

## RECORD IN NET SALES AND SHAREHOLDERS' DIVIDEND

### JANUARY – MARCH 2016

- Net sales total SEK 404.1 [391.3] million
- Operating profit (EBIT) is SEK 43.1 [46.1] million after a one-time effect following settlement of SEK 1.9 million, which is equivalent to an operating margin of 10.7 per cent
- Pre-tax profit of SEK 43.2 [45.9] million
- Profit after tax of SEK 33.3 [35.7] million
- Earnings per share of SEK 0.62 [0.67]
- Cash flow from operations of SEK 35.4 [26.1] million
- Liquid assets of SEK 246.1 [204.3] million

### SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- HiQ helps the Swedish Transport Administration to simplify travel for visually impaired people, by developing the new service "Tågprator"
- HiQ develops and launches the service "Tidning för alla" ("Newspapers for everyone") that makes news websites and articles accessible for those with reading disabilities, for example around 100,000 visually impaired people in Sweden
- HiQ wins the assignment to develop Diabetes Tools' digital platforms, which simplify everyday life for diabetes patients and their families
- HiQ and Autoliv launch a unique Autonomous Drive Program, with the joint aim to employ 30 engineers with a focus on self-driving cars
- The Annual General Meeting on 22 March elects Gunnel Duveblad as new chair of the Board of HiQ. Gunnel Duveblad has many years' experience from the IT industry and has been a member of the board of HiQ since 2007
- The Annual General Meeting decides on a shareholders' dividend of SEK 2.90 per share, totalling approximately SEK 156 million, through a split and mandatory redemption programme
- HiQ chooses to settle with the bankruptcy estate for Saab Automobile, which leads to a negative impact of SEK 1.9 million on the company's result
- HiQ is nominated for the prestigious award "Developer of the Year" at the Swedish Mobile Awards
- HiQ is named one of Sweden's *Career Companies* for the second year in a row

### SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- HiQ develops Finland's most comprehensive mobile clinic for healthcare company Diacor
- HiQ helps Västtrafik with the areas of digital presence and customer experience – in April Västtrafik's new service "Västtrafik to go" is launched, moving your ticket into your mobile
- HiQ provides Volvofinans Bank with both strategic and technical know-how, in the development of the new service CarPay, that simplifies everyday life for nearly 1 million car owners

*This information is such as HiQ is required to make public according to the Swedish Securities Act and/or the Swedish Financial Instruments Trading Act. This report was released for publication at 07:30 CET on 25 April 2016.*

*HiQ helps to make the world a better place by making people's lives simpler through technology and communication. We are the perfect partner for everyone eager to achieve results that make a difference in a digital world. Founded in 1995, HiQ has more than 1,400 specialists in four countries and is listed on the Nasdaq Stockholm Mid Cap List. For more information and inspiration, visit [www.hiq.se](http://www.hiq.se)*

## PRESIDENT'S STATEMENT

We continue to grow and increase net sales to SEK 404.1 million. We have never had better net sales in a first quarter and we are more employees than ever before. Our financial position continues to be strong, with a cash flow of SEK 35.4 million and liquid assets of SEK 246.1 million. The Annual General Meeting decides on a shareholders' dividend of SEK 2.90, totalling approximately SEK 156 million and our highest dividend to date. The Annual General Meeting elects Gunnel Duveblad as new chair of the Board of HiQ. Gunnel has been a member of the Board of HiQ since 2007 and we look forward to continue taking part of her know-how, experience and energy.

We choose to settle with the bankruptcy estate of Saab Automobile. This means that the administrators relinquish their original claim of SEK 5.7 million, and that a long and tiring process is now over. The settlement has a negative impact of SEK 1.9 million on the company's result during the first quarter. We are satisfied to have reached a settlement on a figure far lower than the administrators' initial demand.

We start the year with optimism and confidence, knowing that we are perfectly positioned in the market. We keep winning new clients and we perform successfully in our assignments. The solutions that we develop together with our clients are creating value for us as people, by making the world a bit better and everyday life both simpler and more fun. That is our passion and our motivation.

The technical development has rushed ahead for many years and created new possibilities, as technology has become cheaper, faster and takes up less space, and also as quality connectivity is now a given. This progress has laid the foundation for what we call "digitalisation", which is sweeping over all parts of the world we live in. Today, there is understanding, insight, and motivation to utilize the possibilities of technology to simplify and create value.

Digitalisation leads to new value-chains arising and existing business models being challenged. In this development, we at HiQ master the entire spectra of technology, people and business. A range that makes our offer more relevant than ever. We have what it takes to help companies and organisations identify the opportunities and tackle the challenges.

An example of this is when we help our clients with their digital transformation, all the way from strategy to

implementation. For example when we help Volvofinans Bank with the creation of a recently launched service that simplifies everyday life for nearly one million car owners. This is also demonstrated when we help Västtrafik to simplify travel with public transport in western Sweden.

In a digitalised world it is also easier to provide accessibility, a clear trend in which technology gives us the tools to include everyone in society, on equal terms. For example when we, together with the Swedish Traffic Association, develop "Tågprator", a service that simplifies travelling with train for visually impaired people. It's a given that all people, regardless of disabilities, need to be able to travel or read the news. The latter is in focus when we launch "Tidning för alla" ("Newspapers for everyone") in the beginning of the year. The service gives people with reading disabilities access to news websites and articles.

Another area in which HiQ creates results is within healthcare, where technology provides people with both influence and accessibility. The aim is to make everyday life simpler and better, also for people who are sick. For example, we help Diabetes Tools with the development of digital solutions that simplify for diabetes patients, their families, and the healthcare staff. We have also developed Finland's most comprehensive mobile clinic for Diacor. With "DiacorPlus" you can meet the doctor via live chat or video, and the target is that the service will be Diacor's largest healthcare clinic in the year 2020.

Our values – results, responsibility, simplicity, and joy – are with us in every project, every day. When HiQ is named a *Career Company* for the second year in a row, it shows us that our employees are happy at work. We welcome many new HiQ'ers and we are happy that so many driven, skilled and committed people want to work with us.

HiQ is nothing more than the great people who work here; smart individuals with big hearts and a will to create value. Together with our clients and partners we have built a solid market position, in which we deliver the full chain from R&D to digital and back. That feels amazing. With team spirit and full strength, we look forward to continue contributing to a better and more joyful world.

*Lars Stugemo, President and CEO of HiQ*

## MARKET AND OFFER

HiQ’s domestic market is the Nordics and we also win assignments globally. We work with clients in for example London and California. With technical expertise in our DNA, and a deep know-how about users, communication, and business, we help our clients to utilise technology and to tackle the challenges in our surrounding world.

HiQ wins many assignments that involve assuming overall responsibility for specific areas. Traditionally, typical examples include software development, testing and quality assurance. Today, we have the range to deliver all of these areas as well as everything from digital strategies to design and concept development.

We master the entire chain from R&D to digital and back, and can therefore help our clients from idea to operation. Because of this, we often embark on partnerships with companies that see digitalisation as a crucial factor for success. HiQ is, in these cases, bringing both innovative power and technical know-how to the development of the company and its business, always with the user in focus.

## NEWS DURING THE QUARTER

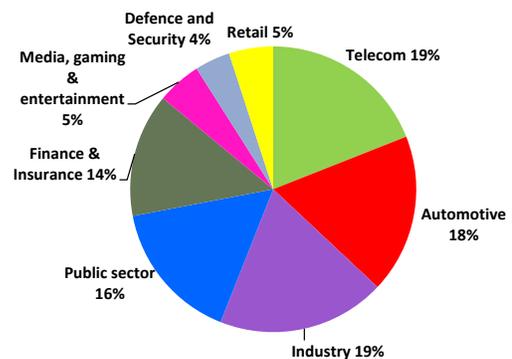
- Annual General Meeting on 22 March elects Gunnel Duveblad as new chair of the Board of HiQ. She has been a HiQ board member since 2007 and has many years’ experience in the industry, with top positions at EDS and IBM, on both Nordic and European level.
- HiQ chooses to settle with the bankruptcy estate of Saab Automobile, which means that the administrators relinquish their original claim of SEK 5.7 million. The settlement has a negative impact of SEK 1.9 million on the company’s result.
- HiQ helps the Swedish Traffic Administration to simplify travel for visually impaired people. The new service “Tågprator”, developed by HiQ, reads out traffic information before and during the journey. The focus has been simplicity – finding functionality that is easy to use for the target group. In Sweden, around 100,000 people are visually impaired.
- HiQ develops and launches “Tidning för alla” that makes news sites and articles accessible for people with reading disabilities, e.g. those who are visually impaired or people with dyslexia. At the moment

Aftonbladet, Expressen and Svenska Dagbladet are connected to the service.

- HiQ wins the assignment to develop Diabetes Tools’ digital platforms, which simplify care and everyday life for people with diabetes and their families, while saving time and resources for healthcare providers.
- HiQ and Autoliv launch a unique Autonomous Drive Program, aiming to employ 30 engineers within self-driving cars – 15 in Gothenburg and 15 in Linköping.
- For the second year in row, HiQ is named one of Sweden’s 100 *Career Companies*. Around 2,000 companies are evaluated, e.g. by the employees.
- HiQ is a finalist in the “Developer of the Year” category at the Swedish Mobile Awards.

Examples of news after the end of the period:

- For Diacor, HiQ develops the new e-health solution DiacorPlus – Finland’s most comprehensive mobile clinic where you can meet the doctor via chat or video, and see your healthcare data. The aim is that it will be Diacor’s largest healthcare clinic in 2020.
- As one of the main suppliers within digital presence and customer experience, HiQ helps Västtrafik to simplify the travel experience. The first public result of the collaboration is launched in April: “Västtrafik to go”, that moves your ticket into your mobile.
- HiQ helps Volvofinans Bank on their digital journey, by developing “CarPay” that gives a full overview of all car-related purchases and payments, as well as a new range of benefits. HiQ is involved on the whole journey from strategy to implementation.



HiQ sales per industry over the past 12 months.

## MARKET SEGMENTS

### TELECOM

Since 1995, HiQ has a very strong standing in this segment and we collaborate with global and market-leading clients. For more than 20 years we have worked with suppliers, operators, users, and the legislative authorities. This has provided us with extensive know-how within telecommunication systems, from both a technical and a commercial perspective.

Today we work broadly with the clients in this segment; with advanced technological systems, with digital channels and with solutions aimed directly to the end users. We also win strategic assignments in which our task is to help our clients identify new possibilities. As an example, HiQ is partner to a global telecom operator, with the task to develop the operator's business within the areas Internet of Things and digital transformation.

Mobility and network connection are today a given. Our experience and know-how within telecom therefore creates great value for clients and projects in all industries, as digitalisation is influencing one area after the other.

Some of our clients in this segment are Ascom Wireless Solutions, Com Hem, Doro, Ericsson, Microsoft Devices, Nokia, Telenor, TDC and Tele2.

### AUTOMOTIVE

Vehicles and their components are nowadays connected and communicating with each other. The car is no longer only a means of transportation, the focus is more and more on related services. Technology simplifies for people, contributes to environmentally friendlier vehicles, and increases safety on our roads.

The innovative power is strong and the perhaps most significant trend is Autonomous Drive – the technology behind self-driving cars. Together with connectivity it is driving the development forward with huge leaps. Now everything can be connected in the cloud – road trains, active safety systems, Internet of Things solutions, and infotainment. The focus is shifting from the product into different services, such as Volvo's In-car Delivery that enables delivery of goods directly to your car.

HiQ delivers both technical expertise and acts as partner within concept and innovation. We have for example worked with both technology and concept development in two new concepts from Volvo Cars. "Concept 26" focuses on what we as drivers want to do with our time as the car takes over the wheel – a project with safety as a key factor. The other concept uses "mixed reality", taking both the buyer experience and driver experience to a new level.

HiQ is also involved in developing eco-friendlier vehicles. In this area technology plays a crucial part in finding new and effective solutions.

Some of our clients in this segment are Autoliv, BorgWarner, Scania, Volvo Cars and Volvo Group.

### INDUSTRY

The drive to simplify and improve is strong within the industry segment and a growing number of companies are dependent on, and open to, the possibilities of digitalisation. In this development, HiQ has the know-how and experience to strengthen businesses. A common denominator is the demand many companies have to become more cost-effective and to identify new offers – all with the aim to stay competitive. As everything is becoming connected there is also a lot of talk about the possibilities with Internet of Things. The challenge is detecting the possibilities that create real value. Not innovating for the sake of innovation, but with the user and result in focus.

HiQ has a strong position in this segment and we help many companies to streamline operations, for example the Finnish infrastructure and construction company Destia. By taking overall responsibility for Destia's system integrations HiQ makes sure that all business systems work seamlessly together, favouring Destia's operations and ultimately nearly all Finns.

We work with many global players, for example with management of business-critical applications and development of digital services. As an example, HiQ is a strategic partner to Finnair and SAS, and responsible of development, support and operation of critical crew management systems.

Some of our clients are ABB, Assa Abloy, Atlas Copco, Bombardier, Cactus, Dekra, Destia, Electrolux, Finnair, Jeppesen Systems, Kuusakoski, Kerava Energy, and SAS.

## PUBLIC SECTOR

Authorities and public organisations are constantly striving to increase accessibility and improve service to the citizens, for example through digital tools and solutions. HiQ has vast experience from these kinds of critical solutions and of the challenges that our clients are struggling with - challenges that can concern everything from out-dated systems and managing large data volumes, to security and integrity issues.

In practice, simplifying for the citizens can be to make sure that a patient's medical records are available digitally regardless of healthcare unit. It's also when we help municipalities to improve communication and contact with their inhabitants, or when we're helping an authority to streamline its internal operations.

HiQ has framework agreements with the central purchasing authorities in both Finland and Sweden: Hansel and Kammarkollegiet. This gives us a strong platform for continued growth within this important segment. We also continue to strengthen our position within healthcare, using strategy and technology to simplify for both patients and healthcare providers. For the client SALAR, the Swedish Association of Local Authorities and Regions, HiQ is responsible for development and management of "Vården i siffror" (Healthcare in numbers), a service that gives citizens access to healthcare statistics from all of Sweden.

Some of our clients are the Swedish Public Employment Service, Kungälv municipality, the Swedish Association of Local Authorities and Regions, the Swedish Civil Contingencies Agency, the Swedish Enforcement Authority, the Swedish Post and Telecom Authority, the Government of Sweden, the Swedish Tax Agency, the city of Västerås, and the Finnish customs.

## FINANCE AND INSURANCE

Today, we take for granted that we can manage our bank errands easily, quickly and securely – with a mobile device. At HiQ, we combine our financial know-how with expertise in digitalisation to create competitive offers in mobile payments and banking services. An area in which HiQ continues being the leading player in the Nordics.

We are proud of the figures showing that millions of people are using the different services that HiQ works with. One example is Getswish's payment service Swish,

for which HiQ has developed the IT solution together with Bankgirot. The service has more than four million users.

HiQ also helps Volvofinans Bank on their digital journey, by developing the new service "CarPay" that gives a full overview of all car-related purchases and payments, as well as a new range of benefits. The service simplifies for nearly one million car owners.

Some of our clients in this segment are Bankgirot, Collector, Fennia, Handelsbanken, LähiTapiola, Nordea, OP Pohjola Group, the S Group, SEB, Swedbank, the Traffic Assurance Association, Varma and Volvofinans Bank.

## MEDIA, GAMING AND ENTERTAINMENT

This segment has changed rapidly. Today, we decide for ourselves where, when and how we want to watch TV, gamble or follow the news.

The players in this area are all struggling with the same challenges. Competition is strong and the offer of choices is huge, which sets high demands on interesting content and usability. Those who offer quality content and deliver it through simple and user-friendly platforms will be successful. On top of this, a winning strategy for business and marketing is required in order to reach out.

These challenges are well in line with HiQ's position within technology, people, and business. We use technical know-how in combination with interaction design and user behaviour when working with both experienced and new players. As an example we collaborate with a world-renowned company within the area of toys, experiences and entertainment. We have also worked with gamification and digital learning for several years, an area of which we have only seen the beginning.

Within the gaming sector the Nordic companies are successful in the global market and HiQ works with a number of leading gaming companies. We are also involved in the development of sports betting solutions, for example an award-winning service for horse and harness racing and betting in Finland.

Some of our clients in this segment are Channel 4, DICE, Fintoto, GTECH, King, MTG, MTV 3 Finland, Rovio, Spotify, Sveriges Television, TV4, Utbildningsradion and Veikkaus.

## DEFENCE AND SECURITY

We live in a time in which defence and security are more and more important, and in which also surveillance and external monitoring are included. As the view of the world is uncertain the question of defence is put higher on the agenda – not least is IT security an increasingly important issue for our clients. HiQ's experience in this area is extensive, as it has been since we started in 1995.

For more than 20 years we have worked with developing training and development simulators for JAS – high-tech solutions that have been used for educating and training hundreds of pilots worldwide. Simulation technology is something we can use in other segments as well, for example within the industry sector.

At HiQ we have always been good at using know-how from one industry in other segments. As an example, we are combining our knowledge within telecom and mobility with our experience within security, as we contribute with technical know-how in the Ngulia project in Kenya. The Ngulia initiative uses sensor technology to protect the black rhino and park rangers from poachers.

HiQ is also helping the Swedish Defence Materiel Administration (FMV) to simplify tracking of equipment using RFID technology - a collaboration that has won international recognition. The tracking streamlines and provides FMV with better control, which gives positive effects from an economic and environmental perspective.

Some of our clients in this segment are the Swedish Defence Materiel Administration (FMV), the Swedish Armed Forces, Linköping University and SAAB.

## RETAIL

Retail has been in the middle of an enormous shift for years. Today, e-commerce represents a large part of our total consumption and is constantly setting new records. It's time to erase the "e" and see everything as commerce, but through various channels and platforms. Shopping online is standard today and we are also purchasing more from companies in other countries. For the players in the Nordics this creates new demands and challenges regarding user experience and the complete customer journey. An effect of the consumers' demands of increased simplicity is for example the launch of Swish for online retail.

HiQ has an extensive understanding of the industry and we supply leading retail chains with services ranging from idea and design to quality assurance. HiQ works within a broad range that includes everything from procurement and logistics systems to tools for marketing and sales. Our expertise within payment solutions is valuable for meeting new demands of simplified buying processes in order to increase conversion.

HiQ is for example helping Suomen Lähikauppa (SLK) in Finland to improve its services to loyalty customers. Thanks to the integration solution that HiQ implements, shoppers receive extensive customer loyalty benefits in SLK's nearly 700 stores around Finland.

Some of our clients in this segment are ICA, Suomen Lähikauppa, Stockmann and Vianor.

## THE GROUP'S DEVELOPMENT

We at HiQ continue to create winning results and to strengthen our position. This in a market that is constantly impacted by the uncertainty in our surrounding world.

The demand for digitalisation and IT services continues to be good overall and we work persistently to meet the needs of our clients. We are hiring, growing, and winning new clients and assignments in all market segments in which we operate.

HiQ in Finland performs a good first quarter of the year. The company grows in several segments and delivers many successful projects.

In Stockholm, HiQ continues being a leading player with presence in all market segments. The company develops well and continues to broaden its operations.

HiQ in Mälardalen, with offices in Västerås and Örebro, performs a solid quarter. The company has an evident presence within, for example, industry and defence.

In Gothenburg, HiQ continues being the leading innovation and technology company, with strong presence in many industries. The company delivers a very good first quarter and wins new exciting assignments and global clients.

In Skåne, HiQ moves from Lund to Malmö during the first months of the year. The company thereby continues its

change process, with a focus on broadening the operations and winning new clients in new segments.

HiQ in Östergötland, with business in Linköping and Norrköping, continues to deliver good results. The company performs well in the beginning of the year and has a strong presence within e.g. telecom and automotive.

In Karlskrona, HiQ performs a good result on a market dominated by telecom and shipping, while also continuing to broaden the market mix.

## DELIVERY MODELS

HiQ offers a flexible delivery model with the client in focus. We provide specialist expertise for projects on site and also undertake projects at our own facilities and via our near shore office.

We also offer complete teams that are both efficient and successful in creating results. These teams are increasingly being requested.

The number of overall undertakings for our clients is growing and is today a significant part of our business.

## MARKETING & COMMUNICATIONS

The first quarter marks the start to this year's tour of the Knowledge Bar – HiQ's highly appreciated event that visits our different sites and gathers clients, employees and other HiQ friends for an evening of knowledge, inspiration, exciting guests and music. So far more than 3,000 guests have visited this year's Knowledge Bars, in which they have had the chance to listen to exciting topics such as Industry 4.0 and IoT, Big Data, self-driving vehicles, VR technology, the story behind Swish, and much more. Always with a focus on simplicity and how technology can contribute to a better and more joyful world, of course with a large amount of joy and energy.

## FUTURE PROSPECTS

HiQ contributes to the development of modern society, in which digitalisation and a connected lifestyle are rapidly driving the demand for new products, services and business models.

Our expertise and sustained strong financial position allow us to identify opportunities to advance our positions

even further in the market segments and areas in which we operate.

HiQ's overall strategy is to be an innovative and leading specialised service company with the core of its operations in the Nordic region.

HiQ's growth strategy is to grow organically and to complement organic growth with strategic acquisitions. HiQ's acquisition strategy aims to strengthen the company's geographical reach by increasing its Nordic presence and we seek to acquire companies that add new areas of expertise to HiQ.

We are convinced that there will be long-term growth in all segments in which HiQ is active. We also believe the future will see a steady rise in the number of industries for which digitalisation and new technology are critical factors for success.

Our strategy is to:

- be a high quality consultancy firm that creates value for clients, co-workers and shareholders
- be profitable, generate good growth and strong cash flow, and to create good long-term yield to our shareholders
- be the leading company in the Nordic region within our industry

HiQ prioritises quality, profitability and growth – in that order. HiQ does not provide any forecasts.

## EMPLOYEES

At the end of the reporting period, HiQ has 1 456 (1 395) employees, of which 1 373 (1 295) were on active duty.

## SALES AND PROFIT

HiQ sales for the period total SEK 404.1 (391.3) million.

Operating profit (EBIT) is SEK 43.1 (46.1) million, equivalent to a margin of 10.7 (11.8) per cent.

Group net financials for the period total SEK 0.1 (-0.2) million.

Pre-tax profit (PTP) is SEK 43.2 (45.9) million.

## INVESTMENTS

Group net investment in fixed assets during the period total SEK 2.3 (2.1) million. SEK 0.2 (0.3) million of this total

is invested in new premises, SEK 0.9 (0.1) million in equipment and SEK 1.2 (1.7) million in financial leasing.

## FINANCIAL POSITION

Cash flow from operations total SEK 35.4 (26.1) million.

Group liquid assets at 31 March total SEK 246.1 (204.3) million. This is an increase in liquid assets of SEK 33.7 million compared to 31 December 2015.

Interest-bearing net assets total SEK 218.2 (177.3) million at the end of the reporting period.

Owner's equity at the end of the reporting period total SEK 600.5 (589.6) million, and the equity/assets ratio as a measure of solidity is 56.7 (58.2) per cent.

## SHARES

On 31 March there was a total of 53,924,273 shares in HiQ International AB (publ). This is unchanged from the number of shares on 1 January 2016.

## ANNUAL GENERAL MEETING

HiQ's Annual General Meeting took place on 22 March 2016 at HiQ's offices at Regeringsgatan 20 in Stockholm.

- Gunnel Duveblad, Ken Gerhardsen, Ulrika Hagdahl, Erik Hallberg, Johanna Fagrell Köhler, Raimo Lind, and Lars Stugemo were re-elected as members of the Board of Directors. The Annual General Meeting appointed Gunnel Duveblad as Chair of the Board of Directors.
- The Annual General Meeting decided to adopt the annual report and discharge the Board and the Managing Director from liability for the financial year 2015.
- The General Meeting decided on a share split and mandatory share redemption programme. Details regarding this can be found in the paragraph REDEMPTION OF SHARES.

For a thorough review of the AGM and there adopted resolutions, please see our website [www.hiq.se](http://www.hiq.se).

## REDEMPTION OF SHARES

On 22 March 2016 the Annual General Meeting approved a shareholders' dividend of SEK 2.90 per share (totalling approximately SEK 156 million) in the form of a split and a mandatory redemption programme. Record date for the share split was 11 April 2016 and trading in the

redemption shares will take place from 12 April up to and including 25 April. Payment is expected to take place around 8 May 2016.

This decision is above HiQ's long-term dividend policy, which states that the long-term dividend level should amount to around 50 per cent of HiQ's profit after tax.

## OPTIONS

On 22 March 2016 the Annual General Meeting approved a share warrant programme for HiQ employees.

The programme consists of two series. The first is issued in May and the second in November. Both are available for all employees in Sweden, Finland, and Denmark.

Considering previously adopted incentive programmes for employees, including full subscription of the newly approved program, the total dilution amounts to approximately 4.8 per cent.

## PARENT COMPANY

Profit after tax for HiQ International AB (publ) total SEK -2.9 (-3.9) million.

On 31 March 2016, the company's interest-bearing net assets total SEK 45.8 (121.7) million, adjusted owner's equity total SEK 340.5 (345.1) million and the equity/assets ratio is 57.2 (58.5) per cent.

Net investments for the period total SEK 0.0 (0.0) million.

## ACCOUNTING PRINCIPLES

This interim report is produced in accordance with IAS 34 'Interim Reporting' and the Swedish Annual Accounts Act.

The same accounting principles are used for this report as for the company's most recent annual report with the exception of certain changes in standards (noted in HiQ's annual report for 2015) and interpretations that have since come into effect. These are, however, not considered to have any impact on the consolidated accounts during the reporting period.

For the parent company, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 2 are applied.

## SIGNIFICANT RISKS AND UNCERTAINTIES

HiQ's operations are influenced by a number of different factors; some of these lie within the company's control, others do not. For a consulting company such as HiQ, operations are affected by various factors including standard operational and commercial risks. Examples of these risks are recruitment, project risks, competition and pressure on prices, development prospects for major clients, bad debts, and the ability to enter into framework agreements. Market-related risks include business cycle risks. Financial risks include currency risks and interest risks.

For a detailed description of significant risks and uncertainties, please see pages 22-23 in the HiQ Annual Report for 2015.

## FINANCIAL REPORTS FOR 2016:

Interim report January-June: 11 August 2016

Interim report January-September: 19 October 2016

Year-end report January-December: 25 January 2017

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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Stockholm, 25 April 2016

The Board of HiQ International AB (publ)

This report has not been subject to scrutiny by the company's auditors.

HiQ is required by Swedish law (the Securities Market Act and/or the Financial Instruments Trading Act) to publish the information in this interim report. This report was made public at 07:30 (CET) on 25 April 2016.

**HiQ International Group**  
**Company registration number 556529-3205**

**Statement of comprehensive income**

SEK 000s	Jan-March 2016	Jan-March 2015	RTM	2015
Net sales	404 129	391 320	1 520 768	1 507 959
Assignment-specific external expenses	-53 058	-46 684	-200 342	-193 968
Staff costs	-280 013	-275 172	-1 042 320	-1 037 479
Other external expenses	-25 258	-20 686	-88 288	-83 716
Depreciation	-2 747	-2 704	-9 913	-9 870
<b>Operating profit</b>	<b>43 053</b>	<b>46 074</b>	<b>179 905</b>	<b>182 926</b>
Finance income	256	53	514	311
Finance costs	-146	-225	-419	-498
<b>Pre-tax profit</b>	<b>43 163</b>	<b>45 902</b>	<b>180 000</b>	<b>182 739</b>
Income tax	-9 818	-10 226	-40 082	-40 490
<b>Profit for the period attributable to shareholders</b>	<b>33 345</b>	<b>35 676</b>	<b>139 918</b>	<b>142 249</b>

**Other comprehensive income**

**Items that may be subsequently reclassified to profit or loss**

Exchange differences on translating foreign operations	5 510	-6 062	-2 888	-14 460
<b>Other comprehensive income for the period</b>	<b>5 510</b>	<b>-6 062</b>	<b>-2 888</b>	<b>-14 460</b>
<b>Profit for the period attributable to shareholders</b>	<b>38 855</b>	<b>29 614</b>	<b>137 030</b>	<b>127 789</b>

**Earnings per share attributable to shareholders (based upon profit for the period)**

Earnings per share before dilution, SEK	0,62	0,67	2,61	2,66
Earnings per share after dilution, SEK	0,62	0,67	2,60	2,65
Average number of shares, thousands	53 924	53 139	53 640	53 444
Average number of shares, after dilution, thousands	54 186	53 401	53 866	53 701

**The HiQ International Group**  
**Company registration number 556529-3205**

**Balance Sheet**

SEK 000s	31 March 2016	31 March 2015	31 Dec 2015
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Tangible fixed assets	40 922	35 784	41 147
Intangible fixed assets			
Goodwill	335 890	337 190	333 317
Other intangible fixed assets	0	569	0
Financial fixed assets	15 516	16 314	14 283
<b>Total fixed assets</b>	<b>392 328</b>	<b>389 857</b>	<b>388 747</b>
<b>CURRENT ASSETS</b>			
Accounts receivable, trade	268 928	267 724	300 454
Current income tax assets	1 215	6 672	14 619
Other receivables	6 062	4 027	6 781
Prepaid expenses and accrued income	145 084	140 013	111 724
Liquid assets	246 082	204 306	212 414
<b>Total current assets</b>	<b>667 371</b>	<b>622 742</b>	<b>645 992</b>
<b>Total assets</b>	<b>1 059 699</b>	<b>1 012 599</b>	<b>1 034 739</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Shareholders' equity attributable to shareholders	600 493	589 622	718 018
<b>Total shareholders' equity</b>	<b>600 493</b>	<b>589 622</b>	<b>718 018</b>
<b>Non-current liabilities</b>			
Long-term interest-bearing debt	21 465	20 639	23 853
Deferred tax liabilities	0	86	0
<b>Total non-current liabilities</b>	<b>21 465</b>	<b>20 725</b>	<b>23 853</b>
<b>Current liabilities</b>			
Short-term interest-bearing debt	6 421	6 350	5 198
Accounts payable, trade	49 414	45 653	58 446
Other liabilities*	237 984	210 642	86 713
Accrued expenses and prepaid income	143 922	139 607	142 511
<b>Total current liabilities</b>	<b>437 741</b>	<b>402 252</b>	<b>292 868</b>
<b>Total shareholders' equity and liabilities</b>	<b>1 059 699</b>	<b>1 012 599</b>	<b>1 034 739</b>

\* 31 March 2016 - including SEK 156,4 million distributed to the shareholders, was decided by AGM 22 March 2016 by a split and redemption.  
 Payment is expected to be executed around 6 May 2016.

**HiQ International Group**

Company registration number 556529-3205

SEK 000s	Jan-March 2016	Jan-March 2015	RTM	2015
<b>Cash flow analysis</b>				
Cash flow before change in operating capital & investments	48 389	50 090	155 774	157 475
Change in operating capital	-13 039	-23 990	10 542	-409
Cash flow before investments	35 350	26 100	166 316	157 066
Cash flow from investments	-1 324	-500	-7 663	-6 839
Cash flow after investments	34 026	25 600	158 653	150 227
Cash flow from investments activities	-358	-1 344	-116 877	-117 863
Change in liquid assets	33 668	24 256	41 776	32 364
Liquid assets at the start of the period	212 414	180 050	204 306	180 050
Liquid assets at the end of the period	246 082	204 306	246 082	212 414
<b>Change in shareholders' equity</b>				
Amount at the start of the period	718 018	698 169	589 622	698 169
Dividends / redemption	-156 380	-138 161	-156 380	-138 161
Warrant premiums	0	0	1 595	1 595
Share issue conversion of warrants	0	0	28 626	28 626
Total comprehensive income for the period	38 855	29 614	137 030	127 789
Amount at the end of the period	600 493	589 622	600 493	718 018
<b>Key figures</b>				
Operating profit (EBIT)	43 053	46 074	179 905	182 926
Operating margin	10,7%	11,8%	11,8%	12,1%
Profit margin	10,7%	11,7%	11,8%	12,1%
Capital employed	628 379	616 611	628 379	747 069
Operating capital	382 297	412 305	382 297	534 655
Return on operating capital	9,4%	9,6%	45,3%	33,9%
Return on shareholders' equity	5,1%	5,5%	23,5%	20,1%
<b>Financial position</b>				
Expensed investments in computers	1 055	745	2 787	2 477
Liquid assets	246 082	204 306	246 082	212 414
Interest-bearing net cash	218 196	177 317	218 196	183 363
Shareholders' equity	600 493	589 622	600 493	718 018
Equity/assets ratio	56,7%	58,2%	56,7%	69,4%
<b>Employees</b>				
Number of employees at end of period	1 456	1 395	1 456	1 415
Number of employees in duty at end of period	1 373	1 295	1 373	1 298
Average number of employees	1 315	1 275	1 280	1 270
Value added per employee	239	244	924	929
Turnover per employee	307	307	1188	1 187
Operating profit per employee	33	36	141	144
<b>Share data</b>				
No. of shares at end of period, thousands	53 924	53 139	53 924	53 924
Average no. of shares before dilution, thousand	53 924	53 139	53 640	53 444
Average no. of shares after dilution, thousand	54 186	53 401	53 866	53 701
Profit per share before dilution, SEK	0,62	0,67	2,61	2,66
Profit per share after dilution, SEK	0,62	0,67	2,60	2,65
Shareholders' Equity per share, SEK	11,14	11,10	11,14	13,32

**HiQ International Group**

Company registration number 556529-3205

**Segment reporting**

	Jan - March 2016			
	Sweden	Finland	Group and elim	Group
Net sales from external clients	333 877	70 252	0	404 129
Net sales from other segments	0	0	0	0
<b>Net sales</b>	<b>333 877</b>	<b>70 252</b>	<b>0</b>	<b>404 129</b>
Operating profit	36 648	10 192	-3 787	43 053
<i>Operating margin %</i>	<i>11,0%</i>	<i>14,5%</i>		<i>10,7%</i>
Financial net				110
Profit before tax				43 163
Assets*	687 024	322 117	50 558	1 059 699
	Jan - March 2015			
	Sweden	Finland	Group and elim	Group
Net sales from external clients	326 497	64 823		391 320
Net sales from other segments	0	0		0
<b>Net sales</b>	<b>326 497</b>	<b>64 823</b>	<b>0</b>	<b>391 320</b>
Operating profit	39 399	11 406	-4 731	46 074
<i>Operating margin %</i>	<i>12,1%</i>	<i>17,6%</i>		<i>11,8%</i>
Financial net				-172
Profit before tax				45 902
Assets*	616 786	339 026	56 787	1 012 599

\* Assets per segment consists of assets used in the daily operations and that could be allocated to a specific segment. This means that tangible fixed assets and current assets are included. Financial assets have not been allocated to specific segments.

**HiQ International AB, Parent Company**  
**Company registration number 556529-3205**

**Income Statement**

SEK 000s	Jan-March 2016	Jan-March 2015	RTM	2015
Net sales	10 184	7 547	36 286	33 649
Assignment-specific external expenses	-1 086	-137	-2 093	-1 144
Other external expenses	-6 997	-5 428	-23 301	-21 732
Staff costs	-5 811	-7 064	-21 571	-22 824
Depreciation and write-downs	-144	-147	-580	-583
<b>Operating profit</b>	<b>-3 854</b>	<b>-5 229</b>	<b>-11 259</b>	<b>-12 634</b>
Profit from shares in Group companies	0	0	151 304	151 304
Finance income	156	314	953	1 111
Finance costs	-71	-71	-636	-636
<b>Pre-tax profit</b>	<b>-3 769</b>	<b>-4 986</b>	<b>140 362</b>	<b>139 145</b>
Income tax	824	1 093	-18 771	-18 502
<b>Profit for the period</b>	<b>-2 945</b>	<b>-3 893</b>	<b>121 591</b>	<b>120 643</b>
<b>Profit for the period attributable to shareholders</b>	<b>-2 945</b>	<b>-3 893</b>	<b>121 591</b>	<b>120 643</b>

**Balance Sheet**

SEK 000s	31 March 2016	31 March 2015	31 Dec 2015
<b>ASSETS</b>			
<b>FIXED ASSEST</b>			
Tangible fixed assets	430	1 010	574
Financial fixed assets	407 305	407 492	406 481
<b>Total fixed assets</b>	<b>407 735</b>	<b>408 502</b>	<b>407 055</b>
<b>CURRENT ASSETS</b>			
Accounts receivable, trade	159	136	613
Receivables-Group companies	4 063	2 885	13 054
Current income tax assets	4 707	10 898	502
Other receivables	1 243	588	1 703
Prepaid expenses and accrued income	4 780	3 636	3 485
Liquid assets	172 249	163 710	136 565
<b>Total current assets</b>	<b>187 201</b>	<b>181 853</b>	<b>155 922</b>
<b>Total assets</b>	<b>594 936</b>	<b>590 355</b>	<b>562 977</b>

**SHAREHOLDERS' EQUITY AND LIABILITIES**

**Shareholders' equity**

Total restricted equity	46 812	46 733	46 812
Total non-restricted equity	293 723	298 371	453 047
<b>Total shareholders' equity</b>	<b>340 535</b>	<b>345 104</b>	<b>499 859</b>
<b>Current liabilities</b>			
Accounts payable, trade	1 481	1 342	1 432
Liabilities - Group companies	89 444	96 622	50 380
Other liabilities*	156 987	138 749	1 118
Accrued expenses and prepaid income	6 489	8 538	10 188
<b>Total current liabilities</b>	<b>254 401</b>	<b>245 251</b>	<b>63 118</b>
<b>Total shareholders' equity and liabilities</b>	<b>594 936</b>	<b>590 355</b>	<b>562 977</b>

\* 31 March 2016 - including SEK 156,4 million distributed to the shareholders, was decided by AGM 22 March 2016 by a split and redemption. Payment is expected to be executed around 6 May 2016.