

SinterCast Results: Third Quarter 2019



Year-on-year series production increases by 52%

Continued strong Operating Result

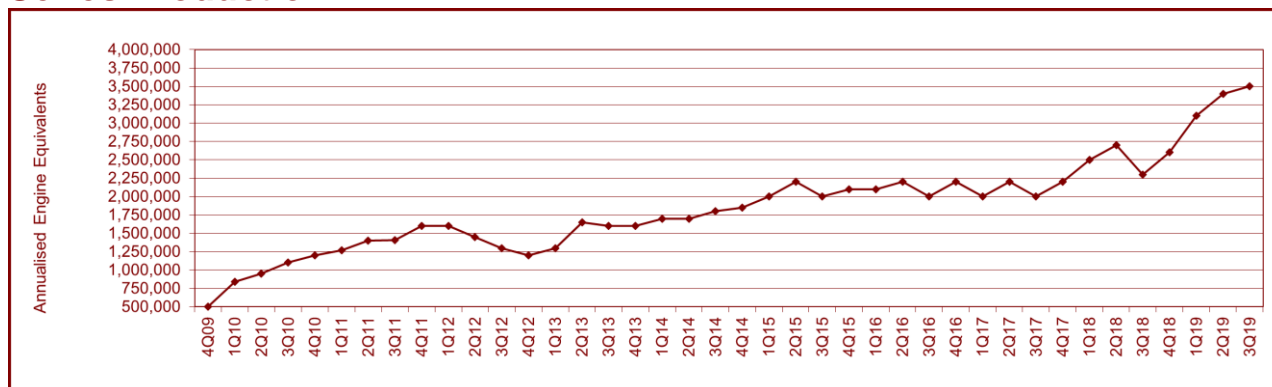
Third Quarter 2019

- **Revenue for Period:** SEK 30.8 million (SEK 19.7 million)
- **Operating Result:** SEK 14.5 million (SEK 6.0 million)
- **Earnings per Share:** SEK 2.0 per share (SEK 1.0 per share)
- **Cashflow from Operations:** SEK 16.2 million (SEK 9.9 million)
- Record annualised quarterly production of 3.5 million Engine Equivalents
- Record annualised monthly production of 3.9 million Engine Equivalents in September
- WHB Automotive, Brazil, orders extended trial of SinterCast process control technology

2019 Year-to-Date

- **Revenue for Period:** SEK 87.2 million (SEK 63.1 million)
- **Operating Result:** SEK 36.3 million (SEK 21.9 million)
- **Earnings per Share:** SEK 5.2 per share (SEK 3.2 per share)
- **Cashflow from Operations:** SEK 30.6 million (SEK 20.8 million)
- **56 Installations in 14 Countries:** 25 (24) fully automated systems, 26 (22) mini-systems and five (four) tracking systems

Series Production*



Series production continued to grow in the third quarter, reaching an annualised record of 3.5 million Engine Equivalents for the quarter, providing 52% year-on-year growth. Series production reached the new all-time high of 3.9 million Engine Equivalents in September.

* Annualised average production of Engine Equivalents during the quarter (1 Engine Equivalent = 50 kg)

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CEO Comments

Record production as year-to-date revenue reaches full-year 2018 level

Benefitting from record series production of 3.9 million Engine Equivalents in September, annualised series production reached 3.5 million Engine Equivalents in the second quarter of 2019, providing 52% year-on-year growth and setting a new quarterly record. The third quarter performance also benefitted from solid contributions in July and August, with the continued high demand for pick-up truck and commercial vehicle applications minimising the impact of the traditional summer shutdown period. In total, five of the last seven quarters have established new records for series production, resulting in the annualised year-to-date production being 32% above the full-year 2018 volume. The growth has resulted in year-to-date revenue of SEK 87.2 million, effectively equalling the full-year revenue of SEK 87.7 million achieved in 2018.

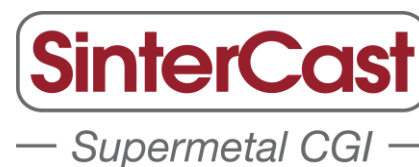
The strong series production resulted in a 30% year-on-year increase in Sampling Cup shipments, with 55,700 units shipped in the third quarter; the second highest quarterly volume. The higher Sampling Cup volume benefitted from the significant increase in the core cylinder block and head production, and was also influenced by order timing. These effects compensated for the lower Sampling Cup demand from exhaust component production in China, bringing the year-to-date Sampling Cup consumption to 144,100 units; just 1.5% behind the 2018 volume for the same period. The third quarter also benefitted from strong installation activity, with year-to-date installation revenue reaching SEK 9.5 million, approximately 45% higher than the historical full-year average of approximately SEK 6.5 million. Together, the increases in series production, Sampling Cup shipments and installation activity resulted in a 38% increase in revenue and a 65% increase in the operating result for the first three quarters of the year.

Positive outlook for installation revenue

During the second quarter, the WHB foundry in Brazil ordered an extended trial of the SinterCast process control technology for the production of Compacted Graphite Iron (CGI). The System 4000 is scheduled to be commissioned during the fourth quarter of 2019, with the trial concluding during the first half of 2020. WHB reserves the right to exercise a purchase option to acquire the System 4000 at the conclusion of the trial, providing a potential contribution to the 2020 installation revenue. The outlook for 2020 installation revenue is also buoyed by the previously announced System 4000 *Plus* installation at the new Scania foundry in Sweden, scheduled for mid-2020.

Several other installation discussions are ongoing for CGI process control systems, capacity upgrades, and Tracking Technologies installations in grey iron, CGI and ductile iron foundries. In addition to these current installation opportunities, SinterCast is also investigating the development of other unique technologies – within and beyond the scope of thermal analysis – to improve quality and production efficiency in the metals industry, and to broaden our product portfolio and our production base.

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Financial Summary

Revenue

The revenue for the SinterCast Group relates primarily to income from equipment, series production and engineering service.

Revenue Breakdown (Amounts in SEK million if not otherwise stated)	July-September		January-September	
	2019	2018	2019	2018
Number of Sampling Cups shipped	55,700	42,800	141,900	144,100
Equipment ¹	2.4	0.5	9.5	2.9
Series Production ²	28.2	18.7	77.1	59.0
Engineering Service ³	0.2	0.5	0.6	1.2
Total	30.8	19.7	87.2	63.1

- Notes:**
1. Includes revenue from system sales and leases and sales of spare parts
 2. Includes revenue from production fees, consumables and software licence fees
 3. Includes revenue from technical support, on-site trials and sales of test pieces

The **July–September 2019** revenue amounted to SEK 30.8 million (SEK 19.7). Series production revenue increased by 51% to SEK 28.2 million (SEK 18.7 million), due to a 52% increase in annualised series production, to 3.5 million (2.3 million) Engine Equivalents and a 30% increase in Sampling Cup shipments to 55,700 (42,800). Equipment revenue amounted to SEK 2.4 million (SEK 0.5 million) and Engineering Service amounted to SEK 0.2 million (SEK 0.5 million).

The **January–September 2019** revenue amounted to SEK 87.2 million (SEK 63.1 million). Series production revenue increased by 31% to SEK 77.1 million (SEK 59.0 million), due to a 32% increase in series production, to 3.3 million (2.5 million) Engine Equivalents, combined with Sampling Cup shipments of 141,900 (144,100). Equipment revenue amounted to SEK 9.5 million (SEK 2.9 million) and Engineering Service amounted to SEK 0.6 million (SEK 1.2 million).

Results

The business activities of SinterCast are best reflected by the Operating Result. This is because the “Result for the period after tax” and the “Earnings per Share” are influenced by the financial income and costs and by the revaluation of tax assets.

Results Summary (Amounts in SEK million if not otherwise stated)	July-September		January-September	
	2019	2018	2019	2018
Operating Result	14.5	6.0	36.3	21.9
Result for the period after tax	14.2	7.0	36.6	22.5
Earnings per Share (SEK)	2.0	1.0	5.2	3.2

The **July–September 2019** operating result amounted to SEK 14.5 million (SEK 6.0 million), as a result of higher gross results of SEK 8.8 million primarily derived from higher revenue and product mix, combined with higher operating costs primarily due to increased sales-related expenses. The Result for the period after tax amounted to SEK 14.2 million (SEK 7.0 million), primarily related to the SEK 8.5 million increase in the operating result, and a decrease of SEK 1.3 million in the financial net (primarily decreased unrealised

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revaluation losses derived from outstanding hedge contracts). The implementation of IFRS 16 – Leases had no material effect on the third quarter Operating Result.

The **January–September 2019** operating result amounted to SEK 36.3 million (SEK 21.9 million), as a result of higher gross results of SEK 18.5 million primarily derived from higher revenue, combined with higher operating costs of SEK 4.1 million, primarily due to increased sales-related expenses. The Result for the period after tax amounted to SEK 36.6 million (SEK 22.5 million), primarily related to the SEK 14.4 million increase in the operating result. The implementation of IFRS 16 – Leases, increased the Operating Result by approximately SEK 0.2 million by transferring lease expenses to depreciation and interest expenses.

Cashflow, Liquidity and Investments

Cashflow Summary Year-to-Date <small>(Amounts in SEK million if not otherwise stated)</small>	January-September		Cashflow Changes
	2019	2018	2019 vs. 2018
Cashflow from operations, before change in working capital	37.9	23.5	14.4
Change in working capital	-7.3	-2.7	-4.6
Cashflow from operations	30.6	20.8	9.8
Cashflow from investing activities	-1.2	-2.0	0.8
Cashflow from financing activities	-18.5	-19.5	1.0
Exchange rate differences in cash and cash equivalents	0.0	0.0	0.0
Cashflow total	10.9	-0.7	11.6
Liquidity	43.7	29.4	

The **January–September 2019** cashflow from operations increased by SEK 9.8 million compared to the same period last year due to the cashflow increase before changes in working capital of SEK 14.4 million and the decrease in working capital of SEK 4.6 million. Total investments amounted to SEK 1.2 million. The total cashflow amounted to SEK 10.9 million (SEK -0.7 million), primarily due to the first dividend payment in the amount of SEK 17.5 million (total dividend 2018: SEK 19.5 million).

Liquidity on 30 September 2019 was SEK 43.7 million (SEK 29.4 million). SinterCast has no loans.

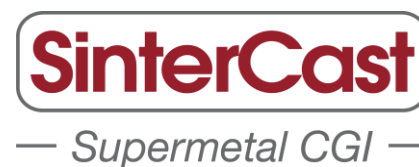
Deferred Tax Asset

Tax income for the **January–September 2019** period amounted to SEK 0.9 million (SEK 1.0 million), of which SEK 1.0 million was due the reassessed deferred tax calculation and SEK -0.1 million was due to paid income tax. The estimated future taxable profit and deferred tax asset calculation is reassessed every quarter. As of 30 September 2019, SEK 176.9 million (SEK 161.1 million) of the SinterCast total carried-forward tax losses are the basis of the updated calculation, resulting in SEK 36.6 million (SEK 33.3 million) being capitalised as a deferred tax asset.

Risks and Uncertainty Factors

Uncertainty factors for SinterCast include the timing of OEM decisions for new CGI engines and other components, adherence to start-of-production dates and ramp projections, the global economy for new vehicle sales, technology trends and emissions legislation, and the individual sales success of vehicles equipped with SinterCast-CGI components.

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In Europe, passenger vehicle sales have increased for the last five years. Most forecasters indicate a stable near-term outlook for passenger vehicles and moderate growth for commercial vehicles. However, uncertainty remains and this could affect infrastructure, investment, trade and, ultimately, vehicle sales. In Asia, the dominant Chinese market has shown recovery in the commercial vehicle sector, which represents the primary opportunity for CGI. Growth for SinterCast in China depends on the continued modernisation of road infrastructure, enforcement of emissions legislation, and acceptance of the SinterCast business model. In North America, passenger vehicle sales remain strong and SinterCast has benefitted from the recent market growth and the trend toward larger crossovers, SUVs and pick ups. Although the top-three best-selling vehicles in America have recently committed to diesel engine options, the long-term outlook for diesel passenger vehicles remains uncertain. The possible renegotiation of international tariffs and free trade agreements could also have an impact on the global passenger vehicle and commercial vehicle markets.

For full risk and uncertainty factor information, see Note 26 on pages 50 and 51 in SinterCast Annual Report 2018

Organisation

With successful high volume CGI production in customer foundries located in Europe, Asia and the Americas, SinterCast has established a global organisation with employees and offices in Sweden, the United Kingdom, the United States, China and Korea. As of 30 September 2019, the Group had 22 (21) employees, three (four) of whom are female. SinterCast is well positioned to support global market activities and to drive the future growth of the company.

Parent Company

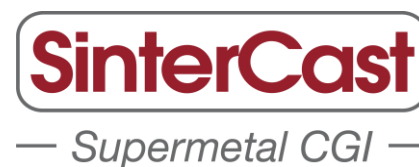
SinterCast AB (publ) is the Parent Company of the SinterCast Group, with its registered office located in Stockholm, Sweden. On 30 September 2019, the Parent Company had 17 (16) employees. The majority of the operations are managed by the Parent Company while local operations in the United Kingdom, United States, Korea and China are managed by the local companies. The information given for the Group in this report corresponds in all material respects to the Parent Company. However, the result for the period may differ between the Group and the Parent Company due to intercompany transactions between the Parent Company and its subsidiaries.

Accounting Principles

The information provided on behalf of the Group in this interim report has been prepared in accordance with Sweden's Annual Accounts Act and IAS 34 Interim Financial Reporting. The reporting for the Parent Company has been prepared in accordance with Sweden's Annual Accounts Act, chapter 9 interim report, and RFR 2. The accounting policies that have been applied for the Group and the Parent Company agree with the accounting policies used in the preparation of the company's latest Annual Report.

The new IFRS standard IFRS – 16 Leases was applied from the financial year beginning 1 January 2019 and SinterCast has chosen the cumulative catch-up approach and has opted to not restate comparative figures (2018). The lease portfolio includes a limited number of contracts, primarily related to operational leases for offices, warehouses, company cars and office equipment. Right-of-use assets have been determined as an amount equal to the lease liabilities as identified at initial application. A single discount rate has been applied. Lease contracts shorter than 12 months or ending within 12 months at the date of application are considered short-term and hence not recognised as lease liability or right-of-use asset. Low value contracts (with a value below EUR 5,000) are also excluded from being recognised as lease liability or right-of-use asset. The adjustment to the opening balance 1 January 2019 is shown in the following table:

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	Closing balance 31 Dec 2018 before transition to IFRS 16 Leases	Reclassifications due to transition to IFRS 16 Leases	Adjustments due to transition to IFRS 16 Leases	Adjusted opening balance 1 Jan 2019
(SEK million)				
Right-of-use assets	-	-	3.6	3.6
Lease liabilities, interest bearing	-	-	3.6	3.6

The consolidated balance sheet as of 30 September 2019 includes right of use assets amounting to SEK 3.0 million, including long term lease liabilities amounting to SEK 2.2 million and short-term liabilities amounting to SEK 1.1 million.

Alternative Performance Measures are defined and included in this report in the Key Ratio and Share Data tables. More information of Accounting Policies is included in the Annual Report 2018, pages 35-41.

No material transactions have taken place between SinterCast and the Board or the Management during the period.

Events after the Balance Sheet Date

There have been no significant events since the balance sheet date of 30 September 2019 that could materially change these financial statements. No press releases have been issued:

Dividend 2019 – Second Payment

The Annual General Meeting (AGM) of the shareholders, held on 23 May 2019, decided upon an ordinary dividend of SEK 3.50 per share (SEK 2.75 per share) and an extraordinary dividend of SEK 1.50 per share (SEK 0.0 per share), representing a distribution of SEK 35.5 million (SEK 19.5 million) to the shareholders of SinterCast AB (publ) for the financial year 2018. The AGM further decided that the dividend shall be distributed to the shareholders in two equal payments of SEK 2.50 per share, with 27 May 2019 as the record date for the first payment and 27 November 2019 as the record date for the second payment.

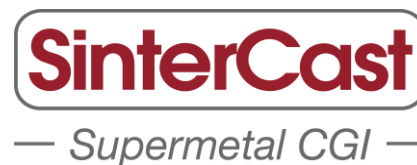
Nomination Committee

The Nomination Committee, elected by the Annual General Meeting 2019, consists of Ulla-Britt Fräjdin-Hellqvist, Chairman, Andrea Fessler, Jan Åke Jonsson, Chairman of the Board of Directors and Aage Figenschou. Shareholders wishing to provide input or proposals should provide written submissions to the Nomination Committee (e-mail: nomination.committee@sintercast.com) at least seven weeks prior to the Annual General Meeting for the proposal to be included in the notice of the meeting.

Annual General Meeting

The Annual General Meeting 2020 of SinterCast AB (publ) will be held on Tuesday 19 May 2020. Shareholders wishing to have a matter considered at the Annual General Meeting should provide written submissions to agm.registration@sintercast.com or to the company: SinterCast AB (publ), Kungsgatan 2, 641 30 Katrineholm, Sweden, at least seven weeks prior to the Annual General Meeting for the proposal to be included in the notice of the meeting. Further details on how and when to register will be published in advance of the Annual General Meeting.

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Information

Interim Reports

October-December 2019 and Full Year Results 2019
January-March 2020
April-June 2020
July-September 2020

Publication Date

19 February 2020
21 April 2020
19 August 2020
28 October 2020

This report has been reviewed by the company's Auditors.

Stockholm 13 November 2019

For further information please contact:

Dr. Steve Dawson

President & CEO

SinterCast AB (publ)

Office: +46 150 794 40

Mobile: +44 771 002 6342

e-mail: steve.dawson@sintercast.com

website: www.sintercast.com

This press release contains information SinterCast AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the President & CEO Dr. Steve Dawson, at 08:00 CET on 13 November 2019.

SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). With at least 75% higher tensile strength, 45% higher stiffness and approximately double the fatigue strength of conventional grey cast iron and aluminium, CGI allows engine designers to improve performance, fuel economy and durability while reducing engine size, weight, noise and emissions. The SinterCast technology is used for the production of petrol and diesel engine cylinder blocks and exhaust components for passenger vehicles, medium-duty and heavy-duty cylinder blocks and heads for commercial vehicles, and industrial power engine components for agriculture, marine, rail, off-road and stationary engine applications. SinterCast supports the series production of components ranging from 2.7 kg to 9 tonnes, all using the same proven process control technology. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve process control, productivity and traceability in a variety of applications. With 56 installations in 14 countries, SinterCast is a publicly traded company, quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange (SINT). For more information: www.sintercast.com

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Auditor's report

SinterCast AB (publ), corp. reg. no. 556233-6494

Introduction

We have reviewed the condensed interim financial information (interim report) of SinterCast AB (publ) as of 30 September 2019 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 13 November 2019

Öhrlings PricewaterhouseCoopers AB

Tobias Strähle
Authorized Public Accountant

- END -

Income Statement - SinterCast Group

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Revenue	30.8	19.7	87.2	63.1	87.7	65.6
Cost of goods sold	-6.2	-3.9	-18.8	-13.2	-18.8	-15.0
Gross result	24.6	15.8	68.4	49.9	68.9	50.6
Gross result %	80%	80%	78%	79%	79%	77%
Cost of sales and marketing	-5.9	-5.1	-18.8	-15.1	-21.4	-18.7
Cost of administration	-2.5	-1.7	-6.5	-5.4	-7.4	-6.3
Cost of research & development	-3.0	-2.1	-7.9	-7.4	-10.3	-7.3
Other operating income	1.1	-0.8	1.1	0.0	0.0	0.0
Other operating costs	0.2	-0.1	0.0	-0.1	-0.4	-0.6
Operating result	14.5	6.0	36.3	21.9	29.4	17.7
Financial income	0.0	0.0	0.0	0.0	0.1	0.1
Financial costs	-0.3	1.0	-0.6	-0.4	-0.1	-0.1
Income Tax	0.0	0.0	0.9	1.0	3.3	0.9
Result for the period	14.2	7.0	36.6	22.5	32.7	18.6
Result attributable to:						
Equity holder of the parent company	14.2	7.0	36.6	22.5	32.7	18.6
Non-controlling interests	-	-	-	-	-	-
Earnings per share, SEK	2.0	1.0	5.2	3.2	4.6	2.6
Earning per share, diluted, SEK	2.0	1.0	5.2	3.2	4.6	2.6
Number of shares at the close of the period, thousands	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1
Average number of shares, thousands	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1
Average number of shares, diluted	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1

Statement of Other Comprehensive Income - SinterCast Group

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Result for the period	14.2	7.0	36.6	22.5	32.7	18.6
Other comprehensive income						
<i>Items may be reclassified to the income statement:</i>						
Translation differences, foreign subsidiaries	0.1	-0.1	0.0	0.0	-0.1	-0.2
Other comprehensive income, net of tax	0.1	-0.1	0.0	0.0	-0.1	-0.2
Total comprehensive income for the period	14.3	6.9	36.6	22.5	32.6	18.4
Total comprehensive income attributable to:						
Shareholder of the parent company	14.3	6.9	36.6	22.5	32.6	18.4
Non-controlling interests	-	-	-	-	-	-

Cashflow Statement - SinterCast Group

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Operating activities						
Operating result	14.5	6.0	36.3	21.9	29.4	17.7
Adjustments for items not included in the cash flow						
Depreciation	1.4	0.4	2.4	1.7	2.2	1.5
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unrealised exchange rate differences	-0.2	-1.4	-0.4	0.0	0.0	-0.1
Received interest	0.0	0.0	0.0	0.0	0.1	0.0
Paid interest	-0.2	-0.1	-0.3	-0.1	-0.1	-0.1
Paid income tax	0.0	0.0	-0.1	0.0	0.0	-0.1
Total cashflow from operating activities before change in working capital	15.5	4.9	37.9	23.5	31.6	18.9
Change in working capital						
Inventory	0.6	-1.3	0.3	-1.2	-2.3	0.1
Operating receivables	0.5	5.3	-7.5	-1.8	-6.9	0.8
Operating liabilities	-0.4	1.0	-0.1	0.3	2.4	-2.9
Total change in working capital	0.7	5.0	-7.3	-2.7	-6.8	-2.0
Cashflow from operations	16.2	9.9	30.6	20.8	24.8	16.9
Investing activities						
Acquisition of intangible assets	0.0	-0.5	-0.6	-1.1	-1.7	-3.3
Acquisition of tangible assets	-0.5	-0.1	-0.6	-0.9	-0.9	-0.4
Cashflow from investing activities	-0.5	-0.6	-1.2	-2.0	-2.6	-3.7
Financing activities						
Dividend	0.0	0.0	-17.7	-19.5	-19.5	-28.4
Payment lease liability	-0.3	-	-0.8	-	-	-
Cashflow from financing activities	-0.3	0.0	-18.5	-19.5	-19.5	-28.4
Exchange rate differences in cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Change in cash and cash equivalents*	15.4	9.3	10.9	-0.7	2.7	-15.2
Cash - opening balance	28.3	20.1	32.8	30.1	30.1	45.3
Cash - closing balance	43.7	29.4	43.7	29.4	32.8	30.1

* The cash and cash equivalents comprises short-term deposits and cash at bank and in hand

Balance Sheet - SinterCast Group

AMOUNTS IN SEK MILLION	30 Sep 2019	30 Sep 2018	30 Jun 2019	30 Jun 2018	31 Dec 2018	31 Dec 2017
ASSETS						
Intangible assets	7.2	7.4	7.6	7.3	7.6	7.7
Tangible assets, including right of use assets *	4.9	2.2	5.1	2.3	2.1	1.7
Financial assets	0.4	0.4	0.4	0.4	0.4	0.4
Deferred tax asset	36.6	33.3	36.6	33.3	35.6	32.3
Total fixed assets	49.1	43.3	49.7	43.3	45.7	42.1
Inventory	6.2	5.4	6.8	5.4	6.5	4.2
Short term receivables	32.7	20.1	33.2	24.2	25.2	18.3
Short term deposits and cash at bank and in hand	43.7	29.4	28.3	20.1	32.8	30.1
Total current assets	82.6	54.9	68.3	49.7	64.5	52.6
Total assets	131.7	98.2	118.0	93.0	110.2	94.7
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity	118.1	89.0	103.7	82.1	99.2	85.8
Long term liabilities*	2.1	0.0	2.1	0.0	0.0	0.0
Current liabilities*	11.5	9.2	12.2	10.9	11.0	8.9
Total shareholders' equity and liabilities	131.7	98.2	118.0	93.0	110.2	94.7
Equity per share, SEK	16.7	12.6	14.6	11.6	14.0	12.1

* Includes right of use assets (SEK 3.0 Million), long term lease liability (SEK 2.2 million) and short term liability (SEK 1.0 million)

* STATEMENT OF CHANGES IN EQUITY	Share Capital	Additional Paid in Capital	Exchange Differences	Accumulated Result	Total Equity
Attributable to the equity holder of the parent company					
Opening balance 1 January 2018	7.09	44.87	1.91	31.92	85.79
Change in accounting principles	-	-	-	0.28	0.28
Revised opening balance 1 January 2018	7.09	44.87	1.91	32.20	86.07
Total comprehensive income	-	-	-0.03	22.50	22.47
Dividend	-	-	-	-19.50	-19.50
Closing balance 30 September 2018	7.09	44.87	1.88	35.20	89.04
Opening balance 1 January 2019	7.09	44.87	1.85	45.36	99.17
Total comprehensive income	-	-	0.02	36.59	36.61
Dividend	-	-	-	-17.73	-17.73
Closing balance 30 September 2019	7.09	44.87	1.87	64.22	118.05

Fair value measurement of financial assets and liabilities

The group have Financial assets consisting of derivative instruments, included in other debtors or other creditors, and commercial papers and fixed income instruments. The fair value of derivative instruments, not traded on an active market, is based on observable market currency rates. Cash flows are discounted using market interest rates. Commercial papers and fixed income instruments are traded on an active market and the fair value is determined by available market prices. These effects are recognized over profit & loss.

Key Ratio and Share Data - SinterCast Group

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Key Ratio						
Revenue*	30.8	19.7	87.2	63.1	87.7	65.6
Result for the period*	14.2	7.0	36.6	22.5	32.7	18.6
Operating margin %	47.1	30.5	41.6	34.7	33.5	27.0
Solidity, %	89.7	90.6	89.7	90.6	90.0	90.6
Shareholders' equity	118.1	89.0	118.1	89.0	99.2	85.8
Capital employed	120.2	89.0	120.2	89.0	99.2	85.8
Total assets	131.7	98.2	131.7	98.2	110.2	94.7
Return on shareholders' equity, %	12.8	8.2	33.7	25.7	35.4	20.5
Return on capital employed, %	12.8	8.2	33.7	25.7	35.4	20.5
Return on total assets, %	11.4	7.3	30.3	23.3	31.9	18.4
Employees						
Number of employees at the end of the period	22	21	22	21	21	21
Data per Share						
Earnings per share, SEK*	2.0	1.0	5.2	3.2	4.6	2.6
Dividends per share, SEK	-	-	2.5	2.8	2.8	4.0
Cashflow from operations per share, SEK	2.3	1.4	4.3	2.9	3.5	2.4
Share price at the end of the period, SEK	131.0	90.6	131.0	90.6	80.8	65.0

* According to IFRS. All other key ratios and share data are defined as Alternative Performance Measures (APMs).
Definition of key ratios can be found in the Annual Report 2018, note 29.

Operating margin %

Operating result as percentage of revenue

Solidity %

Shareholders' equity expressed as percentage of total assets end of period

Equity per share

Shareholders' equity divided by the average number of shares

Capital employed

Total assets less non-interest bearing liabilities

Return on shareholders' equity %

Result for the period as a percentage of average shareholders' equity
Quarterly values are not annualised

Return on capital employed %

Result for the period as a percentage of average capital employed
Quarterly values are not annualised

Return on total assets %

Result for the period as a percentage of total average assets.
Quarterly values are not annualised

Average number of shares

Weighted average of the number of shares outstanding for the period

Average number of shares adjusted for dilution

Weighted average of the number of shares for the period adjusted for dilution

Earnings per share

Result for the period divided by the average number of shares

Earnings per share, diluted

Result for the period divided by the average number of shares adjusted for dilution

Dividend per share

Dividend divided by the number of shares

Cashflow from operations per share

Cashflow from operations divided by the number of shares

Share price at the end of the period

Latest paid price for the SinterCast share at NASDAQ Stockholm stock exchange

Value presented as "0.0"

Amount below SEK 50,000

Value presented as "-"

No amount applicable

Income Statement - SinterCast AB

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Revenue	30.7	19.5	86.0	62.6	87.1	64.8
Cost of goods sold	-6.6	-4.2	-19.2	-13.5	-18.8	-15.0
Gross result	24.1	15.3	66.8	49.1	68.3	49.8
Gross result %	79%	78%	78%	78%	78%	77%
Cost of sales and marketing	-5.9	-5.1	-18.8	-15.1	-21.4	-18.7
Cost of administration	-2.5	-1.7	-6.5	-5.4	-7.4	-6.3
Cost of research & development	-3.0	-2.1	-7.9	-7.4	-10.3	-7.3
Other operating income	1.1	-0.4	1.1	0.0	0.0	0.0
Other operating costs	0.2	-0.1	0.0	-0.1	-1.1	-0.3
Operating result	14.0	5.9	34.7	21.1	28.1	17.2
Financial income	0.0	-0.1	0.0	0.0	0.1	0.2
Financial costs	-0.3	1.1	-0.5	-0.4	-0.1	-0.1
Income Tax	0.0	0.0	1.0	1.0	3.3	1.0
Result for the period	13.7	6.9	35.2	21.7	31.4	18.3
Result attributable to:						
Equity holder of the parent company	13.7	6.9	35.2	21.7	31.4	18.3
Non-controlling interests	-	-	-	-	-	-
Earnings per share, SEK	1.9	1.0	5.0	3.1	4.4	2.6
Earning per share, diluted, SEK	1.9	1.0	5.0	3.1	4.4	2.6
Number of shares at the close of the period, thousands	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1
Average number of shares, thousands	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1
Average number of shares adjusted for dilution	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1	7,090.1

Statement of Other Comprehensive Income - SinterCast AB

AMOUNTS IN SEK MILLION	July-September		January-September		January-December	
	2019	2018	2019	2018	2018	2017
Result for the period	13.7	6.9	35.2	21.7	31.4	18.3
Total comprehensive income for the period	13.7	6.9	35.2	21.7	31.4	18.3
Total comprehensive income attributable to:						
Shareholder of the parent company	13.7	6.9	35.2	21.7	31.4	18.3
Non-controlling interests	-	-	-	-	-	-

Balance Sheet - SinterCast AB

AMOUNTS IN SEK MILLION	30 Sep 2019	30 Sep 2018	30 Jun 2019	30 Jun 2018	31 Dec 2018	31 Dec 2017
ASSETS						
Intangible assets	7.2	7.4	7.6	7.3	7.6	7.7
Tangible assets	1.9	2.2	1.9	2.3	2.0	1.7
Financial assets	2.3	2.2	2.3	2.0	2.3	2.1
Deferred tax asset	36.6	33.3	36.6	33.3	35.6	32.3
Total fixed assets	48.0	45.1	48.4	44.9	47.5	43.8
Inventory	6.1	5.3	6.7	5.4	6.5	4.1
Short-term receivables	37.4	23.1	36.7	26.5	24.9	18.2
Short term deposits and cash at bank and in hand	41.1	27.7	24.1	17.9	31.2	28.7
Total current assets	84.6	56.1	67.5	49.8	62.6	51.0
Total assets	132.6	101.2	115.9	94.7	110.1	94.8
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity*	110.0	82.9	96.3	75.9	92.5	80.6
Long term liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	22.6	18.3	19.6	18.8	17.6	14.2
Total shareholders' equity and liabilities	132.6	101.2	115.9	94.7	110.1	94.8
Adjusted equity per share, SEK	15.5	11.7	13.6	10.7	13.0	11.4

* CHANGES IN EQUITY to the equity holder of the parent company	Share Capital	Statutory Reserve	Other Reserve	Share Premium Reserve	Results Brought Forward	Results for the Year	Total Equity
Opening balance 1 January 2018	7.09	9.53	5.08	35.34	5.22	18.30	80.56
Change in accounting principles	-	-	-	-	0.07	-	0.07
Revised opening balance 1 January 2018	7.09	9.53	5.08	35.34	5.29	18.30	80.63
Appropriation of last year's result	-	-	-	-	18.30	-18.30	-
Change other reserve	-	-	0.70	-	-0.70	-	-
Total comprehensive income	-	-	-	-	-	21.75	21.75
Dividend	-	-	-	-	-19.50	-	-19.50
Closing balance 30 September 2018	7.09	9.53	5.78	35.34	3.39	21.75	82.88
Opening balance 1 January 2019	7.09	9.53	5.99	35.34	3.19	31.39	92.53
Appropriation of last year's result	-	-	-	-	31.39	-31.39	-
Change other reserve	-	-	0.48	-	-0.48	-	-
Reversal, change other reserve	-	-	-0.94	-	0.94	-	-
Total comprehensive income	-	-	-	-	-	35.20	35.20
Dividend	-	-	-	-	-17.73	-	-17.73
Closing balance 30 September 2019	7.09	9.53	5.53	35.34	17.31	35.20	110.00