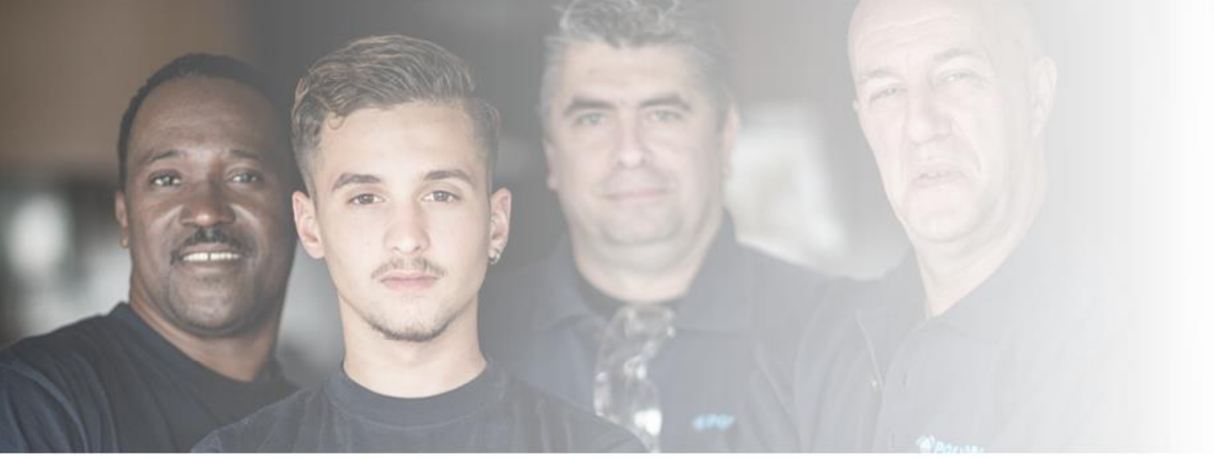


Always By Your Side.

Interim Report Polygon AB

January – September 2018

2018

Sales

+25%

EUR 158.1 million (126.1)

2018

Adjusted

EBITA

+19%

EUR 10.3 million (8.6)

THIRD QUARTER 2018

- Sales grew 25.3% to EUR 158.1 million. Adjusted organic growth remained strong at 11.9%, with Continental Europe reporting growth of 20.2%. Recent acquisitions, completed in late 2017 and early 2018, contributed EUR 17.6 million in sales, corresponding to growth of 13.9%. The stronger euro had a negative impact of 0.5%. Order intake in the quarter was up 17.2% on last year.
- Adjusted EBITA amounted to EUR 10.3 million (8.6), up 19.3%. Continental Europe and Nordics & UK posted improved earnings while North America reported decreased earnings year on year due to very strong comparable figures last year in the US. Nordics & UK's improvement in earnings to EUR 1.6 million (0.8) was mainly due to recent acquisitions.
- EBITA amounted to EUR 9.7 million (8.2). Items affecting comparability were recognised in a net amount of EUR 0.5 million (0.4) during the quarter.
- In the beginning of the quarter, Polygon Norway acquired the remaining 80% of the shares in their franchise partners in Drammen and Kongsberg (sales of EUR 3.5 million).

JANUARY – SEPTEMBER 2018

- Sales growth for the period was 21.7% and amounted to EUR 453.4 million. Adjusted organic growth totalled 8.0% following a strong performance in the last two quarters and acquisitions contributed growth of 14.7%. Currency rates had a negative effect of 1.0%.
- Adjusted EBITA amounted to EUR 29.0 million (23.5), up 23.6%. Earnings in Continental Europe and Nordics & UK improved while North America was down on the preceding year, when earnings were boosted by the occurrence of hurricanes in the US. Earnings for Nordics & UK continued to improve due to recent acquisitions.
- EBITA amounted to EUR 26.5 million (22.1). Items affecting comparability were recognised in a net amount of EUR 2.5 million (1.3).
- Cash flow from operating activities totalled EUR 9.7 million, compared with EUR 18.4 million last year due to increased working capital as a result of high growth. The liquidity buffer amounted to EUR 60.3 million (Dec 2017: 60.9).
- During the first nine months of the year, Polygon completed four acquisitions with total yearly sales of EUR 36 million. After the closing date, Polygon UK signed a contract to acquire Neways Property Care Ltd with yearly sales of EUR 6 million and Polygon Sweden signed a contract to acquire Refix Skadesanering AB with yearly sales of EUR 3 million.
- Axel Gränitz was appointed as CEO of Polygon Group effective from 15 October 2018.

GROUP KEY FIGURES

EUR million	Q3		Q1–3		12 Months	
	2018	2017	2018	2017	LTM	2017
Sales of services	158.1	126.1	453.4	372.7	593.2	512.4
EBITDA	**13.1**	**10.7**	**36.3**	**29.3**	**47.0**	**40.1**
EBITDA,%	*8.3*	*8.5*	*8.0*	*7.9*	*7.9*	*7.8*
Adjusted EBITDA	**13.6**	**11.1**	**38.8**	**30.7**	**51.1**	**43.0**
Adjusted EBITDA, %	*8.6*	*8.8*	*8.6*	*8.2*	*8.6*	*8.4*
EBITA	**9.7**	**8.2**	**26.5**	**22.1**	**34.5**	**30.1**
EBITA, %	*6.2*	*6.5*	*5.8*	*5.9*	*5.8*	*5.9*
Adjusted EBITA	**10.3**	**8.6**	**29.0**	**23.5**	**38.6**	**33.0**
Adjusted EBITA, %	*6.5*	*6.8*	*6.4*	*6.3*	*6.5*	*6.4*
EBIT	**8.1**	**7.1**	**21.7**	**18.6**	**28.5**	**25.4**
EBIT, %	*5.1*	*5.6*	*4.8*	*5.0*	*4.8*	*5.0*
Earnings per share (EUR)	0.79	0.35	1.19	0.67	1.52	1.00
Cash flow from operating activities	12.2	10.1	9.7	18.4	32.0	40.7
Net debt	189.5	150.5	189.5	150.5	189.5	141.9
Full-time employees	3,723	3,011	3,723	3,011	3,559	3,279

Note: 2017 figures have been restated for implementation of IFRS 15 Revenue from Contracts with Customers.

Comments from the CEO

Well on track to meet our ambitious targets

Axel Gränitz

We are pleased to report that the third quarter met our expectations. With our current traction we expect a solid fourth quarter. We are particularly satisfied with the consistency of our financial performance. Since the fourth quarter of 2014, we have seen only two quarters down on the preceding year.

As expected, we benefitted from the second quarter's order intake, which was the result of a combination of an increased "share of wallet" from existing customers, favourable weather conditions in local geographies and the added volume from recent acquisitions. Adjusted organic growth in the quarter amounted to 12%, following average annual growth of close to 8% since 2014. Polygon is growing well above the estimated annual market growth of 2%. Our adjusted EBITA for the quarter improved 19%, despite our performance in Norway and Finland for the full quarter remaining below par. The good news is that both countries have shown significant improvements during the last month, indicating that the initial investment connected to the implementation of our new field reporting system is now paying off. For the year to date, adjusted EBITA has improved 24%.

Our strategic initiatives, which were developed and communicated in 2017, will remain a strong focus for the future. First and foremost, we are continuing to invest in "People and Culture". Our annual employee surveys show steady improvement and remain well above the industry benchmark. The senior executives of the newly acquired companies have undergone a year-long executive training program through the Polygon Academy, focusing on building a strong corporate culture and the development of leadership skills. Another initiative where we have seen good progress is our efforts to leverage the strength of our competence centres for Major and Complex Claims (M&CC) and Document Restoration throughout the Group. Our cross-border activity increased substantially in 2018, including several large projects across Europe, and we achieved increased awareness through customer events in the majority of our countries.

Our focus on developing our digital capabilities has resulted in the launch of an application tailored for the Managed Property customer segment, which will simplify the value chain for property managers, home owners and technicians. One of the most important initiatives and areas for future growth is "Accelerating M&A". Since spring 2017, we have successfully completed thirteen acquisitions. We have built a list of potential targets, including new territories. As indicated at the beginning of the year, we deliberately took a pause to integrate the newly acquired businesses. We are now ready to continue with the next phase. Between the closing of the third quarter and the release of this report, we have added two new companies to our Group.

Neways Property Care in the UK is a well-respected insurance building contractor based in Sheffield. This acquisition will enable us to provide our insurance customers with a comprehensive offering of restoration and repair services. We are seeing signs of insurers considering a more cohesive, one-supplier approach. Our goal is to offer this service nationwide in the UK. In Sweden, we have strengthened our Fire service line through the acquisition of Refix Skadesanering, a strong player in the Stockholm area.

Today, we remain very well positioned to exceed market growth through an increased share of wallet, to fuel growth through selective acquisitions and to further improve our profitability by leveraging our structure and efficiency improvements.

Based on the company's historical performance and strong agenda, we are confident, that Polygon will be able to continue this journey and achieve its established goals.

Short-term outlook

Order intake in the third quarter remained favourable, providing a solid foundation for the last quarter. We expect this trend to continue in the fourth quarter.

Market development

There are several trends in the property damage restoration market that are benefiting larger players like Polygon, such as procurement centralisation, the customer preference for one-stop shops and the more complex requirements for front-end IT systems. Global warming is gradually increasing rainfall levels and extreme weather conditions, which will consequently increase water damage.

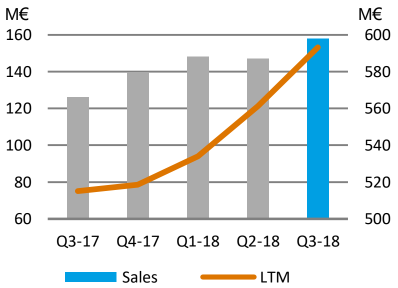
Stockholm, 9 November 2018

Axel Gränitz President and CEO	Evert-Jan Jansen Former President and CEO

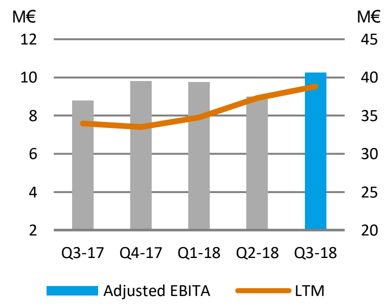
Financial information

Sales and profit

Sales development



Adjusted EBITA



Group

THIRD QUARTER 2018

Sales amounted to EUR 158.1 million, up 25.3% compared with the corresponding quarter in the preceding year. Adjusted organic growth was strong at 11.9% (currency effects amounted to a negative 0.5%) fuelled by growth in the current portfolio and by growth in the M&CC area. Acquisitions, mainly in the Nordics, contributed EUR 17.6 million in sales, corresponding to growth of 13.9%.

Adjusted EBITA amounted to EUR 10.3 million (8.6). Earnings in Continental Europe and Nordics & UK continued to increase while North America's performance was weaker than in the preceding year since a significant amount of work was carried out in hurricane-affected areas in the year-earlier period. Developments in Nordics & UK continued to be boosted by acquisitions. EBITA amounted to EUR 9.7 million (8.2). Items affecting comparability were recognised in an amount of EUR 0.5 million (0.4) (see page 13 for further details).

Net financial expenses for the period amounted to EUR 2.5 million (3.6), of which EUR 2.7 million (2.9) refers to net interest expenses and EUR 0.2 million to exchange rate gains (losses 0.7). As in the previous quarter, the decrease in net interest expenses compared with the corresponding period in the preceding year is due to the issue of a new bond of EUR 210.0 million in March 2018 with more favourable terms and the impact from exchange revaluation from internal financial loans reported in other comprehensive income.

Tax in the period amounted to EUR 1.0 million (1.7) and was impacted by deferred tax adjustment in the period.

The Group posted profit before tax of EUR 5.6 million (3.5) and net profit of EUR 4.6 million (1.8).

JANUARY – SEPTEMBER 2018

Sales amounted to EUR 453.4 million, up 21.7% compared with the corresponding period in the preceding year. Adjusted organic growth was 8.0% (currency effects amounted to a negative 1.0%). Organic growth was strong in both the second (9.9%) and third (11.9%) quarter of the year. Acquisitions, mainly in the Nordics, contributed EUR 54.6 million in sales, corresponding to growth of 14.7%.

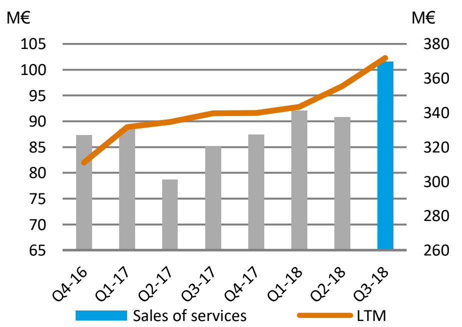
Adjusted EBITA amounted to EUR 29.0 million (23.5). Earnings in Continental Europe and Nordics & UK continued to increase while North America faced challenging comparative figures due to the job increase during last year's hurricane season. The contribution from acquisitions remained strong in the Nordic area. EBITA amounted to EUR 26.5 million (22.1). Items affecting comparability were recognised in an amount of EUR 2.5 million (1.3) and consisted mainly of acquisition-related costs (see page 12 for further details).

Net financial expenses for the period amounted to EUR 12.2 million (12.8), of which EUR 11.8 million (8.7) refers to net interest expenses and EUR 0.4 million to exchange rate losses (4.1). The interest expenses compared with the corresponding period in the preceding year are slightly lower due to a lower interest rate level for the new bond issued in March 2018. The exchange losses from internal financial loans have been recognised in other comprehensive income for 2018.

Tax for the year to date amounted to EUR 2.3 million (2.2) and was high due to the decision regarding a change of tax rate on Sweden, which impacted deferred taxes in the Group in second quarter.

The Group posted profit before tax of EUR 9.5 million (5.8) and net profit of EUR 7.1 million (3.7).

Continental Europe



Third quarter

- Sales amounted to EUR 101.5 million, up 19%
- Adjusted EBITA totalled EUR 5.4 million (4.9)

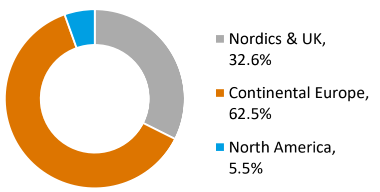
January – September

- Sales amounted to EUR 284.4 million, up 14%
- Adjusted EBITA totalled EUR 16.8 million (15.4)
- Acquisitions in France and Germany consolidated from January 2018

THIRD QUARTER 2018

Continental Europe continued its strong performance with sales of EUR 101.5 million representing growth of 19.2%, of which 16.8% was organic growth excluding acquisitions in Germany and France. Germany grew its portfolio and reported adjusted organic growth of 19.1%. Growth in France remained high at 72% as a result of the acquisition in late 2017 and the Netherlands grew close to 40% through cross-border projects. Adjusted EBITA amounted to EUR 5.4 million (4.9), representing a margin of 5.3%, down slightly on the preceding year. France and the Netherlands reported improved adjusted EBITA due to continued strong sales.

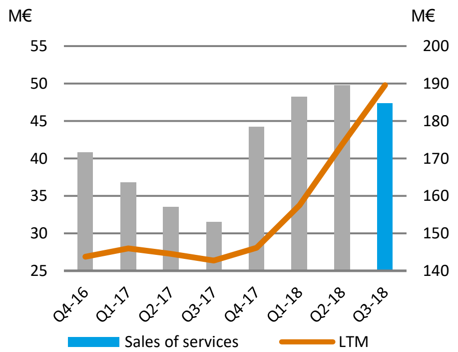
Sales by segment LTM (%)



JANUARY – SEPTEMBER 2018

Sales amounted to EUR 284.4 million, corresponding to growth of 14.5%, of which 11.9% was adjusted organic growth. Except for Austria and Belgium, all countries reported increased sales. Adjusted EBITA amounted to EUR 16.8 million (15.4), representing a margin of 5.9% (6.2). France and the Netherlands reported improved adjusted EBITA margins as a result of their strong growth. Adjusted EBITA in Germany was slightly up on last year.

Nordics & UK



Third quarter

- Sales amounted to EUR 47.4 million, up 50%
- Adjusted EBITA totalled EUR 1.6 million (0.8)

January – September

- Sales amounted to EUR 145.3 million, up 46%
- Adjusted EBITA totalled EUR 5.0 million (2.5)
- Acquisitions in Denmark (January 2018) and Norway (Q4 2017 & Q1 2018)
- Two acquisitions closed in the beginning of Q3 (former franchisees in Norway)
- Two acquisitions closed in beginning of October (the UK and Sweden)

THIRD QUARTER 2018

Nordics & UK reported sales of EUR 47.4 million in the quarter driven by the large acquisitions in Denmark (Dansk Bygningskontrol in January 2018) and Norway (Polygon Nord at the end of Q3 and Skadegruppen in Q4 2017). The UK reported growth of close to 20%. Adjusted EBITA increased from EUR 0.8 million to EUR 1.6 million driven by acquisitions. The Nordic countries recovered in the later part of the quarter after problems earlier in the year.

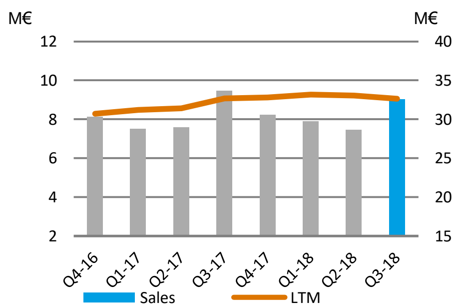
Polygon Norway acquired the remainder of the shares in two franchise partners (in Drammen and Kongsberg).

JANUARY – SEPTEMBER 2018

Sales grew with 45.6% to EUR 145.3 million. Acquisitions in Denmark and Norway were the main driver behind the strong growth. Adjusted organic growth was 2.5% in the segment. The UK reported growth in both the second and third quarter after a period with a calm market. Adjusted EBITA of EUR 5.0 million was up more than 100% on last year. Denmark reported a strong increase in profitability, while Norway and Finland were below expectations due to problems connected to new systems / processes.

Polygon Sweden finalised the acquisition of Caliber in order to enter into the FDR service line in the beginning of the second quarter. In October, an additional acquisition in the FDR service line in Sweden was carried out. After the end of the third quarter, Polygon UK entered into the restoration and repair service line through the acquisition of Neways Property Care.

North America



Third quarter

- Sales amounted to EUR 9.0 million, down 4%
- Adjusted EBITA totalled EUR 1.3 million (1.8)

January – September

- Sales amounted to EUR 24.4 million (24.4)
- Adjusted EBITA totalled EUR 2.8 million (3.3)

THIRD QUARTER 2018

North America reported sales of EUR 9.0 million, which was in line with last year. Adjusted organic growth was a negative 3.4% due to challenging comparative figures in the year-earlier period. The US reported negative growth of 8.2% due to the large number of jobs during last year's hurricane season. Canada reported strong growth after a weak second quarter. Adjusted EBITA amounted to EUR 1.3 million, down EUR 0.5 million on last year.

JANUARY – SEPTEMBER 2018

Sales were in line with last year at EUR 24.4 million. Adjusted organic growth was 6.6% driven by both the US and Canada. Adjusted EBITA amounted to EUR 2.8 million, down EUR 0.5 million on last year, which was positively affected by the hurricane season. In the second quarter, Polygon Canada added franchisees to its organisation in Quebec, one in the Montreal West Island area and one in the Lanaudière region.

Cash flow and financing

Cash flow from operating activities for the third quarter amounted to EUR 12.2 million (10.1) and included an increase in contract assets due to the Group's high level of activity. Cash flow from operating activities for the first three quarters of 2018 was EUR 9.7 million (18.4) and followed the normal seasonal pattern, with a working capital increase compared with year-end. This was mainly attributable to the strong growth in areas which demand higher working capital and the increase from acquired companies.

Total interest-bearing net debt was EUR 189.5 million (December 2017: 141.9). The Group's liquidity buffer amounted to EUR 60.3 million (December 2017: 60.9), consisting of cash and cash equivalents of EUR 24.4 million (December 2017: 42.5) and unutilised revolving credit facility (RCF) commitments of EUR 35.9 million (December 2017: 18.4). During the first quarter, the Group was refinanced by issuing a EUR 210.0 million bond with a fixed rate coupon of 4.000% per annum, replacing the previous EUR 180 million note, originally dating back to April 2014. In the new bond agreement, the RCF was increased to EUR 40.0 million (22.5).

During the first quarter, the Group acquired Dansk Bygningskontrol, with annual sales of EUR 29 million, Von der Lieck, with annual sales of EUR 4 million, and the assets and liabilities of Metodia, with total annual sales of EUR 0.4 million. Minority shares in four Norwegian franchise partners and in Caption Data were also acquired during the first quarter. During the second quarter, the Group acquired the assets and liabilities of Caliber, a Swedish company with annual sales of EUR 2.0 million. During the third quarter Polygon Norway acquired remaining shares of two Norwegian franchise partners, Drammen and Kongsberg, with total sales of EUR 3.5 million. The total cash expenditure for acquisitions for the first three quarters of 2018 was EUR 30.4 million.

Equity amounted to EUR 77.2 million (December 2017: 59.8).

Capital expenditure

Capital expenditure in the third quarter amounted to EUR 4.1 million (4.4). Capital expenditure for the first three quarters amounted to EUR 14.7 million (14.2) mainly driven by the high activity in Europe and in North America to meet additional growth in Temporary Climate Solutions (TCS) as well as upgrade of the fleet to meet new environmental regulations.

Parent Company

The consolidated figures in this report are presented at the consolidated level for Polygon AB. The Parent Company, Polygon AB (corporate identity number 556816-5855), directly and indirectly holds 100% of the shares in all subsidiaries in the Group, except for the companies in Denmark, in which the non-controlling interest is 33.6%. The net loss for Polygon AB for the third quarter amounted to EUR 1.5 million (1.4).

Significant risks and uncertainties

The Group is active in the property damage restoration business meaning work related to water damage restoration, fire damage restoration and document restoration. The frequency of property damage can vary depending on circumstances beyond Polygon's control, the outdoor temperature and the weather. Polygon estimates that, on average for the last five years, around 95% of the property damage is, by nature, attributable to the large share of annually recurring claims, while the remainder is related to more extreme and less predictable events caused by weather and fire. Since part of Polygon's cost structure is fixed, the proceeds of the operations are to some extent unpredictable and vary over time.

Polygon is to a large degree dependent on its key customers — the insurance companies — and must maintain mutually beneficial relationships with them in order to compete effectively. The Group's top ten customers represent about one third of Polygon's sales, with the newest customer on the top ten list having an eight-year relationship with the Group.

For further details about the Group's risks and uncertainties, please refer to the 2017 Annual Report and the prospectus prepared in connection with listing of the EUR 210,000,000 senior secured floating rate notes issued by Polygon AB (publ) (refer to the website: www.polygongroup.com). Polygon's view is that there have not been any significant changes during the reporting period with regard to the risks and uncertainties presented in the Annual Report, except for risks associated with the increased acquisition rate toward the end of 2017.

Related party transactions

The Group is under the controlling influence of Polygon Holding AB, the Parent Company of Polygon AB. Polygon Holding AB is under the controlling influence of MuHa No2 LuxCo S.á.r.l. There have been no material transactions with companies in which MuHa No2 LuxCo S.á.r.l has a significant or controlling influence.

Other

The Board of Directors of Polygon AB (publ) or any of its subsidiaries may from time to time resolve to purchase notes issued by Polygon AB (publ), which are listed on Nasdaq Stockholm, on the market or in any other manner. Any purchase of notes will be made in accordance with the terms and conditions of the notes and the applicable laws and regulations. No such purchases have been carried out to date.

Subsequent events

After the end of the quarter, Polygon Sweden acquired the company Refix Skadesanering AB, thereby continuing to strengthen its fire restoration operations. The acquisition added 30 employees and annual sales of EUR 3.0 million. On 3 October, Polygon UK acquired Neways Property Care in the UK. The acquisition enabled Polygon to provide its customers with a comprehensive offering of property damage repair and restoration services. The acquisition added 54 employees and annual sales of EUR 6.1 million.

Axel Gränitz was appointed as CEO of Polygon Group effective from 15 October 2018.

Consolidated income statement

EUR thousands	Q3		Q1–3		Full-year
	2018	2017	2018	2017	2017
Sales of services	158,106	126,150	453,397	372,664	512,429
Cost of sales	-122,239	-95,550	-346,993	-281,005	-385,750
Gross profit	**35,867**	**30,600**	**106,404**	**91,659**	**126,679**
Administrative and selling expenses	-27,126	-23,100	-81,962	-71,500	-98,072
Other operating expenses	-618	-435	-2,760	-1,517	-3,169
Operating profit	**8,123**	**7,065**	**21,682**	**18,642**	**25,438**
Financial income	-1	60	35	124	151
Financial expenses	-2,521	-3,623	-12,255	-12,928	-17,097
Profit/loss after financial items	**5,601**	**3,502**	**9,462**	**5,838**	**8,492**
Income taxes	-979	-1,672	-2,319	-2,154	-3,024
Profit/loss for the period	**4,622**	**1,830**	**7,143**	**3,684**	**5,468**
Profit/loss attributable to:					
Owners of the Parent Company	4,417	1,951	6,668	3,774	5,590
Non-controlling interests	205	-121	475	-90	-122
Total	**4,622**	**1,830**	**7,143**	**3,684**	**5,468**

Consolidated statement of comprehensive income

EUR thousands	Q3		Q1–3		Full-year
	2018	2017	2018	2017	2017
Profit/loss for the period	**4,622**	**1,830**	**7,143**	**3,684**	**5,468**
Comprehensive income					
Items that cannot be reclassified to profit or loss					
Actuarial gains and losses on defined benefit plans	-131	-	-328	188	-222
Tax	29	-	72	-41	18
Items that can be subsequently reclassified to profit or loss					
Exchange differences on transactions of foreign operations	-430	-54	107	285	511
Total comprehensive income, net of tax	**4,090**	**1,776**	**6,994**	**4,116**	**5,775**
Total comprehensive income attributable to:					
Owners of the Parent Company	3,885	1,897	6,519	4,206	5,897
Non-controlling interests	205	-121	475	-90	-122
Total	**4,090**	**1,776**	**6,994**	**4,116**	**5,775**
Number of shares	5,600	5,600	5,600	5,600	5,600
Earnings per share (EUR)	0.79	0.35	1.19	0.67	1.00

Consolidated balance sheet

EUR thousands	30 Sep 2018	30 Sep 2017	31 Dec 2017
ASSETS			
Non-current assets			
Goodwill	131,349	104,709	110,942
Other intangible assets	57,625	43,279	41,960
Tangible assets	45,662	37,929	40,200
Deferred tax assets	18,043	22,730	16,744
Other financial fixed assets	724	3	2
Total non-current assets	**253,403**	**208,650**	**209,848**
Current assets			
Contract assets from customers	47,352	27,871	28,246
Trade receivables	93,473	78,246	78,676
Receivables from Parent Company	315	314	308
Prepaid expenses	6,357	5,061	5,602
Cash and cash equivalents	24,434	32,285	42,541
Total current assets	**171,931**	**143,777**	**155,373**
TOTAL ASSETS	**425,334**	**352,427**	**365,221**
EQUITY AND LIABILITIES			
Equity			
Issued capital	58	58	58
Other contributed capital	10,771	10,771	10,771
Other capital reserves	-607	-940	-714
Retained earnings	55,231	47,353	48,819
Equity attributable to owners of the Parent Company	**65,453**	**57,242**	**58,934**
Non-controlling interests	11,796	852	820
Total equity	**77,249**	**58,094**	**59,754**
Non-current liabilities			
Provisions	5,959	5,277	5,556
Deferred tax liabilities	20,017	21,621	15,806
Shareholder loans	5,594	5,085	5,594
Non-current interest-bearing liabilities	208,871	177,838	178,614
Total non-current liabilities	**240,441**	**209,821**	**205,570**
Current liabilities			
Provisions	2,705	870	5,065
Trade payables	42,061	30,679	35,647
Current liabilities	5,025	4,237	3,638
Other liabilities	17,818	15,731	18,864
Accrued expenses	40,035	32,995	36,683
Total current liabilities	**107,644**	**84,512**	**99,897**
TOTAL EQUITY AND LIABILITIES	**425,334**	**352,427**	**365,221**

Consolidated net debt

EUR thousands	30 Sep 2018	30 Sep 2017	31 Dec 2017
Defined benefit plans	5,026	4,950	4,988
Other long-term loans, interest-bearing	205,845	177,838	178,614
Current loans, interest-bearing	3,026	-	885
Cash and bank	-24,434	-32,285	-42,541
Net debt	**189,463**	**150,503**	**141,946**

Always By Your Side.

Consolidated statement of cash flow

EUR thousands	Q3 2018	Q3 2017	Q1–3 2018	Q1–3 2017	Full-year 2017
Operating activities					
Operating profit	8,123	7,065	21,682	18,643	25,438
Adjustments for non-cash items before tax	4,382	3,389	15,315	9,128	8,972
Income tax paid	-1,370	-1,335	-3,050	-2,173	-2,961
Cash flow from operating activities before changes in working capital	**11,135**	**9,119**	**33,947**	**25,598**	**31,449**
Cash flow from changes in working capital					
Changes in operating receivables	4,638	-2,360	-7,710	-1,544	564
Changes in contract assets from customers	-7,872	-1,550	-14,621	7,896	9,855
Changes in operating liabilities	4,343	4,882	-1,938	-13,576	-1,195
Cash flow from operating activities	**12,244**	**10,091**	**9,678**	**18,374**	**40,673**
Investing activities					
Acquisition of subsidiary, net of cash acquired	-6,408	-1,976	-30,422	-2,460	-7,108
Purchase of tangible assets	-3,676	-3,795	-12,922	-12,358	-16,925
Purchase of intangible fixed assets	-386	-587	-1,731	-1,823	-2,390
Sale of non-current assets	125	1	301	1	86
Cash flow from investing activities	**-10,345**	**-6,357**	**-44,774**	**-16,640**	**-26,337**
Cash flow before financing activities	**1,899**	**3,734**	**-35,096**	**1,734**	**14,336**
Cash flow from financing activities					
New borrowings	-	-	210,000	-	-
Dividend	-	4	8	4	4
Dividend to non-controlling interests	-	-	-	-163	-163
Repayment of borrowings	-135	-4	-181,155	-11	-14
Financial income received	-1	56	27	120	147
Financial expenses paid	-597	-2,278	-11,860	-6,908	-9,293
Net cash flow from financing activities	**-733**	**-2,222**	**17,020**	**-6,958**	**-9,319**
Cash flow for the period	**1,166**	**1,512**	**-18,076**	**-5,224**	**5,017**
Cash and cash equivalents, opening balance	23,010	30,537	42,541	36,585	36,585
Translation difference in cash and cash equivalents	258	236	-31	924	939
Cash and cash equivalents, closing balance	**24,434**	**32,285**	**24,434**	**32,285**	**42,541**

Consolidated statement of changes in equity

EUR thousands	Attributable to owners of the Parent Company						
	Share capital	Other contributed capital	Other capital reserves	Retained earnings	Total	Non-controlling interests	Total equity
Closing balance, 31 December 2016	**58**	**10,771**	**-1,225**	**43,432**	**53,036**	**1,105**	**54,141**
Dividend	-	-	-	0	0	-163	-163
Profit for the period	-	-	-	3,774	3,774	-90	3,684
Other comprehensive income	-	-	285	147	432	-	432
Closing balance, 30 September 2017	**58**	**10,771**	**-940**	**47,353**	**57,242**	**852**	**58,094**
Profit/ loss for the period	-	-	-	1,817	1,817	-32	1,785
Other comprehensive income	-	-	226	-351	-124	-	-124
Closing balance, 31 December 2017	**58**	**10,771**	**-714**	**48,819**	**58,934**	**820**	**59,754**
New issues of shares	-	-	-	-	-	10,501	10,501
Profit/ loss for the period	-	-	-	6,668	6,668	475	7,143
Other comprehensive income	-	-	107	-256	-149	-	-149
Closing balance, 30 September 2018	**58**	**10,771**	**-607**	**55,231**	**65,453**	**11,796**	**77,249**

Segment reporting

The segment information is presented based on company management's perspective, and operating segments are identified based on the internal reporting to Polygon's chief operating decision maker.

EUR thousands	Q3		Q1–3		Full-year
	2018	2017	2018	2017	2017
Sales of services					
Nordic & UK	47,356	31,546	145,343	99,829	144,053
Continental Europe	101,524	85,161	284,436	248,463	335,922
North America	9,034	9,458	24,404	24,399	32,618
Intercompany sales	192	-15	-786	-27	-164
Total	**158,106**	**126,150**	**453,397**	**372,664**	**512,429**
Adjusted EBITA					
Nordic & UK	1,580	790	5,035	2,452	5,995
Continental Europe	5,354	4,942	16,815	15,437	19,771
North America	1,313	1,838	2,771	3,280	4,293
Other	2,019	1,035	4,388	2,305	2,963
Adjusted EBITA	**10,266**	**8,605**	**29,009**	**23,474**	**33,022**
Items affecting comparability (IAC)	-541	-371	-2,523	-1,346	-2,908
EBITA	**9,725**	**8,234**	**26,486**	**22,128**	**30,114**
Amortization of acqusition-related tangible and intangible assets	-1,602	-1,169	-4,804	-3,485	-4,676
Operating profit	**8,123**	**7,065**	**21,682**	**18,643**	**25,438**
Net financial items	-2,522	-3,563	-12,220	-12,804	-16,946
Profit/ loss after financial items	**5,601**	**3,502**	**9,462**	**5,838**	**8,492**

Of the sales of services above, 6.5% (4.6) of revenue is recognized at one point in time. The remainder is recognized over time.

Alternative performance measures

EUR thousands	Q3		Q1–3		Full-year
	2018	2017	2018	2017	2017
Adjusted EBITDA breakdown					
Operating profit (EBIT)	8,123	7,065	21,682	18,643	25,438
Add back amortization of acquisition-related tangible and intangible assets	1,602	1,169	4,804	3,485	4,676
Operating profit before amortization (EBITA)	9,725	8,234	26,486	22,128	30,114
Add back depreciation	3,369	2,512	9,767	7,186	9,986
Operating profit before depreciation (EBITDA)	13,094	10,746	36,253	29,314	40,100
Add back items affecting comparability (IAC)	541	371	2,523	1,346	2,908
Operating profit before depreciation and IAC (Adjusted EBITDA)	**13,635**	**11,117**	**38,776**	**30,660**	**43,008**
Adjusted EBITA breakdown					
Operating profit (EBIT)	8,123	7,065	21,682	18,643	25,438
Add back amortization of acquisition-related tangible and intangible assets	1,602	1,169	4,804	3,485	4,676
Operating profit before amortization (EBITA)	9,725	8,234	26,486	22,128	30,114
Add back items affecting comparability (IAC)	541	371	2,523	1,346	2,908
Operating profit before amortization and IAC (Adjusted EBITA)	**10,266**	**8,605**	**29,009**	**23,474**	**33,022**

Income statement, Parent Company

EUR thousands	Q3		Q1–3		Full-Year
	2018	2017	2018	2017	2017
Sales of services	907	858	2,470	2,269	3,533
Gross profit	**907**	**858**	**2,470**	**2,269**	**3,533**
Administrative and selling expenses	-868	-659	-2,466	-2,053	-3,280
Other operating income/expenses	-83	-166	-84	-168	-176
Operating profit/loss	**-44**	**33**	**-80**	**48**	**77**
Financial income	716	894	2,222	2,679	3,960
Financial expenses	-2,337	-2,478	-10,221	-8,502	-10,802
Loss before income taxes	**-1,665**	**-1,551**	**-8,079**	**-5,775**	**-6,765**
Taxes	140	124	-461	-	478
Loss for the period	**-1,525**	**-1,427**	**-8,540**	**-5,775**	**-6,287**

Statement of comprehensive income, Parent Company

EUR thousands	Q3		Q1–3		Full-Year
	2018	2017	2018	2017	2017
Loss for the period	-1,525	-1,427	-8,540	-5,775	-6,287
Comprehensive income	-	-	-	-	-
Comprehensive income after tax	-1,525	-1,427	-8,540	-5,775	-6,287
Total comprehensive income	**-1,525**	**-1,427**	**-8,540**	**-5,775**	**-6,287**

Statement of financial position, Parent Company

EUR thousands	30 Sep 2018	30 Sep 2017	31 Dec 2017
ASSETS			
Non-current assets			
Participations in subsidiaries	185,902	185,902	185,902
Receivables from subsidiaries	64,674	64,067	64,283
Deferred tax assets	790	-	812
Total non-current assets	**251,366**	**249,969**	**250,997**
Current assets			
Receivables from Parent Company	1,097	882	308
Other receivables	57	134	87
Prepaid expenses	19	12	14
Receivables from subsidiaries	49,159	28,342	28,007
Total current assets	**50,332**	**29,370**	**28,416**
Cash and cash equivalents	-	-	-
Total current assets	-	-	-
TOTAL ASSETS	**301,698**	**279,339**	**279,413**
EQUITY AND LIABILITIES			
Equity			
Issued capital	58	58	58
Share premium reserve	6,771	6,771	6,771
Unrestricted equity	82,179	91,911	90,719
Total equity	**89,008**	**98,740**	**97,548**
Non-current liabilities			
Provisions	80	-	-
Deferred tax liabilities	941	178	502
Non-current interest-bearing liabilities	206,383	177,365	177,796
Total non-current liabilities	**207,404**	**177,543**	**178,298**
Current liabilities			
Payables to subsidiaries	35	4	-
Trade payables	200	30	53
Other current liabilities	209	210	290
Accrued expenses	4,842	2,812	3,224
Total other current liabilities	**5,286**	**3,056**	**3,567**
TOTAL EQUITY AND LIABILITIES	**301,698**	**279,339**	**279,413**

Consolidated items affecting comparability (IAC)

EUR thousands	Q3		Q1–3	
	2018	2017	2018	2017
Transaction costs, acquisition	-149	-19	-226	-143
Restructuring	-208	-193	-1,530	-403
Impairment IT systems and tangible assets	-121	-	-121	-30
Negative goodwill Norway	-	-	-	-
Other	-63	-159	-646	-770
Total	**-541**	**-371**	**-2,523**	**-1,346**

Financial instruments

Polygon is exposed to a number of financial market risks that the Group is responsible for managing under the finance policy approved by the Board of Directors. The overall objective is to have cost-effective funding in the Group companies. The financial risks in the Group are mainly managed through a weekly exchange of non-euro cash into euros and, to a limited extent, through the use of financial instruments. The main exposures for the Group are liquidity risk, interest rate risk and currency risk.

Derivatives are measured at fair value according to level 2 with additional considerations according to level 3, in compliance with IFRS 13. Other financial instruments are measured at carrying amounts.

Interest swaps are subject to ISDA agreements which allow netting, in case of any failure. On the closing day, there was currency hedging but no interest swaps.

The significant financial assets and liabilities are shown below. According to Polygon's assessment, there is no significant difference between the carrying amounts and fair values.

EUR thousands	30 Sep 2018		30 Sep 2017		31 Dec 2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Trade receivables	91,147	91,147	74,812	74,812	76,570	76,570
Other current assets	2,694	2,694	3,886	3,886	2,522	2,522
Receivables from Parent Company	315	315	314	314	308	308
Cash and cash equivalents	24,434	24,434	32,285	32,285	42,541	42,541
Total	**118,590**	**118,590**	**111,297**	**111,297**	**121,941**	**121,941**
Liabilities						
Non-current interest-bearing liabilities	208,871	213,040	177,893	180,059	178,614	179,999
Other interest-bearing liabilities	5,594	5,594	5,085	5,085	5,594	5,594
Trade payables	42,061	42,061	30,679	30,679	35,647	35,647
Other current liabilities	16,372	16,372	13,865	13,865	17,641	17,641
Accrued expenses	4,505	4,505	2,299	2,299	1,900	1,900
Total	**277,403**	**281,572**	**229,821**	**231,987**	**239,396**	**240,781**
Derivatives for hedging purposes						
Currency hedging derivatives	-18	-18	-55	-55	-202	-202
Total	**-18**	**-18**	**-55**	**-55**	**-202**	**-202**

Pledged assets and contingent liabilities, Parent Company

EUR thousands	30 Sep 2018	30 Sep 2017	31 Dec 2017
Pledged assets and contingent liabilities			
Pledged assets			
Shares in subsidiaries	185,902	185,902	185,902
Total pledged assets	**185,902**	**185,902**	**185,902**
Contingent liabilities	**None**	**None**	**None**

Acquisitions of subsidiaries

At beginning of the third quarter, Polygon Norway acquired the remaining 80% of the shares in their franchise partners in Drammen and Kongsberg. During the three first quarters, the Group acquired two companies in Denmark and Germany, the assets and liabilities of two companies in Sweden (Metodia AB and Caliber Sanering Sverige AB), minority shares in two franchise partners in Norway and a minority share in Caption Data in the UK. The purchase price allocation displayed below includes the acquired subsidiaries and is preliminary.

Company	Corp. ID. No.	Country	Ownership	Closing date	Estimated annual net sales	No of employees
Von Der Lieck GmbH & Co KB	HRA 6565	Germany	100.0%	2 January 2018	4	25
Dansk Bygningskontrol A/S	31 85 98 83	Denmark	66.4%	4 January 2018	29	236
Polygon Kongsberg AS	884 251 192	Norway	100.0%	2 July 2018	1.7	17
Buskerud Skadebegrensning AS	977 073 189	Norway	100.0%	3 July 2018	1.8	20

EUR thousands	**Q3**		**Q1–3**		**Full-year**
Fair value recognized on acquisition	**2018**	**2017**	**2018**	**2017**	**2017**
Customer relationships	-	-	12,889	-	-
Trademarks	-	-	551	-	-
Equipment	47	250	716	342	995
Licences	-	-	-	-	53
Other non-current receivables	68	-	3,832	-	31
Current receivables	955	1,392	12,519	1,788	6,700
Inventory	-	750	-	770	4,148
Total identifiable assets at fair value	**1,070**	**2,392**	**30,507**	**2,900**	**11,927**
Long-term loans and other liabilities	22	-	4,205	161	-
Current liabilities	583	1,635	5,398	2,006	7,661
Deferred tax liabilities	-	20	454	20	391
Less: Cash and cash equivalents	156	-814	147	-904	-3,149
Total identifiable liabilites less cash at fair value	**761**	**841**	**10,204**	**1,283**	**4,903**
Total identifiable net assets at fair value	**309**	**1,551**	**20,303**	**1,617**	**7,024**
Non-controlling interest measured at fair value	-	-	-10,523	-	-
Negative goodwill	-	-	-	-	-3,992
Goodwill	132	2,210	18,768	3,026	8,400
Purchase consideration transferred	**441**	**3,761**	**28,548**	**4,643**	**11,432**
Purchase consideration					
Cash paid	441	3,346	28,548	4,012	10,763
Liability to seller	-	415	-	631	669
Total consideration	**441**	**3,761**	**28,548**	**4,643**	**11,432**
Analysis of cash flows on acquisition:					
Net cash acquired with the subsidiary	156	-814	147	-904	-3,149
Cash paid	441	3,346	28,548	4,012	10,763
Translation difference	-	-5	-	-97	45
Closing balance	**597**	**2,527**	**28,695**	**3,011**	**7,659**

Nordics & UK

The acquisition of Dansk Bygningskontrol A/S was closed at the beginning of January 2018 and is consolidated from this date. The integration process is continuing as planned with the merger of the two organizations. Polygon Sweden acquired the assets and liabilities of Metodia AB at the beginning of January. In the beginning of second quarter, Polygon Sweden acquired the assets and liabilities of Caliber Sanering Sverige AB, which focuses on restorations after fire damage.

In January, Polygon Norway acquired minority shares in four franchise partners, with a call option to increase the ownership to 100%: Buskerud Skadesanering AS and Kongsberg AS (20% in each), Polygon Haugesund AS (49%) and Polygon Innlandet AS (40%). Additional payment Polygon Nord AS was done in June of EUR 551 thousand. In the beginning of the third quarter Polygon Norway exercised the call option for two of its franchisees, Buskerud Skadesanering AS and Kongsberg AS, with total sales of EUR 3.5 million. Polygon acquired a minority share (20%) in Caption Data Limited (CDL). CDL has a remote monitoring platform and is a leader in machine-to-machine interaction and real-time client facility conditions monitoring.

After the end of the period, Polygon Sweden acquired the company Refix Skadesanering AB and continues to strengthen the fire restoration part of its business. The acquisition adds 30 permanent employees and annual sales of EUR 3.0 million. Polygon UK has acquired Neways Property Care in UK, on 3 October 2018. The acquisition enables Polygon to offer its customers a full service of property damage repair and restoration. The acquisition adds 54 employees and annual sales of EUR 6.1 million.

Continental Europe

The acquisition of Von Der Lieck GmbH & Co in Germany was signed in October 2017 and completed at the beginning of January 2018 with final additional of payment in April, which adjusted total consideration with EUR 436 thousand. A minor adjustment was made to preliminary purchase price allocation for the French acquisition completed in December 2017, adding EUR 550 thousand in goodwill for the Group.

Accounting policies

Accounting policies

The interim report for the Group has been prepared in accordance with IAS 34 Interim Reporting. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. The Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act.

The accounting policies applied in this interim report are the same as those applied in the consolidated annual accounts for 2017. More detailed accounting policies can be found on pages 14-19 of the Annual Report for 2017.

Net investment in foreign operations

Foreign currency exchange differences arising on consolidation of net investment in foreign operations is recognized in other comprehensive income. Loans in foreign currencies are revalued at exchange rates prevailing on the balance sheet date. Effects from the revaluation of internal loans (that are considered part of the net investment in foreign operations) are recognized in other comprehensive income. Foreign currency exchange gains (losses) and tax effects attributable to such revaluation are recognized in other comprehensive income. Accumulated exchange differences are reclassified to profit or loss on disposal of the net investment.

IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2018)

The standard combines, enhances and replaces specific guidance on recognizing revenue with a single standard. Most of the performance obligations in Polygon are satisfied over time as the work generally is ongoing for one to at least three months on assets controlled by the customer and the revenue are recognized over time in pace with fulfillment. Leak detection, consulting and document restoration are fulfilled at one point in time and recognized accordingly. The portfolio approach, which allows bundling of similar performance obligations for more effective handling, are used to handle the large amount of generally small (under EUR 2 thousand) and short-term (less than three months) obligations that make up the bulk of the Group's business. The remaining obligations with a longer duration are, as earlier, be recognized using the percentage of completion method on a cost base approach.

The Group apply the standard retrospectively, utilizing the practical expedient to not restate contracts that begin and end within the same annual accounting period or are completed at the beginning of the earliest period presented.

Introduction of the new standard gave a positive one-time effect of EUR 2.1 million on equity in 2016. Revenue recognition at the total annual level, with the application of the new standard, has not been significantly affected. Revenue for 2017 is EUR 6.2 million less than with the application of the previous standard.

EUR thousands	**Q1–3**		
Impact in income statement	**Actual 2017**	**Restated 2017**	**Change**
Sales of services	252,631	246,514	-6,117
Cost of sales	-191,497	-185,455	6,042
Gross profit	**61,134**	**61,059**	**-75**
EBITA	13,969	13,894	-75
Operating profit (EBIT)	11,653	11,578	-75
Profit before income taxes	2,381	2,306	-75
Income taxes	-483	-483	-
Profit for the period	**1,898**	**1,823**	**-75**
Items impacted in balance sheet			
Work in progress	18,635	-	-18,635
Contract assets from customers	-	24,538	24,538
Equity	54,678	55,345	667
Contract liabilites	-	666	666

IFRS 9 Financial Instruments (effective from 1 January 2018)

The standard introduces a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model in which they are managed and provides a new impairment model based on expected credit losses.

The main focus for the Group has been the impairment model for expected credit losses as trade receivables are a material part of the balance sheet. The existing model in the Group has been valued to cover the requirements of the new standard. If necessary, the Group will provide an additional central reserve.

Standards and changes in standards effective from 1 January 2019

Polygon does not intend to apply these in advance.

IFRS 16 Leases

This standard will replace IAS 17 and introduce a single lessee accounting model requiring lessees to recognize right-to-use assets and lease liabilities for leases with a term of more than 12 months. This will significantly increase total tangible assets in the balance sheet and affect net debt and other key performance indicators in both the balance sheet and income statement. The initial introduction and planning of the implementation of the new standard in the Group has continued during the quarter with the finalizing of guidelines, data gathering and decision regarding administrative support systems. The main leases for the Group are premises and vehicles with an allocation of 50% of the total lease cost to each category. While leases for premises are few, they are more complex and while the vehicle leases may be numerous, they are often standardized with good supporting administration available.

The term "IFRS" as used in this document refers to the application of IAS and IFRS as well as the interpretations of these standards published by the IASB's Standards Interpretation Committee (SIC).

Definitions

Sales	Sales net of VAT and discounts
Gross profit	Sales minus cost of goods sold
EBITDA	Earnings before interest, tax, depreciation and amortization
Adjusted EBITDA	Earnings before interest, tax, depreciation, amortization and items affecting comparability
EBITA	Earnings before interest, tax , depreciation and amortization of acquisition-related tangible and intangible assets
Adjusted EBITA	Earnings before interest, tax, depreciation and amortization of acquisition-related tangible and intangible assets, and items affecting comparability
EBIT	Earnings before interest and tax
Operating margin	EBIT as a percentage of sales
EBITDA-, Adjusted EBITDA-, EBITA-, Adjusted EBITA-margin	EBITDA, Adjusted EBITDA, EBITA and Adjusted EBITA as a percentage of sales
Net financial expenses	Financial income minus financial expenses including exchange rate differences related to financial assets and liabilities
Net debt	Interest-bearing debt (including pension and leasing debts) minus cash and cash equivalents
Earnings per share	Profit for the period attributable to owners of the company/average number of shares during the period
Items affecting comparability (IAC)	Items attributable to capital gains/losses, impairment, restructuring, redundancy costs and other material non-recurring items
Capital expenditures	Resources used to acquire intangible and tangible assets that are capitalized
Organic growth	Business expansion generated within the existing company excluding the impact of foreign exchange
Adjusted organic growth	Business expansion generated within the existing company excluding the impact of foreign exchange and adjusted for acquired and disposed businesses
LTM	Last 12 months

Amounts in brackets in this report refer to the corresponding period in the preceding year.

The Group's key figures are presented in EUR million, rounded off to the nearest thousand, unless otherwise stated. All individual figures (including totals and sub-totals) are rounded off to the nearest thousand. From a presentation standpoint, certain individual figures may therefore differ from the computed totals.

Polygon presents certain financial performance measures that are not defined in the interim report in accordance with IFRS. Polygon believes that these measures provide useful supplemental information to investors and the company's management evaluating trends and the company's performance. As not all companies calculate the performance measures in the same way, these are not always comparable to measures used by other companies. These performance measures should not be seen as a substitute for measures defined under IFRS.

The definition of items affecting comparability (IAC) has been further specified to also include other material non-recurring items that have been reported.

This report has not been audited.

Financial calendar 2018

This report was published on the Group's website on 9 November 2018.

Interim Report

Q4 2018 will be published on 8 February 2019

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