative financial instruments measured at fair value. The derivative instruments consist of foreign exchange forward contracts and interest rate swaps used for hedging purposes.

All derivative instruments are categorised as Level 2 and the fair value is measured using discounted future cash flows according to the terms and due dates of the contracts where all variables, such as discount rates and exchange rates, are obtained from market listings for calculations.

Additional considerations are recognised as financial liabilities and are categorised as Level 3. These are based on each contract's parameters which are mainly linked to the anticipated performance of the acquired companies over the next few years. The additional considerations have been recognised at estimated fair value and are re-measured through the income statement.

Recognised value is considered to constitute a reasonable estimate of the actual value of all financial assets and liabilities. For other financial assets and financial liabilities, please refer to the most recent annual report. No financial assets or financial liabilities have been transferred between the valuation categories and the same valuation techniques have been used throughout the year. Otherwise refers to the most recent annual report.

Related party transactions

ITAB has not entered into any related party transactions that have significantly affected the company's financial position and results.

Events after the closing day

Chairman of the Board Tord Johansson passed away on 10 October. Chairmanship of ITAB has been taken over by the Board's Deputy Chairman, Fredrik Rapp.

Next reporting date

The year-end report for the period January through December 2015 will be presented on Tuesday 9 February 2016.

This interim report has been subject to a general review by the company's auditors. The report from the review can be found on page 9.

THE GROUP

INCOME STATEMENT - SUMMARY

(SEK m)	3 MONTHS JUL-SEP 2015	3 MONTHS JUL-SEP 2014	9 MONTHS JAN-SEP 2015	9 MONTHS JAN-SEP 2014	ROLLING 12 MONTHS OCT-SEP 2014/2015	FULL YEAR JAN-DEC 2014
Net sales	1,389	1,025	3,839	2,787	4,990	3,938
Cost of goods sold	-986	-732	-2,744	-1,987	-3,584	-2,827
Gross profit	403	293	1,095	800	1,406	1,111
Selling expenses	-184	-141	-562	-414	-743	-595
Administrating expenses	-54	-48	-164	-144	-227	-207
Other operating income and expenses ¹⁾	3	-9	17	-21	54	16
Operating profit	168	95	386	221	490	325
Financial income	0	1	2	2	3	3
Financial expenses	-11	-12	-26	-28	-38	-40
Profit after financial items	157	84	362	195	455	288
Tax expenses	-38	-20	-87	-47	-110	-70
NET PROFIT FOR THE PERIOD	119	64	275	148	345	218
Profit for the period attributable to:						
Parent Company shareholders	112	60	255	136	323	204
Non-controlling interests	7	4	20	12	22	14
Depreciation/amortisation for the period	23	20	66	61	88	83
Tax expense for the period amounts to	24%	24%	24%	24%	24%	24%
Earnings per share						
basic, SEK	3.30	1.76	7.52	4.03	9.52	6.03
diluted, SEK	3.24	1.73	7.37	3.96	9.33	5.92
Average number of outstanding shares ²⁾						
basic (thousands)	33,906	33,906	33,906	33,906	33,906	33,906
diluted (thousands)	34,757	34,757	34,757	34,757	34,757	34,757

1) In the last quarter of 2014, other operating income and expenses included a positive impact from acquisitions of SEK 43 million. In 2014, expenses in conjunction with these acquisitions are listed under cost of goods sold as well as sales and administration costs. The net effect of acquisition-related income and expenses was SEK 15 million.

2) On 7 May 2014, the Annual General Meeting declared a two-for-one stock split, which means that each share was divided into two shares of the same type. The record date for the share split was 23 May 2014. After the completed split, the number of shares in ITAB totalled 33,906,410, of which 7,800,000 are Class A shares and 26,106,410 are Class B shares. All comparative figures have been updated.

The Group has two outstanding convertible debenture schemes. In the first scheme, which runs during the period 1 July 2012 to 30 June 2016, conversion to a maximum of 650,406 Class B shares can take place during the period 1 to 10 June 2016 at a subscription price of SEK 61.50. In the second scheme, a subscription for convertible shares for employees was carried out during June 2014. The scheme runs during the period 1 July 2014 to 30 June 2018 and conversion to a maximum of 200,668 Class B shares can take place during the period 1 to 11 June 2018 at a subscription price of SEK 149.50. The total number of shares after full dilution will then be 34,757,484.

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME - SUMMARY

(SEK m)	3 MONTHS JUL-SEP 2015	3 MONTHS JUL-SEP 2014	9 MONTHS JAN-SEP 2015	9 MONTHS JAN-SEP 2014	ROLLING 12 MONTHS OCT-SEP 2014/2015	FULL YEAR JAN-DEC 2014
Net profit for the period	119	64	275	148	345	218
Other comprehensive income:						
Items that will not be reclassified to the income statement						
Actuarial gains and losses on defined-benefit pension commitments	-	-	-	-	-3	-3
Tax on items that will not be reclassified	-	-	-	-	1	1
	-	-	-	-	-2	-2
Items that may be reclassified to the income statement						
Translation differences	-3	26	8	58	37	86
Hedging of net investments, net	-2	1	0	-3	-4	-7
Cash flow hedges, net	4	11	-5	3	-1	7
Tax on items that may be reclassified	-1	-3	1	0	0	0
	-2	35	4	58	32	86
Total other comprehensive income after tax	-2	35	4	58	30	84
Comprehensive income for the period	117	99	279	206	375	302
Comprehensive income for the period attributable to:						
Parent Company shareholders	110	91	257	189	347	279
Non-controlling interests	7	8	22	17	28	23

STATEMENTS OF FINANCIAL POSITION - SUMMARY

(SEK m)	2015 30-SEP	2014 30-SEP	2014 31 DEC
Assets			
Non-current assets			
Intangible assets			
Goodwill	637	521	552
Other intangible assets	131	120	125
	768	641	677
Property, plant and equipment	535	496	546
Deferred tax assets	45	26	47
Financial non-current receivables	1	1	2
Total non-current assets	1,349	1,164	1,272
Current assets			
Inventories	928	799	821
Current receivables	1,111	871	826
Cash and cash equivalents	253	165	124
Total current assets	2,292	1,835	1,771
TOTAL ASSETS	3,641	2,999	3,043
Equity and liabilities			
Equity attributable to Parent Company's shareholders	1,397	1,135	1,225
Non-controlling interests	81	57	63
Deferred tax liability	56		49
Other non-current liabilities	180	220	185
Current liabilities	1,927	1,587	1,521
TOTAL EQUITY AND LIABILITIES	3,641	2,999	3,043
Interest-bearing net debt represents	918	900	880
of which convertible debenture loans make up	69	69	69

The Group's pledged assets and contingent liabilities refer to the most recent annual accounts, as no major changes have occurred during the year.

STATEMENT OF CHANGES IN EQUITY - SUMMARY

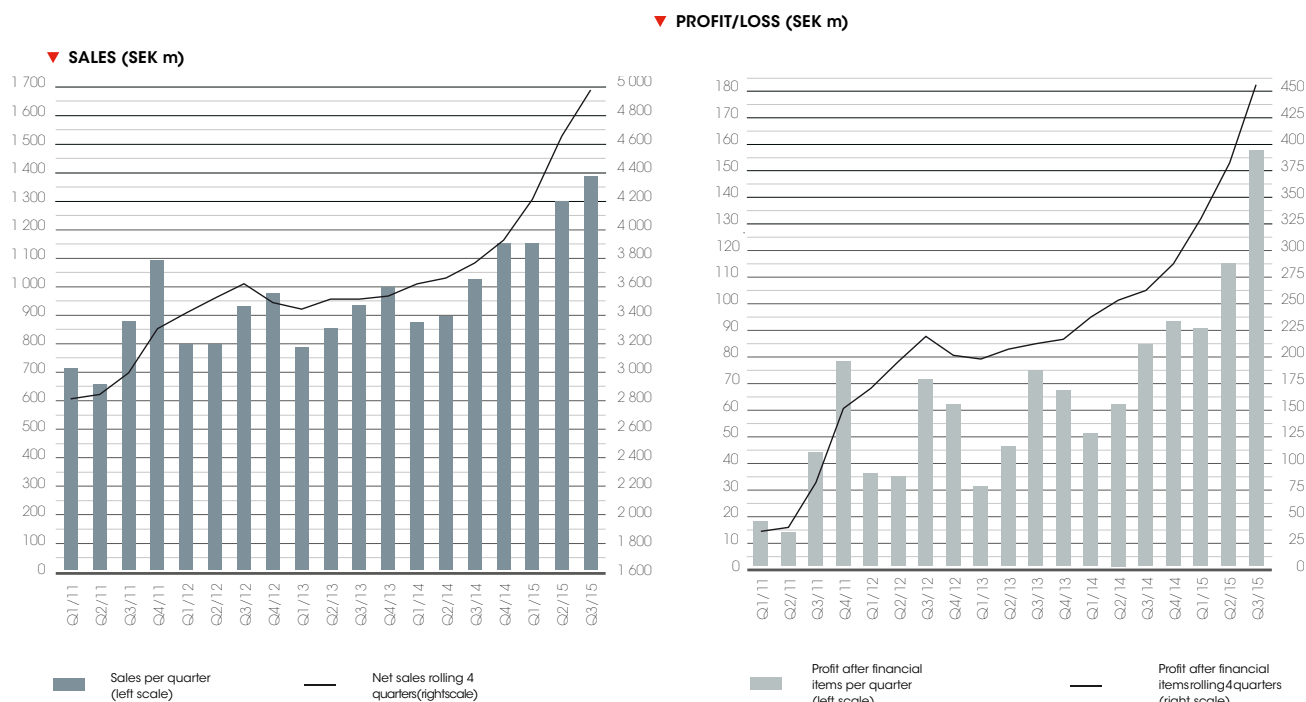
(SEK m)	Share capital	Other contributed capital	Translation and hedging reserves	Profit brought forward	Attributable to the Parent Company's shareholders	Attributable to non-controlling interests	Total equity
EQUITY 1 JANUARY 2014	42	291	-100	764	997	42	1,039
Net profit for the period				136	136	12	148
Other comprehensive income			53	0	53	5	58
COMPREHENSIVE INCOME FOR THE PERIOD			53	136	189	17	206
Dividend				-51	-51	-2	-53
EQUITY 30 SEPTEMBER 2014	42	291	-47	849	1,135	57	1,192
Net profit for the period				68	68	2	70
Other comprehensive income			24	-2	22	4	26
COMPREHENSIVE INCOME FOR THE PERIOD			24	66	90	6	96
Dividends						-4	-4
Acquisition of non-controlling interests						4	4
EQUITY 31 DECEMBER 2014	42	291	-23	915	1,225	63	1,288
Net profit for the period				255	255	20	275
Other comprehensive income			2	0	2	2	4
COMPREHENSIVE INCOME FOR THE PERIOD			2	255	257	22	279
Dividend				-85	-85	-4	-89
EQUITY 30 SEPTEMBER 2015	42	291	-21	1,085	1,397	81	1,478

STATEMENTS OF CASH FLOWS - SUMMARY

(SEK m)	3 MONTHS JUL-SEP 2015	3 MONTHS JUL-SEP 2014	9 MONTHS JAN-SEP 2015	9 MONTHS JAN-SEP 2014	ROLLING 12 MONTHS OCT-SEP 2014/2015	FULL YEAR JAN-DEC 2014
Operating profit	168	95	386	221	490	325
Interest paid and received, tax paid and adjustments for items not included in the cash flow	-8	-1	-37	-17	-87	-67
Cash flow from operating activities before changes in working capital	160	94	349	204	403	258
Change in working capital						
Change in inventories	-30	9	-87	-55	-32	0
Change in operating receivables	-75	-102	-286	-155	-90	41
Change in operating liabilities	58	63	192	117	53	-22
Cash flow from operating activities	113	64	168	111	334	277
Investing activities						
Acquisition of companies and businesses, note 1	0	0	-56	-3	-145	-92
Other net investments	-26	-17	-55	-47	-88	-80
Cash flow after investing activities	87	47	57	61	101	105
Financing activities						
Paid dividend to shareholders	0	0	-85	-51	-85	-51
Cash flow from other financing activities	-72	-1	153	-3	59	-97
Cash flow for the period	15	46	125	7	75	-43
Cash and cash equivalents at the start of the period	239	106	124	142	165	142
Translation differences on cash and cash equivalents	-1	13	4	16	13	25
Cash and cash equivalents at the end of the period	253	165	253	165	253	124
Cash flow from operating activities per share	3.45	1.90	5.07	3.26	9.99	8.18

KEY RATIOS

	3 MONTHS JUL-SEP 2015	3 MONTHS JUL-SEP 2014	9 MONTHS JAN-SEP 2015	9 MONTHS JAN-SEP 2014	ROLLING 12 MONTHS OCT-SEP 2014/2015	FULL YEAR JAN-DEC 2014
Operating margin, %	12.1	9.3	10.1	7.9	9.8	8.3
Profit margin, %	11.3	8.2	9.4	7.0	9.1	7.3
Share price at end of period, SEK	213.00	124.00	213.00	124.00	213.00	131.00
Basic earnings per share, SEK	3.30	1.76	7.52	4.03	9.52	6.03
Diluted earnings per share, SEK	3.24	1.73	7.37	3.96	9.33	5.92
Cash flow from operating activities per share, SEK	3.45	1.90	5.07	3.26	9.99	8.18
Balance sheet total, SEK m	3,641	2,999	3,641	2,999	3,641	3,043
Interest-bearing net debt, SEK m	918	900	918	900	918	880
Equity attributable to the Parent Company's shareholders, SEKm	1,397	1,135	1,397	1,135	1,397	1,225
Equity per share, SEK	41.19	33.49	41.19	33.49	41.19	36.14
Equity/assets ratio, %	40.6	39.8	40.6	39.8	40.6	42.3
Portion of risk-bearing capital, %	44.0	43.7	44.0	43.7	44.0	46.2
Return on equity, %	33.4	22.0	26.1	17.4	25.4	18.8
Return on capital employed, %	27.8	18.3	22.3	14.8	21.5	16.0
Return on total assets, %	18.5	12.7	15.1	10.5	14.7	11.3
Interest-coverage ratio, multiple	20.8	11.0	16.7	9.2	15.3	9.9
Net investments, SEK m	26	17	111	50	233	172
Net investments (excl. business acquisitions), SEK m	26	17	55	47	88	80
Average number of employees	2,842	2,422	2,796	2,371	2,654	2,441



QUARTERLY FINANCIAL STATEMENTS AND KPIS

(SEK m)	2015 JUL-SEP	2014 JUL-SEP	2015 APR-JUN	2014 APR-JUN	2015 JAN-MAR	2014 JAN-MAR	2014 OKT-DEC	2013 OKT-DEC
Net sales	1,389	1,025	1,299	899	1,151	863	1,151	1,000
Cost of goods sold	-986	-732	-935	-637	-823	-618	-840	-732
Gross profit	403	293	364	262	328	245	311	268
Selling expenses	-184	-141	-194	-140	-184	-133	-181	-148
Administrating expenses	-54	-48	-54	-48	-56	-48	-63	-45
Other operating income and expenses	3	-9	7	-6	7	-6	37	1
Operating profit	168	95	123	68	95	58	104	76
Financial items	-11	-11	-8	-7	-5	-8	-11	-9
Profit after financial items	157	84	115	61	90	50	93	67
Tax expenses	-38	-20	-27	-15	-22	-12	-23	-19
NET PROFIT FOR THE PERIOD	119	64	88	46	68	38	70	48
Net profit for the period attributable to:								
Parent Company shareholders	112	60	80	42	63	34	68	48
Non-controlling interests	7	4	8	4	5	4	2	0
Operating margin, %	12.1	9.3	9.5	7.6	8.2	6.8	9.0	7.6
Basic earnings per share, SEK	3.30	1.76	2.36	1.25	1.86	1.02	1.99	1.41
Diluted earnings per share, SEK	3.24	1.73	2.31	1.23	1.82	1.01	1.95	1.39
Return on equity, %	33.4	22.0	24.7	16.4	19.9	13.6	22.9	19.8
Equity per share, SEK	41.19	33.49	37.94	30.78	38.50	30.35	36.14	29.39
Cash flow from operating activities per share	3.45	1.90	1.62	1.96	0.00	-0.60	4.91	4.09

PARENT COMPANY

INCOME STATEMENT - SUMMARY

(SEK m)	3 MTHS JUL-SEP 2015	3 MTHS JUL-SEP 2014	9 MTHS JAN-SEP 2015	9 MTHS JAN-SEP 2014	12 MTHS JAN-DEC 2014
Net sales ¹⁾	9	11	26	32	41
Cost of goods sold	-3	-2	-8	-7	-10
Gross profit	6	9	18	25	31
Selling expenses	-5	-4	-16	-15	-22
Administrating expenses	-6	-5	-19	-17	-25
Other operating income and expenses	-1	-2	11	-5	-9
Operating profit	-6	-2	-6	-12	-25
Profit from participations in Group companies	4	35	153	113	112
Financial income and expenses	-17	-21	-35	-47	-85
Profit after financial items	-19	12	112	54	2
Year-end appropriations	-	-	-	-	56
Profit before tax	-19	12	112	54	58
Tax expenses for the period	-	-	-	-	12
NET PROFIT FOR THE PERIOD	-19	12	112	54	70
Other comprehensive income	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-19	12	112	54	70

1) 100% of the parent company's income comes from subsidiary companies.

BALANCE SHEET - SUMMARY

(SEK m)	2015 30 SEP	2014 30 SEP	2014 31 DEC
Non-current assets			
Property, plant and equipment	1	1	1
Financial assets	1,320	1,156	1,164
Deferred tax assets	13	1	13
Total non-current assets	1,334	1,158	1,178
Current assets			
Current receivables	482	440	412
Cash and bank balance	0	0	0
Total current assets	482	440	412
TOTAL ASSETS	1,816	1,598	1,590
Equity			
Restricted equity	49	49	49
Non-restricted equity	607	564	580
TOTAL EQUITY	656	613	629
Untaxed reserves	0	0	0
Non-current liabilities	69	83	79
Current liabilities	1,091	902	882
TOTAL EQUITY AND LIABILITIES	1,816	1,598	1,590

NOTE 1. ACQUISITION

At the start of the year, all the shares in JPD in Latvia were acquired. JPD focuses principally on concept sales to the non-food segment in the European market, and comprises three companies whose operations are sales, warehousing and timber production. The acquisition has been integrated with ITAB's existing operation in Latvia and is in line with the Group's continued focus on concept and lighting sales, and further strengthens ITAB's customer offer in the European market. JPD reported sales of SEK 105 million in 2014, and the acquisition is deemed to have a positive impact of SEK 0.5 in terms of earnings per share in 2015. JPD's average number of employees at the time of the acquisition was 97.

The cash consideration amounted to SEK 60 million with an additional conside-

ration based on the companies' performance over the next two years. Final liquidity will be regulated in 2017, and expenditure in connection with the acquisition has been reported continually as costs. The acquisition was incorporated as of 1 January 2015. The acquired net assets at their estimated fair value amounted to SEK 100 million at the time of the acquisition, of which goodwill made up SEK 82 million. Goodwill primarily comprises synergy effects in product supply, staff, customer contacts of strategic significance and a market leading position in select markets.

The net investments for the year include acquired cash and cash equivalents totalling SEK 7 million, as well as additional liquidity from acquisitions in 2013 and 2014 amounting to SEK 3 million.

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Review report

ITAB Shop Concept AB, org. nr 556292-1089

Introduction

We have reviewed the condensed interim report for ITAB Shop Concept (publ) as at September 30, 2015 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 aspects, 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.

Jönköping, November 3, 2015

Ernst & Young AB

Stefan Engdahl

Authorized Public Accountant

ITAB IN BRIEF



ITAB'S BUSINESS CONCEPT

ITAB will offer complete shop concepts for retail chain stores. With its expertise, long-term business relationships and innovative products, ITAB will secure a market-leading position in selected markets.

GEOGRAPHIC PRESENCE

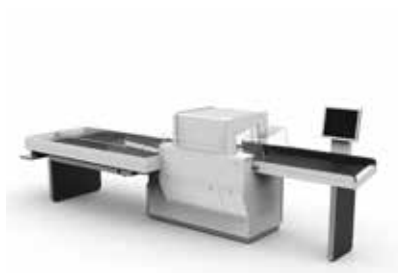
- Market presence
- ITAB Offices/Production

ABOUT ITAB

ITAB Shop Concept sells, develops, manufactures and installs complete shop fitting concepts for retail chain stores. The all-inclusive offer includes custom-made fitting concepts, innovative solutions for checkout arena and professional lighting systems. Customers include the major players throughout most of Europe.

ITAB has operations in 21 countries and 17 production facilities in Northern Europe and China. ITAB also has a network of partners across large parts of Europe. Working in close collaboration with the customer, ITAB contributes its experience and expertise to the customer's specific needs and requests.

Business operations are founded on long-term business relationships and delivery reliability in combination with streamlined production resources. ITAB is now a leader in the market for retail checkouts in Europe, as well as being one of Europe's largest suppliers of shop fittings and lighting systems.

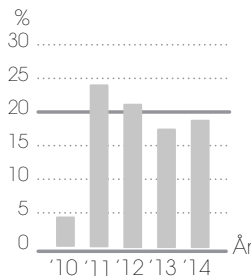


▲ ITAB Shop Concept is a leader in the market for retail checkouts in Europe and is also one of Europe's largest suppliers of shop fittings and lighting systems.

ITAB'S FINANCIAL TARGETS

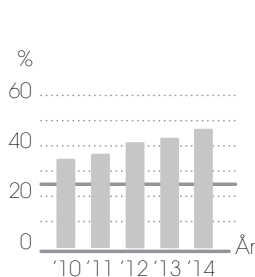
RETURN ON EQUITY

Over an extended period, ITAB will have a minimum 20% return on equity.



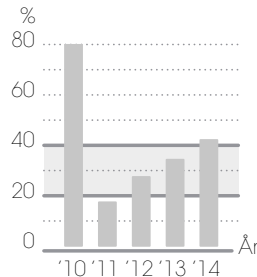
RISK-BEARING CAPITAL

ITAB will have at least 25% risk-bearing capital.



DIVIDENDS

ITAB's share dividends will, over an extended period, mirror the company's earnings and correspond to between 20% and 40% of the company's profit after tax. The dividend will, however, be adjusted to the company's investment needs and share repurchase schemes when relevant.



SHARE INFORMATION

- ▶ LISTING
Nasdaq Stockholm
Mid Cap list
- ▶ TICKER SYMBOL
ITAB B
- ▶ TRADING LOT
1 share
- ▶ SECTOR CLASSIFICATION
Industrial Goods
& Services
- ▶ ISIN CODE
SE0005992567
- ▶ SHARE PRICE ON
THE BALANCE SHEET DATE
SEK 213 (124)

ITAB'S BUSINESS GOALS

▶ GOALS

ITAB will achieve an annual growth rate of at least 15% over an extended period.

▶ REALISATION

Sales increased by approximately 10% in 2014. Over the past five years, average growth was about 9% per year.

▶ GOALS

ITAB will maintain and enhance its market-leading position in Northern Europe* and develop market share in new markets.

*Northern Europe includes the Nordic countries, the Baltic countries, the UK, Benelux, Poland, Germany, the Czech Republic, Slovakia, Hungary, Russia and Ukraine.

▶ REALISATION

ITAB retained its leading position in Northern Europe during 2014. As part of its work of following major customers into new markets, ITAB now has operations in the USA, Asia, Chile and India. At the end of 2014, we also started establishing a company in Brazil.

▶ GOALS

ITAB will develop its all-inclusive offer of complete shop concepts through custom-made fitting concepts, innovative solutions for checkout aisles and professional lighting systems.

▶ REALISATION

ITAB has been offering shop fitting concepts to retail chains for many years. In recent years, ITAB has extended its offer with both professional lighting systems and self-checkout systems. ITAB is now a one-stop supplier of complete shop concepts.

STRATEGIC DIRECTION

▶ LONG-TERM BUSINESS RELATIONS

ITAB will develop and nurture long-term business relations with chain stores within the food and non-food segments by working closely with its customers and their markets.

▶ COMPETENCE, COMMITMENT AND BUSINESSLIKE APPROACH

The competence, commitment and businesslike attitude that characterise the Group will instil trust and confidence in each and every customer.

▶ END-TO-END SOLUTIONS

ITAB will offer end-to-end solutions with responsibility for the entire process from concept, design, project management and construction to production, logistics and installation.

▶ MARKET EXPERTISE AND INNOVATIVE ABILITIES

ITAB will develop new concepts, products and solutions by utilising its extensive market expertise and innovative abilities while working closely with its customers.

▶ HIGHLY EFFICIENT AND FLEXIBLE PRODUCTION RESOURCES

ITAB will use its highly efficient and flexible production resources, assiduous logistics and selected partners to offer the market competitive terms coupled with precise delivery accuracy and quality.

▶ EXPANSION ON SELECTED MARKETS

ITAB will use its leading position in Northern Europe to cultivate conditions for further growth and expansion on other selected markets.



In Memoriam

Tord Johansson (1955-2015)

Tord Johansson, one of ITAB's main owners and the Chairman of the Board of Directors, passed away suddenly on 10 October at the age of 60. Tord was born in Mörlunda, near Oskarshamn, in 1955.

After graduating in industrial economics from Linköping Institute of Technology, he acquired a small company in Jönköping at the end of the 1970s. This company formed the basis for the three Groups listed on the stock exchange in which he was a main owner at the time of his death.

Tord has always been highly engaged in the business of the Group. With his strategic and industrial expertise, he has been of great importance for the development of the company. He had a unique ability to engage excellent managers and employees around him.

Tord will be deeply missed, both privately and within the companies. One of his great abilities was to create strong and skilled corporate managers, which he allowed to grow into their roles. Tord was a true entrepreneur and we will continue to run the companies in his spirit.

This report contains information that ITAB Shop Concept AB (publ) is required to disclose under the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 9.00 am on 3 November 2015.

ITAB

ITAB Shop Concept AB (publ)
Box 9054
SE-550 09 Jönköping
Instrumentvägen 2 (Visiting address)
Corp.reg.no. 556292-1089
Tel. +46 (0)36-31 73 00
info@itab.se
www.itab.se

FINANCIAL INFORMATION

Year-end report 2015	9 February 2016
Interim report Jan-Mar	11 May 2016
Annual General Meeting	11 May 2016
Interim report Jan-Jun	12 July 2016
Interim report Jan-Sep	2 November 2016
Year-end report 2016	7 February 2017