

Arcam AB

Reg. no 556539-5356

Year-end report 2015

Strong growth and significant investments

- Net sales increased by 70% to 576.1 (339,0) MSEK
- Operating income increased by 50.2 (21.7) MSEK (including non-recurring costs of approximately 0 (9.3) MSEK)
- Net income amounted to 24.3 (57.7) MSEK (including tax effects for 2014 of 15.8 MSEK)
- Earnings per share increased to 1.18 (3.10) SEK
- 50 (35) EBM systems were delivered during the period
- Order intake amounted to 58 (42) EBM systems

For the fourth quarter:

- Sales increased by 28% to 176.0 (137.1) MSEK
- Operating income amounted to 14.0 (15.3) MSEK
- Net income increased to 2.7 (15.8) MSEK
- Order intake increased by 29 (21) systems
- 16 (15) EBM systems were delivered in the fourth quarter

Telephone conference with CEO Magnus René and CFO Johan Brandt.

February 8, 2016 at 2.00 p.m. (CET)

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Link to presentation:

[Arcam Q4 Report](#)

Strong growth and significant investments

2015 was another very active and strong year for Arcam. We have worked hard and focused. Our primary focus has been to continue executing and developing our long-term strategy to put the EBM technology in industrial production. To do that, we have developed all three parts of the Group, EBM systems, metal powders and contract manufacturing. We have grown rapidly and we have made substantial investments in increased capacity to continue to meet our customers demand.

After a strong fourth quarter, we reached net sales of 576.1 MSEK and an operating profit of 50.2 MSEK for the full year. Sales increased by 70% and operating profit increased by 131%. During the year we booked 58 new EBM orders, an increase of 38% compared with the previous year. We enter 2016 with an order book of 27 systems.

Business status

Avio Aero in Turin, Italy, is a subsidiary of GE Aviation. Avio Aero has successfully used and evaluated Arcam's EBM systems for many years and is now moving into series production of state of the art turbine blades. In connection with this they ordered, by the end of the year, 10 new EBM system and with that order they doubled their installation base.

Another important reference business is the order from GKN of two Arcam Q20. Together with GKN we are bringing our EBM-technology to series production of aerospace components.

The deals confirm the great potential of the Arcam EBM technology as a volume production tool for the aerospace industry. We can now see that our aerospace customers are expanding their EBM production facilities.

In September, our customer Beijing AK Medical Chinese announced that the Chinese authorities approved their EBM manufactured orthopedic implants for sale in China. These are the first additive manufactured implants to be formally approved in China. In connection with this decision Beijing AK Medical decided to go into production with these implants and they ordered another five Arcam Q10 systems.

During the year our Italian customer Lima has received the five systems they ordered in the end of 2014. Lima has thereby increased its EBM capacity significantly and Lima is the world's largest manufacturer of additively manufactured implants.

Meanwhile, customers in Japan, Korea, Europe and in the US have introduced new EBM-manufactured products on the market within orthopedics for hips, knees and spine surgery. The EBM technology is therefore now established as a manufacturing method for orthopedic implants.

Our metal powder manufacturer AP&C in Montreal is growing rapidly with several new customers within Additive Manufacturing. To meet the demand, we took in the beginning of the year a third powder reactor in use and in the autumn we decided to expand AP&C with another two powder reactors. With these investments, AP&C will have five complete production lines, of which four are intended for titanium powder and one is intended for Inconel and other alloys.

Management changes and infrastructure

During the year we strengthened our sales and support organization in the US, UK and in China through the recruitment of sales and support engineers. In the UK a new office was inaugurated in Warwick and in the US a new office was opened in Woburn, MA. With the new local offices we move management, customer support and logistics closer to our customers.

During the third quarter a major expansion of our production facilities in Mölndal, Sweden, was finalized. With the expansion we have doubled our production area and we have also opened a new demo and customer training center.

During the year we strengthened our marketing organization by setting up a new central marketing function for Arcam Group, based in the US. The new marketing organization will manage and coordinate Arcam's global marketing including branding efforts and product marketing, in order to fully utilize our position in the aerospace and medical implant industry.

In December Alain Dupont was appointed the new CEO of powder manufacturer AP&C. He succeeds Jacques Mallette who has been CEO of AP&C since 2011 and continues to be involved as Chairman for AP&C.

Financing and ownership structure

In May Industrifonden sold its entire holding in Arcam, corresponding to 10.4% of capital and votes. The buyer was the US-based Oppenheimer Funds.

After the deal Industrifonden has no ownership in Arcam. Industrifonden has been involved in the company since 1999, first as a lender and, since 2002, as an owner.

Oppenheimer has been a shareholder of Arcam since 2014 and, with the new deal, became the largest owner with more than 15% of the outstanding shares.

On May 27 we completed a share issue of 1.8 million new shares directed to Första AP-fonden, providing the company with approximately MSEK 250 before transaction costs. Första AP-fonden represents an engaged, long term ownership which the board expects will contribute to the development of the company.

After those transactions we have a new ownership structure and a very strong cash position. At the end of the third quarter we had approximately 452.9 MSEK in cash. The strong balance sheet provides financial stability that is much appreciated by the large clients we work with in long term projects.

With some of the world's largest companies as customers, a strong cash position and, most important, a team of dedicated and driven employees, we are well positioned to take advantage of our opportunities in the fast growing market for Additive Manufacturing.

Mölndal, February 8, 2016

Magnus René, President & CEO

The information has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act.

The information was published on February 8, 2016 at 08.30 (CET).

Net sales, result and order intake

Net sales

Net sales for the year increased by 70% to a total of 576.1 (339.0) MSEK, of which sales in the fourth quarter amounted to 176.0 (137.1) MSEK.

Of the total sales EBM systems and services amounted to 360 (279) MSEK, sales of metal powders 113 (79) MSEK and contract manufacturing 103 (23) MSEK.

Result

The operating income for the period increased to 50.2 (21.7) MSEK of which the fourth quarter amounted to 14.0 (15.3) MSEK. The operating income for the period includes non-recurring costs of 0 (9.3) MSEK, relating to the acquisitions of AP&C and DiSanto.

Net income for the period amounted to 24.3 (57.7) MSEK of which income for the fourth quarter amounted to 2.7 (15.8) MSEK. Net income for 2014 includes capitalization of tax loss carry forwards of 15.8 MSEK.

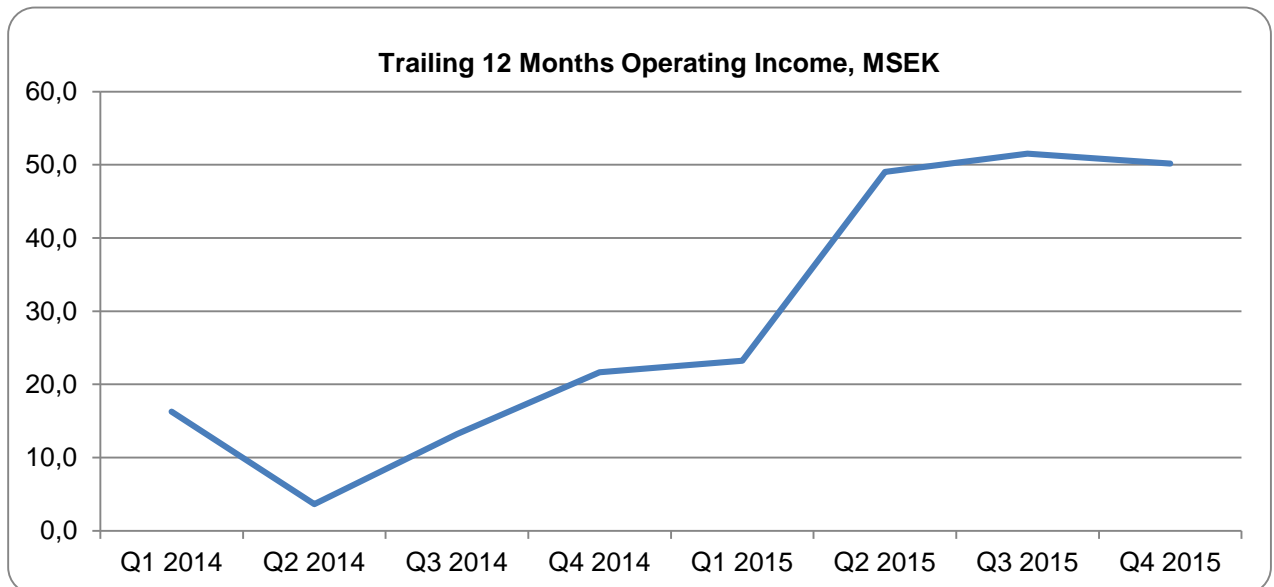
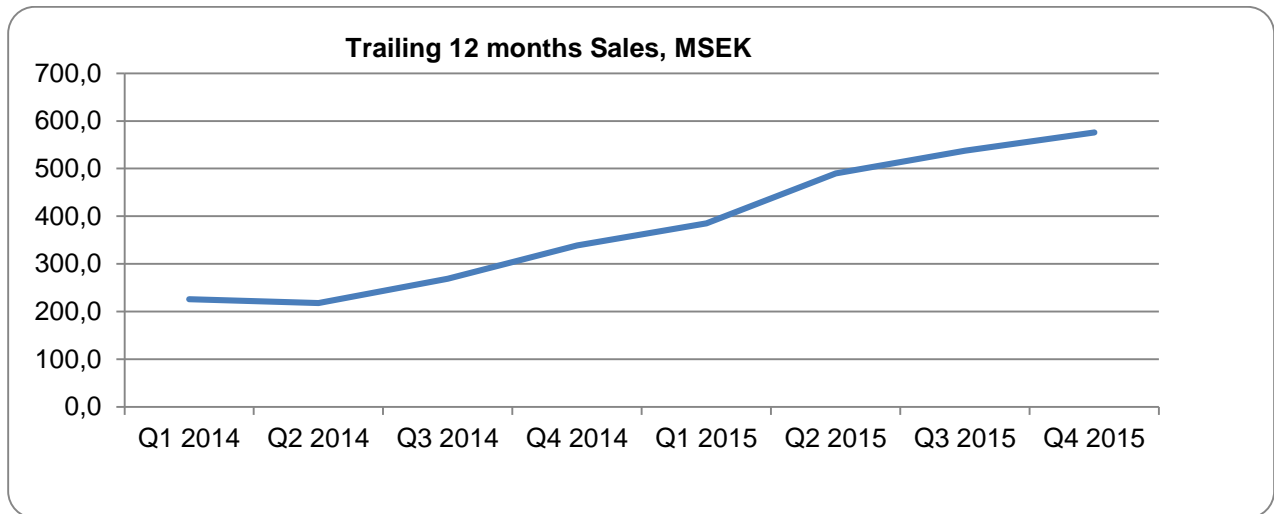
Order intake

During the period 58 (42) new orders for EBM systems were booked. At the end of the year the order book was 27 (19) systems.

Amounts in MSEK

Quarterly	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net Sales	176,0	138,1	150,6	111,4	137,1	90,8	46,1	64,9
Operating income	14,0	12,6	19,7	3,8	15,3	10,2	-6,1	2,3
System orders	29	12	7	10	21	5	10	6
Trailing Twelve Months	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net Sales	576,1	537,3	490,0	385,4	339,0	268,8	218,3	226,2
Operating income	50,2	51,5	49,0	23,2	21,7	13,2	3,7	16,3
System orders	58	50	43	46	42	31	30	27

Quarterly and trailing 12-months sales, earnings and system orders



Investments, depreciation and financial status

Investments and depreciation

Investments in fixed assets amounted to 27.6 (11.2) MSEK of which intangible fixed assets amounted to 3.2 (2.2) MSEK and tangible fixed assets to 24.4 (9.0) MSEK. Investments in intangible fixed assets during the period refer to investments in patents.

The development projects funded by EU grants are not included in the above numbers.

Depreciations on fixed assets amounted to SEK 23.2 (16.6) MSEK.

Acquisition related cash flow related to payment for the acquisition of AP&C and DiSanto, and AMS (the acquired agent in the UK) amounted to 71.4 (200.3) MSEK. See further information in Note 1.

Financial status

Cash and cash equivalents at the end of the period amounted to 460.2 (321.1) MSEK. Cash includes 8.3 (6.3) MSEK which the company disposes and operates for the EU development projects. The Group has no bank financing. All figures relates to the Group.

The company has a strong cash position and a strong equity ratio, 79 (69) %.

Product development and industrialization

The company's development work on the EBM technology is focused on industrialization and automatization to fulfil the very high standards expected within the aerospace and orthopedic implant industries. The work is often done in close collaboration with leading customers to match their specific system requirements.

Automation and industrialization of the product range is highly prioritized and during the year the Q-platform has been modernized. The machines hav, for example, been equipped with more powerful computing capability and automatic beam calibration. This gives increased performance in terms of both productivity and precision of the produced parts. The increased computing capacity has also enabled more advanced process monitoring and process control. The development work has resulted in new patent applications and in the year Arcam reached 100 granted patents spread over 50 patent families.

In addition to product development Arcam also lead very long development and research projects which aim to develop technologies that may be important in the long term. During the year Arcam has received funding for EU projects under Horizon2020. The project, EBM Perform, is research-oriented and aims to produce a plasma-powered electron source. A plasma-driven electron source could provide a more stable electron stream with significantly higher output and lower operating costs than today's electron sources.

The two EU-funded projects that Arcam led through the Seventh Framework Programme (FP7) have now been completed. These projects have resulted in two important patent applications for EBM technology systems with higher power than current systems. Work is underway to industrialize and implement these findings in Arcam's future products. Arcam continues to cooperate with Oak Ridge National Lab (ORNL) to further develop the Inconel process and quality control through LayerQam.

Metal powders manufacturer AP&C conducts long-term work to develop and industrialize the Plasma Atomization technology. During the year, progress has been made in terms of the efficiency of the Plasma technology and several of the inventions have been patented.

Staff

The number of employees in the group at the end of the period is 285 (228) persons.

Arcam share

Arcam's largest shareholders as of December 31, 2015 are:

Owner	Shares	(%)
OPPENHEIMER GLOB OPPORTUNITY FUND	3 148 808	15,3%
FÖRSTA AP-FONDEN	1 799 999	8,7%
HANDELSBANKEN FONDER	1 165 786	5,6%
STATE STREET BANK & TRUST COM., BOSTON	868 339	4,2%
CBLDN-UBS FINANCIAL SERVICES INC	748 980	3,6%
Total number of shares	20 638 227	

Of the company's shares, the company holds 100,000 class C-shares in order to secure the commitment of the share savings program.

Using a mandate from the Annual General Meeting, the company issued in the second quarter 1,799,999 new shares to Första AP-fonden.

Furthermore, a new share issue of 10 988 shares was done as part of the share savings program approved by the Extraordinary General Meeting in May. During the second quarter, warrants were executed to subscribe to a total of 62,000 new shares.

Following the divestment by Industrifonden, Åsa Knutsson has resigned as chairman of the nomination committee. The nomination committee has then appointed Olof Jonasson, Första AP-fonden, as her replacement.

Hence, the nomination committee will for future nominations consist of Olof Jonasson, Gunnar Ek and Rolf Ekedahl. Olof Jonasson, who represents one of the major shareholders of the company, was appointed as new chairman.

Annual General Meeting and extraordinary shareholder meeting

The AGM was held on March 23, 2015 and decided to re-elect the board members Göran Malm, Jan-Olof Brüer, Lars Bergström, Henrik Hedlund, Anna Hultin Stigenberg and Thomas Carlström. Anna Malm Bernstein was newly elected as member of the board. Göran Malm was elected as chairman of the board.

The AGM authorized the board to decide on the issues of new shares, convertible debentures and subscription options. The authorization covers an overall increase of the share capital not exceeding 1,800,000 SEK. The shares shall be issued at market stock price.

At an extraordinary shareholder meeting held on May 28, the shareholders decided according to a suggestion from the board to set up a long term incentive program for management in the Arcam group. The program is directed to members of the management teams of the Arcam group. As part of the program the shareholders decided on a new issue of a total of maximum 20,000 shares. The participants of the program will be invited to invest in those shares as savings shares at the start of the program. Furthermore, the shareholders decided to change the bylaws of the company to make the program possible.

The change, in short, allows for a new type of shares, C-shares. These shares will not be listed.

Accounting principles

The incentive program has been accounted in accordance with IFRS2 and UFR7. Otherwise, the applied accounting principles are the same as for the Annual Report of 2014.

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and for the parent company in accordance with the Annual Accounts Act and RFR 2, accounting for Legal Entities. New IFRS rules have not affected the Group accounting. Acquisition expenses are reported as expenses for the group but have been capitalized for the parent company.

This report has not been reviewed by the auditors.

Significant risks and uncertainties

The company sells complex systems in limited quantities. The sales process is long, and it takes 6-18 months to complete a deal. Changes in timing of transactions or deliveries may therefore have a major impact on the results for individual quarters.

The long-term development of the company is at this time also dependent on how the industrial economy develops. Although Arcam's priority markets are less cyclical than other sectors of the economy, it cannot be excluded that the current macro-economic and credit problems can have a negative impact on investment in machinery also in Arcam's key market segments.

Arcam has developed a commercially viable product. To fully exploit the potential of the product requires continuous development work on the application side with the aim to introduce new materials. Whilst product development is expected to provide Arcam with additional competitive advantages, it cannot be excluded that development is delayed, either due to insufficient resources or because of technical challenges.

Arcam has in 2014 completed two major acquisitions, AP&C and DiSanto. While these two acquisitions are expected to contribute to Arcam's development it cannot be excluded that challenges in conjunction with the acquisition of the companies or a delay in leveraging the businesses of the new group may have a negative impact on Arcam's results.

Information policy

Arcam follows the rules for disclosure of information stipulated in NASDAQ OMX Stockholm rules for issuers. The company publishes business events that the company believes are critical and thus affect the valuation. Orders with a value exceeding 20 MSEK will always be published.

Dividend

The Board and the CEO propose that no dividend is paid for the fiscal year 2015.

Financial Calendar

The Annual General Meeting for 2015 will take place on March 22, 2016 at 5.00 pm (CET).

Interim report for the quarter 1-3 is published on 21 April, 21 July and 21 October.

The Year End Report gives a true and fair view of the operations, financial position and results and also describes significant risks and uncertainties facing the Group.

Mölnadal, February 8, 2016

Arcam AB (publ)
The Board

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This is Arcam

Operations

Arcam provides cost-efficient Additive Manufacturing solutions for production of metal components. Arcam's Electron Beam Melting (EBM®) technology offers design freedom combined with excellent material properties and high productivity. Arcam is, through our solution orientation and comprehensive product offering, an innovative partner for advanced manufacturing, primarily in the aerospace and medical industries.

Arcam provides Electron Beam Melting systems through Arcam AB in Sweden, powder metals through AP&C in Canada and implant contract manufacturing through DiSanto in the U.S. The company is listed on Nasdaq Stockholm and the Head Office is located in Mölndal, Sweden.

History

Arcam was established in 1997, and in 2002 the first commercial EBM system, EBM S12 was introduced. In early 2007, Arcam A2 was introduced; a system of double construction volume compared with EBM S12. In late 2009 launched Arcam A1, an EBM system adapted for the production of orthopedic implants. In early 2013 Arcam Q10 was launched, a new EBM system with a focus on the implant market. With Arcam Q10 LayerQam was introduced, a system for quality control in production. In late 2013 Arcam launched Arcam Q20, an EBM system based on Arcam Q10 and adapted for the aerospace industry. In 2014 Arcam acquired AP&C in Canada and DiSanto in the USA, broadening the company offering to metal powders and contract manufacturing of orthopedic implants.

Market

Arcam's market is global with customers primarily in orthopedic implants and aerospace industries that take advantage of Arcam's technology for cost efficient manufacturing of products with advanced functionality.

Strategy in brief

Arcam focuses on two target groups in the manufacturing industries; orthopedic implant and aerospace industries. The focus in the short to medium term is to increase machine productivity, precision and accuracy.

Arcam protects its technology with strong patent protection where process knowledge are key components, for both hardware and software. Patents are filed in 11 key countries. Arcam works closely with customers to thoroughly understand their needs and to meet their expectations.

Business in brief

Arcam provides Electron Beam Melting systems through Arcam AB in Sweden, powder metals through AP&C in Canada and implant contract manufacturing through DiSanto in the U.S. Arcam's EBM systems is a hub in the offering to the market with metal powders and contract manufacturing being important supplementary products, broadening our offering to the market and providing recurring sales.

INCOME STATEMENT, MSEK GROUP	2015-10-01	2014-10-01	2015-01-01	2014-01-01
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Net sales	176,0	137,1	576,1	339,0
Cost of sales	-113,6	-90,4	-383,8	-219,0
Gross income	62,3	46,8	192,3	119,9
Research and development expenses	-18,4	-14,7	-60,9	-48,1
Selling, general & administrative expenses	-27,9	-20,7	-81,1	-56,4
Other operating income and expenses	-2,1	3,9	0,0	6,3
Operating income	14,0	15,3	50,2	21,7
Net financial items	-6,3	6,7	-11,8	20,2
Tax	-5,0	-6,2	-14,0	15,9
Net profit for the period	2,7	15,8	24,3	57,7
Other comprehensive income				
Items that can be reclassified into profit or loss				
Translation differences on foreign operations	-3,8	8,2	-5,3	16,2
Translation differences on hedge instruments	0,0	0,0	0,0	2,5
Other comprehensive income for the period	-3,8	8,2	-5,3	18,7
Total comprehensive profit for the period	-1,1	24,0	19,0	76,5
Earnings per share, SEK	0,13	0,80	1,18	3,10
Earnings per share after dilution, SEK	0,13	0,80	1,18	3,09

BALANCE SHEET, MSEK

GROUP	2015-12-31	2014-12-31
Goodwill	189,4	204,3
Other intangible fixed assets	42,6	53,1
Tangible fixed assets	69,4	54,9
Financial fixed assets	27,6	34,2
Total non-current assets	329,0	346,6
Inventory	157,4	115,4
Current receivables	193,1	142,6
Blocked funds	31,5	31,5
Cash and cash equivalents	428,7	289,6
Total current assets	810,6	579,1
Total assets	1 139,6	925,8
Stockholders' equity & liabilities		
Share capital	20,6	18,7
Other reserves	925,2	679,8
Translation reserve	11,7	17,0
Retained earnings	-49,5	-73,8
Total equity	908,0	641,7
Other long term liabilities, interest bearing	4,0	-
Other long term liabilities, non-interest bearing	7,0	51,4
Current liabilities, interest bearing	2,5	-
Current liabilities, non-interest bearing	218,0	232,7
Total equity and liabilities	1 139,6	925,8
Corporate mortgages	0,4	1,6
Contingent liabilities	-	-

**CASH FLOW STATEMENT, MSEK
GROUP**

	2015-10-01	2014-10-01	2015-01-01	2014-01-01
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Cash flow from operations before changes in working capital	18,3	14,7	67,2	37,2
Total change in working capital	2,7	28,8	-72,2	-10,5
Cash flow from operations	21,0	43,5	-4,9	26,7
Investments in intangible assets	-0,9	-0,7	-3,2	-2,2
Investments in tangible assets	-11,6	-4,0	-24,5	-9,0
Supplementary purchase consideration paid	0,0	1,4	-71,4	-200,3
Cash flow from investments activities	-12,5	-3,4	-99,0	-211,5
New share issue	-	-	245,4	2,7
Other	-1,3	-	-2,4	-
Cash flow from financing activities	-1,3	-	243,0	2,7
Increase/decrease in cash and cash equivalents	7,3	40,1	139,0	-182,2
Cash and cash equivalents at the beginning of the period	452,9	281,0	321,1	503,3
Cash and cash equivalents at end of the period	460,2	321,1	460,2	321,1

Cash related to the EU project amounts to 8,3 MSEK end of period.

**EQUITY, MSEK
GROUP**

	2015-01-01	2014-01-01
	2015-12-31	2014-12-31
Opening balance	641,7	552,9
New share issue	252,9	350,7
New share issue in progress	-	-348,0
Issue expenses	-7,5	-
Incentive program	1,9	-
Offset issue	-	9,7
Net profit for the period	24,3	57,7
Other comprehensive income for the period	-5,3	18,7
Closing balance	908,0	641,7

**BUSINESS AND FINANCIAL RATIOS
GROUP**

	2015-12-31	2014-12-31
Equity ratio %	79,7	69,3
Return on equity %	3,1	9,7
Return on capital employed %	5,5	6,5
Equity per share, SEK	44,0	34,4
Earnings per share, SEK	1,18	3,10
Earnings per share after dilution, SEK	1,18	3,09
Cash flow from operating activities per share	-0,24	1,45
Number of employees by period end	285	228
Number of shares by period end	20 638 227	18 665 240
Number of warrants by period end	360 000	465 000
Market value per share by period end	184,50	145,00

INCOME STATEMENT, MSEK PARENT COMPANY	2015-10-01	2014-10-01	2015-01-01	2014-01-01
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Net sales	139,7	107,8	423,5	277,8
Cost of sales	-85,8	-60,5	-263,6	-164,7
Gross income	53,9	47,3	159,9	113,1
Research and development expenses	-18,5	-14,4	-60,4	-47,1
Selling, general & administrative expenses	-16,6	-13,3	-47,9	-34,0
Other operating income and expenses	-2,3	2,0	-2,0	4,4
Operating income	16,4	21,7	49,6	36,4
Net financial items	-4,8	-0,5	-5,8	11,1
Tax	-2,9	-7,0	-8,3	15,8
Net profit for the period	8,7	14,2	35,5	63,3
Other comprehensive income for the period	-	-	-	-
Total comprehensive profit for the period	8,7	14,2	35,5	63,3
Earnings per share, SEK	0,42	0,76	1,72	3,44
Earnings per share after dilution, SEK	0,42	0,76	1,71	3,43

**BALANCE SHEET, MSEK
PARENT COMPANY**

	2015-12-31	2014-12-31
Intangible fixed assets	7,1	8,4
Tangible fixed assets	5,0	2,5
Financial assets	187,9	164,4
Receivables from group companies	124,8	86,6
Total fixed assets	324,8	261,9
Inventory	92,1	67,7
Current receivables	146,8	107,7
Receivables from group companies	68,6	39,9
Blocked funds	31,5	31,5
Cash and cash equivalents	409,3	274,8
Total current assets	748,2	521,6
Total assets	1 073,0	783,5
Stockholders' equity & liabilities		
Share capital	20,6	18,7
Statutory reserve	62,3	62,3
Retained earnings	832,1	551,8
Total equity	915,0	632,8
Liabilities to group companies	4,6	8,1
Current liabilities, non-interest bearing	153,4	142,6
Total stockholders' equity & liabilities	1 073,0	783,5
Corporate mortgages	0,4	1,6
Contingent liabilities	58,8	128,8

Note 1 Acquisitions

DiSanto Technology Inc

On 2 September 2014, Arcam AB acquired its strategic partner DiSanto Technology Inc in the USA. The acquisition combines Arcam's EBM technology and DiSanto's all-in-one services for the contract manufacturing of orthopaedic implants.

During Q3 2015, Arcam utilized the opportunity according to the acquisition agreement to conduct what is known as a 338 Election in the USA. This means that the acquired assets, including goodwill, are considered, from a tax perspective, to have been acquired as a net assets acquisition, which is why the acquired fair value also constitutes the taxable value. As part of this decision, Arcam has paid an additional purchase sum of USD 626,000 to compensate the sellers for additional taxes in conjunction with the divestment.

As the acquired fair value also constitutes the taxable value, there are no temporary differences initially, which is why no deferred taxes are reported, except for goodwill, see below for explanation. The acquisition analysis has consequently been adjusted in respect of this fact. The acquisition analysis is now final.

According to a preliminary acquisition analysis, the original goodwill amounted to USD 3.2 million. Goodwill has increased by USD 0.6 million as a result of the additional purchase sum. Due to a reallocation between goodwill and intangible assets and new treatment of deferred tax liability totalling USD 0.6 million, goodwill remains unchanged at USD 3.2 million.

Customer relations and quality systems have been changed by USD 3.3 million through a reallocation between goodwill and intangible assets, due to final valuation of the identifiable acquired intangible assets and new treatment of deferred tax liability.

The recognized goodwill that has arisen has a lower carrying amount than the taxable value in the USA. Consequently, a deferred tax asset of USD 2.1 million has been recognized on the difference.

The operating profit was positively affected due to a reduction in depreciation of SEK 2.1 million in 2014, SEK 1.6 million in Q1 2015 and SEK 1.6 million in Q2 2015. The balance sheet total decreased by SEK 13.1 million in 2014, SEK 12.7 million in Q1 2015 and SEK 11.1 million in Q2 2015.

The total purchase price amounts to USD 13.1 million, divided into a cash payment of USD 10.8 million (of which USD 0.6 million refers to the additional purchase price 2015 as a result of the 338 Election), an offset issue of USD 1.4 million (relating to the subscription settlement upon the sellers' exercise of warrants in Arcam AB), and the conversion of a convertible loan to DiSanto of USD 0.9 million. The transaction is being financed with Arcam's existing funds.

Net assets	44,2
Goodwill	23,1
Intangible fixed assets	10,5
Deferred tax liabilities	14,8
Total purchase sum	92,6
Convertibles	-6,5
Offset share issue	-9,7
Effect of acquisition on Group cash flow	76,5

Goodwill is declared primarily as future sales growth and knowledge among existing personnel.