**Last twelve months**

- Net sales for the last twelve months amounted to 620 MSEK (533) – a 9% increase in local currencies
- Operating profit for the last twelve months was 108 MSEK (94) – a 17% (18) operating margin
- Order intake for the twelve-month period was 637 MSEK (544)
- Cash flow from operating activities for the twelve-month period amounted to 92 MSEK (83)
- Profit after tax for the last twelve months amounted to 71 MSEK (68) and earnings per share was 6.26 SEK (5.99)

**First quarter**

- Net sales for the first quarter increased by 22% to 170 MSEK (139) corresponding to a 10% increase in local currencies
- Operating profit was 32 MSEK (22) corresponding to a 19% (16) operating margin
- Order intake for the first quarter was 174 MSEK (148)
Comment from the CEO

The positive development during the latter part of 2014 continued into the first quarter of 2015. We can see a slightly improved situation in the global economy together with a large interest in our technology related to the trend “Industrial Internet of Things” (IIoT). The weakened Swedish currency especially in relation to the U.S. dollar has a positive effect but even adjusted for currency effects, we can report a double digit percentual sales growth. We are happy to report net sales of 170 MSEK and an order intake of 174 MSEK – both record levels for HMS.

Despite a decrease in activated development expenses and an increased impact on amortization on intangible assets, a solid gross margin together with a conservative cost increase gives us a 48 % improvement to 32 MSEK on the EBIT level for the first quarter.

The German and the Japanese markets continue to show solid progress. For the U.S.A. we see a more mixed picture. We have a tailwind from a strong U.S. currency but adjusted for this, we have experienced some delays related to orders. Our increased focus on the Nordic market during the recent years is paying off and the growth on the Scandinavian market was very strong during the first quarter.

Our investments in the area of wireless communication, which was initiated through an acquisition of a product line of wireless industrial gateways last year, also show very good development.

For our growth area Netbiter, we can see a 50 % sales increase during the first quarter. Still, we expect that this part of our business has the potential to perform even better going forward.

Our focus is to drive growth within our three main product brands Anybus, Netbiter and IXXAT. We continue our efforts to balance our long term growth strategy with a conscious view on expenses. In the long term, we consider the market for industrial communication and remote management to be interesting growth areas and we continue to focus around our motto “Connecting Devices.”

“Last years investments in the Nordic market has resulted in a very good growth during the first quarter this year”

Staffan Dahlström, CEO, HMS Networks AB

<table>
<thead>
<tr>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (SEK m)</td>
<td>170</td>
<td>156</td>
<td>152</td>
<td>141</td>
<td>139</td>
<td>126</td>
<td>140</td>
<td>128</td>
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<tr>
<td>Order intake (SEK m)</td>
<td>174</td>
<td>162</td>
<td>148</td>
<td>153</td>
<td>148</td>
<td>132</td>
<td>125</td>
<td>140</td>
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<tr>
<td>Operating profit (SEK m)</td>
<td>32</td>
<td>18</td>
<td>37</td>
<td>21</td>
<td>22</td>
<td>13</td>
<td>32</td>
<td>27</td>
</tr>
<tr>
<td>Gross margin (%)</td>
<td>62.4</td>
<td>62.0</td>
<td>63.0</td>
<td>61.9</td>
<td>62.1</td>
<td>63.7</td>
<td>63.4</td>
<td>62.2</td>
</tr>
<tr>
<td>Operating margin (%)</td>
<td>18.7</td>
<td>11.5</td>
<td>24.4</td>
<td>14.8</td>
<td>15.5</td>
<td>10.7</td>
<td>23.0</td>
<td>21.3</td>
</tr>
<tr>
<td>Return on capital (%)</td>
<td>20.4</td>
<td>8.8</td>
<td>26.0</td>
<td>14.3</td>
<td>14.9</td>
<td>10.3</td>
<td>26.4</td>
<td>23.4</td>
</tr>
<tr>
<td>Earnings per share (SEK)</td>
<td>1.95</td>
<td>0.81</td>
<td>2.28</td>
<td>1.22</td>
<td>1.27</td>
<td>0.84</td>
<td>2.07</td>
<td>1.80</td>
</tr>
<tr>
<td>Equity per share (SEK)</td>
<td>39.18</td>
<td>37.43</td>
<td>36.19</td>
<td>33.95</td>
<td>34.75</td>
<td>33.44</td>
<td>32.30</td>
<td>30.41</td>
</tr>
<tr>
<td>Cash flow for operating activities per share (SEK)</td>
<td>0.72</td>
<td>2.43</td>
<td>2.56</td>
<td>2.57</td>
<td>0.81</td>
<td>2.18</td>
<td>2.81</td>
<td>1.40</td>
</tr>
</tbody>
</table>
**Net sales**

Net sales for the last twelve months amounted to 620 MSEK (533) corresponding to a 16 % increase. In total, the depreciation of the Swedish currency in relation to the major HMS currencies had a positive effect on net sales by 40 MSEK compared to the previous twelve-month period.

Net sales for the first quarter 2015 was 170 MSEK (139), corresponding to a 22 % increase compared to the same quarter during the previous year. Adjusted for 17 MSEK in currency effects, the increase amounted to 10 %. Order intake for the first quarter increased by 26 MSEK to 174 MSEK (148), of which 169 MSEK (133) is expected to be delivered during the next twelve months.

**Operating profit**

Operating profit amounted to 108 MSEK (94) for the last twelve months, equivalent to an operating margin of 17 % (18). Currency effects had a positive impact on the operating result with 16 MSEK compared to the previous twelve-month period.

The operating profit for the first quarter 2015 amounted to 32 MSEK (22) – a 19% (16) operating margin. Changes in exchange rates had an 8 MSEK positive impact compared to the same period the previous year.

**Equity**

The Group's equity amounted to 442 MSEK (392). The total number of shares at the end of the year was 11,322,400. The Group's equity/assets ratio amounted to 53 % (50). In connection with the share saving program initiated during 2013 the Company has acquired 31 000 of shares in HMS Networks AB up until March 31, 2015.

**Tax**

The tax charge for the first quarter was 7 MSEK (4). The tax charge for the current period has been calculated on the basis of the tax situation applying to the Group at present and the profit development of the reporting entities belonging to the Group.
Currency effects

Assets and liabilities in foreign currencies are revaluated at closing date. Currency hedging contracts are revaluated at the date of closing and are also affecting the result on the date of expiration. Changes in book value due to revaluation of balance sheet items and currency hedging contracts are disclosed as other operating income and other operating expenses. Changes in book value related to net-investments are disclosed under the Company statement of comprehensive income. Changes in book value related to assets in foreign currencies i.e. liquid funds, are disclosed as financial income and expenses.

Net sales and expenses are affected by changes in exchange rates. This will have an impact on income and costs. Net sales for the quarter consist of 62 % in EURO, 26 % in USD, 6 % in Japanese Yen and 6 % in SEK and other currencies. Cost of goods sold consists of 70 % in EURO, 20 % in USD and 1 % in Japanese Yen. Operating expenses consists of 38 % in EURO, 10 % in USD, 3 % in Japanese Yen and 49 % of SEK and other currencies.

The Group applies a policy for currency hedging described in the annual report.

Cash flow, investments and financial position

Cash flow from operating activities during the first quarter amounted to 8 MSEK (9).

The investments in tangible assets for the first quarter amounted 1 MSEK (1). Investments in intangible assets for the year totalled 4 MSEK (7) and comprise to a material part capitalization of expenses related to technology platforms. As several new technology platforms recently were completed a comparably smaller part of the Groups development expenses was capitalized during the period. Amortization on capitalized development costs amounted to 4 MSEK (3) during the quarter.

The acquisition of IXXAT in February 2013 has generated a 255 MSEK overvalue before tax for the group of which 144 MSEK is allocated to technology platforms, customers and brand name included in the acquisition. Annual amortization on acquired overvalues amounts to approximately 7 MSEK. During the first quarter 2015 amortization on the purchase price allocated to assets acquired was 2 MSEK (2) in the income statement.

To balance the Group’s currency exposure a 32 MEUR loan was used to finance the acquisition made in the first quarter 2013. At the end of the first quarter 2015 the loan amounted to 24 MEUR. The loan is amortized by approximately 37 MSEK annually. In total 9 MSEK (9) was amortized during the first quarter.

At the end of the period the cash equivalents amounted to 13 MSEK (19) and unutilized credit facilities to 30 MSEK. The Group’s net debt amounted to 217 MSEK (243).

The parent company

The Parent Company’s operations are primarily focused on Group-wide management and financing. Apart from the Group’s CEO, the Parent Company has no employees. The operating profit for the first quarter 2015 amounted to 0 MSEK (0). Cash and cash equivalents amounted to 0.2 MSEK (0.9) and borrowing amounted to 0 MSEK (0).

Important events

- HMS Netbiter EC 300-series is certified for use in the Schneider Electric Collaborative Automation Partner Program
- AAEON choose IXXAT INpact Real-Time Ethernet PC-Interface for a strategic cooperation
- IXXAT safety products receives TÜV certification

Outlook

The HMS Group’s long term growth is supported by a continued inflow of design-wins, a broader product offering especially within the Gateway product family and Remote Management, supplementary technology platforms from IXXAT, a stronger customer focus and an expansion of the HMS sales channels according to the existing strategy.

At present, the global market for HMS products is viewed as fluctuating with cautiously positive undertones. The effect on the market for HMS product offer and currency effects are difficult to predict but HMS overall goals are unchanged: A long term average growth of 20 % per year and an operating margin above 20 %.
The HMS Networks AB share

HMS Networks AB (publ) is listed on the Nasdaq OMX Stockholm Mid Cap list, in the Information Technology Sector. The total number of shares amounted to 11,322,400 whereof 31,000 shares are held by the Company.

Share Savings Program

The Company has three share saving programs.

PROGRAM 1

In accordance with the decision of the Annual General Meeting 2012, all permanently employees of the HMS Group were offered to save in HMS shares in a share saving program during 2013. Of the total number of employees 60 % choose to participate in the program. The total number of shares purchased in this program was 24,939. In connection to the share saving programs HMS purchased 31,000 own shares to fulfill the requirement of future matching and performance shares.

PROGRAM 2

In accordance with the decision of the Annual General Meeting 2013, all permanently employees of the HMS Group have been offered to participate in a share savings program. The application period took place during the month of December and about 51 % of the employees have chosen to participate. The total number of shares purchased in this program was 20,049.

PROGRAM 3

In accordance with the decision of the Annual General Meeting 2014, all permanently employees of the HMS Group have been offered to participate in a share saving program. The registration period for this program continued during December of 2014 and 47 % of the total number of employees decided to participate. For program 3 saving in HMS shares will take place during 2015.

Dividend

The Board of Directors proposes a dividend to the amount of SEK 2.50 (2.25).

The HMS policy for dividend stipulates: The objective of the Board of Director’s is to propose a dividend of approximately 50 % of the profit after tax subject to the Company having a financial position allowing for freedom to action.

Annual General Meeting

The Annual General Meeting will be held at the Company’s head office on Tuesday April 28, 2015 at 10.30 am.
Short about the company

Strategies

**GROWTH STRATEGY** – HMS’s main focus is on organic growth. Expansion on existing markets will be through improved and extended product ranges, new technology, high level of service and new sales channels. A certain degree of growth can be through the selective acquisition of businesses that will be a valuable complement to the company’s organic growth strategy.

**DEVELOPMENT STRATEGY** – The Company’s core expertise is made up of an extensive understanding of industrial network communication. Based on this competence in combination with an extensive network of customers, suppliers and external partners the existing and new product offers and solutions are developed for the best possible customer benefits.

**PRODUCT STRATEGY** – HMS markets four product lines, which to a certain degree are based on a common technical platform:
- Anybus Embedded – Embedded network interface cards
- Anybus Gateways – Communication translators between different networks and for wireless communication
- IXXAT – Communication platforms for industrial machines and equipment
- Netbiter Remote Management – Remote monitoring and controlling of industrial devices

**PRODUKTION STRATEGY** – HMS maintains an in-house low-volume production of Anybus products in Halmstad. Volume production takes place in close partnership with subcontractors in Europe and Asia in order to achieve flexible costs and to make use of economies of scale.

**MARKETING STRATEGY** – The Anybus network interface cards are marketed and sold to players in industrial and infrastructure automation and Anybus Gateways to system integrators, machine manufacturers and end-users in industrial and infrastructure automation. IXXAT communication platforms are marketed and sold to machine builders of industrial applications, medical equipment and the automotive industry. Netbiter products are marketed and sold to a wide range of customers, from device manufacturers to owners of installations in need of remote management.

**SALES STRATEGY** – Sales take place via the company’s sales offices on defined key markets in 10 countries. Sales on the company’s other markets, in some 50 countries, takes place via agents/distributors.

Business model

HMS has designed its business models to fit each market and product line. For the Embedded market, most business is via framework agreements (i.e. design-wins). The sales cycle is relatively long and the design phase is performed in close cooperation with the customer. After that, there is steady revenue over a long period of time. For Gateways and Remote Management, the business model is more traditional, with a short business cycle and manufacturing based on customer orders. IXXAT uses a mix of the above mentioned business models.

Accounting policies

This report has been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, for Interim Reporting. Amendments to existing standards, new interpretations and new standards that came into effect as of January 1, 2015 did not affect the Groups reporting as of March 31, 2015.

HMS continues to apply the same accounting principles and valuation methods as those described in the most recent Annual Report. The parent company report is prepared in accordance with RFR 2, accounting for legal entities, and the Swedish Annual Accounts Act and accounting principles and the valuation methods as those described in the most recent Annual Report.

Risk management

The HMS Group is exposed to business and financial risks through its operations. These risks have been described at length in the Company’s annual report 2013. In addition to the risks described in these documents, no additional significant risks have been identified.

Reporting occasions

- Annual General meeting will be held at 10.30 am on April 28, 2015
- Half year report will be presented on July 23, 2015
- Interim report for the 3rd quarter will be presented on October 28, 2015
- 2015 annual report will be presented on February 5, 2016

Halmstad April 23, 2015

Staffan Dahlström
Chief Executive Officer

This interim report has not been reviewed by the Company’s auditor.

Further information can be obtained from:
CEO Staffan Dahlström, telephone +46 (0) 35-17 29 01 or
CFO Gunnar Högberg, telephone +46 (0) 35-17 29 95

This information is such that HMS Networks AB (publ) is required to disclose in accordance with the Swedish Financial Instruments Trading Act and/or the Swedish Securities Market Act. The information was submitted for publication at 07:50 CET on April 24, 2015.
### Financial accounts

#### Key ratios

- **Net increase in revenue (%):**
  - Q1 2015: 22.4
  - Q1 2014: 29.8
  - Q1-Q4 2014: 17.6
  - 12 months: 16.4

- **Gross margin (%):**
  - Q1 2015: 62.4
  - Q1 2014: 62.1
  - Q1-Q4 2014: 62.3
  - 12 months: 62.3

- **Operating margin EBIT (%):**
  - Q1 2015: 18.7
  - Q1 2014: 15.5
  - Q1-Q4 2014: 16.6
  - 12 months: 17.4

- **EBITDA (SEK t):**
  - Q1 2015: 39,860
  - Q1 2014: 27,758
  - Q1-Q4 2014: 125,955
  - 12 months: 138,056

- **EBITDA (%):**
  - Q1 2015: 23.4
  - Q1 2014: 20.0
  - Q1-Q4 2014: 21.4
  - 12 months: 22.3

- **Return on capital employed (%):**
  - Q1 2015: 4.8
  - Q1 2014: 3.3
  - Q1-Q4 2014: 15.0
  - 12 months: 16.3

- **Return on total equity (%):**
  - Q1 2015: 20.4
  - Q1 2014: 14.9
  - Q1-Q4 2014: 15.8
  - 12 months: 17.0

- **Working capital in relation to sales (%)*:**
  - Q1 2015: 8.3
  - Q1 2014: 8.8
  - Q1-Q4 2014: 6.1
  - 12 months: 8.3

- **Capital turnover rate:**
  - Q1 2015: 0.82
  - Q1 2014: 0.71
  - Q1-Q4 2014: 0.74
  - 12 months: 0.76

- **Debt/equity ratio:**
  - Q1 2015: 0.49
  - Q1 2014: 0.62
  - Q1-Q4 2014: 0.54
  - 12 months: 0.49

- **Equity/assets ratio (%):**
  - Q1 2015: 53.0
  - Q1 2014: 49.7
  - Q1-Q4 2014: 50.8
  - 12 months: 53.0

- **Capital expenditure in property, plant and equipment (SEK 000s):**
  - Q1 2015: 1,033
  - Q1 2014: 1,072
  - Q1-Q4 2014: 6,037
  - 12 months: 5,997

- **Capital expenditure in intangible fixed assets (SEK 000s):**
  - Q1 2015: 4,283
  - Q1 2014: 6,804
  - Q1-Q4 2014: 31,773
  - 12 months: 29,252

- **Depreciation of property, plant and equipment (SEK 000s):**
  - Q1 2015: -1,987
  - Q1 2014: -1,808
  - Q1-Q4 2014: -7,453
  - 12 months: -7,631

- **Amortisation of intangible fixed assets (SEK 000s):**
  - Q1 2015: -5,989
  - Q1 2014: -4,424
  - Q1-Q4 2014: -20,920
  - 12 months: -22,485

- **Number of employees (average):**
  - Q1 2015: 354
  - Q1 2014: 353
  - Q1-Q4 2014: 352
  - 12 months: 353

- **Revenue per employees (SEK m)*:**
  - Q1 2015: 1.8
  - Q1 2014: 1.5
  - Q1-Q4 2014: 1.7
  - 12 months: 1.8

- **Equity per share, SEK:**
  - Q1 2015: 39.18
  - Q1 2014: 34.75
  - Q1-Q4 2014: 35.43
  - 12 months: 36.96

- **Cash flow from operations per share, SEK:**
  - Q1 2015: 0.72
  - Q1 2014: 0.81
  - Q1-Q4 2014: 8.26
  - 12 months: 8.17

- **Total number of share, average, thousands:**
  - Q1 2015: 11,322
  - Q1 2014: 11,322
  - Q1-Q4 2014: 11,322
  - 12 months: 11,322

- **Holding of own shares, average, thousands:**
  - Q1 2015: 31
  - Q1 2014: 31
  - Q1-Q4 2014: 31
  - 12 months: 31

- **Total outstanding shares, average, thousands:**
  - Q1 2015: 11,291
  - Q1 2014: 11,291
  - Q1-Q4 2014: 11,291
  - 12 months: 11,291

* The key ratio has been translated into 12 months rolling value when applicable.

### Income statements

#### (SEK 000s)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
<th>1404-1503 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>170,251</td>
<td>139,127</td>
<td>589,212</td>
<td>620,336</td>
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<tr>
<td><strong>Cost of goods and services sold</strong></td>
<td>-64,083</td>
<td>-52,758</td>
<td>-222,366</td>
<td>-233,691</td>
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<tr>
<td><strong>Gross profit</strong></td>
<td>106,168</td>
<td>86,369</td>
<td>366,846</td>
<td>386,645</td>
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<tr>
<td><strong>Sales and marketing costs</strong></td>
<td>-38,112</td>
<td>-30,889</td>
<td>-138,766</td>
<td>-145,988</td>
</tr>
<tr>
<td><strong>Administrative expenses</strong></td>
<td>-14,920</td>
<td>-11,859</td>
<td>-53,750</td>
<td>-56,811</td>
</tr>
<tr>
<td><strong>Research and development costs</strong></td>
<td>-23,477</td>
<td>-23,416</td>
<td>-85,052</td>
<td>-85,112</td>
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<tr>
<td><strong>Other operating income</strong></td>
<td>4,757</td>
<td>1,321</td>
<td>9,809</td>
<td>13,245</td>
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<tr>
<td><strong>Other costs</strong></td>
<td>-2,533</td>
<td>-2,915</td>
<td>-11,809</td>
<td>-11,371</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>31,884</td>
<td>21,527</td>
<td>97,582</td>
<td>107,940</td>
</tr>
<tr>
<td><strong>Financial income</strong></td>
<td>0</td>
<td>0</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td><strong>Financial costs</strong></td>
<td>-2,478</td>
<td>-2,915</td>
<td>-11,809</td>
<td>-11,371</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>29,406</td>
<td>18,611</td>
<td>85,811</td>
<td>96,606</td>
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<tr>
<td><strong>Tax</strong></td>
<td>-7,352</td>
<td>-4,281</td>
<td>-22,713</td>
<td>-25,783</td>
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<tr>
<td><strong>Profit for the period</strong></td>
<td>22,055</td>
<td>14,331</td>
<td>63,098</td>
<td>70,822</td>
</tr>
<tr>
<td><strong>Basic earnings per share, SEK</strong></td>
<td>1.95</td>
<td>1.27</td>
<td>5.59</td>
<td>6.26</td>
</tr>
</tbody>
</table>
### Statements of comprehensive income

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
<th>1404-1503 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit for the period</strong></td>
<td>22,055</td>
<td>14,331</td>
<td>63,098</td>
<td>70,822</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that may be reclassified subsequently to income statement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow hedges</td>
<td>-637</td>
<td>-132</td>
<td>-2,720</td>
<td>-3,225</td>
</tr>
<tr>
<td>Translation differences</td>
<td>-7,257</td>
<td>213</td>
<td>18,395</td>
<td>10,925</td>
</tr>
<tr>
<td>Hedging of net investments</td>
<td>6,380</td>
<td>175</td>
<td>-13,029</td>
<td>-6,824</td>
</tr>
<tr>
<td>Income tax relating to components of other comprehensive income</td>
<td>-1,263</td>
<td>-9</td>
<td>3,465</td>
<td>2,211</td>
</tr>
<tr>
<td><strong>Other comprehensive income for the period, net of tax</strong></td>
<td>-2,777</td>
<td>247</td>
<td>6,111</td>
<td>3,087</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>19,278</td>
<td>14,578</td>
<td>69,209</td>
<td>73,909</td>
</tr>
</tbody>
</table>

### Balance sheets

<table>
<thead>
<tr>
<th></th>
<th>Mar 31 2015</th>
<th>Mar 31 2014</th>
<th>Dec 31 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>396,796</td>
<td>390,934</td>
<td>400,752</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>251,913</td>
<td>241,850</td>
<td>257,078</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>17,588</td>
<td>19,451</td>
<td>18,520</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>496</td>
<td>724</td>
<td>1,328</td>
</tr>
<tr>
<td>Other long term receivables</td>
<td>2,005</td>
<td>0</td>
<td>1,498</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td>668,798</td>
<td>652,959</td>
<td>679,176</td>
</tr>
<tr>
<td>Inventories</td>
<td>53,974</td>
<td>35,449</td>
<td>53,953</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>84,436</td>
<td>65,067</td>
<td>69,494</td>
</tr>
<tr>
<td>Other current receivables</td>
<td>14,794</td>
<td>17,635</td>
<td>12,089</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>12,500</td>
<td>18,700</td>
<td>17,629</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>165,704</td>
<td>136,851</td>
<td>153,165</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>834,502</td>
<td>789,810</td>
<td>832,341</td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>442,357</td>
<td>392,387</td>
<td>422,599</td>
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<tr>
<td>Liabilities</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Non-current liabilities</td>
<td>190,195</td>
<td>215,186</td>
<td>204,891</td>
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<tr>
<td>Deferred income tax liabilities</td>
<td>64,272</td>
<td>65,633</td>
<td>65,115</td>
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<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>254,467</td>
<td>280,819</td>
<td>270,006</td>
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<tr>
<td>Interest-bearing current liabilities</td>
<td>39,582</td>
<td>46,079</td>
<td>40,497</td>
</tr>
<tr>
<td>Trade payables</td>
<td>36,416</td>
<td>29,635</td>
<td>40,695</td>
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<tr>
<td>Other current liabilities</td>
<td>61,680</td>
<td>40,890</td>
<td>58,544</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>137,768</td>
<td>116,604</td>
<td>139,736</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td>834,502</td>
<td>789,810</td>
<td>832,341</td>
</tr>
</tbody>
</table>
Cash flow statements

<table>
<thead>
<tr>
<th>Revenue per region (SEK 000s)</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
<th>1404-1503 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>104,580</td>
<td>99,014</td>
<td>90,601</td>
<td>91,628</td>
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<tr>
<td>Americas</td>
<td>39,999</td>
<td>33,123</td>
<td>27,519</td>
<td>27,291</td>
</tr>
<tr>
<td>Asia</td>
<td>25,672</td>
<td>24,181</td>
<td>23,330</td>
<td>20,021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>170,251</td>
<td>156,318</td>
<td>152,316</td>
<td>144,451</td>
<td>139,127</td>
<td>125,758</td>
<td>139,967</td>
<td>128,205</td>
<td>107,215</td>
<td>87,265</td>
<td>99,144</td>
<td>98,902</td>
</tr>
<tr>
<td>Gross profit</td>
<td>106,168</td>
<td>96,867</td>
<td>95,991</td>
<td>87,618</td>
<td>86,369</td>
<td>80,056</td>
<td>88,704</td>
<td>79,709</td>
<td>65,446</td>
<td>50,269</td>
<td>59,382</td>
<td>59,953</td>
</tr>
<tr>
<td>Gross margin</td>
<td>62.4%</td>
<td>62.0%</td>
<td>63.0%</td>
<td>61.9%</td>
<td>62.1%</td>
<td>63.7%</td>
<td>63.4%</td>
<td>62.2%</td>
<td>61.0%</td>
<td>57.6%</td>
<td>59.9%</td>
<td>60.6%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>31,884</td>
<td>17,977</td>
<td>17,150</td>
<td>16,292</td>
<td>16,124</td>
<td>13,443</td>
<td>12,226</td>
<td>11,276</td>
<td>9,285</td>
<td>7,480</td>
<td>7,186</td>
<td>9,053</td>
</tr>
<tr>
<td>Operating margin</td>
<td>18.7%</td>
<td>11.5%</td>
<td>24.4%</td>
<td>14.8%</td>
<td>15.5%</td>
<td>10.7%</td>
<td>23.0%</td>
<td>21.3%</td>
<td>12.8%</td>
<td>7.2%</td>
<td>23.4%</td>
<td>20.2%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>29,406</td>
<td>15,764</td>
<td>33,465</td>
<td>17,971</td>
<td>18,611</td>
<td>12,397</td>
<td>30,479</td>
<td>26,919</td>
<td>11,699</td>
<td>7,001</td>
<td>23,100</td>
<td>20,810</td>
</tr>
</tbody>
</table>

Quarterly data

| Sales by geographical area for the first quarter 2015 are presented in the graph to the right. |

Embedded products reached 52 % (53) of the Group’s total sales, IXXAT 19 % (23), Gateway products 20 % (19) and Remote Management amounted to 3 % (2).

All product groups are based on a common technology platform and are marketed and sold in the common sales channels. Therefore, no complete segment follow-up is reported.
## Parent company income statements

<table>
<thead>
<tr>
<th>(SEK 000s)</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
<th>1404-1503 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,236</td>
<td>2,095</td>
<td>8,835</td>
<td>8,976</td>
</tr>
<tr>
<td>Gross profit</td>
<td>2,236</td>
<td>2,095</td>
<td>8,835</td>
<td>8,976</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>-2,236</td>
<td>-2,095</td>
<td>-8,834</td>
<td>-8,975</td>
</tr>
<tr>
<td>Operating profit</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Interest income, dividends and similar items</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Interest expense and similar income</td>
<td>0</td>
<td>0</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tax</td>
<td>0</td>
<td>-2</td>
<td>-48</td>
<td>-47</td>
</tr>
<tr>
<td>Profit of the period</td>
<td>0</td>
<td>-2</td>
<td>-48</td>
<td>-47</td>
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</tbody>
</table>

## Parent company balance sheets

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Financial fixed assets</td>
<td>244,039</td>
<td>244,039</td>
<td>244,039</td>
</tr>
<tr>
<td>Total financial fixed assets</td>
<td>244,039</td>
<td>244,039</td>
<td>244,039</td>
</tr>
<tr>
<td>Other receivables</td>
<td>1,230</td>
<td>1,011</td>
<td>454</td>
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<tr>
<td>Cash and cash equivalents</td>
<td>206</td>
<td>896</td>
<td>192</td>
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<tr>
<td>Total current assets</td>
<td>1,436</td>
<td>1,907</td>
<td>646</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>245,475</td>
<td>245,946</td>
<td>244,685</td>
</tr>
<tr>
<td>EQUITY AND LIABILITIES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>118,477</td>
<td>143,931</td>
<td>118,477</td>
</tr>
<tr>
<td>Untaxed reserves</td>
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<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td>48</td>
<td>81</td>
<td>427</td>
</tr>
<tr>
<td>Liabilities to Group companies</td>
<td>125,073</td>
<td>99,640</td>
<td>122,888</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>1,868</td>
<td>2,285</td>
<td>2,885</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>126,990</td>
<td>102,007</td>
<td>126,200</td>
</tr>
<tr>
<td>TOTAL EQUITY AND LIABILITIES</td>
<td>245,475</td>
<td>245,946</td>
<td>244,685</td>
</tr>
</tbody>
</table>
Definitions

**CAPITAL EMPLOYED**
Total assets less non-interest bearing current liabilities and provisions, as well as total deferred tax liabilities.

**CAPITAL TURNOVER RATE**
Operating income in relation to total assets.

**EBIT**
Operating income according to income statement excluding items affecting comparability.

**EBITDA**
Earnings before interest, taxes, depreciation and amortization.

**EARNINGS PER SHARE**
Share of the profit after tax attributable to the parent company’s shareholders in relation to the average number of outstanding shares.

**EARNINGS PER SHARE AFTER DILUTION**
Share of the profit after tax attributable to the parent company’s shareholders in relation to the average number of outstanding shares with addition for the average number of shares that are added when converting the outstanding number of convertible securities and options.

**EQUITY/ASSETS RATIO**
Shareholders’ equity in relation to total assets.

**NET DEBT**
Long-term and current financial liabilities less financial assets.

**NET DEBT/EQUITY RATIO**
Net debt in relation to shareholders’ equity.

**NUMBER OF OUTSTANDING SHARES**
Number of registered shares less shares bought back, which are held by the company.

**OPERATING MARGIN**
Operating income in relation to net sales.

**RETURN ON CAPITAL EMPLOYED**
Share of the profit after financial income in relation to the average capital employed.

**RETURN ON SHAREHOLDERS’ EQUITY**
Share of profit after tax attributable to the parent company’s shareholders in relation to the average shareholders’ equity.

**TOTAL EQUITY PER SHARE**
Total equity attributable to the parent company’s shareholders in relation to total outstanding shares by the end of the period.

**WORKING CAPITAL**
Current assets less cash equivalents and current liabilities.

HMS Industrial Networks is the leading independent supplier of products for industrial communication including remote management. HMS develops and manufactures solutions for connecting automation devices and systems to industrial networks under the Netbiter, Anybus and IXXAT brands. Development and manufacturing take place at the headquarters in Halmstad, Sweden and in Weingarten, Germany. Local sales and support are handled by branch offices in China, Denmark, France, Germany, India, Italy, Japan, UK, and USA. HMS employs over 370 people and reported sales of 63 million EUR in 2014. HMS is listed on the NASDAQ OMX in Stockholm.
Our vision

“All industrial devices will be intelligent and networked. We shall be the market leading partner in the world of industrial communication”.

Our mission

“We provide reliable, flexible and easy-to-use communication and remote management solutions to the world of industrial communication”.

Our purpose

“To create long term value for our customers, employees and investors”.

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