

A STRONG START OF THE YEAR FROM HiQ

JANUARY– MARCH 2017

- Net sales total SEK 469.7 (404.1) million, an increase of 16 percent
- Operating profit (EBIT) of SEK 65.5 (43.1) million – an operating margin of SEK 14.0 (10.7) percent
- Pre-tax profit of SEK 65.4 (43.2) million, an increase of 52 percent
- Profit after tax of SEK 50.9 (33.3) million
- Earnings per share: SEK 0.93 (0.62)
- Cash flow from operations: SEK 60.5 (35.4) million
- Liquid assets of SEK 262.8 (246.1) million

SIGNIFICANT EVENTS DURING THE FIRST QUARTER

- Annual General Meeting approves a shareholders' dividend of SEK 3.10 per share, corresponding to a total of approximately SEK 170 million, through a share split and redemption programme
- HiQ strengthens its position in web and digital development with the acquisition of Presis in Skåne
- HiQ helps service company Empower to improve workplace safety through an IoT solution
- HiQ becomes a digital partner to infrastructure and construction services provider Destia
- HiQ develops an urban development website for the City of Gothenburg
- HiQ uses technology to streamline business processes for Raisio, a leading name in plant-based nutrition
- HiQ and the city of Enköping win the award "Best municipality web of the year" from the magazine Internetworld
- HiQ's design team from Great Apes is nominated to the prestigious award "The One Show"

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- HiQ and Passalen collaborate to create the *Göra.nu* app that makes it easier for children and young people with functional diversity to enjoy meaningful activities
- HiQ assists Husqvarna to develop the world's first connected tool-shed

This information is information that HiQ International AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.30 CET on 25 April 2017.

HiQ helps to make the world a better place by using technology and communication solutions to make people's lives simpler and better. We are the perfect partner for everyone eager to achieve results that make a difference in a digitalised world. Founded in 1995, HiQ has 1,600 specialists in four countries and is listed on the Nasdaq Stockholm Mid Cap. For more information and inspiration, please visit www.hiq.se

PRESIDENT'S STATEMENT

The start the year very strongly. Net sales increases to SEK 469.7 million and are the highest we have ever achieved in a single quarter. The profit of SEK 65.5 million is also a new record for HiQ, and with 1,606 employees our workforce is now bigger than ever. Cash flow for the period is SEK 60.5 million. The Annual General Meeting decides on a dividend to the shareholders of SEK 3.10 per share, totalling approximately SEK 170 million, the highest in the history of HiQ.

Digitalisation continues to gain ground in our society, we and our customers have become skilled at identifying the business opportunities that this exciting development is opening up. This is one of the reasons behind our success. Together with having the right and relevant market position at the intersection of technology, people and business, it leads to solutions that make everyday life a little simpler – and more fun, too.

During the first quarter, we win several new clients, strengthen existing partnerships and attract new talents. Examples of our achievements during the reporting period is when we are developing the *Göra.nu* app in collaboration with Passalen to provide a new, simple and appealing way of presenting meaningful leisure activities for people with functional diversity. This is just one of many projects where HiQ helps disadvantaged groups to participate more actively in society. In Finland, we initiate new close collaboration with companies such as Destia and Empower. They have ambitious growth plans and are seeking to improve their competitive strengths and streamline operations by using digital strategy and development. Together with Husqvarna we set up the world's first connected tool-shed – a project that clearly demonstrates that the sharing economy is here to stay.

We are growing ever stronger in segments such as healthcare. This is an area in which the needs for simplicity and improvement are great. We are helping to develop smart solutions that make healthcare more accessible. We also succeed in simplifying the handling of the huge volumes of data in the healthcare sector.

Our acquisition of the web and digital agency Presis will further strengthen our offer in the south of Sweden. Presis has already enjoyed notable successes in the development of prototypes and in system development, and has a culture that harmonises well with ours at HiQ. Our core values – results, responsibility, simplicity and joy – are present in every aspect of our activities

and have played a significant role in our success over the years, so we extend a warm welcome to our new friends at Presis to HiQ.

At HiQ things never stand still. We are constantly evolving to keep pace with new technology and the business opportunities that follow in its wake. In the future, communication will take place even more quickly, and the choices that are made today will be crucial for all businesses. In an digital world we are and always will be an important partner that can guide the customer all the way from a blank sheet of paper through strategy and development to implementation, management and further development.

We have an extensive CV; our specialists, with more than 20 years' experience of advanced technology, are our stars that make a change every day.

Today we have an impressive portfolio of clients, the best employees in the business and a robust financial position. HiQ is stronger now than it has ever been. From my perspective, the future for HiQ looks very bright indeed.

Lars Stugemo, President and CEO, HiQ

OFFERING & FOCUS AREAS

HiQ's domestic market is the Nordic region, but we are also winning assignments globally. For example, we are currently working with clients in London and California. Our in-depth knowledge of technology, users and business, enables us to help our clients to exploit the opportunities afforded by digitalisation.

HiQ wins many assignments that involve assuming overall responsibility for specific areas. Typical examples include software development, testing and quality assurance. Today, we have the breadth to deliver 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 all the way from the idea to operation. HiQ frequently partners companies that see digitalisation as a crucial success factor, bringing both innovation and technical know-how to the development of the company and its business, while always focusing on the user.

We offer a complete range of communication services to meet the requirements and expectations of our clients' marketing departments. Another area that is growing fast is eHealth. Our proven ability to make everyday life simpler and better is making us an increasingly important partner for companies working in the healthcare sector.

EVENTS DURING THE FIRST QUARTER

- The Annual General Meeting takes a decision on a share split and a mandatory redemption process, which means that SEK 3.10 per share, corresponding to a total of SEK 170 million, will be distributed to the company's shareholders.

- HiQ acquires the web and digital agency Presis in Lund. The company has close to 25 specialists in systems and web development. The acquisition complements HiQ with new competence and an additional portfolio of clients.

- HiQ helps Empower in Finland with the development of the IoT-based workplace safety management system, *EmSafe*. Empower constructs and maintains factories and power grids and supplies ICT solutions and services to the energy sector.

- HiQ becomes the digital partner for Destia, a service provider in the infrastructure and construction sector. Under the terms of the partnership agreement HiQ is responsible for creating and managing Destia's cloud platform.

- HiQ is commissioned by the City of Gothenburg to create the urban development website *Stadsutveckling Göteborg* to describe and explain the physical and demographic changes that are expected to take place in Gothenburg between now and 2035.

- HiQ streamlines operational activities for Raisio, that works internationally with plant-based nutrition. HiQ is integrating business and management processes with the help of the HiQ integration platform FRENDS.

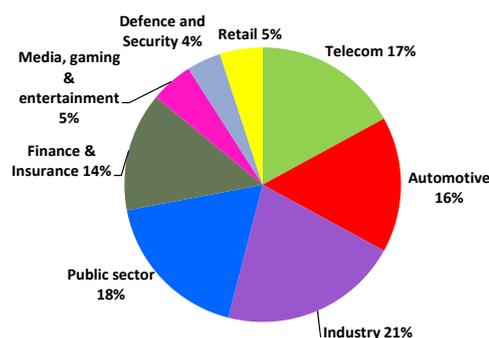
- HiQ commences collaboration with the classic Rally Sweden in Värmland. HiQ conducts innovation workshops with a number of partners in conjunction with the rally in February.

- HiQ and the city of Enköping win the award "Best municipality web of the year" in Sweden from the magazine Internetworld. In Finland, HiQ's design team from Great Apes is nominated to one of the most prestigious design awards in the world, The One Show, for the game Quantum Break.

EVENTS AFTER THE REPORTING PERIOD

- HiQ creates the *Göra.nu* app together with Passalén to present leisure activities for children and young people with functional diversity. The app presents activities in an innovative, simple and fun way.

- HiQ helps Husqvarna to develop the world's first connected tool-shed. HiQ develops the mobile app and construct the system that brings the technology together.



HiQ sales per market segment over the past 12 months.

MARKET SEGMENTS

We divide our market areas into eight segments and have a broad, well-balanced market mix. This is of benefit to our clients but also to us as a company and to our employees. All market segments are characterised by companies' and organisations' needs for digital solutions that contribute to innovations, new offerings and new value chains.

INDUSTRY

There is more and more talk about Industry 4.0 and the potential of the Internet of Things. The challenge lies in determining which opportunities actually add value. Innovation for its own sake is of no value; innovation needs to benefit users and generate results.

HiQ is firmly established in this segment and we are helping many leading players with strategic development, digital tools, more efficient processes and smart integration with other systems.

One of HiQ's future-oriented customers is Toyota Material Handling Europe, which develops truck solutions for warehouses. Through an innovation partnership, HiQ helps this logistics company to develop its offering and benefit from the opportunities that digitalisation presents. The long-term goal is a fully digital warehouse that strengthens the business offer and makes life easier for both warehouse personnel and end customers.

Clients include 3nine, ABB, Assa Abloy, Atlas Copco, Bombardier, Cactus, DEKRA, Destia, Electrolux, Elenia, Finnair, Jeppesen Systems, Kuusakoski, Toyota Material Handling Europe and SAS.

TELECOM

Since 1995, HiQ has held a very strong position in this segment where it enjoys close collaboration with global market leaders. More than 20 years' experience of working with suppliers, operators, users and legislative authorities has given us extensive technical and commercial know-how and important insights into telecommunication systems.

Mobility and network connection are a fact of life today. Our extensive experience and comprehensive knowledge of the telecom sector are valuable assets for clients and projects in all industries as digitalisation continues to spread. Today we work across a broad spectrum in the segment with advanced technological systems and with digital channels and solutions aimed directly at end users. We are also winning strategic

assignments to identify new possibilities and improve the efficiency of businesses.

HiQ is, for example, a strategic partner to Polystar, a leading company in the field of analysis, services and products for increased network performance, which helps telecom companies worldwide to optimise the customer experience. Thanks to its partnership with HiQ, Polystar can offer even faster, better service.

Clients in this segment include Ascom Wireless Solutions, Com Hem, Doro, Ericsson, Microsoft Devices, Polystar, Telenor, Telia and Tele2.

PUBLIC SECTOR

Our customers in this sector aim to offer citizens the best possible service, and the challenges in doing so involve everything from managing outdated systems and large volumes of data to issues related to security and integrity. HiQ is growing fast in the public sector and in health care – areas that clearly have a significant impact on people's everyday lives.

Major framework agreements provide us with a strong platform on which we can build and grow in this segment. To take just one example, our recently signed framework agreement with Stockholm County Council reinforces our position in health care even further.

Gothenburg is anticipating significant expansion between now and 2035, and HiQ works with the municipal authorities on the urban development website *Stadsutveckling Göteborg* which describes and explains the changes that are planned. HiQ is successful in developing municipal web platforms and has received third-party recognition for sites such as Enköping.se, Partille.se and Kungälv.se.

Public sector customers include the Swedish Public Employment Service, Diacor, Enköping Municipality, the Swedish Enforcement Authority, Kungälv Municipality, the Swedish Civil Contingencies Agency, the Swedish Post and Telecom Authority, the Government of Sweden, the Swedish Tax Agency, Stockholm County Council, the Swedish Association of Local Authorities and Regions, and Finnish Customs.

AUTOMOTIVE

The automotive industry is hotter and more technology-intensive than ever. Vehicles are now connected and part of a technical ecosystem in which different components are constantly communicating with one another. Cars are no longer merely a means of transport. They are a service platform, and the focus is

increasingly on the new services that digitalisation enables and creates. At the same time, technological development continues to make vehicles safer and greener.

HiQ is a strong, highly experienced partner in this exciting process of rapid development, delivering cutting-edge technology and assisting with innovations that include concept development on Virtual Reality (VR) and Mixed Reality projects.

Autonomous or self-driving vehicles are a special focus area for HiQ's expertise. We are currently involved in an extensive research project in which 100 self-driving Volvo cars will be tested on selected roads with private individuals at the wheel in Gothenburg in 2017.

HiQ has also received accolades for the part it has played in developing the *In-Car Delivery* service, which makes it possible for Volvo owners to order goods to be delivered directly to the trunk of their car.

Customers in the automotive segment include Autoliv, BorgWarner, Scania, Volvo Cars and Volvo Group.

FINANCE AND INSURANCE

HiQ is a strong advocate of the cashless society. The financial industry is changing fast and innovative new players are emerging to challenge the established names.

We have a strong offering created through our extensive experience from the financial sector, combined with expertise in digitalisation and mobile solutions. We are proud of figures that show that millions of people use the different services that HiQ is involved in developing.

For example, HiQ is helping Volvofinans Bank on its digital journey by creating the mobile service *CarPay*. The service offers users complete control over car-related purchases and payments, plus a raft of entirely new benefits. We are also continuing to help Finland's S-Pankki to make life simpler for its 2.9 million customers through its joint initiative with the ABC chain, permitting customers to pay for fuel directly through the *S-mobili* service.

Customers in this segment include Bankgirot, Collector, Fennia, Handelsbanken, LähiTapiola, Nordea, OP Pohjola Group, S-Group, SEB, Swedbank, Swedish Motor Insurers, Varma and Volvofinans Bank.

MEDIA, GAMING AND ENTERTAINMENT

Today, we decide for ourselves when, where and how we want to watch TV, play games or follow the news. As was obvious during the global success of the Pokémon Go success, whenever augmented and virtual reality enter our daily lives, new opportunities arise to create exciting experiences.

Competition in this industry is intense and the range of offerings available is huge. This raises the bar for content and usability. Those who offer quality content and deliver it through simple, user-friendly platforms will succeed.

These challenges perfectly match HiQ's position at the intersection of technology, people and business. We combine technical expertise with design and user focus. Today we have framework agreements with several major clients such as SVT and Viaplay.

Nordic companies enjoy global success in the gambling and gaming sectors, and HiQ has been working with a wide range of leading companies on this exciting market for a long time.

Customers include Channel 4, DICE, GTECH, King, MTG, MTV 3 Finland, Rovio, Spotify, SVT, Utbildningsradion, Veikkaus and Viaplay.

RETAIL

In just the past three years or so, retail has undergone a revolution. New e-commerce records are being set all the time and shopping online has become a natural component of consumer behaviour. Perhaps it is now time to drop the 'e' prefix and see everything as retail plain and simple – but via different channels and platforms. Efficient digital services mean that we are also buying more than ever from foreign suppliers. This makes new requirements and creates new challenges for companies in the Nordic region, as the focus on user experience and the overall customer journey become increasingly important.

HiQ has broad industry knowledge and extensive experience of working with leading retail chains. We work with clients from concept and design to quality assurance in everything from marketing and sales solutions to purchasing and logistics systems. Our expertise in digital payment services is hugely important when meeting new requirements for simpler purchasing processes that will increase conversion rates.

HiQ also helps retail companies with smart, innovative solutions for loyalty points and benefits in order to add value for the end customer. One of these operators is Suomen Lähikauppa (now Kesko). As a result of the integration solution implemented by HiQ, it can now offer its regular customers significant benefits in its 700 stores.

Clients in this segment include ICA, Jula, Kesko, Stockmann and Vianor.

DEFENCE AND SECURITY

We live at a time when defence and security are rapidly growing in importance, with surveillance and external monitoring as key components in the overall mix. As the global situation becomes more uncertain, defence moves up the agenda. Cyber security, in particular, is increasingly important for all companies and organisations as more and more products and systems are connected to the web.

We are, for example, helping the Swedish Coast Guard to develop a surveillance system that pinpoints the position of ships and monitors weather conditions and geographical data in real time.

For more than 20 years we have been helping influential clients to develop training and development simulators for JAS – high-tech solutions that are employed for more efficient, advanced training of hundreds of pilots worldwide. Simulation technology is something we can use in other segments as well, for example in industry and healthcare.

Clients include the Swedish Defence Materiel Administration, the Swedish Armed Forces, the Swedish Coast Guard and SAAB.

GROUP DEVELOPMENT

The first quarter has seen positive progress for all the subsidiaries in the Group. We are continuing to expand the breadth of our offer, winning many new customers and attracting talented new co-workers.

In Finland we continue to develop well. We are attracting increasing numbers of global customers who are seeking our help in using technological solutions to simplify and streamline.

Our Stockholm office is represented in all market segments and reports strong figures. In our focus area of healthcare we are winning new clients and strengthening our existing collaborations.

HiQ Gothenburg also reports strong results. We continue to consolidate HiQ's position as a leading consultant in technology and innovation solutions for companies in the western part of Sweden, where HiQ is now active in all our market segments.

HiQ in Skåne reports good results. To strengthen operations here, we have acquired the web and digital agency Presis, and we continue to expand our operations through collaborations with customers locally in the Öresund Region and internationally.

HiQ in Mälardalen reports good results in the local market that is heavy in industry and defence. The office in Västerås is moving to new premises in the city centre.

HiQ in Östergötland with offices in Linköping and Norrköping reports strong results. We work on a broad front in many market segments.

The Karlskrona office is also performing strongly. Here we focus much on telecom and defence, although the client base is continuously being expanded.

Our team of experts in Moscow is working successfully with other HiQ units in the constant quest to develop smart solutions that make people's everyday lives simpler and better.

DELIVERY MODELS

HiQ offers a flexible delivery model with a clear focus on client needs. We provide specialist expertise for on-site projects and undertake projects on our own premises and via our nearshore office.

We also offer complete teams for our clients. Demand for these teams is constantly increasing as news of their track record of effectiveness and success in creating results spreads.

The number of full-service undertakings from our customers is constantly rising and these assignments now constitute a significant portion of our business.

MARKETING & COMMUNICATION

We are involved in a constant dialogue with our target groups in order to achieve the best possible results. The content we create in our channels and events reflects who we are and the world in which we work. We take part in Job Fairs/Career Days, provide examples of the projects we are commissioned to perform in HiQ

Magazine, are active in social media and extend invitations to events in our own premises.

FUTURE PROSPECTS

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

Our expertise and robust financial position allow us to identify opportunities to advance our positions even further in all market segments and areas in which we operate.

HiQ's overall strategy is to be an innovative and leading specialist 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 expanding its Nordic presence and acquiring 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:

- Help our clients to simplify and contribute to a better world, by using our know-how throughout the entire chain of technology, people and business.
- Be the leading company in the Nordic region within our industry.
- Have the best employees in the market and be the most attractive employer.
- Be profitable, generate good growth and strong cash flow, and to create good long-term returns for our shareholders.

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 1,606 (1,456) employees, of which 1,476 (1,373) are on active duty.

SALES AND PROFIT

HiQ's net sales total SEK 469.7 (404.1) million.

Operating profit (EBIT) is SEK 65.5 (43.1) million, equivalent to an operating margin of 14.0 (10.7) per cent.

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

Pre-tax profit (PTP) is SEK 65.4 (43.2) million.

INVESTMENTS

Group net investments in fixed assets during the period total SEK 2.5 (2.3) million. SEK 0.2 (0.2) million of this total is invested in new premises, SEK 1.5 (0.9) million in equipment and SEK 0.8 (1.2) million in financial leasing.

FINANCIAL POSITION

Cash flow from operations is SEK 60.5 (35.4) million.

Group liquid assets at 31 March are SEK 262.8 (246.1) million, an increase of SEK 58.6 million since 31 December 2016.

Interest-bearing net assets total SEK 232.4 (218.2) million at the end of the reporting period.

Owner's equity at the end of the reporting period totals SEK 671.5 (600.5) million, and the equity/assets ratio is 56.3 (56.7) per cent.

SHARES

On 31 March 2017 there was a total of 54,900,359 shares in HiQ International AB (publ), 187,254 more than on 1 January 2017. The increase is a result of the offset issue made with regard to the additional consideration for the acquisition of Great Apes and the non-cash issue made in connection with the acquisition of Presis in Sweden.

ANNUAL GENERAL MEETING

HiQ's Annual General Meeting was held on 22 March 2017 at the company's offices in Stockholm (Regeringsgatan 20).

- Gunnel Duveblad, Ken Gerhardsen, Ulrika Hagdahl, Erik Hallberg, Johanna Fagrell Köhler, Raimo Lind and Lars Stugemo were re-elected as Directors of the company. The AGM appointed Gunnel Duveblad as Chair of the Board of Directors.
- The AGM approved the Annual Report and discharged the Board of Directors and the Managing Director from liability for the financial year 2016.

- The AGM approved the share split and the mandatory redemption programme. This is explained in more detail under the heading REDEMPTION OF SHARES below.

For a more detailed review of the Annual General Meeting and the AGM's resolutions, please see www.hiq.se.

ACQUISITIONS

In March, HiQ acquired Presis i Sverige with close to 25 employees. The acquisition price was paid in 128,114 newly issued HiQ shares, resulting in dilution of 0.2 per cent and SEK 1.3 million in cash.

The book value of the shares amounts to SEK 9.8 million. For the Group, goodwill amounts to SEK 6.2 million and acquired client relations to SEK 1.6 million. The acquisition analysis is preliminary.

The company was consolidated from 16 March 2017.

Goodwill arising from the acquisition is mainly due to the companies' good earning capacity and strong market position.

During the period, an additional payment for the financial year 2016 to the sellers of Great Apes has been paid. The additional payment was made through a non-cash issue of 59,140 shares, corresponding to a value of SEK 3.8 million.

REDEMPTION OF SHARES

On 22 March 2017 the AGM resolved that SEK 3.10 per share, corresponding to a total amount of approximately SEK 170 million, be paid to shareholders in the form of a share split and a mandatory share redemption programme. The record day for the share split was 7 April 2017 and trading in the redemption shares was to take place during the period 10 April up to and including 25 April. Payment is expected to be made on or around 8 May 2017.

This decision exceeds 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 2017 the Annual General Meeting approved a share warrant programme for HiQ employees. This consists of two series: the first to be issued in May, the second in November. Both are to be

made available to all employees in Sweden, Finland, and Denmark.

If all outstanding warrants from previous programmes and all warrants in the programme approved by this current year's AGM are fully exercised, the dilution effect will be approximately 5.3 per cent.

PARENT COMPANY

Profit after tax for HiQ International AB (publ) totals SEK -3.2 (-2.9) million.

On 31 March 2017, the company's interest-bearing net assets total SEK 94.6 (45.8) million, adjusted owner's equity totals SEK 349.6 (340.5) million and the equity/assets ratio is 55.8 (57.2) percent.

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 2016) 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 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 26-27 in the HiQ Annual Report for 2016.

FINANCIAL REPORTS 2017:

Interim report January-June 2017: 18 July 2017

Interim report January-September 2017: 26 October
2017

Year-end report January-December: 30 January 2018

FOR FURTHER INFORMATION, PLEASE CONTACT:

Lars Stugemo, President & CEO, HiQ. Tel. +46 8-588 90 000
Erik Ridman, Head of Communications, HiQ. Tel. +46 70-7508060
HiQ International AB (publ) – Corporate ID number 556529-3205
Regeringsgatan 20, 9tr
Box 7421
SE-103 91 STOCKHOLM
Sweden

Tel: +46 8-588 90 000

Fax: +46 8-588 90 001

www.hiq.se

Stockholm, 25 April 2017

The Board of Directors of HiQ International AB (publ)

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

This information is information that HiQ International AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.30 CET on 25 April 2017.

HiQ International Group
Company registration number 556529-3205

Statement of comprehensive income

SEK 000s	Jan-March		RTM	2016
	2017	2016		
Net sales	469 660	404 129	1 724 957	1 659 426
Assignment-specific external expenses	-66 029	-53 058	-239 542	-226 571
Staff costs	-308 489	-280 013	-1 145 553	-1 117 077
Other external expenses	-26 403	-25 258	-98 023	-96 878
Depreciation	-3 192	-2 747	-11 438	-10 993
Operating profit	65 547	43 053	230 401	207 907
Finance income	21	256	296	531
Finance costs	-138	-146	-983	-991
Pre-tax profit	65 430	43 163	229 714	207 447
Income tax	-14 547	-9 818	-50 812	-46 083
Profit for the period attributable to shareholders	50 883	33 345	178 902	161 364

Other comprehensive income

Items that may be subsequently reclassified to profit or loss

Exchange differences on translating foreign operations	1 006	5 510	11 948	16 452
Other comprehensive income for the period	1 006	5 510	11 948	16 452
Profit for the period attributable to shareholders	51 889	38 855	190 850	177 816

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

Earnings per share before dilution, SEK	0,93	0,62	3,29	2,97
Earnings per share after dilution, SEK	0,92	0,62	3,27	2,96
Average number of shares, thousands	54 764	53 924	54 379	54 264
Average number of shares, after dilution, thousands	55 308	54 186	54 712	54 604

The HiQ International Group
Company registration number 556529-3205

Balance Sheet

SEK 000s	31 March 2017	31 March 2016	31 Dec 2016
ASSETS			
FIXED ASSETS			
Tangible fixed assets	44 822	40 922	45 319
Intangible fixed assets			
Goodwill	366 626	335 890	361 208
Other intangible fixed assets	4 510	0	3 136
Financial fixed assets	16 417	15 516	14 881
Total fixed assets	432 375	392 328	424 544
CURRENT ASSETS			
Accounts receivable, trade	315 948	268 928	346 518
Current income tax assets	0	1 215	9 914
Other receivables	10 042	6 062	6 055
Prepaid expenses and accrued income	171 236	145 084	131 869
Liquid assets	262 844	246 082	204 262
Total current assets	760 070	667 371	698 618
Total assets	1 192 445	1 059 699	1 123 162
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Shareholders' equity attributable to shareholders	671 547	600 493	777 566
Total shareholders' equity	671 547	600 493	777 566
Non-current liabilities			
Long-term interest-bearing debt	23 609	21 465	25 508
Deferred tax liabilities	825	0	393
Total non-current liabilities	24 434	21 465	25 901
Current liabilities			
Short-term interest-bearing debt	6 864	6 421	5 887
Accounts payable, trade	68 634	49 414	65 136
Other liabilities*	263 006	237 984	95 240
Accrued expenses and prepaid income	157 960	143 922	153 432
Total current liabilities	496 464	437 741	319 695
Total shareholders' equity and liabilities	1 192 445	1 059 699	1 123 162

* 31 March 2017 - including SEK 170.2 million to be distributed to the shareholders, was decided by AGM 22 March 2017 by a split and redemption.
 Payment is expected to be executed around 8 May 2017.

HiQ International Group
Company registration number 556529-3205

SEK 000s	Jan-March 2017	Jan-March 2016	RTM	2016
Cash flow analysis				
Cash flow before change in operating capital & investments	71 978	48 389	194 806	171 217
Change in operating capital	-11 525	-13 039	-37 998	-39 512
Cash flow before investments	60 453	35 350	156 808	131 705
Cash flow from investments	-1 741	-1 324	-5 356	-4 939
Cash flow after investments	58 712	34 026	151 452	126 766
Cash flow from investments activities	-130	-358	-134 690	-134 918
Change in liquid assets	58 582	33 668	16 762	-8 152
Liquid assets at the start of the period	204 262	212 414	246 082	212 414
Liquid assets at the end of the period	262 844	246 082	262 844	204 262
Change in shareholders' equity				
Amount at the start of the period	777 566	718 018	600 493	718 018
Dividends / redemption	-170 191	-156 380	-170 191	-156 380
Warrant premiums	0	0	2 504	2 504
Share issue conversion of warrants	0	0	21 234	21 234
New share issue in connection with acquisition	12 283	0	26 657	14 374
Total comprehensive income for the period	51 889	38 855	190 850	177 816
Amount at the end of the period	671 547	600 493	671 547	777 566
Key figures				
Operating profit (EBIT)	65 547	43 053	230 401	207 907
Operating margin	14,0%	10,7%	13,4%	12,5%
Profit margin	13,9%	10,7%	13,3%	12,5%
Capital employed	702 020	628 379	702 020	808 961
Operating capital	439 176	382 297	439 176	604 699
Return on operating capital	12,6%	9,4%	56,1%	36,5%
Return on shareholders' equity	7,0%	5,1%	28,1%	21,6%
Financial position				
Expensed investments in computers	917	1 055	4 047	4 185
Liquid assets	262 844	246 082	262 844	204 262
Interest-bearing net cash	232 371	218 196	232 371	172 867
Shareholders' equity	671 547	600 493	671 547	777 566
Equity/assets ratio	56,3%	56,7%	56,3%	69,2%
Employees				
Number of employees at end of period	1 606	1 456	1 606	1 573
Number of employees in duty at end of period	1 476	1 373	1 476	1 436
Average number of employees	1 417	1 315	1 387	1 361
Value added per employee	256	239	961	943
Turnover per employee	332	307	1 244	1 219
Operating profit per employee	46	33	166	153
Share data				
No. of shares at end of period, thousands	54 900	53 924	54 900	54 713
Average no. of shares before dilution, thousand	54 764	53 924	54 379	54 264
Average no. of shares after dilution, thousand	55 308	54 186	54 712	54 604
Profit per share before dilution, SEK	0,93	0,62	3,29	2,97
Profit per share after dilution, SEK	0,92	0,62	3,27	2,96
Shareholders' Equity per share, SEK	12,23	11,14	12,23	14,21

HiQ International Group
Company registration number 556529-3205
Segment reporting

			Group	
Jan-March 2017	Sweden	Finland	and elim	Group
Net sales from external clients	378 651	91 009	0	469 660
Net sales from other segments	0	63	-63	0
Net sales	378 651	91 072	-63	469 660
Operating profit	54 696	14 779	-3 928	65 547
<i>Operating margin %</i>	<i>14,4%</i>	<i>16,2%</i>		<i>14,0%</i>
Financial net				-117
Profit before tax				65 430
Assets*	749 723	367 872	74 850	1 192 445
Jan-March 2016	Sweden	Finland	and elim	Group
Net sales from external clients	333 877	70 252	0	404 129
Net sales from other segments	0	0	0	0
Net sales	333 877	70 252	0	404 129
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

* 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 2017	Jan-March 2016	RTM	2016
Net sales	10 156	10 184	44 633	44 661
Assignment-specific external expenses	-1 156	-1 086	-8 997	-8 927
Other external expenses	-6 965	-6 997	-25 081	-25 113
Staff costs	-5 953	-5 811	-25 327	-25 185
Depreciation and write-downs	-17	-144	-238	-365
Operating profit	-3 935	-3 854	-15 010	-14 929
Profit from shares in Group companies	0	0	167 900	167 900
Finance income	61	156	342	437
Finance costs	-164	-71	-861	-768
Pre-tax profit	-4 038	-3 769	152 371	152 640
Income tax	835	824	-23 516	-23 527
Profit for the period	-3 203	-2 945	128 855	129 113
Profit for the period attributable to shareholders	-3 203	-2 945	128 855	129 113

Balance Sheet

SEK 000s	31 March 2017	31 March 2016	31 Dec 2016
ASSETS			
FIXED ASSEST			
Tangible fixed assets	236	430	253
Financial fixed assets	437 861	407 305	427 180
Total fixed assets	438 097	407 735	427 433
CURRENT ASSETS			
Accounts receivable, trade	1 749	159	2 933
Receivables-Group companies	16 032	4 063	19 318
Current income tax assets	0	4 707	0
Other receivables	5 094	1 243	1 654
Prepaid expenses and accrued income	4 018	4 780	3 654
Liquid assets	161 601	172 249	125 739
Total current assets	188 494	187 201	153 298
Total assets	626 591	594 936	580 731

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity

Total restricted equity	46 910	46 812	46 891
Total non-restricted equity	302 684	293 723	463 814
Total shareholders' equity	349 594	340 535	510 705
Current liabilities			
Accounts payable, trade	1 732	1 481	1 163
Liabilities - Group companies	94 882	89 444	45 834
Current income tax liabilities	348	0	5 057
Other liabilities*	172 757	156 987	6 775
Accrued expenses and prepaid income	7 278	6 489	11 197
Total current liabilities	276 997	254 401	70 026
Total shareholders' equity and liabilities	626 591	594 936	580 731

* 31 March 2017 - including SEK 170.2 million to be distributed to the shareholders, was decided by AGM 22 March 2017 by a split and redemption. Payment is expected to be executed around 8 May 2017.

ALTERNATIVE PERFORMANCE MEASURES

HiQ uses a number of alternative performance measures in order to convey a fair picture of HiQ's results and financial position. Below are definitions of the alternative performance measures used. The numbers written within brackets are a calculation of the performance measures for the period January – March 2017.

Operating margin: Operating profit/loss for the period, in relation to net sales for the period (65,547 / 469,660 = 14.0%)

Profit margin: Pre-tax profit for the period, in relation to net sales for the period (65,430 / 469,660 = 13.9%)

Net interest income: Financial income, less financial costs (21 – 138 = -117)

Interest bearing net funds: Liquid assets, less interest bearing debts (at the end of the period) (262,844 – 23,609 – 6,864 = 232,371)

Equity/assets ratio: Shareholders' equity as a percentage of total assets (at the end of the period) (671,547 / 1,192,445 = 56.3%)

Capital employed: Equity and interest bearing debt (at the end of the period) (671,547 + 23,609 + 6,864 = 702,020)

Operating capital: Capital employed, less liquid assets (702,020 – 262,844 = 439,176)

Return on operating capital: Operating profit/loss in relation to average operating capital (65,547 / [(604,699 + 439,176)/2] = 12.6%)

Net sales per employee: Net sales in relation to average number of employees (469,660 / 1,417 = 332)

Added value per employee: Operating profit/loss plus salaries and salary related expenses, in relation to average number of employees [(65,547 + 297,237) / 1,417 = 256]

Operating profit per employee: Operating profit/loss in relation to average number of employees (65,547 / 1,417 = 46)

Equity/share: Shareholders' equity in relation to total number of outstanding shares (at the end of the period) (671,547 / 54,900 = 12.23)