

60% GROWTH AND INCREASED OPERATING MARGIN FOR FULL-YEAR 2015

FOURTH QUARTER OF 2015

- **NET SALES** amounted to MSEK 35.9 (39.9).
- **OPERATING PROFIT** totalled MSEK 3.7 (6.6).
- **PROFIT AFTER TAX** amounted to MSEK 2.7 (5.4).
- **PROFIT AFTER TAX PER SHARE** was SEK 0.30 (0.59).
- **CASH FLOW** amounted to MSEK 0.0 (10.6).

ACCUMULATED 2015

- **NET SALES** amounted to MSEK 215.7 (135.2).
- **OPERATING PROFIT** totalled MSEK 63.1 (27.0).
- **PROFIT AFTER TAX** amounted to MSEK 49.0 (21.8).
- **PROFIT AFTER TAX PER SHARE** was SEK 5.38 (2.39).
- **CASH FLOW** amounted to MSEK 34.8 (16.9).

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER:

- Probi FerroSorb, Probi's product platform for better iron absorption, ready for launch.
- Launch of new Functional Food product with Seoul Dairy Cooperative, South Korea.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD:

- The Board proposes a total dividend of MSEK 9.1 (7.7), corresponding to SEK 1.00 (0.85) per share.

CEO COMMENTS ON THE OPERATIONS AND FUTURE DEVELOPMENT:

"In 2015, we reached a new milestone in the development of Probi, with net sales for the full-year totalling MSEK 215.6. This represents growth of 60% as compared with last year. Adjusted for currency effects, net sales amounted to MSEK 192.1, representing growth of 42%. We were able to increase our operating margin for the full-year from 20 to 29% despite doubling our sales and marketing staff in 2015. The growth in 2015 was mainly driven by a highly positive trend in the North American market, in which Pharmavite and NBTY, among others, conducted extensive launches of Probi's products. Although deliveries, as expected, declined temporarily in the fourth quarter sales will increase again in the first quarter of 2016. Our order backlog indicates that net sales in Q1 2016 will be at least as high as in the strong first quarter of 2015. There are ongoing discussions regarding launches in new markets with high volume potential. As launch dates are still to be determined it is difficult to assess the extent to which this may affect 2016. Thus we expect continued growth for full-year 2016, albeit at a lower rate than in 2015," says Peter Nählstedt, CEO of Probi.

INVITATION TO TELECONFERENCE (SWEDISH):

Time: Tuesday, 26 January 2016 at 10.00 a.m. Tel: +46 (0)8 505 564 68 Participants from Probi: Peter Nählstedt, CEO and Niklas Brandt, CFO. The presentation is available at www.probi.se and www.financialhearings.com

FOR FURTHER INFORMATION, PLEASE CONTACT:

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This information is such that Probi AB is required to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 26 January 2016 at 8:45 a.m.

This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails

ABOUT PROBI

Probi AB is a Swedish publicly traded bioengineering company that develops effective and well-documented probiotics. Through its world-leading research, Probi has created a strong product portfolio in the gastrointestinal health and immune system niches. Probi's products are available to consumers in more than 30 countries worldwide. Probi's customers are leading food, health-product and pharmaceutical companies in the Functional Food and Consumer Healthcare segments. Probi had sales of MSEK 216 in 2015. The Probi share is listed on NASDAQ OMX Stockholm, Small Cap. Probi has about 3,500 shareholders. Read more at www.probi.se.



ABOUT THE OPERATIONS

Probi's strong growth in 2015 resulted from major successes in the North American market. During the year, revenue rose to MSEK 132.1 (44.5), up MSEK 87.6. Probi's US business partners, NBTY and Pharmavite, conducted extensive probiotic launches in 2015. NBTY decided to include Probi's probiotic strains for digestive and immune health in its Probiotic 10 product, which is already available in US retail stores under the Nature's Bounty brand. The relaunch of Probiotic 10 was highly successful, and NBTY has placed orders for substantial deliveries from Probi in the first quarter of 2016. Pharmavite has launched a new range of combination products containing probiotics plus, for example, vitamins and minerals, to target various consumer groups. Deliveries to Pharmavite in 2015 did not fully meet Probi's expectations, but Pharmavite remains a key business partner for Probi's expansion in the US.

During the year, Probi established a new third product platform, Probi FerroSorb. The product platform has demonstrated in five clinical trials that Probi's probiotics can increase iron absorption in women of child-bearing age. In this group, 20-30% suffer from iron deficiency and Probi believes there is a great need for a product with bioavailable iron that is gentle on the stomach. Probi's iron product in capsule form comprises a combination of LP299V[®] and iron. A number of Probi's existing business partners have shown great interest in the product. The first launch will take place in Sweden during the first quarter of 2016.

In the fourth quarter, Probi signed a new agreement in the Functional Food business area with Seoul Dairy Cooperative for a product launch in South Korea. This is Probi's first agreement for a dairy product containing Probi's Lp299v[®] bacterium, and the launch took place at the end of 2015. Seoul Dairy is the largest producer of dairy products in South Korea and also manufactures juices and other beverages. Business development resources in the Functional Food business area were expanded during the year. Discussions are ongoing regarding new product launches in both Asia and North America.

In 2015, market penetration of Probi's dietary supplements based on Probi Digestis[®] was further strengthened by new agreements and a broader product range:

- Probi and DKSH signed a multi-year agreement for launches in Hong Kong and Macau of Probi's clinically proven product in the digestive health area, which is based on *Lactobacillus plantarum* 299v (DSM 9843). The launches were conducted under the BiO-LiFE and Probi Digestis brands, and targeted toward hospital, clinics and pharmacies. The new agreement is an extension of the 2013 agreement between Probi and BiO-LiFE, a Malaysian subsidiary of DKSH.
- A distribution agreement was signed with Jamieson regarding the launch of Probi Digestis in Canada. In Jamieson's new range of digestive health products, Digestive Care[™], Probi Digestis has been included in its leading product Daily Relief. The company is a market leader in Canada, with more than 25% of the VMS market. Jamieson is also a leading player in the Canadian probiotics market.
- Sanofi and Dongkook launched Probi Digestis and Probi Mage in South Korea in 2014, and both companies extended their range with additional product variants for digestive health in 2015. Sanofi launched a stick-pack product for children under its Cenovis Superbiotics brand. The product contains a combination of probiotics and prebiotics, and is mainly marketed in retail stores. Dongkook, the largest OTC player in South Korea, launched ProbiMage Plus – containing Probi's LP299V[®] – in the pharmacy channel.

In early 2015, Probi initiated a new, four-year research collaboration with Professor Michiel Kleerebezem from Host-Microbe Interactomics at Wageningen University in the Netherlands. The aim of the collaboration is to clarify the anti-inflammatory mechanisms of action of probiotics to enable the continued development of new and effective probiotic products.

In 2015, the number of Probi employees increased from 27 to 37. Most of the new recruitments during the year were in marketing and sales. Probi's R&D organisation was also strengthened by new recruitments in both clinical application and research. In addition, Probi established a wholly owned subsidiary in Singapore during the year with one employee, to better penetrate the key Asian market.

In early 2016, Probi adapted the organisation to meet the growing number of customers and increasing share of goods sold. This was achieved by gathering logistics, production, quality issues and customisations under a new unit, Operations. Probi has therefore extended its Management Group with the addition of Linda Neckmar, who will be responsible for Operations. Linda Neckmar has been Head of Probi's Consumer Healthcare business area since 2011.

In September, Probi's CEO, Peter Nählstedt, was appointed Chairman of IPA Europe, the European branch of the International Probiotics Association. IPA Europe is a newly formed NGO with the mission of supporting its members, disseminating knowledge about probiotics in the European food industry and stimulating probiotic

innovation and research. One of IPA Europe's objectives is to ensure that the status of probiotics in the EU is brought into line with international conventions.

SALES AND COSTS

Full-year, 2015

During the year, Probi's net sales totalled MSEK 215.7 (135.2). The overall increase was MSEK 80.5, or 60%. Probi's sales are mainly denominated in foreign currencies, primarily USD and EUR. Based on unchanged exchange rates compared with the preceding year, net sales would have been MSEK 23.6 lower, corresponding to growth of 42%.

Net sales in Consumer Healthcare rose MSEK 78.5, or 79%, to MSEK 177.6 (99.1). This growth was largely generated by deliveries to the North American market, in which NBTY accounted for most of the increase. Sales to South Korea declined compared with 2014, when Probi delivered substantial volumes to Sanofi in conjunction with its launch. Net sales in Functional Food totalled MSEK 38.1 (36.1). The first deliveries were made to Seoul Dairy in the fourth quarter and the trend for the US company NextFoods was positive in 2015.

In 2015, operating expenses amounted to MSEK 157.6 (110.7), up MSEK 46.9 year-on-year. Cost of goods sold rose MSEK 21.4, due to an increase in goods sold. Personnel costs rose MSEK 9.3, compared with 2014. In 2015, the number of employees rose by 10 people and the allocation of variable remuneration to personnel was higher year-on-year. Other external costs rose MSEK 19.1. Most of this increase comprised marketing costs in customer partnerships, and consulting services in sales and administration.

In 2015, operating profit totalled MSEK 63.1 (27.1). Adjusted for currency effects, operating profit amounted to MSEK 45.0.

Fourth quarter, October-December 2015

Probi's net sales for the fourth quarter amounted to MSEK 35.9 (39.9). The total decline was MSEK 4.0, or 10%. Based on unchanged exchange rates compared with the fourth quarter of 2014, net sales would have been MSEK 2.2 lower, corresponding to a decline of 16%.

Net sales in Consumer Healthcare declined MSEK 6.3, or 20%, to MSEK 25.3 (31.6). The decline was primarily in the North American market, and totally in line with the delivery schedules communicated by Probi's customers. Net sales in Functional Food totalled MSEK 10.6 (8.4). This increase was mainly attributable to the first delivery to Seoul Dairy.

Operating expenses during the fourth quarter amounted to MSEK 32.9 (34.4), down MSEK 1.5 compared with the fourth quarter of 2014, when capitalised development expenditure of MSEK 3.7 was written off. Excluding this disposal, total operating expenses were MSEK 2.2 higher year-on-year. Due to lower net sales, the cost of goods sold declined MSEK 4.3. Personnel costs increased due to the new recruitments during the year. Marketing costs in customer partnerships, and consulting services in sales and administration, were also higher year-on-year.

In the fourth quarter, operating profit totalled MSEK 3.7 (6.6). Adjusted for currency effects, operating profit was MSEK 2.2.

Profit after tax

Profit after tax for the year amounted to MSEK 49.0 (21.8). Tax expense was MSEK 14.1 (6.3).

Earnings per share

Earnings per share for the year amounted to SEK 5.38 (2.39).

Cash flow

Cash and cash equivalents rose MSEK 34.8 (16.9) during the year, and amounted to MSEK 143.0 (108.2) at year-end.

Investments

During the year, investments in intangible fixed assets amounted to MSEK 18.3 (9.8), of which patents accounted for MSEK 2.5 (1.9) and capitalisation of development costs for MSEK 15.8 (7.9). Capitalised

development expenditure mainly pertains to clinical trials in immune and digestive health. Investments in tangible fixed assets totalled MSEK 1.2 (3.8).

Probi conducts prioritised research and development projects to ensure long-term growth. The R&D proportion of total costs, excluding goods for resale and depreciation, was 32% (36). Including development expenditure capitalised during the period, this figure increased to 42% (44).

SEGMENT INFORMATION

General information

Probi's business operations are organised in two business segments, each with its own operational manager: Consumer Healthcare and Functional Food. The Consumer Healthcare segment develops, markets and sells Probi probiotics in partnership with pharmaceutical companies and other companies specialised in probiotics and health and wellness products, under Probi's proprietary brands or those of its partners. The Functional Food segment focuses on developing food that provides health benefits. This development is conducted in partnership with leading food companies, with the aim of commercialising and marketing products with high volume potential.

No business transactions are conducted between the two segments.

Operating revenue and profit per segment:

SEK 000s	Q4 2015			Q4 2014		
	CHC	FF	Total	CHC	FF	Total
Sales, goods	23,247	1,580	24,827	29,218	4	29,222
Royalty, licenses, etc.	2,091	9,021	11,112	2,341	8,357	10,698
Net sales	25,338	10,601	35,939	31,599	8,361	39,920
Other revenue	549	62	611	942	84	1,026
Operating revenue	25,887	10,663	36,550	32,501	8,445	40,946
Operating expenses	-26,137	-6,730	-32,867	-26,714	-7,665	-34,379
Operating profit/loss	-250	3,933	3,683	5,787	780	6,567

SEK 000s	Full-year, 2015			Full-year, 2014		
	CHC	FF	Total	CHC	FF	Total
Sales, goods	167,537	2,558	170,095	91,101	621	91,722
Royalty, licenses, etc.	10,030	35,586	45,616	8,041	35,479	43,520
Net sales	177,567	38,144	215,711	99,142	36,100	135,242
Other revenue	4,648	325	4,973	2,210	300	2,510
Operating revenue	182,215	38,469	220,684	101,352	36,400	137,752
Operating expenses	-129,949	-27,667	-157,616	-83,479	-27,224	-110,703
Operating profit	52,266	10,802	63,068	17,873	9,176	27,049

CHC = Consumer Healthcare FF = Functional Food

The large increase in revenue in Consumer Healthcare in 2015 was mainly attributable to deliveries to NBTY and Pharmavite in conjunction with their launches in the North American market. This expansion also increased the business area's costs by a total of MSEK 46.5. Cost of goods sold accounted for MSEK 21.6 of the total increase. Resources were also allocated to the business area during the year in the form of new recruitments, leading to higher personnel costs. Marketing costs in customer partnerships were also higher year-on-year. During 2015, revenues in Functional Food rose by MSEK 2.0. The increase was mainly attributable to the first deliveries to Seoul Dairy in the fourth quarter. The trend for the US company NextFoods was positive, with growth of slightly more than 20% calculated in local currency.

Operating revenue distributed by geographic market:

SEK 000s	Q4 2015	Q4 2014	Full-year 2015	Full-year 2014
Sweden	13,559	13,771	50,670	52,685
Rest of Europe	5,226	2,277	18,640	15,854
North America	14,897	20,260	132,128	44,455
Rest of world	2,868	4,638	19,246	24,758
Total	36,550	40,946	220,684	137,752

Decreased full-year revenue in Sweden was mainly due to changes in the royalty rate for ProViva sales in Sweden, in accordance with the agreements signed with Danone in 2010. In Rest of Europe, SanProbi of Poland accounted for most of the revenue increase. The growth in North America was mainly attributable to deliveries to NBTY and Pharmavite in conjunction with their launches in the US in 2015. Rest of world revenue was lower year-on-year due to Probi's extensive deliveries to Sanofi in 2014, prior to its launch of Probi Digestis® in South Korea.

RESEARCH AND DEVELOPMENT

Long-term research collaboration

In the first quarter of 2015, a new long-term research collaboration was initiated with Professor Michiel Kleerebezem from Host-Microbe Interactomics at Wageningen University in the Netherlands. The collaboration encompasses a four-year Ph.D. project and aims to demonstrate the physiological relevance of new probiotic strains in the attenuation of intestinal inflammation, which is considered to play a pivotal role in the development of various pathological conditions. The purpose is to better understand the anti-inflammatory mechanisms of action of probiotics, which will enable the continued development of new and effective probiotic products. Host-Microbe Interactomics in Wageningen brings together expertise in cell biology, immunology, microbiology and functional genomics to improve the understanding of molecular interactions that occur in the communication between microorganisms and their hosts. The group's research ranges from studies of the molecular mechanisms of diseases caused by pathogenic bacteria, to the interactions between beneficial bacteria and their hosts. In collaboration with Probi, the health effects of various probiotic strains will be tested, both in vitro – in the laboratory – and in vivo – in animals including humans. The project proceeded according to plan during the year.

New product to increase iron uptake

In 2014, two trials demonstrating that *Lactobacillus plantarum* DSM 9843 (LP299V®) can increase iron absorption in women of child-bearing age were concluded. These trials were followed by a mechanistic study in 2015, which showed how the increased uptake of iron in the intestines was due to a specific mechanism. A patenting procedure for the mechanism is now under way. In 2015, Probi established a new third product platform, Probi FerroSorb, based on the findings from this and previous trials. Probi's iron product, comprising a combination of LP299V® and iron, will initially be launched in Sweden during the first quarter of 2016.

Ongoing trials

The two major trials that are currently taking place to further strengthen clinical documentation for Probi's product platforms for digestive health (Probi Digestis®) and immune health (Probi Defendum®) continued during the year. These trials are expected to be concluded in the first part of 2016. The development project that Probi is pursuing in partnership with Symrise, in oral health, proceeded as planned during the year.

New trials commenced

In the first quarter of 2015, a new long-term clinical trial commenced, of a totally new indication for use for Probi, in partnership with Skåne University Hospital. In the fourth quarter, the trial was expanded with the addition of Sahlgrenska University Hospital, and Linköping University Hospital is expected to join in early 2016.

Another clinical trial of Probi Defendum commenced during the year. The purpose of the trial is to broaden the existing documentation to also cover children. The trial is based on findings from the trial that was discontinued in 2014, when the company contracted to perform the trial went bankrupt.

Two trials of Probi Digestis have been planned, and will commence in early 2016. The purpose of the trials is to increase the existing documentation of the health effects of LP299V[®], and to broaden the documentation for lower age groups.

Based on the trials that, in 2014, showed how a combination of three of Probi's strains could lead to reduced bone loss in mice, Probi has planned a major clinical trial that will also commence in the first quarter of 2016.

In addition to the clinical research programme, a number of application projects were conducted to strengthen the development platform for new food products in Functional Food.

Published articles

In 2015, seven research studies based on Probi's probiotic strains were published in scientific journals. These studies demonstrate the following:

- The uptake of iron from a fruit drink containing LP299V[®] increased 50%.
- Reduced incidence of Clostridium difficile infection in high-risk patients following antibiotic therapy, when the patients were given LP299V[®].

EMPLOYEES

At the end of the year, Probi had 37 (27) employees, of whom 24 (19) were women and 13 (8) men. The average number of employees was 32 (26).

RELATED-PARTY TRANSACTIONS

During the year, Board member Jan Nilsson invoiced fees of SEK 60,000 (60) via Atherioco AB, pertaining to Probi's Scientific Advisory Board. During the same period, Probi's principal owner, Symrise AG, invoiced SEK 29,000 (-) pertaining to laboratory material. Goods and services are purchased from related parties on market-based terms.

PROPOSAL FOR APPROPRIATION OF PROFIT

The Board and the Chief Executive Officer propose to the 2016 Annual General Meeting that the company pay a total dividend of MSEK 9.1 (7.7) for 2015, corresponding to SEK 1.00 (0.85) per share. The proposal entails an 18% increase in the dividend per share compared with the preceding year.

SIGNIFICANT RISKS AND UNCERTAINTIES

The risks and uncertainties to which Probi's operations are exposed are described on pages 47-48 of the printed 2014 Annual Report. At 31 December 2015, no significant changes were considered to have occurred to these risks or uncertainties.

CALENDAR

Interim report Q1, 2016	27 April 2016
2015 Annual General Meeting	27 April 2016
Interim report Q2, 2016	15 July 2016
Interim report Q3, 2016	25 October 2016
Year-end report, 2016	24 January 2017

ANNUAL GENERAL MEETING

The 2015 AGM will be held in Lund on Thursday, 27 April 2016 at 3:00 p.m. at Elite Hotel, Ideon Gateway, Scheelevägen 27, Lund, Sweden

Shareholders who wish to have matters considered at the AGM are requested to notify the Chairman of the Board by no later than Friday, 4 March 2016. Such proposals are to be e-mailed to sofie.forsman@probi.se, or posted to: Annual General Meeting, Probi AB, Att: Sofie Forsman, Ideon Gamma 1, SE-223 70 Lund, Sweden

The 2015 Annual Report is scheduled for publication on Probi's website www.probi.se on about 1 April 2016.

ACCOUNTING AND MEASUREMENT POLICIES

Group

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Regulations for Groups – January 2015, the International Financial Reporting Standards (IFRS) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union. This year-end report was prepared in compliance with IAS 34 "Interim Reporting" and the Swedish Annual Accounts Act.

The accounting policies that were applied when these consolidated financial statements were prepared were consistent for all presented periods, unless otherwise stated. The complete accounting policies can be found on pages 58-61 of the printed 2014 Annual Report.

The Parent Company's functional currency is the Swedish krona, which is also the reporting currency for both the Parent Company and the Group. All amounts stated have been rounded off to the nearest thousand SEK, unless otherwise stated.

Amounts and figures in parentheses pertain to comparative figures for the year-earlier period. Amounts are stated in Swedish kronor (SEK), thousands of Swedish kronor (KSEK) or millions of Swedish kronor (MSEK) according to that which is stated.

Parent Company

The Parent Company applies the same accounting policies as the Group, with the exceptions and supplements stipulated in RFR 2 Accounting for legal entities – January 2015. The interim report complies with the Swedish Annual Accounts Act.

ASSURANCE BY THE BOARD OF DIRECTORS

The Board of Directors and the CEO provide their assurance that this year-end report gives a fair and accurate view of the Parent Company's and the Group's operations, financial position and revenue, and describes the risks and uncertainties facing the Parent Company and the Group.

Lund, 26 January 2016

Jean-Yves Parisot
Chairman of the Board

Jörn Andreas
Board member

Benedicte Fossum
Board member

Jan Nilsson
Board member

Jonny Olsson
Board member

Eva Redhe Ridderstad
Board member

Peter Nählstedt
CEO

Auditor's review report of the interim financial information in summary (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act (1995:1554).

To the Board of Directors of Probi AB (publ), Corp. Reg. No. 556417-7540

Introduction

We have conducted a review of the year-end report (interim report) for Probi AB (publ) as of 31 December 2015 and the 12-month period that ended on this date. The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim financial information based on our review.

Focus and scope of the review

We have conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information 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 has a different focus and significantly less scope than an audit in accordance with the International Standards on Auditing (ISA), and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that would have been identified if an audit had been conducted. Accordingly, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Opinion

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

Malmö, 26 January 2016

Deloitte AB

Per-Arne Pettersson

Authorized Public Accountant

Statement of comprehensive income (Group)

	Q4 2015	Q4 2014	Full-year 2015	Full-year 2014
Currency: KSEK				
Operating revenue				
Net sales	35,939	39,920	215,711	135,242
Other revenue	<u>611</u>	<u>1,026</u>	<u>4,973</u>	<u>2,510</u>
Total operating revenue	36,550	40,946	220,684	137,752
Operating expenses				
Cost of goods sold	-8,956	-13,271	-63,120	-41,677
Employee benefit expenses	-10,515	-8,906	-41,251	-31,937
Other external costs	-11,789	-7,082	-47,069	-27,930
Depreciation of fixed assets	-1,607	-1,380	-6,070	-5,419
Discarding of fixed assets	-	<u>-3,740</u>	<u>-106</u>	<u>-3,740</u>
Total operating expenses	-32,867	-34,379	-157,616	-110,703
Operating profit	3,683	6,567	63,068	27,049
Financial income	95	698	3,248	1,648
Financial expenses	<u>-190</u>	<u>-269</u>	<u>-3,226</u>	<u>-607</u>
Profit before tax	3,588	6,996	63,090	28,090
Tax for the period	<u>-861</u>	<u>-1,630</u>	<u>-14,051</u>	<u>-6,325</u>
Profit for the period	2,727	5,366	49,039	21,765
Other comprehensive income				
Currency translation difference in the group	<u>-4</u>	-	<u>-4</u>	-
Total comprehensive income for the period	2,723	5,366	49,035	21,765
Number of shares at end of the reporting period	9 115 300	9 115 300	9 115 300	9 115 300
Average no. of shares	9 115 300	9 115 300	9 115 300	9 115 300
Earnings per share before and after dilution	0,30	0,59	5,38	2,39
Net profit and total comprehensive income are attributable in their entirety to the Parent Company's shareholders				

Since the company has no outstanding convertible loans or outstanding warrants, no dilution effect arises.

During 2011, Probi bought back company shares and at the end of the reporting period owned 250,000 treasury shares, corresponding to 2.7% of the total number of shares, with a quotient value of SEK 5.00 per share.

Income statement (Parent Company)

	Q4 2015	Q4 2014	Full-year 2015	Full-year 2014
Currency: KSEK				
Operating revenue				
Net sales	35,939	39,920	215,711	135,242
Other revenue	<u>611</u>	<u>1,026</u>	<u>4,973</u>	<u>2,510</u>
Total operating revenue	36,550	40,946	220,684	137,752
Operating expenses				
Cost of goods sold	-8,956	-13,271	-63,120	-41,677
Employee benefit expenses	-10,515	-8,906	-41,251	-31,937
Other external costs	-11,862	-7,082	-47,142	-27,930
Depreciation of fixed assets	-1,607	-1,380	-6,070	-5,419
Discarding of fixed assets	-	<u>-3,740</u>	<u>-106</u>	<u>-3,740</u>
Total operating expenses	-32,940	-34,379	-157,689	-110,703
Operating profit	3,610	6,567	62,995	27,049
Financial income	95	893	3,248	1,648
Financial expenses	-191	-269	-3,422	-412
Appropriations	<u>105</u>	<u>-62</u>	<u>105</u>	<u>-62</u>
Profit before tax	3,619	7,129	62,926	28,223
Tax for the period	<u>-884</u>	<u>-1,660</u>	<u>-14,031</u>	<u>-6,355</u>
Profit for the period	2,735	5,469	48,895	21,868

Statement of comprehensive income (Parent Company)

Profit for the period	2,735	5,469	48,895	21,868
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	2,735	5,469	48,895	21,868

Consolidated statement of financial position (Group)

	31 Dec. 2015	31 Dec. 2014
Assets		
Fixed assets		
Capitalised development expenses	31,250	18,340
Patents and licenses	9,570	8,910
Goodwill	2,762	2,762
Equipment, tools and fixtures	4,581	4,864
Deferred tax	-	<u>43</u>
Total fixed assets	48,163	34,919
Current assets		
Inventories	4,468	3,561
Current receivables	32,229	29,328
Cash and cash equivalents	<u>143,024</u>	<u>108,181</u>
Total current assets	179,721	141,070
Total assets	227,884	175,989
Equity and liabilities		
Equity	187,239	145,953
Deferred tax	122	145
Current liabilities	<u>40,523</u>	<u>29,891</u>
Total equity and liabilities	227,884	175,989

Balance sheet (Parent Company)

	31 Dec. 2015	31 Dec. 2014
Assets		
Fixed assets		
Capitalised development expenses	31,250	18,340
Patents and licenses	9,570	8,910
Equipment, tools and fixtures	4,581	4,864
Participation in Group Companies	<u>4,329</u>	<u>4,031</u>
Total fixed assets	49,730	36,145
Current assets		
Inventories	4,468	3,561
Current receivables	32,423	29,189
Cash and cash equivalents	<u>142,718</u>	<u>108,181</u>
Total current assets	179,609	140,931
Total assets	229,339	177,076
Equity and liabilities		
Equity	183,970	142,822
Untaxed reserves	555	660
Long-term liabilities to group companies	4,036	4,036
Current liabilities	<u>40,778</u>	<u>29,558</u>
Total equity and liabilities	229,339	177,076

Changes in equity (Group)

Currency: KSEK

	Share capital	Other contributions received	Reserves	Result brought forward	Total equity
Reporting period, 1 Jan. 2014 - 31 Dec. 2014					
Opening balance, 1 Jan. 2014	46,827	64,740	-	19,457	131,024
Dividends for 2013				-6,836	-6,836
Profit for the year				21,765	21,765
Equity, 31 Dec. 2014	46,827	64,740	-	34,386	145,953

	Share capital	Other contributions received	Reserves	Result brought forward	Total equity
Reporting period, 1 Jan. 2015 - 31 Dec. 2015					
Opening balance, 1 Jan. 2015	46,827	64,740	-	34,386	145,953
Dividends for 2014				-7,749	-7,749
Profit for the year				49,039	49,039
Other comprehensive income			-4		-4
Equity, 31 Dec. 2015	46,827	64,740	-4	75,676	187,239

Statement of cash flows

	Full-year 2015	Full-year 2014
Operating activities		
Profit before tax	63,090	28,090
Depreciation and discarding of fixed assets	6,176	9,159
Capital gains/losses from disposal of tangible fixed assets	31	30
Income tax paid	<u>-16,689</u>	<u>-5,147</u>
Cash flow from operating activities before changes in working capital	52,608	32,132
Change in inventories	-907	-882
Change in operating receivables	-2,901	-4,143
Change in operating liabilities	<u>13,286</u>	<u>10,125</u>
Cash flow from operating activities	62,086	37,232
Investing activities		
Acquisition of intangible fixed assets	-18,256	-9,824
Acquisition of tangible fixed assets	-1,238	-3,823
Divestment of tangible fixed assets	-	131
Cash flow from investing activities	-19,494	-13,516
Change in cash and cash equivalents		
Dividend to shareholders	<u>-7,749</u>	<u>-6,836</u>
Cash flow from financing activities	-7,749	-6,836
Change in cash and cash equivalents	34,843	16,880
Cash and cash equivalents at the beginning of the year	108,181	91,301
Cash and cash equivalents at the end of the period	143,024	108,181
Interest paid and received		
Interest received	128	1,219
Interest paid	-19	-

Key ratios		2015				2014			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	Def.								
Net sales Functional Food, quarterly		10 600	8 417	9 148	9 979	8 360	8 641	9 296	9 802
Net sales Consumer Healthcare, quarterly		25 339	43 446	49 830	58 952	31 560	28 415	22 586	16 582
Total net sales, quarterly		35 939	51 863	58 978	68 931	39 920	37 056	31 882	26 384
EBITDA, quarterly	1	5 290	17 991	17 239	28 724	11 687	10 377	6 723	7 421
Operating profit, quarterly		3 683	16 347	15 694	27 344	6 567	9 025	5 329	6 128
Growth, accumulated, %	2	59,5	88,6	119,5	161,3	32,3	25,3	12,2	3,9
R&D expenses as part of operating income, %		13	12	11	10	16	18	18	19
EBITDA margin, %	3	14,7	34,7	29,2	41,7	29,3	28,0	21,1	28,1
Operating margin, %	4	10,2	31,5	26,6	39,7	16,5	24,4	16,7	23,2
Net margin, %	5	29,2	33,1	33,3	41,7	20,8	22,1	20,7	24,5
Average no. of employees		32	31	28	26	26	25	25	25
Assets		221 697	220 060	210 861	213 564	175 989	167 203	154 464	152 919
Working capital	6	139 198	139 137	127 056	125 454	111 179	105 920	100 839	104 337
Liquid ratio, %	7	432	483	409	260	460	491	569	708
Equity ratio, %	8	82,2	83,8	81,3	78,8	82,9	84,0	86,4	88,9
Debt/equity ratio, %	9	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Return on total assets, %	10	31,3	30,1	22,3	14,1	17,2	13,5	8,0	4,3
Return on equity, %	11	37,9	36,0	26,9	18,3	20,3	15,5	9,1	4,9
Equity per share, SEK		20,54	20,24	18,80	18,47	16,01	15,42	14,65	14,93
Cash flow per share, SEK		3,82	3,82	1,47	2,03	1,85	0,69	0,33	0,39
Share price, SEK		141,50	138,50	131,00	108,75	61,50	46,80	50,50	40,50
Market cap		1 289 815	1 262 469	1 194 104	991 289	560 591	426 596	460 323	369 170

Definitions of key ratios

1. Operating profit before depreciation, discarding, financial items and tax
2. Change in net sales
3. EBITDA as a percentage of net sales, quarterly
4. Operating income as a percentage of net sales, quarterly
5. Profit before tax as a percentage of net sales
6. Total current assets less current liabilities
7. Total current assets excluding inventories as a percentage of current liabilities
8. Equity as a percentage of balance sheet total
9. Interest-bearing liabilities as a percentage of equity
10. Operating income and interest income as a percentage of average total assets
11. Profit before tax as a percentage of average equity