

Year-End Report, July 2015 – December 2016

Sixth quarter, October – December 2016

- Net sales increased by 145 percent to SEK 669.6 million (273.5). Organic growth was 35 percent.
- EBITDA amounted to SEK 68.1 million (27.9).
- EBITDA excluding items affecting comparability¹ (adjusted EBITDA) amounted to SEK 76.0 million (29.4).
- EBIT amounted to SEK 46.5 million (26.0).
- Net profit for the quarter amounted to SEK 53.2 million (20.0).
- Diluted earnings per share amounted to SEK 1.09 (0.53).

July 2015 – December 2016

- Net sales increased by 53 percent to SEK 2,333.9 million (1,361.1). Organic growth was 28 percent.
- EBITDA amounted to SEK 161.9 million (134.5).
- EBITDA excluding items affecting comparability¹ (adjusted EBITDA) amounted to SEK 238.0 million (141.7).
- EBIT amounted to SEK 112.5 (126.7).
- Net profit for the period amounted to SEK 111.6 million (82.3).
- Diluted earnings per share amounted to SEK 2.56 (2.27).

Significant events during the quarter

- On December 5, an extraordinary general meeting resolved to introduce a long-term incentive scheme for senior executives and key employees within CLX, by issuing a maximum of 1,500,000 warrants with exercise after 3/4/5 years. If fully exercised, dilution will be approximately 3 percent.
- On December 20, CLX completed the acquisition of Sinch AB. Sinch is a leading developer of solutions for cloud-based voice communications and, since it was founded in 2014, has become a successful supplier to several global app and web companies. The purchase price was paid with SEK 55.0 million in cash and through a non-cash issue of 885,797 shares in CLX at a price of SEK 94.75, giving a purchase price on a debt-free basis of SEK 138.9 million.

Significant events after the end of the period

- Under the incentive scheme adopted on December 5, nearly 1,200,000 warrants have been subscribed for by senior executives and key employees within CLX. The scheme has thus achieved a subscription rate of approximately 80%. Participants outside the US and the UK have paid a premium of SEK 9.56 per warrant, while participants in the US and the UK received their warrants without any monetary compensation. Through this CLX has raised SEK 7.3 million.
- An acquisition of Xura Secure Communications GmbH was completed on February 16 and will be included in the consolidated accounts from that date. The purchase price was USD 15.5 million on a cash- and debt-free basis. Xura is based in Munich and had 16 employees at 31 December 2016. Xura had sales in 2016 of approximately EUR 25.5 million with EBITDA of approximately EUR 2.1 million. The acquisition is being financed with expanded credit facilities of GBP 12.5 million.

1) For a specification of items affecting comparability, see the table on page 3.

Invitation to report presentation by phone or online

The report will be presented at a phone conference at 09.30 CET on February 17.
To participate in the report presentation by phone, please call:

SE: +46-8-566 425 08

UK: +44-2030 089 807

US: +1-855-753 2235

To watch the presentation online: <https://wonderland.videosync.fi/clx-communications-q4-report-2016>

About CLX Communications

CLX Communications (CLX) is a leading global provider of cloud-based communications services and solutions to enterprises and mobile operators. Mobile communications services from CLX make it possible for enterprises to communicate globally with their customers and connected devices (Internet of Things, IoT) swiftly, securely and cost-effectively. CLX's solutions enable business-critical communication worldwide via mobile messaging services (SMS), voice services and mobile connectivity services for IoT. CLX has grown profitably since the company was founded. The Group is headquartered in Stockholm, Sweden, and has a presence in an additional 20 countries. The shares of CLX Communications are listed on the Nasdaq Stockholm exchange (ticker CLX).

Message from the CEO

CLX continues to grow - synergies contribute to increased profitability



The positive trend from the previous quarter continues. Revenues continue to increase, and in the final quarter of the year amounted to SEK 670 million, representing an increase of 13.5 percent compared to the previous quarter, while the gross margin remained high. It is worth noting that during the last two quarters of the year we had sales of approximately SEK 1.3 billion, which is almost SEK 200 million more than in the period's first four quarters together and, in addition, the gross margin was better.

Most gratifying, however, is seeing how well the integration and restructuring of the Mblox acquisition has worked, and how positively it is affecting profitability. Excluding integration and restructuring costs, EBITDA increased by 5.4 percent to SEK 76 million compared to the previous quarter.

The acquisition of Mblox has proven to be a very good deal for us and, in addition to significant synergies, has positioned CLX as the market leader in cloud-based messaging services. The acquisition is not only a key component of our strategy to expand into geographies and markets where the gross margin is high, but is strategically important in the long term as it positions us at the forefront of the market, which means we are becoming more relevant in larger and more comprehensive procurements than previously.

As planned, Mblox has strengthened our position in North America, and our growth in this market has been strong during the quarter. We are now a credible supplier in the North American market, which has quickly produced results and is opening up new business. France has also shown good growth during the quarter.

Our sector is changing rapidly, and CLX is not content to just evolve with the industry. On the contrary, we will lead the development, both by growing organically and through strategic acquisitions. In light of this objective, we acquired Sinch AB in December 2016. This is a strategically important acquisition that means we can now offer unique solutions for the integration of voice-based communication together with CLX's existing cloud-based communication solutions for messaging. Our assessment is that Sinch will contribute positively to CLX's EBITDA and earnings per share from 2018.

Work intensified in 2016 in the field of the Internet of Things. This continued during the final quarter of the year, and in 2017 we intend to gradually launch commercial applications for both new and existing customers.

The Enterprise Division continued its positive development and shows continued strong organic growth and significantly improved margins. The Operator Division, where we deliver strategic support systems to mobile operators, is also developing very well.

We have continued to focus on profitable growth through a balanced strategy of organic growth combined with participating in market consolidation. We have today announced the acquisition of Xura Secure Communications GmbH, a purchase that further reinforces our already-strong market position and, together with last year's two acquisitions, helps to position CLX as a global leader in cloud-based communications.

Through this acquisition we bring further value to our customers by providing advanced security solutions together with CLX's existing cloud-based communication solutions. Further information about the acquisition can be found in the communication made in connection with this exciting event.

We have proven to ourselves, to our shareholders and to our customers that we have the ability to grow and create value through making acquisitions and then successfully integrating the acquired companies.

The acquisition of Mblox and the subsequent integration have gone beyond our expectations, and as an organization we have both the expertise and resources to grow through acquisitions. The success with Mblox creates confidence and security, and we look forward to following the acquisitions of Sinch and, most recently, Xura. We already know that these will add considerable value to our core business and, in combination with our efforts in IoT, we are further advancing our position as the leading global partner in cloud-based communication services.

Stockholm, 17 February 2017

Johan Hedberg
President and CEO

Operations

The market

CLX operates in a complex global market where a number of factors affect growth and profitability. The market for cloud-based communication services and tools is highly fragmented but is in general characterized by strong growth. CLX has purposefully built up a leading market position in the segment for cloud-based A2P messaging (automated business-critical messages from companies to individuals), which means the company is well positioned to be an active participant and to benefit from opportunities to consolidate the market. As the leading market player, with the greatest economies of scale and a strong negotiating position with customers and suppliers, CLX has the best potential to also achieve the highest profitability in the industry.

In order to offer our customers a complete communication solution, with good profitability, CLX continues to increase its exposure to complementary product and development areas such as cloud-based voice communication and the Internet of Things (IoT). CLX is also focusing on addressing, and growing in, both geographical markets with higher gross margins and market segments where profitability has the potential to be higher. The acquisitions of Mblox, Sinch and Xura contribute significantly to both these initiatives.

CLX Group in summary

For a list and definitions of financial measures defined or not defined under IFRS and for operational measures, please refer to page 17.

CLX Group, SEK million	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Net sales	669.6	273.5	2,333.9	1,361.1	844.4	1,817.3
Gross profit	189.4	83.0	642.3	408.3	251.9	485.9
Gross margin	28.3%	30.3%	27.5%	30.0%	29.8%	26.7%
Operating profit, EBITDA	68.1	27.9	161.9	134.5	93.1	120.6
EBITDA margin	10.2%	10.2%	6.9%	9.9%	11.0%	6.6%
Adjusted EBITDA	76.0	29.4	238.0	141.7	89.1	185.5
Adjusted EBITDA margin	11.4%	10.7%	10.2%	10.4%	10.6%	10.2%
Adjusted EBITDA / gross profit	40.1%	35.4%	37.1%	34.7%	35.4%	38.2%
Operating profit, EBIT	46.5	26.0	112.5	126.7	88.7	74.5
EBIT margin	6.9%	9.5%	4.8%	9.3%	10.5%	4.1%
Adjusted EBIT	54.4	27.5	188.6	133.9	84.7	139.4
Adjusted EBIT margin	8.1%	10.1%	8.1%	9.8%	10.0%	7.7%
Profit for the period	53.2	20.0	111.6	82.3	52.9	82.4
Net margin	7.9%	7.3%	4.8%	6.0%	6.3%	4.5%
Cash flow from operating activities	102.0	24.4	107.6	108.4	94.9	94.0
Equity ratio	37.2%	19.6%	37.2%	19.6%	12.4%	37.2%
Diluted earnings per share, SEK	1.09	0.53	2.56	2.27	1.53	1.80
Average number of employees	283	157	199	145	138	220

Items affecting comparability, SEK m	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Market listing costs	-	-1.5	-11.2	-17.5	-6.3	-
Acquisition costs	-1.2	-	-17.1	-	-	-17.1
Restructuring costs	-	-	-35.2	-	-	-35.2
Integration costs	-6.7	-	-12.6	-	-	-12.6
Recovered previously impaired accounts rec.	-	-	-	10.3	10.3	-
Tota items affecting comparability	-7.9	-1.5	-76.1	-7.2	4.0	-64.9

October 2016 – December 2016

Net sales

Consolidated net sales grew in the quarter by 145 percent to SEK 669.6 million (273.5), compared to the corresponding quarter in the previous year. Organic growth was 35 percent.

The strong growth during the quarter is primarily attributable to the acquisition of Mblox, but the organic growth in the Enterprise Division has continued. The underlying growth among existing customers has been strong and we have also added new customers.

Gross profit

During the quarter, gross profit amounted to SEK 189.4 million (83.0) and the gross margin amounted to 28.3 percent (30.3).

The acquisition of Mblox led to a significant strengthening of the gross margin in the Enterprise Division in the second half of 2016. This greatly increased our exposure to the North American market, where gross margins are high. Over time, CLX's growth will come from many different markets with various gross margin levels, which will lead to some fluctuations in the company's gross margin.

CLX has a strategy to create additional economies of scale and thereby ensure the long-term return target is achieved. In line with this strategy, CLX will focus on continued growth, both organically and through acquisitions.

In the coming quarters, the focus will be mainly on continued efforts to realize the profitability and growth potential offered by the recent acquisitions. The acquisition of Mblox has provided CLX with a much stronger negotiating position among both customers and operators. The company will continue to regularly evaluate and take action when the profitability of customers is not judged able to contribute to CLX's long-term profitability target. A number of operator agreements have also been renegotiated, based on increased traffic volumes, which has led to lower costs for CLX.

The ongoing work on profitability and margins also includes updated internal pricing policies, automated price barriers etc. within the Group's integrated technology platform, as well as corporate bonus models with a greater focus on margin targets.

Operating profit

EBITDA amounted to SEK 68.1 million (27.9) compared to the same quarter in the previous year. EBIT amounted to SEK 46.5 million (26.0) compared to the same quarter in the previous year.

Acquisition costs relating to Sinch and integration costs relating to Mblox are charged to profit for the quarter at SEK 7.9 million. The previous year's operating profit included market listing costs of SEK 1.5 million. Adjusted for these items, EBITDA amounted to SEK 76.0 million (29.4) and EBIT to SEK 54.4 million (27.5). Foreign exchange fluctuations affected operating profit for the quarter by SEK -1.8 million (-3.5).

July 2015 – December 2016

Net sales

Net sales increased by 53 percent compared to the corresponding period in the previous year, and amounted to SEK 2,333.9 million (1,361.1). Organic growth was 28 percent.

Gross profit

Gross profit increased to SEK 642.3 million (408.3). The gross margin amounted to 27.5 percent (30.0).

Operating profit

EBITDA amounted to SEK 161.9 million (134.5). EBIT amounted to SEK 112.5 million (126.7). Market listing costs, acquisition costs and integration and restructuring costs are charged to profit at SEK 76.1 million.

Profit for the previous year includes market listing costs of SEK 17.5 million and revenue for recovered previously impaired accounts receivable of SEK 10.3 million. Adjusted for these items, EBITDA amounted to SEK 238.0 million (141.7) and EBIT to SEK 188.6 million (133.9). Foreign exchange fluctuations affected operating profit for the period by SEK -0.3 million (5.7).

The total cost for the acquisition of Mblox amounts to SEK 37.8 million. Of this, SEK 15.9 million is for advisory fees and SEK 18.4 million for rights issue costs. These costs are recognized directly in equity. The cost of the new credit facility amounts to SEK 3.5 million, amortized as a finance expense over the three-year term of the facility.

Other income and expense items

Net finance income amounted to SEK 8.9 million (-19.3), with interest costs amounting to SEK -8.1 million (-20.3) and foreign exchange differences to SEK 14.9 million (0). The Group's effective tax rate amounted to 8.1 percent (23.4). The lower tax rate is largely due to use of loss carry-forwards in Mblox not capitalized as deferred tax receivables. Net profit for the period amounted to SEK 111.6 million (82.3).

Investments

Net investments in intangible assets and property, plant and equipment amounted to SEK 34.0 million (17.9). Investments relate primarily to capitalized development expenditure of SEK 22.7 million (8.5) and licenses.

CLX has increased investments in areas including the development of new services in the strategically important field of IoT. The investments consist both of development work and of hardware and software used for the operation of customer systems within the framework of the company's Managed Service offering.

For information about the acquisitions of Mblox and Sinch, see Note 4.

Cash flow, liquidity and financial position

Cash flow from operating activities amounted to SEK 107.6 million (108.4). CLX works continuously to collect payments and reduce working capital tied up. These efforts were intensified following the acquisition of Mblox, which has had a well-developed function for achieving this.

Consolidated cash and cash equivalents at 31 December 2016 amounted to SEK 115.3 million (71.0) as well as an unutilized credit facility of SEK 100 million (100). Equity at 31 December 2016 amounted to SEK 865.0 million (41.5), corresponding to an equity ratio of 37.2 percent (12.4). The preferred rights issue and non-cash issue raised SEK 708.3 million in equity before issue costs, which amounted to SEK -14.4 million after tax. Equity per share amounted to SEK 17.34 SEK (33.83).

Employees

The average number of employees (full-time equivalents) in the Group amounted to 199 (145), of which 17 percent (14) female. CLX continues to recruit new employees, both in Sweden and internationally. Including consultants, the Group engaged an average of approximately 240 persons during the period.

Significant events after the end of the period

- Under the incentive scheme adopted at the EGM on December 5, nearly 1,200,000 warrants have been subscribed for by senior executives and key employees within CLX. The scheme has thus achieved a subscription rate of approximately 80%. Participants outside the US and the UK have paid a premium of SEK 9.56 per warrant, while participants in the US and the UK received their warrants without any monetary compensation. Through this CLX has raised SEK 7.3 million. The warrants have terms of three, four and five years, and an exercise price of SEK 127.67.
- An acquisition of Xura Secure Communications GmbH was completed on February 16 and will be included in the consolidated accounts from that date. The purchase price was USD 15.5 million on a cash- and debt-free basis. Xura is based in Munich and had 16 employees at 31 December 2016. Xura had sales in 2016 of approximately EUR 25.5 million with EBITDA of approximately EUR 2.1 million. The accounting for the business combination (acquisition analysis) was not completed by the reporting date, which means it has not been possible to provide certain information in this year-end report.

Enterprise Division

The Enterprise Division provides cloud-based communication solutions to the enterprise sector for effective communication with customers, employees and the Internet of Things (IoT).

Enterprise Division, SEK million	Oct - Dec 2016	Okt - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Net sales	619.1	224.2	2,080.8	1,134.0	711.8	1,658.7
Gross profit	142.2	37.1	406.4	200.7	132.5	336.3
Gross margin	23.0%	17.5%	19.5%	17.7%	18.6%	20.3%
Operating profit, EBITDA	71.1	13.3	173.6	76.1	54.4	151.7
EBITDA margin	11.5%	5.9%	8.3%	6.7%	7.6%	9.1%

The division's activities in A2P messaging have evolved very strongly during the reporting period through the acquisition of Mblox. The acquisition has more than doubled the business area's sales, and improved profitability. After an initial period in which the focus was on integrating and consolidating the acquired business, the focus has successfully moved to the continued organic growth of the combined customer base.

CLX's efforts in the rapidly growing field of IoT continue to develop. CLX has delivered its first commercial application to a limited number of existing beta customers. At the same time, intensive development work is taking place to gradually launch new functionality in early 2017.

Net sales

The Enterprise Division continues to grow at a rapid pace. During the quarter net sales increased by SEK 394.9 million to SEK 619.1 million (224.2), representing 176 percent compared to the corresponding period in the previous year. Organic growth is 43 percent, primarily driven by the following factors:

- CLX's existing customers are expanding their engagement, partly through volume growth and partly through investing in more of CLX's new products and services.
- CLX is winning business from new customer groups.
- CLX's reseller strategy continues to mature, and a number of tools are now available to support a broadened channel strategy.

Profit

Gross profit increased during the quarter to SEK 142.2 million (37.1), compared to the same quarter in the previous year. The acquisition of Mblox is increasing the division's gross margin significantly, and has also created the conditions for a number of active measures to strengthen the gross margin in several major markets. This is described in more detail above, under the Group's gross profit.

During the quarter, EBITDA increased by SEK 57.8 million to SEK 71.1 million (13.3), compared to the same quarter in the previous year.

Work to integrate and streamline the operations of Mblox has been ongoing since the acquisition was completed in early July. The work is not yet completed, but operating costs per sent message for the merged operations are already at the same level that CLX had prior to the acquisition, and these costs will be further reduced going forward. It is the expressed ambition of CLX to be the market provider with the lowest operating cost per sent message.

Foreign exchange fluctuations impacted the division's operating profit during the quarter by SEK -3.1 million (-3.5).

Other

The integration of Mblox has proceeded well. The workforce has been adjusted to a more efficient and customer-focused organization. Mblox's offices in Stockholm and in Campbell, California, have been closed. Processes have been coordinated and the focus on sales and high-quality delivery has intensified.

Operator Division

The Operator Division develops software solutions for mobile operators and other service providers such as mobile virtual network operators (MVNOs). The division supplies software solutions, as both products and services, to enable operators to effectively manage their services in messaging and payments.

The Operator Division continues to develop well, and in line with the company's strategic plans. A number of significant deals were signed in 2016, one with a leading mobile phone operator in the Middle East. This transaction is worth approximately SEK 32 million and will be recognized as revenue in pace with completion of the project, which is expected to be in early 2017. The same applies to a number of other deals, worth approximately SEK 20 million, which were signed in the previous calendar year.

The division's sales forecast remains good.

Operator Division, SEK million	Oct - Dec 2016	Okt - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Net sales	50.0	50.5	260.9	251.7	154.6	163.8
Gross profit	46.9	45.9	235.6	226.1	137.8	147.4
Gross margin	93.7%	91.0%	90.3%	89.8%	89.2%	90.0%
Operating profit, EBITDA	14.8	17.4	80.0	68.4	34.7	46.4
EBITDA margin	29.6%	34.5%	30.7%	27.2%	22.5%	28.3%

Net sales

Net sales in the Operator Division decreased during the quarter by SEK 0.5 million to SEK 50.0 million (50.5).

The launch of the CLX Managed Service offering has attracted great interest from existing and potential customers. Revenues from these activities are of a recurring nature and CLX has a strategic goal to increase the proportion of repeat revenue in the Operator Division, so we confidently look forward to a continued positive development for this offering.

Profit

Gross profit increased during the quarter by SEK 1.0 million to SEK 46.9 million (45.9), compared to the same quarter in the previous year. EBITDA decreased by SEK 2.6 million to SEK 14.8 million (17.4), compared to the same quarter in the previous year. Foreign exchange fluctuations impacted the division's operating profit during the quarter by SEK 0.9 million (-0.5).

Other

The Operator Division continues to invest in its Platform as a Service (PaaS) offering in order to address the demand among existing and new types of customer groups that want to launch or improve their communication services.

Quarterly summary

CLX Group, SEK million	Jan - Mar 2015	Apr - Jun 2015	Jul - Sep 2015	Oct - Dec 2015	Jan - Mar 2016	Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016
Net sales	212.8	234.4	243.2	273.5	267.2	290.3	590.2	669.6
Gross profit	69.1	62.3	73.4	83.0	67.2	64.4	164.9	189.4
Gross margin	32.5%	26.6%	30.2%	30.4%	25.1%	22.2%	27.9%	28.3%
Operating profit, EBITDA	23.4	10.1	13.5	27.9	25.3	-1.0	28.1	68.1
EBITDA margin	11.0%	4.3%	5.5%	10.2%	9.5%	-0.3%	4.8%	10.2%

Enterprise Division, SEK million	Jan - Mar 2015	Apr - Jun 2015	Jul - Sep 2015	Oct - Dec 2015	Jan - Mar 2016	Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016
Net sales	182.1	194.7	197.9	224.2	230.2	256.6	552.8	619.1
Gross profit	29.9	34.3	31.2	37.1	32.5	32.5	130.8	142.2
Gross margin	16.4%	17.6%	15.8%	16.6%	14.1%	12.7%	23.7%	23.0%
Operating profit, EBITDA	10.5	13.3	8.5	13.3	14.1	6.8	59.8	69.2
EBITDA margin	5.8%	6.8%	4.3%	5.9%	6.1%	2.7%	10.8%	11.2%

Operator Division, SEK million	Jan - Mar 2015	Apr - Jun 2015	Jul - Sep 2015	Oct - Dec 2015	Jan - Mar 2016	Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016
Net sales	38.6	47.0	46.6	50.5	37.9	38.2	37.8	50.0
Gross profit	35.1	40.2	42.3	45.9	34.6	31.8	34.1	46.9
Gross margin	90.9%	85.5%	90.6%	91.0%	91.4%	83.2%	90.3%	93.7%
Operating profit, EBITDA	12.5	3.4	16.2	17.4	12.4	6.3	12.8	14.8
EBITDA margin	32.4%	7.3%	34.7%	34.5%	32.9%	16.5%	34.0%	29.6%

Items affecting comparability

CLX Group, SEK million	Jan - Mar 2015	Apr - Jun 2015	Jul - Sep 2015	Oct - Dec 2015	Jan - Mar 2016	Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016
Market listing costs	-	-6.3	-9.7	-1.5	-	-	-	-
Acquisition costs	-	-	-	-	-	-13.0	-2.9	-1.2
Restructuring costs	-	-	-	-	-	-	-35.2	-
Integration costs	-	-	-	-	-	-	-5.9	-6.7
Recovered previously impaired accounts rec.	-	-	-	-	-	-	-	-
Total items affecting comparability	-	-6.3	-9.7	-1.5	-	-13.0	-44.0	-7.9

CLX Group, SEK million	Jan - Mar 2015	Apr - Jun 2015	Jul - Sep 2015	Oct - Dec 2015	Jan - Mar 2016	Apr - Jun 2016	Jul - Sep 2016	Oct - Dec 2016
Net sales	212.8	234.4	243.2	273.5	267.2	290.3	590.2	669.6
Gross profit	69.1	62.3	73.4	83.0	67.2	64.4	164.9	189.4
Gross margin	32.5%	26.6%	30.2%	30.4%	25.1%	22.2%	27.9%	28.3%
Adjusted EBITDA	23.4	16.4	23.2	29.4	25.3	12.0	72.1	76.0
Adjusted EBITDA margin	11.0%	7.0%	9.5%	10.7%	9.5%	4.1%	12.2%	11.4%
Adjusted EBITDA / gross profit	33.9%	26.3%	31.6%	35.4%	37.6%	18.6%	43.7%	40.1%
Adjusted EBITDA per share - diluted, SEK	0.67	0.47	0.66	0.78	0.67	0.32	1.48	1.56

Condensed income statement

CLX Group, SEK million	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Net sales	669.6	273.5	2,333.9	1,361.1	844.4	1,817.3
Other operating income	11.9	2.3	40.8	35.9	29.6	34.5
Work performed by the entity and capitalized	5.9	3.4	22.7	8.5	3.3	17.6
Cost of goods sold and services	-480.2	-190.5	-1,691.6	-952.8	-592.5	-1,331.4
Other external costs	-45.9	-18.6	-211.4	-104.8	-58.3	-169.1
Employee benefits expense	-71.5	-36.4	-281.7	-191.7	-124.7	-214.7
Other operating expenses	-21.7	-5.9	-50.8	-21.6	-8.6	-33.6
Operating profit, EBITDA	68.1	27.9	161.9	134.5	93.1	120.6
Depreciation and amortization	-21.7	-1.9	-49.5	-7.8	-4.4	-46.1
Operating profit, EBIT	46.5	26.0	112.5	126.7	88.7	74.5
Finance income	80.0	0.3	105.1	1.2	0.9	104.5
Finance expenses	-72.6	-0.4	-96.2	-20.5	-19.8	-95.2
Profit before tax	53.9	25.8	121.4	107.4	69.8	83.8
Current tax	-11.6	-5.3	-35.7	-20.1	-11.0	-26.6
Deferred tax	10.9	-0.5	25.9	-5.0	-5.8	25.1
Profit for the period	53.2	20.0	111.6	82.3	52.9	82.4
Attributable to:						
Owners of the parent	53.2	20.0	111.3	82.1	53.2	82.4
Non-controlling interests	0.0	-0.1	0.2	-0.1	-0.3	0.0

Earnings per share

CLX Group, SEK	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Earnings per share						
- Basic	1.09	0.53	2.62	2.36	1.53	1.80
- Diluted	1.09	0.53	2.56	2.27	1.53	1.80

Condensed statement of comprehensive income

CLX Group, SEK million	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Profit for the period	53.2	20.0	111.6	82.3	52.9	82.4
Other comprehensive income or loss						
Translation differences	24.8	0.0	35.2	0.0	0.2	35.4
Hedge accounting net investments	8.3	-	-10.4	-	-	-10.4
Cash flow hedges	0.1	4.2	-	4.2	-	-4.2
Tax effect on items in other comprehensive income	-8.0	-0.9	-7.5	-0.9	-	-6.6
Other comprehensive income for the period	25.1	3.3	17.3	3.3	0.2	14.2
Total comprehensive income for the period	78.3	23.3	128.9	85.6	53.1	96.6
Attributable to:						
Owners of the parent	78.5	23.3	128.8	85.5	53.4	96.7
Non-controlling interests	-0.2	0.0	0.0	0.0	-0.3	-0.3

Condensed balance sheet

CLX Group, SEK million	Note	12/31/2016	12/31/2015	6/30/2015
Assets				
Goodwill		803.6	56.7	56.8
Customer relationships		613.7	-	-
Operator relationships		46.4	-	-
Developed technology		92.7	11.2	8.3
Other intangible non-current assets		8.4	4.6	0.8
Tangible non-current assets		14.2	5.2	4.7
Non-current financial assets		11.4	3.4	2.6
Deferred tax assets		29.6	0.2	0.2
<i>Total non-current assets</i>		<i>1,620.1</i>	<i>81.3</i>	<i>73.4</i>
Tax receivables		6.6	7.7	6.2
Other current receivables		580.6	226.8	183.6
Cash and cash equivalents		115.3	59.4	71.0
<i>Total current assets</i>		<i>702.5</i>	<i>293.9</i>	<i>260.7</i>
Total assets		2,322.6	375.2	334.2
Equity and liabilities				
Equity attributable to owners of the parent	3	859.1	68.5	36.6
Non-controlling interests		5.9	5.1	4.9
<i>Total equity</i>		<i>865.0</i>	<i>73.6</i>	<i>41.5</i>
Provision for deferred taxes		290.1	8.2	8.2
Provision for restructuring costs		8.9	-	-
<i>Total provisions</i>		<i>299.0</i>	<i>8.2</i>	<i>8.2</i>
Non-current liabilities, interest bearing		413.9	39.8	80.8
Non-current liabilities, non-interest bearing		40.6	5.3	5.3
<i>Total non-current liabilities</i>		<i>454.5</i>	<i>45.1</i>	<i>86.1</i>
Current liabilities, interest bearing		70.1	26.8	-
Tax liabilities		29.9	3.3	2.7
Other current liabilities, non-interest bearing		604.2	218.2	195.8
<i>Total current liabilities</i>		<i>704.2</i>	<i>248.3</i>	<i>198.5</i>
Total equity and liabilities		2,322.6	375.2	334.2
Financial instruments measured at fair value				
Derivatives with positive fair value		0.6	4.8	3.8
Derivatives with negative fair value		0.6	0.4	0.4

The carrying amount is considered to be a reasonable estimate of the fair value of all financial assets and liabilities. The financial assets and liabilities are attributable to valuation levels 2 and 3. For information on the valuation techniques, please refer to Note 4 in the 2014/15 Annual Report.

Condensed statement of changes in equity

CLX Group, SEK million	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Other capital contributions	Reserves	Retained earnings	Total		
Opening balance 1 July 2014	0.1	63.0	-0.1	-191.3	-128.3	0.0	-128.3
Total comprehensive income			3.3	82.1	85.5	0.0	85.4
Acquisition of 66.67% of the shares in Caleo Technologies AB					-	5.2	5.2
Put option Caleo Technologies AB			-0.5		-0.5		-0.5
Repayment conditional shareholder contribution		-38.0			-38.0		-38.0
New share issue	0.0	150.0			150.0		150.0
Bonus issue	3.2			-3.2	0.0		0.0
Closing balance 31 December 2015	3.2	175.0	2.8	-112.3	68.6	5.1	73.6
Opening balance 1 July 2015	0.1	175.0	-0.4	-138.1	36.6	4.9	41.5
Total comprehensive income			17.5	111.3	128.8	0.0	128.9
Bonus issue	3.2			-3.2	0.0		0.0
Non-cash issue	0.1	83.8			83.9		83.9
New share issue	1.6	622.7			624.3	0.9	625.3
Issue costs, net after tax				-14.4	-14.4		-14.4
Closing balance 31 December 2016	5.0	881.5	17.1	-44.3	859.1	5.9	865.0

Condensed statement of cash flows

CLX Group, SEK million	Note	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Cash flow before changes in working capital		73.9	22.9	173.2	66.1	28.8	135.8
Changes in working capital		28.0	1.5	-65.6	42.3	66.2	-41.8
Cash flow from operating activities		102.0	24.4	107.6	108.4	94.9	94.0
Net investments in tangible and intangible assets		-6.9	-7.9	-34.0	-17.9	-7.3	-23.4
Changes in financial assets		-1.4	-	-1.4	-	-	-1.4
Acquisition of subsidiary/net assets	4	-35.5	-	-1,018.0	-2.6	-2.6	-1,018.0
Cash flow from investing activities		-43.8	-7.9	-1,053.4	-20.5	-9.8	-1,042.8
New loans		-3.4	-	468.8	79.9	79.9	468.8
Amortization of loan		0.0	-6.7	-79.9	-13.4	-	-66.5
Amortization loan ultimate parent company		-	-	-1.0	-151.5	-150.5	-
New share issue		0.0	-	605.9	-	-	605.9
Additional purchase consideration Caleo, previously expensed		-	-	-4.7	-	-	-4.7
Contribution from non-controlling interests		-	-	-	0.5	0.5	-
Cash flow from financing activities		-3.4	-6.7	989.2	-84.5	-70.2	1,003.5
Cash flow for the period		54.8	9.8	43.4	3.4	14.9	54.8
Cash and cash equivalents at the beginning of the period		61.4	49.7	71.0	55.9	55.9	59.4
Exchange differences in cash and cash equivalents		-0.9	-0.1	1.0	0.0	0.2	1.1
Cash and cash equivalents at the end of the period		115.3	59.4	115.3	59.4	71.0	115.3

Additional information

CLX Group, SEK million	Oct - Dec 2016	Oct - Dec 2015	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15	R12M
Share information						
Basic earnings per share, SEK	1.09	0.53	2.62	2.36	1.53	1.80
Diluted earnings per share, SEK	1.09	0.53	2.56	2.27	1.53	1.80
Basic weighted average number of shares*	48,755,719	34,800,000	42,535,750	34,800,000	34,800,000	45,778,326
Diluted weighted average number of shares*	48,755,719	37,621,619	43,039,427	35,766,237	34,838,652	45,778,326
Number of ordinary shares at the end of the period	49,534,442	32,432,430	49,534,442	32,432,430	1,000,000	49,534,442
Total number of shares at the end of the period	49,534,442	32,432,430	49,534,442	32,432,430	1,081,081	49,534,442
Financial position						
Equity attributable to owners of the parent	859.1	68.5	859.1	68.5	36.6	859.1
Equity ratio	37.2%	19.6%	37.2%	19.6%	12.4%	37.2%
Equity per share, SEK	17.34	2.11	17.34	2.11	33.83	17.34
Net investments in tangible and intangible assets	6.9	7.9	34.0	17.9	7.3	23.4
Cash and cash equivalents	115.3	59.4	115.3	59.4	71.0	115.3
Net debt	368.6	7.2	368.6	7.2	9.8	368.6
Employees						
Number of FTEs	283	157	199	145	138	220
Percentage female	20%	14%	17%	14%	14%	18%
Key figures						
Operating margin, EBITDA	10.2%	10.2%	6.9%	9.9%	11.0%	6.6%
Operating margin, EBIT	6.9%	9.5%	4.8%	9.3%	10.5%	4.1%
Net margin, profit for the period	7.9%	7.3%	4.8%	6.0%	6.3%	4.5%

*Average number of shares has been recalculated after split 1:30 and new share issue for comparison.

Operating segments

An operating segment is defined as a business activity that is able to generate revenues and incur costs, whose operating results are regularly reviewed by the entity's chief executive officer and for which separate financial information is available. The Group's operating segments consist of the Enterprise Division and the Operator Division. Sinch is not yet included in either of these operating segments, and is reported separately until further notice. Items below EBITDA and items affecting comparability are not allocated to the segments.

Oct - Dec 2016, SEK million	Enterprise Division	Operator Division	Sinch	Parent company, unallocated items and eliminations	Group
External revenue	619.0	49.2	1.4	-	669.6
Internal revenue	0.1	0.9	-	-0.9	-
Gross profit	142.2	46.9	0.9	-0.5	189.4
EBITDA	71.1	14.8	0.6	-18.3	68.1
Depreciation and amortization					-21.6
EBIT					46.5
Finance income					7.4
Profit before tax					53.9

EBITDA for the parent company amounts to SEK -10.2 million, including integration costs of SEK 0.4 million and restructuring costs of SEK 0.9 million. Unallocated items include acquisition costs of SEK 1.2 million and integration costs of SEK 6.7 million.

Oct - Dec 2015, SEK million	Enterprise Division	Operator Division	Sinch	Parent company, unallocated items and eliminations	Group
External revenue	223.8	49.7	-	-	273.5
Internal revenue	0.4	0.8	-	-1.2	-
Gross profit	37.1	45.9	-	0.0	83.0
EBITDA	13.3	17.4	-	-2.8	27.9
Depreciation and amortization					-1.9
EBIT					26.0
Finance income					-0.2
Profit before tax					25.8

EBITDA for the parent company amounts to SEK -2.9 million, including IPO costs of SEK 1.5 million.

Jul - Dec 2015/16, SEK million	Enterprise Division	Operator Division	Sinch	Parent company, unallocated items and eliminations	Group
External revenue	2,079.9	252.6	1.4	-	2,333.9
Internal revenue	0.8	8.3	-	-9.1	-
Gross profit	406.4	235.6	0.9	0.3	642.3
EBITDA	173.6	80.0	0.6	-91.6	161.9
Depreciation and amortization					-49.4
EBIT					112.5
Finance income					8.9
Profit before tax					121.4

EBITDA for the parent company amounts to SEK -28.8 million, including IPO costs of SEK 11.2 million, integration costs of SEK 0.9 million and restructuring costs of SEK 1.1 million. Unallocated items include acquisition costs of SEK 17.1 million and restructuring costs of SEK 34.1 million and integration costs of SEK 11.7 million.

Jul - Dec 2014/15, SEK million	Enterprise Division	Operator Division	Sinch	Parent company, unallocated items and eliminations	Group
External revenue	1,125.4	235.7	-	-	1,361.1
Internal revenue	8.6	16.0	-	-24.6	-
Gross profit	200.7	226.1	-	-18.5	408.3
EBITDA	76.1	68.4	-	-10.0	134.5
Depreciation and amortization					-7.8
EBIT					126.7
Finance income					-19.3
Profit before tax					107.4

EBITDA for the parent company amounts to SEK -20.3 million, including IPO costs of SEK 17.5 million. Unallocated items include revenue for recovered previously impaired accounts receivable of SEK 10.3 million.

Parent company

CLX Communications AB (publ) owns and manages the shares attributable to the CLX Group. The Group's operational and strategic management functions have been centralized to the parent company. At the end of the period the parent company had 5 (5) employees. The parent company has no external business activities and the risks are mainly related to the operations of the subsidiaries. Financial fixed assets have increased as a result of the acquisition of Sinch and lending to subsidiaries for the acquisition of Mblox. Completed non-cash and rights issues added SEK 693.9 million to equity, after issue costs. Finance income includes dividends from subsidiaries of SEK 20.0 million (-) and a gain from foreign exchange forward transactions of SEK 37.4 million (-).

Condensed parent company income statement and balance sheet

CLX Communications AB, SEK million	Jul - Dec 2015/16	Jul - Dec 2014/15	Jul - Jun 2014/15
Operating revenue	7.9	1.8	0.2
Operating costs	-36.7	-22.0	-6.4
Operating loss, EBIT	-28.8	-20.3	-6.3
Finance income	93.3	-0.7	-19.5
Profit/loss after financial items	64.5	-21.0	-25.8
Appropriations	-6.6	27.1	27.1
Tax on profit/loss for the period	-8.4	3.1	-0.3
Profit for the period	49.5	9.2	1.0

CLX Communications AB, SEK million	12/31/2016	12/31/2015	6/30/2015
<u>Assets</u>			
Non-current assets	1,659.4	350.0	350.0
Current assets	-189.3	3.4	1.3
Total assets	1,470.1	353.4	351.2
<u>Equity and liabilities</u>			
Equity	922.8	16.5	179.4
Untaxed reserves	6.6	-	-
Non-current liabilities	523.5	-	80.8
Current liabilities	17.2	336.9	91.0
Total equity and liabilities	1,470.1	353.4	351.2
Pledged assets and contingent liabilities	350.0	350.0	350.0

Note 1 – Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Annual Accounts Act. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in notes and in other places in the interim report. The interim report for the parent company has been prepared in accordance with the Annual Accounts Act, which is in accordance with RFR 2 Accounting of Legal Entities. None of the new or amended IFRS standards or interpretations from the IFRS Interpretations Committee which apply from 1 July 2015 has had any material impact on CLX's financial statements. From 1 October 2015, the Group applies hedge accounting of forward foreign exchange contracts, with the effect recognized in other comprehensive income instead of in profit for the period. Aside from this, the accounting policies and calculation methods are unchanged from those applied in the Annual Report 2014/15.

Note 2 – Pledged assets and contingent liabilities

The shares in CLX Networks AB and Symsoft AB have been pledged as collateral for the obligations within the current loan agreement. The group value of the pledged assets on 31 December 2016 amounted to SEK 322.4 million (212.0). In addition, floating charges in these companies of SEK 20 million (20) and SEK 25 million (25), respectively, have been pledged as collateral for the loan agreement. Other guarantees and restricted funds amounted to SEK 4.4 million (5.6).

Note 3 – Shares and share capital

An extraordinary general meeting on 31 August 2015 resolved in favor of a bonus issue that increased the company's share capital by SEK 3,189,188.95 to SEK 3,243,243 and to execute a 1:30 stock split, which increased the number of shares in the company to 32,432,430. In connection with the listing of the company in October 2015 all 2,432,430 preference shares were converted into ordinary shares. Through the preferential rights issue completed in July 2016, the number of shares in the company increased by 16,216,215 to 48,648,645. Share capital increased by SEK 1,621,621.50 to SEK 4,864,864.50. Through the non-cash issue carried out in connection with the acquisition of Sinch in December 2016, the number of shares in the company increased by 885,797 to 49,534,442. Share capital increased by SEK 88,579.70 to SEK 4,953,444.20.

Shares and share capital	Ordinary shares	Preference shares	Share capital
Opening balance 1 July 2015	1,000,000	81,081	54,054
Bonus issue	-	-	3,189,189
Stock split 1:30	29,000,000	2,351,349	-
Conversion preference shares to ordinary	2,432,430	-2,432,430	-
Rights issue	16,216,215	-	1,621,622
Rights issue	885,797	-	88,580
Closing balance 31 December 2016	49,534,442	0	4,953,444

Note 4 – Acquisition of subsidiaries

Mblox

On 11 July 2016, CLX U.S. Holding Inc. acquired 100% of the share capital in Mblox Inc. Mblox is one of the largest suppliers in the A2P segment. Like CLX, Mblox has a global presence and customer base. CLX's strong position in Europe is complemented by Mblox's strong position in the US, UK and Australia.

The purchase consideration was USD 117 million on a cash- and debt-free basis. The purchase consideration was paid in cash. The agreed level of working capital was settled in November and a payment was made of USD 81 thousand. Upon acquisition, goodwill of USD 76.2 million arose, mainly attributable to the expertise and expanded geographic range contributed by Mblox. Relationships with customers and operators are assessed to have a useful life of ten years.

Sinch

On 20 December 2016, CLX Communications AB acquired 100% of the share capital of Sinch AB. Sinch is a leading developer of solutions for cloud-based voice communication and, since it was founded in 2014, has become a successful supplier to a number of global app and internet companies.

The acquisition was paid with SEK 55.0 million in cash and through a non-cash issue of 885,797 shares in CLX at a price of SEK 94.75, giving a total purchase price of SEK 138.9 million. The purchase agreement also includes an earn-out based on gross profit and EBITDA performance, and which could amount to a maximum of SEK 144 million, the anticipated outcome discounted to present value amounts to SEK 40 million. If the earn-out is triggered it will become due for payment around the end of 2018 or beginning of 2019.

Upon acquisition, goodwill of SEK 90.9 million arose, mainly attributable to the expertise contributed by the employees at Sinch. Relationships with customers and operators, and developed technology within Sinch, are assessed to have a useful life of five years. The Sinch trademark is estimated to have a useful life of one year.

The preliminary acquisition analysis below may be subject to change since, inter alia, the value of deferred tax assets for Mblox is under investigation.

Fair value acquired net assets	Mblox	Mblox	Sinch
	USDm	SEKm	SEKm
Trademark	-	-	1.0
Operator relationships	68.2	585.4	28.0
Operator relationships	4.7	40.7	5.7
Developed technology	-	-	68.0
Tangible & other intangible non-current assets	1.9	16.1	2.3
Financial non-current assets	0.7	6.4	-
Deferred tax assets	0.2	2.1	13.9
Current assets	19.9	170.4	33.6
Cash and cash equivalents	7.1	61.0	21.4
Deferred tax liability	-29.2	-250.5	-22.6
Non-current liabilities	-	-	-0.4
Current liabilities	-25.6	-219.6	-62.9
Total acquired net assets	48.0	412.0	88.0

Allocation of the purchase consideration:

Purchase consideration	Mblox		Sinch
	USDm	SEKm	SEKm
Original purchase consideration	117.0	966.6	138.9
Additional purchase consideration, debt	-	-	40.0
Settlement working capital	0.1	0.7	-
Settlement cash and cash equivalents	7.1	61.0	-
Total purchase consideration	124.2	1,028.4	178.9
Fair value acquired net assets	-48.0	-412.0	-88.0
Goodwill	76.2	616.5	90.9

The effects on consolidated cash and cash equivalents of the acquisition:

Investing activities	Mblox		Sinch
	USDm	SEKm	SEKm
Cash settled purchase consideration	117.0	966.6	55.0
Settlement working capital	0.1	0.7	-
Settlement cash and cash equivalents	7.1	61.0	-
Cash and cash equivalents in acquired subsidiary	-7.1	-61.0	-21.4
Expenses directly linked to the acquisition	1.9	15.9	1.2
Effect on consolidated cash and cash equivalents from acquisitions	119.0	983.2	34.7

Contribution of acquired companies to consolidated sales and profit, including restructuring costs:

Jul - Dec 2016, SEK million	Mblox	Sinch
Net sales	584.8	1.4
Profit for the period	47.1	0.7

The table below shows sales and profit as if the acquisitions of Mblox and Sinch had taken place on 1 July 2015:

Jul 2015 - Dec 2016, SEK million	Mblox	Sinch	CLX	Amortization Elimination		Total
				acquired assets	internal sales	
Net sales	1,751.5	74.9	1,803.8	-	-96.3	3,533.9
Profit for the period	125.1	-28.2	94.2	-87.2	-	103.9

Definitions of financial terms, performance measures and operational measures

Financial measures defined under IFRS:

Gross profit	Net sales less the cost of goods and services sold
Earnings per share, basic/diluted	Net profit for the period attributable to owners of the parent divided by the volume-weighted average number of shares outstanding in the period before/after dilution

The company presents certain financial measures that are not defined under IFRS. The company believes that these measures provide useful supplemental information to investors and the company's management since they inter alia permit evaluation of the company's performance. Because not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should therefore not be considered a substitute for measures defined under IFRS.

Financial measures not defined under IFRS:

Gross margin	Gross profit in relation to net sales
Equity per share	Equity at end of period attributable to owners of the parent divided by number of shares at end of period
Net investments in intangible assets and property, plant and equipment	Investments in intangible assets and property, plant and equipment during the period less divested intangible assets and property, plant and equipment
Net margin	Net profit for the period in relation to net sales
Net debt	Interest-bearing liabilities less cash and cash equivalents
Equity ratio	Equity as a percentage of total assets
Operating profit, EBIT	Profit for the period before finance income, finance expense and tax
Operating profit, EBITDA	Profit for the period before finance income, finance expense, tax and depreciation, amortization and impairment of intangible assets and property, plant and equipment
Adjusted EBIT	Profit for the period before finance income, finance expense and tax, adjusted for items affecting comparability
Adjusted EBITDA	Profit for the period before finance income, finance expense, tax and depreciation, amortization and impairment of intangible assets and property, plant and equipment, adjusted for items affecting comparability
EBIT margin/Adjusted EBIT margin	EBIT/Adjusted EBIT in relation to net sales
EBITDA margin/Adjusted EBITDA margin	EBITDA/Adjusted EBITDA in relation to net sales

Operational measures:

Percentage female	Average number of women in relation to the average total number of employees during the period, recalculated as full-time equivalents
Number of ordinary shares at the end of the period	Number of ordinary shares at the end of the period
Organic growth	Change in net sales excluding the contribution of acquired units to net sales in relation to net sales in the comparison period
Average number of employees	Average number of employees during the period, recalculated as full-time equivalents
Total number of shares at the end of the period	Total number of ordinary shares and preference shares at the end of the period

Dividend

The board of directors has decided to propose to the annual general meeting that no dividend be paid for financial year 2015/16. It is the opinion of the board that the company is currently in a phase during which financial surpluses should be reinvested in continued growth, both organic and through acquisitions.

Forthcoming reporting dates

Interim report, January – March 2017	19 May 2017
Half-year report, January – June 2017	21 July 2017
Interim report, January – September 2017	7 November 2017

Annual report

The annual report for the extended financial year 2015/16 will be available on the company's website at www.clxcommunications.com no later than three weeks before the AGM.

AGM 2017

The Annual General Meeting will be held on Friday, 19 May 2017 at 14.00 CET in Stockholm. The venue for the meeting will be communicated in connection with publication of the annual report.

Nomination committee

CLX Communications AB's nomination committee has the following composition:

- Oscar Werner, representing Cantaloupe AB
- Björn Fröling, representing Neqst D1 AB
- Anders Ingeström, representing Kjell Arvidsson AB
- Joachim Spetz, representing Swedbank Robur
- Erik Fröberg, Chairman CLX Communications AB (publ)

Shareholders wishing to make proposals to the nomination committee can do so by writing to: CLX Communications AB (publ), Box 1206, 164 28 Kista, Sweden, or by sending an e-mail to nomination@clxcommunications.com. Proposals for the AGM must be received by the nomination committee not later than March 15.

Outlook

CLX does not publish forecasts.

Risk assessment

CLX is, like all businesses, exposed to various types of risks in its operations. These include risks related to currency fluctuations, dependence on certain strategic partners, technological change, dependence on key personnel, as well as tax risks and political risks related to the multinational nature of the Group's activities. Risk management is an integral part of CLX's management, and risks are described in more detail in the Annual Report 2014/15, Note 4. The risks described for the Group may also have an indirect impact on the parent company.

Forward-looking statements

This report contains statements concerning, among other things, CLX's financial position and results as well as statements regarding market conditions that may be forward-looking. CLX believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions. Forward-looking statements, however, include risks and uncertainties and actual outcomes or consequences may differ materially from those expressed. Other than as required by applicable law, forward-looking statements apply only on the day they are presented and CLX does not undertake to update any of them in light of new information or future events.

Assurance

The board of directors and the CEO certify that the interim report gives a true and fair view of the company's and the Group's operations, position and results and describes significant risks and uncertainties faced by the company and the companies included in the Group.

For additional information, please contact:

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Stockholm, 17 February 2017

Erik Fröberg
Chairman of the Board

Kjell Arvidsson

Charlotta Falvin

Jonas Fredriksson

Helena Nordman-Knutson

Johan Stuart

Johan Hedberg
President and CEO

Note: CLX Communications AB (publ) is required to publish the information in this interim report pursuant to the EU market abuse regulation. The information was submitted for publication on 17 February 2017 at 07.30 CET.

This report is published in Swedish and English. In case of any differences between the English version and the Swedish original text, the Swedish version shall apply. This report has not been subject to review by the company's independent auditor.