

Definitions of alternative performance measures

Guidelines regarding alternative performance measures for companies with securities listed on a regulated market within the EU have been issued by ESMA (The European Securities and Markets Authority). The interim report refers to a number of undefined measures in accordance with IFRS that are used to help both investors and management to analyse the company's operations. Because not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures should therefore not be regarded as compensation for measures defined in accordance with IFRS. Below we describe the various measures not defined in accordance with IFRS that have been used as a complement to the financial information reported in accordance with IFRS and how these measures are used.

Key ratios	Definition	Justification for use of measures
Organic growth, %	Change in net sales compared with the same period last year, adjusted for currency translation effects and acquisitions. Acquisitions are adjusted for by excluding net sales for acquisitions during the period and including net sales for the entire period for the acquisitions that have been made in the previous year and that have not been consolidated during the entire period last year. Currency effects are calculated using the exchange rates of the previous period for the current period.	Organic growth facilitates a comparison of net sales over time, excluding the impact of currency translation effects and acquisitions
EBITDA	Operating profit (EBIT) excluding depreciation and amortisation	The measure is used to measure operating profitability excluding depreciation and amortisation
EBITDA margin, %	EBITDA divided by net sales for the period	This measure is used to measure operating profitability in relation to net sales, excluding depreciation and amortisation
Adjusted EBITDA	EBITDA adjusted for items affecting comparability	Adjusted EBITDA is a measure of operating profit before depreciation and amortisation and is used to evaluate operating activities. The purpose is to show EBITDA excluding items that affect comparability with other periods
Adjusted EBITDA margin, %	Adjusted EBITDA divided by net sales for the period.	This measure is used to measure operating profitability in relation to net sales, excluding depreciation and amortisation and items that affect comparability with other periods
Operating profit (EBIT)	Profit or loss for the period excluding tax, financial costs and financial income	This measure is used to measure operating profitability, including depreciation and amortization, and excluding tax, financial expenses and financial income
EBIT margin, %	Operating profit (EBIT) divided by the period's net sales	The measure is used to measure operating profitability in relation to net sales

Definitions of alternative performance measures (continued)

Key ratios	Definition	Justification for use of measures
Adjusted EBIT	Operating profit for the period (EBIT) adjusted for items affecting comparability	Adjusted EBIT is a measure of operating profit including depreciation and amortisation and is used to evaluate operating activities. The purpose is to show operating profit (EBIT) excluding items that affect comparability with other periods.
Adjusted EBIT margin, %	Adjusted EBIT divided by net sales for the period	This measure is used to measure operating profitability in relation to net sales, excluding items that affect comparability with other periods
Items affecting comparability	Items affecting comparability are items that are reported separately due to their nature and amount	Items affecting comparability are used by management to explain variations in historical profitability. Separate reporting and specification of items affecting comparability enables the users of the financial information to understand and evaluate the adjustments made by management when adjusted EBIT, adjusted EBIT margin, %, adjusted EBITDA and adjusted EBITDA margin, % are presented.
Adjusted cash flow from operating activities	Cash flow from operating activities adjusted for cash flow impacting items affecting comparability	This measure is used to measure operating profitability cash flow from operating activities excluding items that affect comparability with other periods
Equity/asset ratio, %	Adjusted equity divided by total assets. Adjusted equity is calculated as total equity attributable to the parent company's shareholders plus loans from owners. Loans to owners that have arisen in connection with the acquisition of a company (where the previous owner of the acquired company becomes an owner of Nordisk Bergteknik), so-called seller's promissory note, are not included in adjusted equity.	The measure shows the proportion of total assets financed by shareholders with equity. The measure has been included so that investors can create an image of the Group's capital structure.
Net debt	Short-term and long-term interest-bearing liabilities reduced by cash and cash equivalents, short-term investments and other long-term liabilities to the extent pertaining to owner loans. Loans to owners that have arisen in connection with the acquisition of a company (where the previous owner of the acquired company becomes an owner of Nordisk Bergteknik), so-called seller's promissory note, are included in net debt. Short-term and long-term interest-bearing liabilities refer to liabilities to credit institutions, lease liabilities, overdraft facilities and other long-term liabilities (the part relating to seller's promissory note, see previous comment).	The measure shows the Group's net financial liabilities and is used to show the total indebtedness in the Group
Net debt/adjusted EBITDA LTM	Net debt at the end of the period divided by adjusted EBITDA for the last twelve months	The measure shows the Group's capital structure