



Press release

(Second-quarter Interim Report April - June 2016 distributed as an appendix to this press release)

Continued strong growth and improved EBIT margin

- Net sales increased 21% to MSEK 159.1 (131.6).
- EBIT rose 33% to MSEK 18.5 (13.9).
- EBIT margin amounted to 11.6% (10.6).
- Net income was MSEK 15.4 (9.7).
- Earnings per share amounted to MSEK 1.54 (0.97).

Stefan Jonsson, President and CEO:

GARO performed strongly in many respects. The Group's net sales increased 21% in the second quarter with sustained strong growth in Sweden and Other markets. The EBIT margin improved, thus contributing to a 33% increase in EBIT, and was mainly the result of volume growth combined with stable expenses, generating economies of scale.

Net sales for *GARO Sweden* rose 17%, with significant increases in all product areas. The construction market remained strong with backlog demand for new apartments and single family homes. With GARO's broad product range, this trend benefits our product areas of *Electrical distribution products*, *Project business* and *Temporary electric installations*. It is also gratifying to see that *EV charging* continues to grow strongly.

Net sales for *GARO Other markets* rose 28%, with a strong increase primarily in *EV charging* in Norway, where we consolidated our leading position. *Temporary electric installations* also reported a satisfactory trend and it was gratifying that this product area performed so well in Finland. In Ireland, *Electrical distribution products* continued to follow the strong performance of the construction market.

Gnosjö, 26 August, 2016

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This information is such information that GARO aktiebolag is obligated to publish in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was published by the abovementioned contact persons on August 26, 2016, at 7:30 a.m.

GARO develops, manufactures and supplies innovative products and systems for the electrical installations industry under its own brand. The company has operations in Sweden, Norway, Finland, Ireland and Poland and the Group is organized in two business segments GARO Sweden and GARO Other markets. GARO has a broad product assortment and is a market leader within several product areas. The Group has sales of about MSEK 600 and has approximately 260 employees. Its head office is located in Gnosjö.

The business concept is "with simplicity and design, GARO provides the smartest and most profitable solutions – fitted into systems."