



Darksiders III

PROMOTIONS DRIVE SALES, EBIT INCREASED BY 113%

We continue to capitalize on the scalability of our asset care business model. 77% of revenue is generated from our own IP's. Net sales increased by 62% to SEK 85.6 m during the quarter, and EBIT increased 113% to SEK 30.3 m, corresponding to an EBIT margin of 35%.

Notably, sales of the previously released Darksiders games were strong, driven by promotions in May when we announced the upcoming Darksiders III. This illustrates how we increase the value of our existing catalogue by developing sequels that boost sales of previous titles.

The publishing and development teams are all very excited about the upcoming Gamescom tradeshow in Cologne, where we will present playable versions of upcoming sequels. We are confident about our continued progress in the second half of the year, with a major portion of the sales anticipated in the fourth quarter due to planned release dates and normal seasonality.

– LARS WINGEFORS, FOUNDER & CEO

SECOND QUARTER 2017

- > Net sales increased by 62% to SEK 85.6 m [52.7].
- > Owned titles represented SEK 65.2 m [38.6], or 77%, of net sales in the quarter.
- > EBITDA was SEK 39.7 m [23.2], corresponding to an EBITDA margin of 46%.
- > Cash flow from operating activities amounted to SEK 21.6 m [2.0].
- > Earnings per share amounted to SEK 0.32 [0.18].
- > 5 owned titles and 2 publishing titles launched in the second quarter.

INTERIM PERIOD JANUARY-JUNE 2017

- > Net sales increased by 75% to SEK 167.5 m [95.9].
- > Owned titles represented SEK 120.2 m [75.9], or 72%, of net sales in the period.
- > EBITDA was SEK 81.6 m [46.2], corresponding to an EBITDA margin of 49%.
- > Cash flow from operating activities amounted to SEK 51.3 m [27.4].
- > Earnings per share amounted to SEK 0.65 [0.35].
- > As of 30 June 2017, cash and cash equivalents were SEK 124.6 m [9.7].

Throughout the Report, all comparatives within parentheses refer to the corresponding period of the previous year, unless otherwise stated.

KEY PERFORMANCE INDICATORS, GROUP

SEK m	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	85.6	52.7	167.5	95.9	301.9
EBITDA	39.7	23.2	81.6	46.2	132.4
EBIT	30.3	14.2	62.2	28.4	95.0
Profit after tax	23.2	10.6	46.8	21.3	71.9
Earnings per share, SEK	0.32	0.18	0.65	0.35	1.18
Cash flow from operating activities	21.6	2.0	51.3	27.4	99.2
Sales growth, %	62	42	75	28	42
EBITDA margin, %	46	44	49	48	44
EBIT margin, %	35	27	37	30	31
Net sales split:					
– Owned titles, %	77	73	72	79	71
– Publishing titles, %	23	27	28	21	29



Wreckfest

FINANCIAL PERFORMANCE, SECOND QUARTER 2017

Consolidated net sales for the second quarter were up by 62% to SEK 85.6 m [52.7]. The growth was mainly sourced from successful sales from the portfolio of owned titles.

CONSOLIDATED OPERATING EXPENSES

Operating expenses were SEK 71.6 m [49.0] in the second quarter. Cost of goods sold was SEK 24.3 m [18.1], with the cost increase mainly due to higher sales. Other external expenses were SEK 15.5 [10.0], with the increase primarily relating to higher sales and marketing costs, traveling costs and costs related to companies not included in Q2 2016. Personnel expenses were SEK 20.8 m [11.6], the increase derived from higher employee headcount and acquired studios. Depreciation and amortization were SEK 9.4 m [9.0]. Other operating expenses amounted to SEK -1.7 m [-0.3].

CONSOLIDATED EARNINGS

The Group's EBITDA for the second quarter 2017 increased by 71% to SEK 39.7 m [23.2], due to profitable sales growth. The EBIT in the quarter was SEK 30.3 m [14.2]. Profit after financial items was SEK 30.0 m [13.8] for the second quarter. Profit after tax was SEK 23.2 m [10.6].

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the quarter was SEK 21.6 m [2.0]. The difference is primarily due to improved operating profit, higher tax payments and improved working capital.

Cash flow from investing activities was SEK -59.3 m [-30.7] the majority relating to investments in game projects. Cash flow from financing activities amounted to SEK 31.4 m [15.0], of which SEK 31.4 m is external financing.

Cash and cash equivalents at the end of the period were SEK 124.6 m, compared to SEK 167.4 m as of 31 December 2016. The Group also had unutilized credit facilities of SEK 37.9 m [71.3]. Accordingly, total available cash and cash equivalents were SEK 162.5 m at the end of the second quarter compared with SEK 238.7 m at 31 December 2016.

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTIZATION

In the second quarter, the Group's investments in intangible assets amounted to SEK 58.6 m [30.2], mainly attributable to expenditure for game development. Investments in property, plant and equipment amounted to SEK 0.7 m [0.5].

Amortization of intangible assets in the second quarter was SEK 9.0 m [8.9]. Depreciation of property, plant and equipment amounted to SEK 0.4 m [0.1].

FINANCIAL PERFORMANCE, FIRST HALF-YEAR 2017

Net sales increased by 75% to SEK 167.5 m [95.9] for the period January-June 2017.

EBITDA was SEK 81.6 m [46.2], an increase by 77%. EBIT was SEK 62.2 m [28.4]. Profit after financial items was SEK 61.5 m [27.8] and profit after tax was SEK 46.8 m [21.3] for the first half-year.

Cash flow from operating activities was SEK 51.3 m [27.4]. The combination of improved operating profit with higher depreciation and amortization improved cash flow by SEK 35.4 m, which was also improved by lower tax payments of SEK 5.0 m, and working capital had a negative development by SEK 16.5 m. The Group's investments in intangible assets amounted to SEK 125.8 m [55.0]. Investments in property, plant and equipment were SEK 1.6 m [0.8]. Amortization of capitalized expenditure for development work in the period was SEK 18.7 m [17.5], the increase relating to amortization of launched game projects. Depreciation of equipment was SEK 0.7 m [0.3].

Cash flow from investing activities was SEK -127.4 m [-55.8], the majority relating to investments in game projects. Cash flow from financing activities amounted to SEK 33.3 m [12.5], of which SEK 33.3 m were external financing.



ELEX

OPERATIONS

The company acquires, develops and publishes PC and console games. The company has a wide catalogue of 270 games, including 81 owned franchises, such as Darksiders, Titan Quest, MX vs ATV, Red Faction, Destroy All Humans, Aquanox, ELEX, Jagged Alliance, SpellForce and The Guild. THQ Nordic has a global publishing reach within marketing, sales and distribution, both online and offline. The Group's head office is based in Karlstad, Sweden and its operational office in Vienna, Austria. THQ Nordic employs and contractually collaborates 423 people and has four inhouse development studios based in Germany, USA and Sweden.

NEW RELEASES IN THE SECOND QUARTER

In the second quarter of 2017 the company released a wide range of games, covering all major platforms and a wide variety of genres.

In April, "MX vs ATV Supercross Encore 2017 Official Track Edition" was released digitally on Sony's PlayStation Network and Microsoft's Xbox Live Platform. In the same month, "SpellForce Anniversary Edition" on STEAM – and a PC-version of "De Blob" were released in the course of the company's asset care program.

At the end of May, the company shipped "Darksiders – Warmastered Edition" for Nintendo's Wii U™ Platform. At the same time, "Lock's Quest" was made available for PC, PlayStation 4 and Microsoft Xbox One. The month of May was concluded by the release of the MAC OS and mobile game versions of "Neighbours from Hell".

In June two further asset care projects were made available to the public: "Silver" – available for the first time via STEAM for PC and MAC OS – and "De Blob 2" – completing development efforts to make the franchise as a whole available to the PC-gamer community.

All new releases mentioned above are based on THQ Nordic's own IP's. In addition THQ Nordic published "Victor Vran – Overkill Edition" and "The Town of Light". Both titles were published in cooperation with Wired Productions Ltd., United Kingdom. In this co-operation THQ Nordic is responsible for the worldwide physical distribution.

OTHER EVENTS IN THE SECOND QUARTER

"Darksiders III"-announcement

On 2 May 2017 the company announced that hack-n-slash action adventure Darksiders III is in development for PC, PlayStation 4 and Microsoft Xbox One, and is slated for release in 2018. THQ Nordic works with the team at Gunfire Games, USA, which is largely comprised of the original creators of the Darksiders games.

Humble Bundle and Hand in Hand International campaign

THQ Nordic cooperated with Sony PlayStation, Humble Bundle and Hand in Hand International during two weeks through HumbleBundle.com in order to promote games and at the same time raising money for charity. The campaign raised the net amount of US\$ 246,000 which will be donated to Hand in Hand International. The donation is said to enable education for approximately 3,670 people in Afghanistan, Kenya, Tanzania and India. Depending on their experience, they will go on to create 2,340 small businesses and 3,000 jobs in their local communities.



Black Mirror 4

ONGOING DEVELOPMENT AND UPCOMING RELEASES

As stated in previous reports, 2017 will be the first year that the company will release developed sequels of own IP's. These sequels are scheduled for release by the the end of 2017. Announced releases during 2017 include "SpellForce 3", "ELEX", "The Guild 3" and "Battle Chasers: Night War".

"Aquanox– Deep Descent" was previously planned for release in 2017 but will be postponed for release until 2018 in order to maximize the potential. The game will be replaced by the previously unannounced sequel to the fully owned IP "Black Mirror" that will be released later in 2017 for PC, PlayStation 4 and Xbox One. The management expects both titles to have a similar market potential.

At the end of the quarter, the company had 30 development projects in development. 13 of these had been publicly announced at the end of the second quarter.

Announced upcoming releases by 15 August:

TITLE	IP Owner	Platforms	Channel
Aquanox – Deep Descent	THQ Nordic	PC, PS4, XB1	On- and Offline
Baja: Edge of Control HD	THQ Nordic	PC, PS4, XB1	On- and Offline
Battle Chasers: Nightwar	Airship Syndicate	PC/MAC, XB1, PS4, NS	On- and Offline
Black Mirror	THQ Nordic	PC/MAC/LINUX, PS4, XB1	On- and Offline
Darksiders III	THQ Nordic	PC, PS4, XB1	On- and Offline
ELEX	THQ Nordic	PC, PS4, XB1	On- and Offline
Rad Rodgers	THQ Nordic	PC, PS4, XB1	On- and Offline
Sine Mora EX	THQ Nordic	PC, PS4, XB1, NS	On- and Offline
Snipers vs Thieves	Shuck Games	iOS/Android	Online
SpellForce 3	THQ Nordic	PC	On- and Offline
The Guild 3	THQ Nordic	PC	On- and Offline
The Hunter - Call of the Wild	Expansive Worlds AB	PS4, XB1	Offline
The Muscle Hustle	Shuck Games	iOS/Android	Online
This is the Police	THQ Nordic	iOS/Android	Online
Wreckfest	Bugbear	PC, PS4, XB1	On- and Offline

Latest release dates for the products could be found on the consumer website www.thqnordic.com.

HUMAN RESOURCES

As of 30 June 2017, the Company had 98 employees [56]. The average number of full-time employees for the quarter was 92 [56].

PARENT COMPANY

The Parent Company's net sales for the second quarter were SEK 42.5 m [19.6] and profit before tax was SEK 37.9 m [10.8]. Profit after tax was SEK 29.6 m [8.4].

Cash and cash equivalents as of 30 June 2017 were SEK 115.8 m [4.1].

Investments in intangible assets in the period were SEK 2.7 m [4.2]. The Parent Company's equity at the end of the quarter was SEK 373.2 m [53.2].



SpellForce 3

RELATED PARTY TRANSACTIONS

For the first two quarters 2017, companies within Nordic Games Group AB invoiced THQ Nordic for QA services amounting to a total of SEK 1.0 m. In the period, THQ Nordic invoiced Game Outlet Europe AB for sold games amounting to a total of SEK 4.2 m. THQ Nordic also has rent agreement with Lars Wingefors Group. During the period THQ Nordic paid SEK 0.1 m in rent and has also paid SEK 0.1 m for other services to companies within the Lars Wingefors Group.

OWNERSHIP BY 30 JUNE 2017

Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %
LARS WINGEFORS AB ¹⁾	6,501,467	29,523,732	50.01	61.78
XAGONUS AB ²⁾	1,407,724	6,392,600	10.83	13.38
SWEDBANK ROBUR ³⁾	0	3,985,928	5.53	2.60
HANDELSBANKEN FONDER ⁴⁾	0	3,416,999	4.74	2.23
CMB HOLDING AB ⁵⁾	483,378	2,195,063	3.72	4.59
DIDNER & GERGE SMÅBOLAG	0	2,200,663	3.06	1.44
RAM ONE AB	0	1,796,745	2.49	1.17
LUMARISIMO AB ⁶⁾	289,966	1,316,760	2.23	2.76
MARTIN LARSSON AND COMPANIES	0	1,316,944	1.83	0.86
AVANZA PENSION	0	1,308,766	1.82	0.86
NOVOBIS AB	0	1,250,000	1.74	0.82
GERADO AB ⁷⁾	201,784	916,321	1.55	1.92
OLSSON FAMILY AND FOUNDATION	0	990,000	1.37	0.65
GIGALOMANIAC ⁸⁾	115,681	655,524	1.07	1.18
KNUTSSON FAMILY AND COMPANIES	0	600,000	0.83	0.39
OTHER SHAREHOLDERS	0	5,166,455	7.18	3.37
TOTAL NUMBER OF SHARES	9,000,000	63,032,500	100.00	100.0
TOTAL NUMBER OF VOTES	153,032,500			

1) Lars Wingefors AB is controlled to 100% by CEO Lars Wingefors

2) Xagonus AB is controlled to 100% by CFO Erik Stenberg

3) Swedbank Robur consists of two funds; Småbolagsfond Sverige and Småbolagsfond Norden

4) Handelsbanken Fonder consists of four funds; Sverige, Svenska Småbolag, Bosparfond Bostadsrätterna and Nordiska Småbolag

5) CMB Holding AB is controlled to 100% by Mikael Brodén

6) Lumarisimo AB is controlled by Pelle Lundborg with family

7) Gerado AB is controlled to 100% by Klemens Kreuzer, MD THQ Nordic GmbH

8) Gigalomaniac AB is controlled by Reinhard Pollice, Director of Business Development at THQ Nordic GmbH

INFORMATION ABOUT FIRST NORTH

Nasdaq First North ("First North") is an alternative marketplace operated by the constituent exchanges of NASDAQ Stockholm. It does not have the same legal status as a regulated marketplace. Companies quoted on First North are subject to First North's rules, rather than the legal requirements set for trading on a regulated marketplace. An investment in a company trading on First North implies higher risk than one in a listed company. Companies must apply to the exchange and gain approval before trading on First North can commence. A Certified Adviser guides the company through the listing process and also ensures that the company continuously satisfies First North's standards. FNCA Sweden AB is THQ Nordic's certified adviser.



Sine Mora EX

RISKS AND UNCERTAINTY FACTORS

The risks related to THQ Nordic's operations are reviewed below.

DEVELOPING GAME PROJECTS

THQ Nordic develops games in-house via its own development studios and in collaboration with external game developers. Delays to planned and ongoing game projects can have a negative impact on cash flows, revenues and operating margins. Delays can occur to in-house and external development projects. The completion of a game project may also consume more resources than originally estimated, and then usually, and especially for in-house projects, the expense must be met by THQ Nordic.

LAUNCHES OF NEW GAME TITLES CAN GENERATE LOWER-THAN-EXPECTED REVENUES

When new game titles are launched, there is a risk that they are not well received by the market. This can lead to revenue losses, lower margins and reduced cash flows. This applies to both self-financed projects and games where the Company is the publisher and bears a significant share of finance. Capitalized development expenses are also subject to the risk of impairment.

THQ NORDIC IS DEPENDENT ON A SMALL NUMBER OF SIGNIFICANT DISTRIBUTORS OF ITS GAME TITLES

The Company's sales of digital and physical game titles are largely through a small number of major distributors. Distributors continuing to provide digital and physical distribution channels is a precondition for THQ Nordic being able to keep generating revenue from them.

THQ NORDIC MAY BE UNSUCCESSFUL IN DEVELOPING AND ADAPTING TO NEW TECHNOLOGY AND CONSUMER PREFERENCES AND STANDARDS, AS WELL AS ALTERED REGULATION

The evolution of the gaming industry is largely driven by the wants and needs of gamers, game companies and publishers, which means that operators must continuously offer new products and services with the aim of attracting and retaining a broad spectrum of gamers. In a sector featuring the rapid creation and development of new products, technologies and gamer behavior, it is important for the Company to continuously update and develop new and existing products and technologies.

INTELLECTUAL PROPERTY

Like other operators active in the same sector as the Company, THQ Nordic is dependent on intellectual property and its satisfactory protection. Disputes, mainly relating to intellectual property rights, do occur in the game sector from time to time. Accordingly, there is a risk that THQ Nordic may become involved in legal or administrative procedures in the future, which may relate to extensive damages claims or other claims for payment including damages claims from customers or competitors.

THQ NORDIC IS DEPENDENT ON RETAINING AND BEING ABLE TO HIRE KEY INDIVIDUALS

THQ Nordic is dependent on specific key individuals and employees. The loss of these individuals or difficulties in attracting new staff, may negatively impact on the Company's operating activities and ability to execute current and future strategies.

ACQUISITIONS

THQ NORDIC has executed, and may execute, acquisitions that may prove unsuccessful and/or put the Group's resources under strain.

More detail on the risks related to THQ Nordic's operations are stated in the most recent Annual Accounts 2016.



ACCOUNTING AND VALUATION POLICIES

This Interim Report has been prepared in accordance with the Swedish Annual Accounts Act. The accounting and valuation policies applied are consistent with the Swedish Accounting Standards Board's Category 3 (BFN K3) regulation and are unchanged since the latest published Annual Accounts, and the Swedish Accounting Standards Board's BFNAR 2007:1 guidelines on voluntary interim reporting. The Company's accounting policies are stated in its most recent Annual Accounts 2016. Amounts are reported in Swedish kronor, rounded to the nearest thousand unless otherwise stated. Rounding to the nearest thousand may mean that amounts are not consistent when added. Amounts and figures stated in brackets are comparatives for the corresponding period of the previous year.

AUDITOR'S REVIEW

This Report has not been subject to summary review by the Company's auditor.

FORTHCOMING REPORTS

THQ Nordic intends to publish financial reports on the following dates:

Interim Report, January-September 2017 and the Third Quarter	14 November 2017
Year-end Report 2017	14 February 2018
Interim Report, January-March 2018	May 2018
Interim Report, January-June 2018	August 2018

FOR MORE INFORMATION

There is more information about the Company at its website:
thqnordic-investors.com.

If you have any questions on this report, please contact:
Lars Wingefors, Founder & CEO, lwingefors@thqnordic.com.

Karlstad, Sweden, 15 August 2017

Kicki Wallje-Lund
Chairman of the board

Pia Rosin

Maria Segolsson

Erik Stenberg

Lars Wingefors
Chief Executive Officer

This interim report is information that THQ Nordic is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07.00 CET on August 15, 2017.

CONSOLIDATED INCOME STATEMENT

SEK 000	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	85,555	52,733	167,460	95,864	301,878
Work performed by the Company for its own use and capitalized	14,339	7,868	27,353	13,548	36,199
Other operating income	2,073	2,659	2,848	3,397	8,747
Total operating income	101,967	63,260	197,661	112,809	346,824
Operating expenses					
Goods for resale	-24,263	-18,078	-48,776	-31,409	-118,828
Other external expenses	-15,499	-10,048	-26,186	-13,976	-42,825
Personnel expenses	-20,759	-11,606	-38,797	-20,234	-52,315
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-9,361	-8,963	-19,415	-17,811	-37,354
Other operating expenses	-1,737	-339	-2,280	-944	-487
Total operating expenses	-71,619	-49,034	-135,454	-84,374	-251,809
Operating profit	30,348	14,226	62,207	28,435	95,015
<i>Profit from financial items</i>					
Other interest income, etc.	-	2	2	3	1
Other interest expenses, etc.	-354	-433	-727	-631	-2,120
Total financial items	-354	-431	-725	-628	-2,119
Profit after financial items	29,994	13,795	61,482	27,807	92,896
Appropriations	-	-	-	-	-
Profit before tax	29,994	13,795	61,482	27,807	92,896
Tax	-6,779	-3,220	-14,731	-6,517	-20,939
Net profit for the period	23,215	10,575	46,751	21,290	71,957
<i>Attributable to:</i>					
Equity holders of the parent	23,215	10,575	46,751	21,290	71,957
Non-controlling interests	-	-	-	-	-
Earnings per share, SEK	0.32	0.18	0.65	0.35	1.18
Average number of outstanding shares	72,032	60,000	72,032	60,000	61,121

CONDENSED CONSOLIDATED BALANCE SHEET

SEK 000	30 Jun 2017	30 Jun 2016	31 Dec 2016
Intangible assets	338,612	144,684	228,699
Property, plant and equipment	4,435	1,818	3,592
Financial assets	726	-	194
Inventories	20,304	11,768	18,430
Current receivables	36,140	20,749	46,576
Cash and bank balance	124,628	9,735	167,445
Total assets	524,845	188,754	464,936
Share capital	600	100	600
Other capital reserves	226,945	-	226,945
Recognized profit including profit for the period	165,911	65,981	117,543
Provisions	11,460	7,548	11,460
Current liabilities	119,929	115,125	108,388
Total liabilities and equity	524,845	188,754	464,936
Interest-bearing receivables amount to	124,628	9,735	167,445
Interest-bearing liabilities amount to	62,068	65,450	28,752

CONSOLIDATED STATEMENT OF EQUITY

SEK 000	Share capital	Other paid-up capital	Other equity including net profit	Consolidated equity
Amount as of 1 Jan. 2017	600	226,945	117,543	345,088
Translation difference			1,617	1,617
Net profit			46,751	46,751
Amount as of 30 June 2017	600	226,945	165,911	393,456

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK 000	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Cash flow from operating activities before changes in working capital	36,018	20,663	70,680	30,280	107,896
Change in working capital	-14,393	-18,635	-19,405	-2,916	-8,660
Cash flow from operating activities	21,625	2,028	51,275	27,364	99,236
Cash flow from investing activities	-59,301	-30,701	-127,369	-55,823	-159,732
Cash flow from financing activities	31,409	14,952	33,316	12,452	201,960
Cash flow for the period	-6,267	-13,721	-42,778	-16,007	141,464
Cash and cash equivalents at beginning of period	130,842	23,264	167,446	25,606	25,606
Translation difference in cash and cash equivalents	53	192	-40	136	376
Cash and cash equivalents at end of period	124,628	9,735	124,628	9,735	167,446

PARENT COMPANY INCOME STATEMENT

SEK 000	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales	42,454	19,645	73,477	44,034	121,036
Other operating income	339	127	618	2,504	8,031
Total operating income	42,793	19,772	74,095	46,538	129,067
Operating expenses					
Goods for resale					-523
Other external expenses	-2,200	-58	-3,410	-2,137	-3,792
Personnel expenses	-1,081		-1,982		-1,348
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-7,378	-8,697	-14,775	-17,541	-33,812
Other operating expenses	2		-	-234	-45
Total operating expenses	-10,657	-8,755	-20,167	-19,912	-39,520
Operating profit	32,136	11,017	53,928	26,626	89,547
Result from participations in Group companies					-905
Interest income, etc.	6,141		6,308		413
Interest expenses, etc.	-360	-169	-720	-581	-2,092
Total financial income/expenses	5,781	-169	5,588	-581	-2,584
Profit after financial items	37,917	10,848	59,516	26,045	86,963
Appropriations					-18,792
Profit before tax	37,917	10,848	59,516	26,045	68,171
Tax	-8,353	-2,417	-13,106	-5,765	-15,272
Net profit for the period	29,564	8,431	46,410	20,280	52,899

CONDENSED PARENT COMPANY BALANCE SHEET

SEK 000	30 Jun 2017	30 Jun 2016	31 Dec 2016
Intangible assets	39,379	42,832	51,447
Property, plant and equipment	44	97	71
Financial assets	145,527	369	712
Current receivables	159,846	87,187	177,734
Cash and bank balance	115,799	4,119	147,984
Total assets	460,595	134,604	377,948
Equity	332,648	26,574	286,238
Untaxed reserves	51,960	34,179	51,960
Current liabilities	75,987	73,851	39,750
Total liabilities and equity	460,595	134,604	377,948

SELECTED KEY PERFORMANCE INDICATORS, GROUP

Financial metrics defined or specified pursuant to Swedish Accounting Standards Board standards (BFNAR)	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales, SEK 000	85,555	52,733	167,460	95,864	301,878
Operating profit, SEK 000	30,348	14,226	62,207	28,435	95,015
Profit before tax, SEK 000	29,994	13,795	61,482	27,807	92,896
Profit after tax, SEK 000	23,215	10,575	46,751	21,290	71,957
Number of shares at end of period, thousands	72,032	60,000	72,032	60,000	72,032
Average number of outstanding shares, thousands	72,032	60,000	72,032	60,000	61,121
Average number of full-time employees in the period	92	56	91	53	68
Number of employees at the end of the period	98	56	98	56	85

Alternative key performance indicators not defined or specified pursuant to BFNAR	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Full year 2016
Net sales growth, %	62	42	75	28	42
EBITDA, SEK 000	39,709	23,189	81,622	46,246	132,369
EBITDA margin, %	46	44	49	48	44
EBIT, SEK 000	30,348	14,226	62,207	28,435	95,015
EBIT margin, %	35	27	37	30	31
Amortization of IP rights, SEK 000	-3,405	-3,344	-6,810	-6,687	-13,039
Equity/assets ratio, %	75	35	75	35	74
Earnings per share, SEK	0.32	0.18	0.65	0.35	1.18
Dividend per share, SEK			-	-	-
<i>Derivation of the alternative KPIs and EBITDA</i>					
EBIT, SEK 000	30,348	14,226	62,207	28,435	95,015
Depreciation and amortization, SEK 000	9,361	8,963	19,415	17,811	37,354
EBITDA, SEK 000	39,709	23,189	81,622	46,246	132,369

DEFINITIONS OF ALTERNATIVE KPIs

THQ Nordic's definitions of a number of alternative KPIs used in this Interim Report are stated below. Net sales growth is reported by the Company because it regards this KPI as contributing to investor understanding of the Company's historical progress. EBITDA and EBITDA margin are reported because these are metrics commonly used by certain investors, financial analysts and other stakeholders to measure the Company's financial results. The equity/assets ratio is stated because the Company regards this as a metric commonly used by certain investors, financial analysts and other stakeholders to measure the Company's financial position. Dividend per share is stated in the Interim Report to illustrate the dividend yield the Company's shareholders receive.

DEFINITIONS OF KPIs, GROUP

Earnings per share	Profit after tax divided by the average number of shares in the period
EBIT margin	EBIT as a percentage of net sales
EBITDA	Earnings before interest taxes, depreciation and amortization
EBITDA margin	EBITDA as a percentage of net sales
Equity/assets ratio	Equity as a percentage of total assets
Net sales growth	Net sales for the current period divided by net sales for the corresponding period of the previous year

QUARTERLY INFORMATION

	2015					2016					2017	
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year	Q1	Q2
Net sales	37.6	36.9	40.0	98.4	212.9	43.1	52.7	77.9	128.2	301.9	81.9	85.6
EBITDA	17.4	19.2	16.1	52.3	105.0	23.1	23.2	25.4	60.8	132.5	41.9	39.7
EBIT	9.3	12.5	9.6	35.2	66.6	14.2	14.2	16.0	50.6	95.0	31.9	30.3
Profit after tax	7.0	9.5	7.2	27.6	51.3	10.7	10.6	12.7	38.0	72.0	23.5	23.2
Earnings per share, SEK	0.12	0.16	0.12	0.46	0.86	0.18	0.18	0.21	0.59	1.16	0.33	0.32
Cash flow from operating activities	N/A	N/A	8.4	63.3	109.9	25.3	2.1	20.5	51.3	99.2	29.7	21.6
Number of shares (A&B), adjusted	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	64.4	61.1	72.0	72.0
Sales growth, %	9%	0%	12%	39%	20%	15%	42%	95%	30%	42%	90%	62%
EBITDA, margin, %	46%	52%	40%	53%	49%	54%	44%	33%	47%	44%	51%	46%
EBIT, margin, %	25%	34%	24%	36%	31%	33%	27%	21%	39%	31%	39%	35%
Gross Margin (Net sales-COGS)	24.5	27.1	25.3	65.9	142.8	29.8	34.6	41.2	77.5	183.1	57.4	61.3
Gross Margin, %	65%	74%	63%	67%	67%	69%	66%	53%	60%	61%	70%	72%
Net sales split												
Owned titles, %	72%	77%	64%	85%	77%	86%	73%	64%	68%	70%	67%	77%
Publishing titles, %	28%	23%	36%	15%	23%	14%	27%	36%	32%	30%	33%	23%
Owned titles, MSEK	27.1	28.4	25.6	83.6	164.7	37.1	38.5	49.9	87.2	212.6	54.9	65.2
Publishing titles, MSEK	10.5	8.5	14.4	14.8	48.2	6.0	14.2	28.0	41.0	89.3	27.0	19.9
New releases current FY, %	7%	20%	44%	61%	41%	0%	24%	51%	56%	41%	36%	20%
Backcatalogue, %	93%	80%	56%	39%	59%	100%	76%	49%	44%	59%	64%	80%
New releases current FY, MSEK	2.6	7.4	17.6	60.0	87.6	0.0	12.6	39.7	71.8	124.2	29.5	17.1
Backcatalogue, MSEK	35.0	29.5	22.4	38.4	125.3	43.1	40.1	38.2	56.4	177.7	52.4	68.4
New releases sales by each quarter, %	7%	16%	37%	52%	-	0%	24%	37%	36%	-	36%	16%
Backcatalogue, %	93%	84%	63%	48%	-	100%	76%	63%	64%	-	64%	84%
New releases sales by each quarter, MSEK	2.6	5.9	14.8	51.2	-	0.0	12.6	28.8	46.2	-	29.5	13.7
Backcatalogue, MSEK	35.0	31.0	25.2	47.2	-	43.1	40.1	49.1	82.0	-	52.4	71.9
Physical sales, %	42%	33%	52%	57%	49%	48%	39%	49%	58%	51%	49%	31%
Digital sales, %	58%	67%	48%	43%	51%	52%	61%	51%	42%	49%	51%	69%
Physical sales, MSEK	15.8	12.2	20.8	56.1	104.9	20.7	20.6	38.2	74.4	153.8	40.1	26.5
Digital sales, MSEK	21.8	24.7	19.2	42.3	108.0	22.4	32.1	39.7	53.8	148.1	41.8	59.0
Depreciation												
IP Acquisitions	-3.0	-2.9	-3.2	-3.2	-12.3	-3.3	-3.3	-3.3	-3.0	-13.0	-3.4	-3.4
Game development	-5.2	-3.8	-3.3	-13.9	-26.2	-5.5	-5.6	-6.0	-7.1	-24.3	-6.3	-5.6
Investments												
IP Acquisitions	-	0.3	4.4	-0.1	4.6	2.8	-	-	19.8	22.6	-	-
Game development & royalty advances	16.5	15.0	15.4	17.6	64.5	22.0	28.8	35.1	34.7	120.6	67.2	58.6
Capitalized internal development	1.7	1.7	1.7	3.3	8.4	5.7	7.9	10.2	12.4	36.2	13.0	14.4
Completed development	-	1.1	-	31.3	32.4	-	1.4	-	12.6	14.0	0.8	1.9
Other KPIs												
Total Game Dev projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	29	27	N/A	32	30
Announced Game Dev projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8	7	N/A	14	13
Unannounced Game Dev projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	21	20	N/A	18	17
Total internal game developers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	69	68	N/A	78	82
Total external game developers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	270	264	N/A	282	306
Total internal overhead/publishing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	38	40	N/A	44	44
Total number headcounts	N/A	N/A	N/A	N/A	N/A	N/A	N/A	377	372	N/A	404	432



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