In Q3-17 Nammo reported an operating income of MNOK 893 (MNOK 803) and EBITDA of MNOK 88 (MNOK 83). The Group’s order intake ended at MNOK 1 089 (MNOK 534), resulting in an order backlog valued at MNOK 4 951 (MNOK 5 489) at end Q3-17. In Q3 Nammo Group delivered somewhat better result than the similar quarter last year, but still a way to go to deliver year end result at budgeted level. Nammo is still forecasting year end to be at budgeted level, but this result is on the high end of the corridor.

**Q3 Highlights**

It is still SMCA and SFS who are delivering results at a level better than budgeted, both with a very good September. We experience both slow market and performance challenges in some of the other Business Units which will be even more challenging in the last quarter. We are following this closely in Q4. Order intake in Q3 ended at MNOK 1 089, which was more than the double of the same quarter last year.

### Balance Sheet

At the end of Q3 2017 Nammo had net interest-bearing liabilities of MNOK -1 219, compared with MNOK -851 at Q3 2016. The Group’s bank deposits and cash equivalents came to MNOK -62 at Q3 2017, compared with MNOK 30 at Q3 2016. The Group’s equity was MNOK 2 497 (48 per cent), compared with MNOK 2 469 (53 per cent) at Q3 2016. Higher stock level, tangible assets and intangible assets are the main reasons for higher debt and total assets.

### Profit and loss last quarter

The operating income per Q3-17 is 30 % lower than the same period last year, which is mainly reflecting the lower performance than budget in four of the business units. The high level of activity and deliveries in Q4 will be important to for the Group to be able to deliver year end result at budgeted level. Total operating expenses are on expected levels, but contribution margin for the total Group is challenging.