



Darksiders Warmastered Edition

SUCCESSFUL LAUNCHES GENERATE PROFITABLE GROWTH

THQ Nordic continued its growth in the third quarter. The primary growth drivers were successful new launches of the games “Titan Quest Anniversary Edition” and “MX vs. ATV Supercross Encore” on Xbox One. This corroborates our asset care strategy, of managing and enhancing popular games and brands. Publishing titles such as Fatshark’s “Warhammer: End Times – Vermintide”, Microsoft’s “Quantum Break” and “State of Decay”, as well as Weappy Studios’ “This is the Police”, also contributed to growth.

We changed corporate name to THQ Nordic at Gamescom in August, a move well received by gamers and the gaming industry. We plan to float the THQ Nordic share on Nasdaq First North before year-end, which will take the Company into a new developmental phase.

– LARS WINGEFORS, FOUNDER & CEO

THIRD QUARTER 2016

- > Net sales increased by 95% to SEK 77.9 m [40.0].
- > Owned titles represented SEK 43.6 m [25.0], or 56%, of net sales in the quarter.
- > EBITDA was SEK 25.4 m [16.1], corresponding to an EBITDA margin of 32.5%.
- > Cash flow from operating activities amounted to SEK 20.5 m [8.4].
- > Earnings per share (diluted) amounted to SEK 25.34 [14.33].
- > SEK 50 m loan facility signed with Lars Wingefors AB.
- > Two owned titles and four publishing titles launched in the period.

INTERIM PERIOD JANUARY-SEPTEMBER 2016

- > Net sales increased by 52% to SEK 173.7 m [114.5].
- > Owned titles represented SEK 119.5 m [79.5], or 69%, of net sales in the period.
- > EBITDA was SEK 71.6 m [52.8], corresponding to an EBITDA margin of 41.2%.
- > Cash flow from operating activities amounted to SEK 47.9 m [46.6].
- > Earnings per share (diluted) amounted to SEK 67.92 [47.27].
- > As of 30 September 2016, cash and cash equivalents were SEK 12.2 m [4.1].

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	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Net sales	77.9	40.0	173.7	114.5	212.9
EBITDA	25.4	16.1	71.6	52.8	105.1
Underlying EBIT	19.3	12.7	54.4	40.5	78.9
Profit after tax	12.7	7.2	34.0	23.6	51.2
Earnings per share, SEK	25.34	14.33	67.92	47.27	102.48
Cash flow from operating activities	20.5	8.4	47.9	46.6	109.9
Sales growth, %	95	9	52	5	20
EBITDA margin, %	33	40	41	46	49
Underlying EBIT margin, %	25	32	31	35	37
Net sales split:					
– Owned titles, %	56	63	69	69	76
– Publishing titles, %	44	36	31	29	22



Quantum Break – Timeless Edition

FINANCIAL PERFORMANCE, THIRD QUARTER 2016

CONSOLIDATED NET SALES

Consolidated net sales for the third quarter were up by 95% to SEK 77.9 m [40.0]. Growth was mainly sourced from digital sales and a number of successful game launches, such as “MX vs. ATV, Supercross Encore” (Xbox One) and “Titan Quest Anniversary” (PC). Growth was also driven by several successful publishing title launches, primarily “This is the Police” (PC/Mac/Linux), “Quantum Break” (PC) and “Warhammer: End Times–Vermintide” (PS4, Xbox One and PC). THQ Nordic’s existing game portfolio also achieved good sales. This quarter is compared to the third quarter of the previous year when only one publishing title was launched.

CONSOLIDATED EXPENSES

Expenses were SEK 74.8 m [33.7] in the third quarter. Cost of goods sold was SEK 36.7 m [14.7], with the increased costs mainly due to higher license expenses. Other external expenses were SEK 13.5 m [4.7], with this increase primarily relating to participation at trade shows and marketing. Personnel expenses were SEK 14.9 m [6.8], the increase partly sourced from new enterprises not consolidated in the third quarter of the previous year, and a higher employee headcount in THQ Nordic GmbH and the development studio Grimlore. Depreciation and amortization was SEK 9.4 m [6.6]. The increase is due to a higher depreciation base. Operating expenses amounted to SEK -0.3 m [-0.9].

CONSOLIDATED EARNINGS

The group’s EBITDA for the third quarter 2016 increased by 57% to SEK 25.4 m [16.1], due to profitable sales growth. The underlying EBIT in the quarter was SEK 19.3 m [12.7]. Profit after financial items was SEK 15.5 m [9.2] for the third quarter. Profit after tax was SEK 12.7 m [7.2].

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the quarter was SEK 20.5 m [8.4]. The difference is primarily due to improved operating profit and improved working capital in year-on-year terms.

Cash flow from investing activities was SEK -36.3 m [-18.9], the majority relating to investments in game projects. Cash flow from financing activities amounted to SEK 18.0 m [-2.5], of which SEK 18.0 m is new borrowings.

Cash and cash equivalents at the end of the period were SEK 12.2 m, and SEK 25.6 m as of 31 December 2015. The Company also had unutilized credit facilities of SEK 66.6 m [-]. Accordingly, the group’s total available cash and cash equivalents were SEK 78.8 m, and SEK 25.6 m at 31 December 2015.

On 30 September 2016, THQ Nordic became the borrower, and Lars Wingefors AB the lender, in a loan facility that THQ Nordic can use on one or more occasions to borrow up to a total of SEK 50 m.

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTIZATION

In the third quarter, the group’s investments in intangible assets amounted to SEK 35.1 m [19.7], mainly capitalized expenditure for game development. The Company invested in a number of new games and new functionality for existing games. Investments in property, plant and equipment amounted to SEK 1.2 m [0.3] and investments through business combinations were SEK 0.1 m [-].

Amortization of intangible assets in the third quarter was SEK 8.9 m [6.5]. Depreciation of property, plant and equipment amounted to SEK 0.4 m [0.0].



Titan Quest Anniversary Edition

FINANCIAL PERFORMANCE, INTERIM PERIOD 2016

Net sales increased by 52% to SEK 173.7 m (114.5) for the period January-September 2016.

EBITDA was SEK 71.6 m (52.8), a 35.6% increase. Underlying EBIT was SEK 54.4 m (40.5). Profit after financial items was SEK 43.3 m (30.8) and profit after tax was SEK 34.0 m (23.6) for the first nine months. The increase in the nine-month period has the same explanation as in the third quarter.

Cash flow from operating activities was SEK 47.9 m (46.6). The combination of improved operating profit with higher depreciation and amortization improved cash flow by SEK 19 m, which was reduced by higher tax payments of SEK 19 m, and working capital improved by SEK 1.5 m. The group's investments in intangible assets amounted to SEK 90.1 m (51.5). Investments in property, plant and equipment were SEK 2.1 m (0.9). Amortization of capitalized expenditure for development work in the period was SEK 26.5 m (21.1), 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 -92.2 m [-50.2], the majority relating to investments in game projects. Cash flow from financing activities amounted to SEK 30.4 m [-10.1], of which SEK 83.4 m is new borrowings, SEK -43 m is the settlement of dividends from 2015 and repayment of debt to credit institutions of SEK -10.0 m.

OPERATIONS

THQ Nordic's game portfolio can be divided between "owned titles" and "publishing titles." Owned titles are the brands THQ Nordic owns all the rights to itself, and can control how the brand should develop going forwards itself. THQ Nordic owns and licenses some 70 game brands. The Company also publishes some 60 titles for various partners.

GAME DEVELOPMENT AND LAUNCHES IN THE QUARTER

OWNED TITLES

"Titan Quest Anniversary Edition" for PC was re-launched in the period, ten years after "Titan Quest's" initial release. This title still has a huge fan base, who have returned to the game after over 1,297 fixes and updates. Despite all owners of a STEAM version of the game being offered a free upgrade, new business sales rose quickly, to no. 1 on the STEAM bestseller rankings in one day. This success corroborates the business potential of the Company's asset care philosophy for existing games and gamer communities.

We also launched a new version of "MX vs. ATV Supercross Encore" for Microsoft Xbox One in the quarter. Sales are digital and physical, with the digital sales share exceeding the Company's estimates.

PUBLISHING TITLES

The publishing title "This is the Police" was launched for PC/Mac/Linux, marketed and distributed digitally. The game beat the company's estimates, with over 100,000 unit sales in the quarter—excellent performance for an indie game. "Quantum Break" and "State of Decay Year One Edition" were launched physically for PC and selected digital PC platforms. "Warhammer: End Times – Vermintide" was launched for all physical platforms and minor digital PC platforms. Publishing titles made a major contribution to the high sales growth.

UPCOMING LAUNCHES

THQ Nordic is investing heavily in its substantial launch pipeline through the coming years. Two new development studios, based in Sweden, started up in the period. This investment means enhanced development capacity in terms of our current portfolio, and in time, new games developed in-house.

Launches of new versions of the owned titles "We Sing" for PlayStation 4 and "Darksiders Warmastered Edition" for PlayStation 4, Xbox One and PC are scheduled for the fourth quarter.

Launches of three publishing titles are also planned for the quarter: "Super Dungeon Bros" for PC/MAC, Xbox One and PlayStation 4, "The Dwarfs" for PlayStation 4, Xbox One, PC/MAC/Linux and "This is the Police" for PlayStation 4 and Xbox One, for digital launch only.



OTHER EVENTS IN THE QUARTER

The Parent Company changed corporate name from Nordic Game Licensing AB to THQ Nordic AB in August, and simultaneously became a public company. Our name-change had a positive reception and marks a new phase in the Company's evolution.

Two development studios in Sweden, in Karlstad and Stockholm, were started up in the period. These start-ups are part of THQ Nordic's focus on further enhancing development capacity, so we can manage and enhance our portfolio of titles, delivering new games and versions. These operations employ some 20 staff. In both cases, teams consist of a current staff of experienced game developers with demonstrated track records of console and mobile game development. The start-ups also involve the takeover of some game development that has already started, which may help recoup the costs of the start-ups through the coming years.

THQ Nordic was present at consumer trade shows on some of its key markets in the quarter: GamesCom in Cologne, Pax West in Seattle, GameStop Show in Anaheim, California, TwitchCon in San Diego and Igromir in Moscow. The shows are important for the Company's strategy of nurturing its relationships with the gaming community. Gamers were invited to view and test upcoming games and projects at all these events.

POST-BALANCE SHEET EVENTS

Three new members joined THQ Nordic AB's Board of Directors after the end of the period. Kicki Wallje Lund, who was also appointed Chairman of the Board, and Board members Pia Rosin and Mia Segolsson.

Novalogic was acquired in an asset acquisition, including all its games, in October. This gaming portfolio includes titles like Delta Force, Joint Operations and Comanche.

A share split was executed in October 2016 as part of preparations for the forthcoming expansion of THQ Nordic's ownership base. After the share split, the Company will have 60,000,000 shares, of which 9,000,000 class A shares with ten votes per share and 51,000,000 class B shares with one vote per share.

PROSPECTS

THQ Nordic's revenues are sourced from sales of games with fairly short sales cycles, with a high share of revenues for each game generated on launch, and the period immediately afterwards. Accordingly, the Company's revenues will vary quite widely between quarters, depending on how many game launches are executed, and how they progress.

Launches of two owned titles and three publishing titles are scheduled for the fourth quarter.

**TITAN QUEST HD
ANNIVERSARY
EDITION** **#1**
ON STEAM



HUMAN RESOURCES

As of 30 September 2016, the Company had 84 employees [34]. The average number of full-time employees for the quarter was 66 [34].

PARENT COMPANY

The Parent Company's net sales for the third quarter were SEK 28.9 m [14.5] and profit before tax was SEK 21.1 m [7.5]. Profit after tax was SEK 16.4 m [5.8].

Cash and cash equivalents as of 30 September 2016 were SEK 0.6 m [2.0].

Investments in intangible assets in the period were SEK 4.2 m [3.3]. The Parent Company's equity at the end of the quarter was SEK 43.0 m [26.7].

RELATED PARTY TRANSACTIONS

For the first three quarters 2016, Nordic Games Group AB invoiced THQ Nordic AB for management fees amounting to a total of SEK 1.4 m. In the period, Nordic Games Group AB invoiced Nordic Games NA Inc. (now THQ Nordic Inc.) for management fees amounting to USD 45,000. THQ Nordic AB also acquired two dormant companies from a related party in the year.

OWNERSHIP

At the reporting date, THQ Nordic has six shareholders. Lars Wingefors holds 72.24% through companies, and Erik Stenberg holds 15.64% through companies. Other partners hold 12.12%.

APPLICATION FOR IPO ON FIRST NORTH

The Board of Directors of THQ Nordic AB (public) has decided to apply to have the Company's shares listed on Nasdaq First North Stockholm during the fourth quarter 2016. Expansion of its ownership base and a new share issue, pursuant to the terms of its prospectus, are planned in tandem with this event. FNCA Sweden AB has been appointed as the Company's Certified Advisor.

RISKS AND UNCERTAINTY FACTORS

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

DEVELOPING GAME PROJECTS

THQ Nordic develops games in-house and through collaborations 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

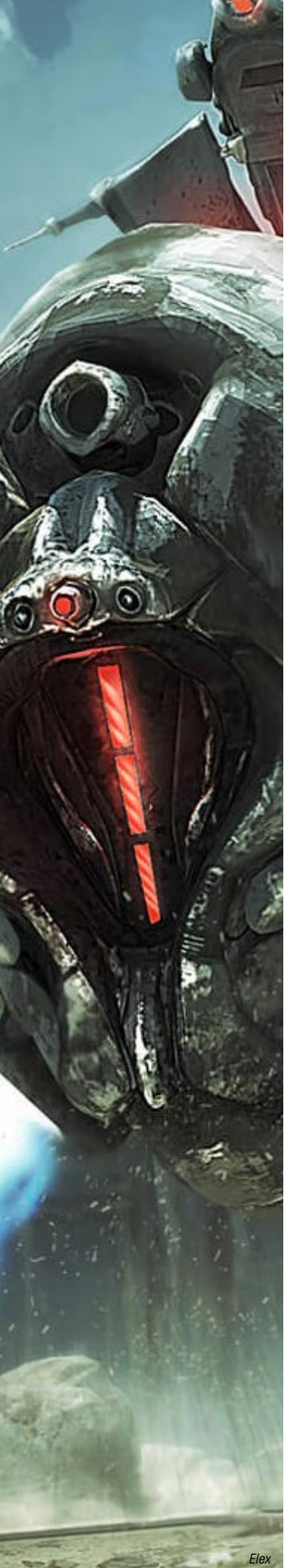
When new game titles are launched, there is a risk that they are not well received by the market. This can lead to revenue losses, lower margins and reduced cash flows. This applies to both self-financed projects, as well as games where the Company is the publisher and bears a significant share of finance. 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 its 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, 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 on THQ Nordic's website: www.thqnordic-investors.com

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 BFAR 2007:1 guidelines on voluntary interim reporting.

The Company's accounting policies are stated in its most recent Annual Accounts (2015).

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 been subject to summary review by the Company's auditor

ANNUAL GENERAL MEETING 2017

Annual General Meeting will be held on 16 May 2017.

FORTHCOMING REPORTS

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

Year-end Report and Report for the Fourth Quarter 2016	15 February 2017
Interim Report, January-March 2017	16 May 2017
Interim Report, January-June 2017 and the Second Quarter	15 August 2017
Interim Report, January-September 2017 and the Third Quarter	14 November 2017

FOR MORE INFORMATION

There is more information on the Company at its website: www.thqnordic.com, and from thqnordic-investors.com from one November 2016 onwards.

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

Lars Wingefors
Chief Executive Officer

Karlstad, Sweden, 25 October 2016

KEY PERFORMANCE INDICATORS, GROUP

Financial metrics defined or specified pursuant to Swedish Accounting Standards Board standards (BFNAR)	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Net sales, SEK 000	77,852	39,998	173,716	114,497	212,851
Operating profit, SEK 000	15,967	9,568	44,402	31,359	66,566
Profit before tax, SEK 000	15,530	9,187	43,337	30,750	65,473
Profit after tax, SEK 000	12,670	7,164	33,960	23,635	51,238
Number of shares at end of period*	500,000	500,000	500,000	500,000	500,000
Average number of shares*	500,000	500,000	500,000	500,000	500,000
Average number of full-time employees in the period	56	34	66	34	38
Number of employees at the end of the period	84	34	84	34	38

* A bonus issue of 499,000 shares was executed in 2016, with all periods restated as if the bonus issue had been executed as of 1 January 2015.

Alternative key performance indicators not defined or specified pursuant to BFNAR	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Net sales growth, %	95	9	52	5	20
EBITDA, SEK 000	25,354	16,128	71,600	52,786	105,060
EBITDA margin, %	33	40	41	46	49
Underlying EBIT, SEK 000	19,310	12,725	54,432	40,485	78,890
Underlying EBIT margin, %	25	32	31	35	37
Amortization of IP rights, SEK 000	-3,343	-3,157	-10,030	-9,126	-12,324
EBIT margin, %	21	24	26	27	31
Equity/assets ratio, %	32	40	32	40	48
Earnings per share, SEK	25	14	68	47	102
Dividend per share, SEK	-	-	-	-	80

*Derivation of the alternative KPIs
EBITDA and underlying EBIT*

EBIT, SEK 000	15,967	9,568	44,402	31,359	66,566
Depreciation and amortization, SEK 000	9,387	6,560	27,198	21,427	38,494
EBITDA, SEK 000	25,354	16,128	71,600	52,786	105,060
Depreciation and amortization of property, plant and equipment and intangible assets excluding amortization of IP rights, SEK 000	-6,044	-3,403	-17,168	-12,301	-26,170
Underlying EBIT, SEK 000	19,310	12,725	54,432	40,485	78,890
Amortization of IP rights, SEK 000	-3,343	-3,157	-10,030	-9,126	-12,324
Operating profit, EBIT, SEK 000	15,967	9,568	44,402	31,359	66,566

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. Management considers underlying EBIT and underlying EBIT margin to better reflect the Company's trading results than EBIT. This is due to amortization and impairment of the Company's IP not fairly reflecting the enhancement of these IP rights. Amortization of IP rights are presented to facilitate greater understanding of how underlying EBIT and underlying EBIT margin have been measured. 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 previous shareholders received.

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 capital
Net sales growth	Net sales for the current period divided by net sales for the corresponding period of the previous year
Underlying EBIT margin	Underlying EBIT as a percentage of net sales

CONSOLIDATED INCOME STATEMENT

SEK 000	Note	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Net sales		77,852	39,998	173,716	114,497	212,851
Work performed by the Company for its own use and capitalized	1	10,220	1,698	23,768	5,061	-
Other operating income		2,651	1,545	6,048	3,505	5,038
Total operating income		90,723	43,241	203,532	123,063	217,889
Operating expenses						
Goods for resale		-36,709	-14,652	-68,118	-37,547	-70,096
Other external expenses		-13,523	-4,733	-27,499	-13,677	-28,334
Personnel expenses		-14,885	-6,808	-35,119	-16,462	-14,399
Depreciation, amortization and impairment of property, plant and equipment and intangible assets		-9,387	-6,560	-27,198	-21,427	-38,494
Other operating expenses		-252	-920	-1,196	-2,591	-
Total operating expenses		-74,756	-33,673	-159,130	-91,704	-151,323
Operating profit		15,967	9,568	44,402	31,359	66,566
<i>Profit from financial items</i>						
Other interest income, etc.		3	1	6	4	32
Other interest expenses, etc.		-440	-382	-1,071	-613	-625
Total financial items		-437	-381	-1,065	-609	-593
Profit after financial items		15,530	9,187	43,337	30,750	65,973
Appropriations		-	-	-	-	-500
Profit before tax		15,530	9,187	43,337	30,750	65,473
Tax		-2,860	-2,023	-9,377	-7,115	-14,235
Net profit for the period		12,670	7,164	33,960	23,635	51,238
<i>Attributable to:</i>						
Equity holders of the parent		12,670	7,164	33,960	23,635	51,238
Non-controlling interests		-	-	-	-	-
Earnings per share, SEK *		25.34	14.33	67.92	47.27	102.48
Average number of outstanding shares *		500,000	500,000	500,000	500,000	500,000

* A bonus issue of 499,000 shares was executed in 2016, with all periods restated as if the bonus issue had been executed as of 1 January 2015.

CONDENSED CONSOLIDATED BALANCE SHEET

SEK 000	30 Sep 2016	30 Sep 2015	31 Dec 2015
Intangible assets	173,103	105,126	104,498
Property, plant and equipment	3,229	1,457	1,794
Financial assets	1,351	1,368	-
Inventories	13,762	10,864	12,835
Current receivables	39,838	19,397	30,683
Cash and bank balance	12,174	4,062	25,606
Total assets	243,457	142,274	175,416
Equity	78,792	57,306	84,217
Provisions	7,548	4,464	7,548
Non-current liabilities	-	2,500	1,400
Current liabilities	157,117	78,004	82,251
Total liabilities and equity	243,457	142,274	175,416
Interest-bearing receivables amount to	12,174	4,062	25,606
Interest-bearing liabilities amount to	83,445	12,500	10,000
Pledged assets	130,000	30,000	60,000
Contingent liabilities	None	None	None

CONSOLIDATED STATEMENT OF EQUITY

SEK 000	Share capital	Other paid-up capital	Other equity including net profit	Consolidated equity
Amounts as of 1 Jan. 2016	100		84,117	84,217
Bonus issue	400		-400	-
Dividend			-40,000	-40,000
Translation difference			615	615
Net profit			33,960	33,960
Amounts as of 30 Sep. 2016	500		78,292	78,792

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK 000	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Cash flow from operating activities before changes in working capital	21,665	13,942	51,945	52,141	93,624
Change in working capital	-1,133	-5,591	-4,049	-5,558	16,307
Cash flow from operating activities	20,532	8,351	47,896	46,583	109,931
Cash flow from investing activities	-36,349	-18,870	-92,172	-50,185	-68,531
Cash flow from financing activities	17,995	-2,500	30,447	-10,135	-33,600
Cash flow for the period	2,178	-13,019	-13,829	-13,737	7,800
Cash and cash equivalents at beginning of period	9,735	16,865	25,606	17,638	17,638
Translation difference in cash and cash equivalents	261	216	397	161	168
Cash and cash equivalents at end of period	12,174	4,062	12,174	4,062	25,606

NOTES, GROUP

NOTE 1

“Work performed by the Company for its own use and capitalized” has been recognized as revenue effective 1 January 2016. Comparative figures for the interim periods of 2015 have been restated in accordance with this new accounting policy. If the full year 2015 had been reported in the same manner, Work performed by the Company for its own use and capitalized would have amounted to SEK 8,374,000, Other external expenses would have increased by SEK 607,000 and Personnel expenses would have increased by SEK 7,767,000.

PARENT COMPANY INCOME STATEMENT

SEK 000	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Full year 2015
Net sales	28,985	14,527	73,019	44,788	96,358
Work performed by the Company for its own use and capitalized	-	-	-	-	-
Other operating income	2,170	-	4,674	306	-
Total operating income	31,155	14,527	77,693	45,094	96,358
Operating expenses					
Goods for resale	-332	-	-332	-	-
Other external expenses	-419	-249	-2,556	-370	-2,558
Personnel expenses	-239	-	-239	-	-
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-8,954	-6,464	-26,495	-21,152	-38,099
Other operating expenses	191	-	-43	-224	-1,107
Total operating expenses	-9,753	-6,713	-29,665	-21,746	-41,764
Operating profit	21,402	7,814	48,028	23,348	54,594
Profit from participations in group companies	-	-	-	-	6,066
Interest income, etc.	76	-	76	-	4
Interest expenses, etc.	-420	-356	-1,001	-546	-597
Total financial income/expenses	-344	-356	-925	-546	5,473
Profit after financial items	21 058	7,458	47 103	22,802	60,067
Appropriations	-	-	-	-	-13,890
Profit before tax	21,058	7,458	47 103	22,802	46,177
Tax	-4,637	-1,643	-10,402	-5,023	-8,845
Net profit for the period	16,421	5,815	36,701	17,779	37,332

CONDENSED PARENT COMPANY BALANCE SHEET

SEK 000	30 Sep 2016	30 Sep 2015	31 Dec 2015
Intangible assets	33,891	40,745	56,106
Property, plant and equipment	84	137	124
Financial assets	467	319	369
Current receivables	133,104	61,778	56,253
Cash and bank balances	629	1,952	19,105
Total assets	168,175	104,931	131,957
Equity	42,995	26,741	46,294
Untaxed reserves	34,179	20,289	34,179
Non-current liabilities	-	2,500	-
Current liabilities	91,001	55,401	51,484
Total liabilities and equity	168,175	104,931	131,957

REVIEW REPORT

THQ Nordic AB (publ), corporate identity number 556582-6558

INTRODUCTION

I have reviewed the condensed interim report for THQ Nordic AB (publ) as at September 30, 2016 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with the Swedish Annual Accounts Act / BFNAR 2007:1. My responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

I conducted my review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim 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 is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the interim report is not prepared, in all material respects, in accordance with the Swedish Annual Accounts Act / BFNAR 2007:1 regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Karlstad, Sweden, 25 October 2016

Ulrich Adolfsson
Authorized Public Accountant
Ernst & Young AB



THQ NORDIC AB [PUBL]

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