



Interim report January–March 2016

Attendō AB (publ)

Interim report January–March 2016

Summary of the first quarter 2016

- Net sales increased by 3 percent to SEK 2,472m (2,391). Adjusted for currency effects net sales increased by 4 percent. Adjusted for currency effects and deconsolidation of subsidiary¹ net sales increased by 7 percent.
- Operating profit (EBITA) increased by 5 percent to SEK 197m (187), representing an operating margin of 8.0 percent (7.8).
- Profit for the period amounted to SEK 128m (57), which represents a profit margin of 5 percent (2) and earnings per share³ after dilution of SEK 0.80 (0.36).
- Operating cash flow amounted to SEK 143m (57).

SEKm	Q1 2016 ¹	Q1 2015	Change, %	Jan–Dec 2015
Net sales	2,472	2,391	3.4	9,831
Operating profit (EBITA)	197	187	5.3	933
<i>Operating margin (EBITA), %</i>	8.0	7.8	-	9.5
Profit for the period	128	57	n/a	286
Profit for the period adjusted ²	128	57	n/a	409
Earnings per share diluted ³ , kr	0.80	0.36	n/a	1.79
Adjusted earnings per share, diluted ^{2,3} , kr	0.80	0.36	n/a	2.56
Operating cash flow	143	57	n/a	765
Average number of full time employees	14,061	14,097	-0.2	14,512

1. Deconsolidation of subsidiary Tervyden Tuottajat Oy (TT) as per December 31, 2015. See comments and table on page 20.

2. Profit for the full year 2015 is adjusted for costs related to the refinancing of SEK 123m, net of tax.

3. Earnings per share in the comparable period have been calculated based on the number of shares after the listing. See definitions page 24.

Comments by Henrik Borelius, CEO

The quarter shows stable growth and profits due to continued strong development in own operations. The margin was in line with the same quarter last year, despite the negative seasonal effect and the start-up of several new units. During the quarter Attendo won two major outsourcing contracts based on high quality. Reporting on the shortage of nursing homes for older people continues and the interest from local authorities to expand the capacity is high. To meet this interest Attendo continues to invest in new own operations.

Own operations show strong organic growth, particularly in care for older people. The increase is mainly attributable to new own homes and improved occupancy in units that were under start-up during the corresponding quarter last year. Our structured work with improved processes and planning is reflected in the results also for this quarter. We have a strong offering in home care and as an example we were entrusted with the responsibility to take over the client base in parts of the Stockholm area from another private provider. In line with our strategy, we continue to invest to address the shortage of capacity, particularly within care for older people. We opened four own homes in the quarter, one in Sweden and three in Finland. In addition, we started construction of four new units in Finland and at the end of the quarter we had 737 beds under construction.

In *Outsourcing operations* net sales declined compared to the first quarter 2015 due to ended contracts that were lost during last year. There were relatively few new contracts on the market during the first quarter of this year. There were a handful of quality tenders of which two were larger contracts. Attendo won both, which was very positive; one nursing home as well as an extension of an existing operation for care for people with disabilities.

Net sales in *Staffing operations* increased during the quarter compared to the same quarter last year. However, our earlier assessment that both outsourcing and staffing will continue to be challenging markets remains.

As presented in the company's Quality report for 2015 all Attendo service offerings show good progress and the highest results ever in our internal quality thermometer were noted. As a pioneer in quality work, Attendo published our first Quality report in 2011. A lot has happened in the industry since then and it is satisfying to see that quality today is an important factor in public procurements.

The demand for our own operations offering has been strong in both Sweden and Finland during the quarter. In Finland, the work with the SOTE reform continues. In February the Finnish Government announced its intention to present a proposal to temporarily restrict the local authorities' opportunities to enter into so-called combination contracts, where the contracts are assumed to interfere with the implementation of the reform. Subsequently, the reform proposals have had a clear focus on supporting an increased element of private providers. Attendo has a positive view on the SOTE reform, especially from the perspective that public and private providers will have more equal terms and that it contributes to greater freedom of choice for more people.

The first quarter is characterized by strong development in own operations. Our market position is strong and we believe that the prospects are good for continued positive development.

Summary of the first quarter

Net sales and operating profit

Net sales increased by 3.4 percent to SEK 2,472m (2,391) in the first quarter. Adjusted for currency effects net sales increased by 4.0 percent and adjusted for currency effects and deconsolidation of subsidiary the increase was 7.4 percent. Adjusted for currency effects and deconsolidation of subsidiary net sales increased in all geographical markets.

The growth is explained by new units primarily in own operations, improved occupancy in own units which were under start-up during the first quarter 2015, contractual price increases and acquisitions.

Net sales in own operations increased by 14.3 percent and in staffing by 9.7 percent adjusted for deconsolidation of subsidiary. In outsourcing net sales decreased by 6.0 percent.

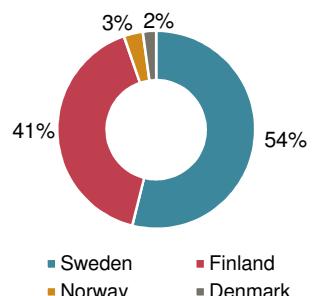
Operating profit (EBITA) increased by 5.3 percent to SEK 197m (187) and operating margin increased to 8.0 percent (7.8). The profit increase is explained by higher occupancy in own units which were under start-up during the first quarter 2015, and higher profitability in existing own units as a result of better planning and improved processes. Several own units have opened, especially during the fourth quarter 2015, and the earnings from these units had a slight negative effect on the operating profit. The profit loss due to ended contracts in outsourcing and staffing operations was larger than earnings from new units in these contract models.

Seasonal effects, primarily Easter and leap day, had a combined negative effect on operating profit in the first quarter 2016. Changes in currency exchange rates had a negative effect on operating profit of SEK -1m compared to the same period prior year.

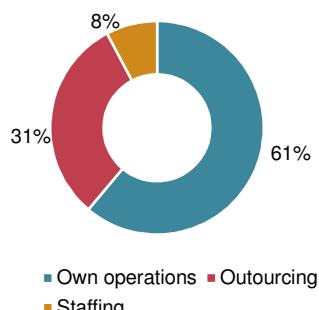
Operating profit (EBIT) increased to SEK 184m (178). Amortization on acquisition related intangible assets was SEK 4m higher compared to the first quarter 2015.

At the end of the first quarter, Attendo had 506 (489) units in operation, of which 358 own units. The number of beds in operation amounted to 12,510 (11,504), of which 8,807 in own units. Own units and beds under construction were 16 and 737 respectively.

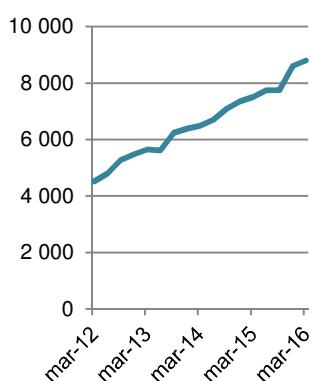
Net sales per country,
Q1 2016



Net sales per contract
model,
Q1 2016



Number of beds in own units
(Care for older people,
people with disabilities and
individuals and families)



Net financial items

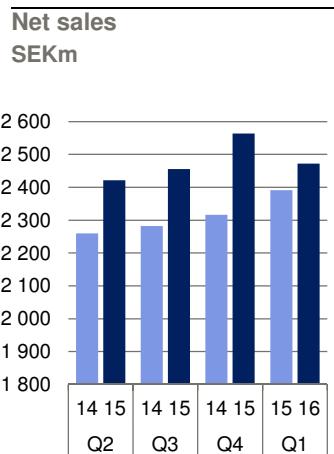
Net financial items amounted to SEK -21m (-104) in the quarter, of which net interest amounted to SEK -16m (-88). The net interest improved, following the new share issue and refinancing that was conducted in connection with the IPO in November last year which resulted in significantly reduced borrowings and lower interest margins.

Income tax

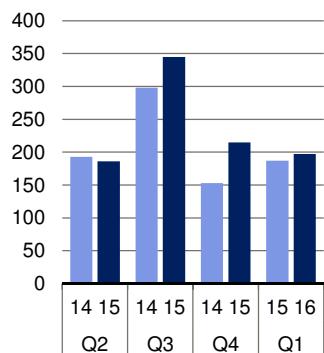
The income tax for the quarter amounted to SEK -35m (-17).

Profit for the period

Profit for the period amounted to SEK 128m (57), which represents an earnings per share¹ after dilution of SEK 0.80 (0.36).



Operating profit (EBITA)
SEKm



1. Earnings per share in the comparable period have been calculated based on the number of shares after the listing. See definitions page 24.

Cash and cash equivalents and cash flow

Operating cash flow amounted to SEK 143m (57) during the quarter, of which changes in working capital and other items was SEK -8m (-105).

Cash flow from net investments in tangible and intangible assets amounted to SEK -46m (-38) and cash flow from acquisitions amounted to SEK -13m (-79). Cash flow from financing activities was SEK -197m (-8), following amortization of loans of SEK 200m.

Total cash flow for the quarter amounted to SEK -79m (-105).

Financial position

Consolidated equity as of March 31, 2016 amounted to SEK 4,357m (2 610), which represents a diluted equity per share of SEK 27.07 (16.31).

Net debt amounted to SEK 2,732m (4,233). Following the IPO on November 30 last year, Attendo was refinanced - new loans were raised and existing loans repaid. In connection with the IPO Attendo completed a new share issue of SEK 1,200m which is the main explanation for the decreased net debt.

SEKm	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
Interest-bearing liabilities	3,401	5,222	3,580
Provisions for post-employment benefits	39	68	29
Liquid funds	-708	-1,057	-782
Net debt	2,732	4,233	2,827

Interest-bearing liabilities, excluding provisions for post-employment benefits as per March 31, 2016, amounted to SEK 3,401m (5,222). A total amount of SEK 200m has been repaid during the quarter.

Liquid funds as per March 31, 2016 amounted to SEK 708m (1,057) and unutilized committed credit facilities amounted to SEK 642m (500).

Number of shares

As per March 31, 2016 the number of shares outstanding amounted to 160,000,000.

Number of employees

The average number of employees amounted to 14,061 (14,097) in the first quarter 2016.

Own operations

Net sales in own operations amounted to SEK 1,511m (1,322) in the first quarter. The increase was 14.3 percent, of which acquired growth was 1.7 percentage points. The increase was mainly explained by new homes and improved occupancy in the units that were under start-up during the first quarter 2015. The increase in net sales is mainly attributable to care for older people but also to individual and family care as a result of high demand for integration homes in Sweden.

Attendo opened in total 190 beds during the quarter; one nursing home in Sweden and three homes in Finland for older people and people with disabilities.

During the quarter, construction started of four nursing homes with in total 180 beds in Finland.

During the quarter Attendo finalized a take-over of parts of another private provider's home care operations in the Stockholm area, which resulted in an increase of home care clients.

Own operations

61 % of Net sales

Operations in Sweden, Finland, Norway and Denmark

Units, beds and home care clients as of 31 March 2016

Own units	Total	Sweden	Finland	Norway	Denmark
Units in operation*	358	183	163	2	10
Beds in operation**	8,807	4,225	4,438	84	60
Beds under construction**	737	265	472	-	-
Home care clients	11,150	8,600	-	120	2,430

* All own units - including nursing homes, care homes, home care units and other units.

** Own nursing homes (CoP) and own care homes (care for people with disabilities, social psychiatry and individuals and families).

*** Own nursing homes (CoP) and own care homes (care for people with disabilities and social psychiatry).

Outsourcing operations

Net sales in outsourcing operations amounted to SEK 769m (818) in the first quarter. The decrease in net sales is explained by contracts ended.

During the quarter, Attendo won new, still not started contracts, with estimated annual net sales of approximately SEK 90m but lost on-going contracts with estimated annual net sales of approximately SEK 90m.

During the quarter, Attendo were entrusted with the responsibility to continue to operate existing units. Examples of this are that Attendo, in a large quality tender, received continued confidence to operate care homes and daily activity units for people with disabilities in Skarpnäck, Stockholm and that the local authority in Tohmajärvi, Finland extended the current agreement regarding social and health care services until the end of 2018.

The number of home care clients increased compared to prior quarter as a result of one large home care operation in Sweden that started during the first quarter.

Outsourcing operations

31% of Net sales

Operations in Sweden, Finland, Norway and Denmark

Units, beds and home care clients as of 31 March 2016

Outsourcing	Total	Sweden	Finland	Norway	Denmark
Units in operations*	127	92	29	5	1
Beds in operations**	3,703	2,949	416	310	28
Home care clients	1,070	500	570	-	-

* All outsourced units including nursing homes, care homes and home care units and other units.

** Nursing homes (CoP) and care homes (care for people with disabilities, social psychiatry and individuals and families).

Staffing operations

Net sales in staffing operations amounted to SEK 192m (251) in the first quarter. Excluding the subsidiary Terveyden Tuottajat Oy that was deconsolidated on December 31, 2015 net sales in the first quarter 2015 amounted to SEK 175m. For further information see page 20.

Staffing operations

8% of Net sales

Operations in Finland.

Quality and employees

Quality

Five years ago, Attendo was the first care company in Sweden to present a separate Quality report. In this report the most important results of Attendo's quality work is documented, but also all changes that have been implemented to systematically improve both measured and perceived quality.

In the Quality report for 2015, improvements are noted within all of Attendo's offerings, for example the highest results in Attendo's internal quality thermometer to date. One of the explanations to the improvement is that we continuously update the way we work to involve clients as well as relatives and customers in our quality work. In 2015 for instance, a new participation model with dialogue meetings was introduced in our care businesses for people with disabilities, a new digital tool – "Mobil Omsorg" – was introduced in home care to improve planning and continuity for clients, and in Finland, new preventive measures to battle obesity were taken to offload primary care.

High quality and systematic quality work are also important factors in public procurements. During the first quarter, Attendo won two major quality tenders, among them was an extension of a major contract in care for people with disabilities in Skarpnäck, Stockholm. The combined quality index for Attendo was 85.4 percent compared to 85.1 percent at the end of 2015.

Employees

In service companies, employees are the most important resource to deliver high quality services. Attendo puts great effort into being an attractive employer that cares about the employees' overall satisfaction with the working conditions and managers. A part of this effort is to continuously measure and follow up what employees think. The employee surveys in the first quarter show that job satisfaction and management satisfaction are held at a high and steady level, with an average between 3.9 and 4.3 on a scale from one to five. In Scandinavia, more employees are satisfied with their manager in care for older people, while employees in care are the most satisfied with their job in the whole group. In Finland, job satisfaction in primary care is above average, which is also shown in a higher willingness to recommend Attendo as an employer.

During the first quarter, a number of Attendo employees have been acknowledged both internally and externally for their efforts. A nurse at Attendo Nissastrand in Halmstad, Sweden, was awarded the Queen Silvia Nursing Award for her ideas to introduce competence licensing in care for older people to document staff training level. In Attendo Finland the nurses of the year within health care and care for older people were selected through a vote among employees. The winners receive not only the honor, but also an extra paycheck for their efforts.

Attendo's quality work

Attendo's quality model rests on three pillars: satisfied individuals, systematic improvements and best available knowledge. On-going development and monitoring of the necessary procedures, processes and documentation are of great importance for the quality of all health and social care. The work is conducted by local quality coaches with the support of central and independent quality departments. Recurring quality audits are conducted by Attendo, their customers and authorities.

Attendo's employees

As one of the leading social and health care companies, Attendo is a stable employer with collective agreements, contract insurance and good opportunities for personal development.

Attendo values education and encourages higher education. At the same time other experiences and that the candidate shares our core values plays a big role in recruitment. To capture how satisfied the employees are with their work and their manager, regular employee surveys are conducted. The results provide important information about what works well and what needs to be improved.

Attendo's Quality reports are available on:

www.attendo.com/about-attendo

Market review

Sweden – strong demand for own operations

Attendo's own operations offering have had a strong demand during the quarter with a continued interest from the local authorities to increase capacity. The outsourcing market improved slightly compared to previous quarters, but there are still few new contracts tendered. In individual and family care, there was continued high demand for integration solutions.

Media reports on the growing shortage of beds in nursing homes have increased over the quarter. The number of non-executed decisions for nursing home placements increased by 42 percent between 2013 and 2015, according to IVO.

The government presented a coming investment support of SEK 150m in 2016 to stimulate construction of nursing homes. The support will grow to SEK 400m per year in the coming years, and be combined with funding to increase staffing. It is still unclear whether private providers will be able to benefit from the proposed investment support.

Finland – strong demand within own operations

Attendo's own operations offering have had a continued strong demand during the quarter. Few new contracts were tendered on the outsourcing market, but several local authorities show a continued interest in combination contract solutions. The demand for staffing services was stable during the quarter.

The ongoing SOTE-reform has during the spring been supplemented by more specific proposals around how future legislation should be designed. Proposals include possible design of the system for freedom of choice, separation of payor and producer in the public sector and the division of responsibility for existing public operations in care and health care. A proposal to temporarily prevent the local authorities from outsourcing certain types of activities, such as combination contracts, has been discussed. In general, Attendo takes a positive view on most of the reform proposals, which if implemented can be expected to lead to increased freedom of choice and to a more level playing field for private and public providers on the market.

Denmark – initiatives to increase quality

In Denmark, an agreement has been reached between the Danish industry, local government associations and several key organizations to prevent bankruptcies in smaller home care companies. According to the agreement, local authorities should put more emphasis on quality and become better at sharing experiences in procurement. There was low activity in the outsourcing market during the quarter.

Norway – continued weak demand

In Norway there was continued weak demand for private outsourcing solutions.

The Swedish social and health care market

The Swedish social and health care system is decentralized with local authorities (290 LAs) responsible for social care and regional authorities (20 RAs) providing primary and specialist health care. Attendo's customers in Sweden are LAs responsible for providing care for older people, disabled care and social care. LAs are also responsible for the financing.

The Finnish social and health care market

The Finnish health care system is decentralized with local authorities (317 LAs) providing primary health care and social care and hospital districts (20) providing specialist care to several municipalities. Attendo's customers in Finland are LAs providing primary health care and social care, and some additional private clients in dental care and occupational health care. LAs are largely responsible for public health care financing.

Other financial information

Acquisition in the first quarter

Hoitokoti Eerika Oy operating social psychiatry and rehabilitation in Kides in the Eastern Finland was acquired as per March 1, 2016.

Kiteen Kanervikkola Koti Oy operating nursing homes in Kides in the Eastern Finland was acquired as per March 1, 2016.

As per March 1, 2016 Attendo acquired Humana's home care operations in Solna, Sollentuna and parts of the city of Stockholm in Sweden through an asset deal.

Transactions with related parties

Attendo has transactions with three related parties, which in all material respects refer to property leases from companies in which those persons are shareholders. The transactions in the first three month 2016 amounted to SEK 2m. All related party transactions are based on market conditions.

For further details, see Attendo's annual report 2015, page 73.

Parent Company, Attendo AB (publ)

Attendo AB's (publ) main operation refers to invoiced management services and management of shares in subsidiaries. Attendo AB's expenses are mainly holding costs including expenses for Attendo's Executive Management, Board of Directors and external consultancy fees.

Net sales for the parent company amounted to SEK 4m which refer to consultancy fees to subsidiaries. Result after financial items amounted to SEK -6m. Cash and cash equivalents amounted to SEK 0m, shares in subsidiaries SEK 6,494m and unrestricted equity amounted to SEK 6,462m at the end of the year.

Seasonal variations

Attendo's profitability is subject to seasonal variations, weekend and holiday effects. For Attendo, public holidays as well as weekends and other 'red' calendar days have negative effects on profitability mainly as an effect of wage compensation for inconvenient working hours. For example, profitability in the first and second quarters is affected by the Easter holiday, depending on in which quarter it occurs, and the fourth quarter is affected by Christmas holidays.

Significant events after the balance sheet date

Hemtrevnad Service & Omsorg i Borås AB operating home care in Borås, Sweden was acquired as per April 1, 2016.

On April 13, 2016 Attendo communicated that Andreas Koch has been appointed Communication and IR-director after the summer 2016 and will be part of Attendo's Executive Management. Andreas' present position is Head of Investor Relations at SSAB.

On April 26, 2016 Attendo communicated that the local authority of Sulkava in Finland has chosen Attendo as the new provider of all care and healthcare services to its citizens. The contract is valued at around SEK 106m annually, starting January 1, 2017. The contract is valid for 6 years plus an optional extension for another 4 years. In a separate decision, the local authority of Rääkkylä decided to use the option to extend its current combination contract for another four years until end of 2020.

Risks and risk management

Risks are inherent in Attendo's business and it is part of the daily work to manage these risks, to prevent damage and to limit the damage that does occur. Attendo operates within the care and health care sector in competition with a number of major and several smaller operators, which entails risk both related to price development and growth. This requires that Attendo continuously develops its business in order to offer the clients best possible care and health care from a quality perspective to a for the customers competitive price.

The majority of the care and health care conducted on the market where Attendo operates are provided by local authorities. The choice of production model is dependent on political decisions, which means that opportunities for future growth are controlled by politicians' view of how care and health care should be provided. Political decisions resulting in a change in legislation can have a significant impact on Attendo's business. The legislative process in the countries where Attendo operates is transparent and changes are well known prior to implementation. A public inquiry in Sweden is currently investigating potential options to restrict freedom of choice and dividend in private welfare creates a significant uncertainty about the conditions for investment in the Swedish welfare. It is difficult to assess the conclusions from the inquiry and support potential proposals will have in the Parliament. The Finnish care and health care system will undergo a significant change when the planned SOTE reform comes into force as per January 1, 2019. This implies that a new administrative level with 18 regions with responsibility for care and health care is implemented. Attendo follows the work with the SOTE reform but it is still difficult to assess its impact on Attendo's operation, result and financial position.

Quality and safety requirements within care and health care are demanded by various stakeholders, in particular clients, relatives and customers. In addition Attendo has very high internal quality requirements on its operations. Constant work with quality and safety improvements for clients and patients is crucial for Attendo's success and is a key area within the Group's strategic activities. A large number of Attendo's customer contracts extend over several years why the pricing of these contracts are deemed as a financial risk. The own units operations are conducted in own homes and premises which means that Attendo enters the long rental agreements. If the demand for Attendo's services is low the long rental agreements are deemed as a financial risk. Attendo uses internally developed proven models and processes aiming to minimize risk both for pricing errors and that Attendo enter rental agreements in regions with unfavorable demand.

Attendo is in its operations exposed to various financial risks, including the effects of changes in prices on the credit and capital markets and currency risks. Financial risks are managed by a central finance department.

For further information of risks see Attendo's annual report 2015 page 48.

Accounting principles

The group applies International Financial Reporting Standards (IFRS) as adopted by the European Union, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups.

This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act and shall be read together with the annual report for 2015. The accounting policies adopted are consistent with those in the annual report for 2015.

The interim information on page 1-13 is an integrated part of this financial report.

The parent company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The accounting policies adopted are consistent with those in the annual report for 2015.

Attendo AB (publ) is a newly established entity with no previous operation and thus lacks income statement and balance sheet for the comparable period.

New standards and interpretation not yet adopted

In January 2016, IASB issued a new lease standard that will replace IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. The standard requires assets and liabilities arising from all leases, with some exceptions, to be recognized on the balance sheet. The standard is effective for annual periods beginning on or after 1 January 2019. EU has not yet adopted the standard. Attendo has not yet assessed what impact IFRS 16 will have on the Group's financial statements.

Outlook

Attendo does not report any forecast.

This interim report has not been reviewed by the group's auditors.

Danderyd, May 12, 2016

Henrik Borelius
CEO

Attendo's Annual reports are available on
www.attendo.com

This is a translation of the Swedish interim report. In the event of differences the Swedish interim report shall prevail.

Consolidated Income Statement

SEKm	Q1 2016	Q1 2015	Jan-Dec 2015
Net sales	2,472	2,391	9,831
Other operating income	4	3	39
Total revenue	2,476	2,394	9,870
Personnel costs	-1,631	-1,639	-6,552
Other external costs	-617	-533	-2,241
Amortization, depreciation and impairment of tangible and intangible assets	-31	-35	-144
Operating profit (EBITA)	197	187	933
Operating margin (EBITA) %	8,0	7,8	9.5
Amortization and impairment of acquisition related intangible assets	-13	-9	-46
Operating profit (EBIT)	184	178	887
Operating margin (EBIT), %	7,4	7,4	9.0
Net financial items	-21	-104	-537
Profit before tax	163	74	350
Income tax	-35	-17	-64
Profit for the period	128	57	286
Profit margin %	5,2	2,4	2.9
Profit for the period attributable to the Parent company shareholders	128	57	286
Basic earnings per share ¹ , SEK	0.80	0.36	1.79
Diluted earnings per share ¹ , SEK	0.80	0.36	1.79
Basic average number of shares ¹ , thousands	160,000	160,000	160,000
Diluted average number of shares ¹ , thousands	160,934	160,000	160,083

Statement of Comprehensive Income

SEKm	Q1 2016	Q1 2015	Jan-Dec 2015
Profit for the period	128	57	286
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension plans, net of tax	-5	0	10
Items that may be reclassified to profit or loss			
Cash flow hedges, net of tax	0	2	15
Exchange rate differences on translating foreign operations	15	-18	-44
Other comprehensive income for the period	10	-16	-19
Total comprehensive income for the period	138	41	267
Total comprehensive income attributable to the Parent company shareholders	138	41	267

1. Earnings per share in the comparable period have been calculated based on the number of shares after the listing.
See definitions page 24.

Consolidated Balance Sheet

SEKm	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
ASSETS			
Non-current assets			
Goodwill	6,502	6,514	6,472
Other intangible assets	309	304	304
Property, Plant and Equipment	400	441	382
Other non-current assets	95	82	89
Total non-current assets	7,306	7,341	7,247
Current assets			
Trade receivables	851	814	901
Other current assets	439	633	357
Cash and cash equivalents	708	966	782
Total current assets	1,998	2,413	2,040
Total assets	9,304	9,754	9,287
EQUITY AND LIABILITIES			
Equity			
Non-current liabilities			
Liabilities to credit institutions	3,367	4,944	3,554
Provisions for post-employment benefits	39	68	29
Other provisions	8	7	9
Other non-current liabilities	62	310	62
Total non-current liabilities	3,476	5,329	3,654
Current liabilities			
Liabilities to credit institutions	34	261	26
Trade payables	205	194	205
Other current liabilities	1,232	1,360	1,183
Total current liabilities	1,471	1,815	1,414
Total equity and liabilities	9,304	9,754	9,287

Consolidated Cash Flow Statement

Operational cash flow, SEKm	Q1 2016	Q1 2015	Jan-Dec 2015
Operating profit (EBITA)	197	187	933
Depreciation and amortization of tangible and intangible assets	31	35	144
Changes in working capital and other items	-8	-105	-4
Paid tax	-28	-17	-86
Other non-cash items	-3	-5	-57
Cash flow after change in working capital	189	95	930
Investments in tangible and intangible assets	-53	-54	-212
Divestment of tangible and intangible assets	7	16	47
Operating cash flow	143	57	765
Interest received/paid	-12	-75	-292
Free cash flow	131	-18	473
Acquisition of operations	-13	-79	-128
Divestment of operations	-	-	15
Share redemption TT (cash and cash equivalents)	-	-	-139
New share issue	-	-	1,160
Warrants	-	-	12
Repayment of loans	-200	-8	-5,202
New borrowings	3	0	3,531
Total cash flow	-79	-105	-278
 Cash and cash equivalents at the beginning of the period	 782	 1,084	 1,084
Exchange rate differences related to cash and cash equivalents	5	-13	-24
Cash and cash equivalents at the end of the period	708	966	782
Cash flow, SEKm	Q4 2015	Q4 2014	Jan-Dec 2015
Cash flow from operations	177	20	638
Cash flow from investing activities	-59	-117	-417
Cash flow from financing activities	-197	-8	-499
Total cash flow	-79	-105	-278

Consolidated Statement of Changes in Equity

SEKm	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Opening balance	4,219	2,569	2,569
Total comprehensive income	138	41	267
Transaction with owners			
New share issue	-	-	1,169
Warrants	-	-	9
Total, transaction with owners	-	-	1,178
Transactions with non-controlling interests	-	-	205
Closing balance	4,357	2,610	4,219

Pledged assets and contingent liabilities

SEKm	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
Assets pledged as collateral	141	6,449	141
Contingent liabilities	-	-	-

Investments

SEKm	Q1 2016	Q1 2015	Jan-Dec 2015
Investments			
Investments in intangible assets	7	5	34
Investments in tangible assets	46	49	178
Divestments of tangible and intangible assets	-7	-16	-47
Total net investments	46	38	165
Intangible assets acquired through business combination			
Goodwill	5	15	17
Customer relations	14	78	109
Total intangible assets acquired through business combination	19	93	126

For further information regarding acquisitions, see page 11.

Financial assets and liabilities

SEKm	Level	Mar 31, 2016	Mar 31, 2015
ASSETS			
Financial assets at fair value through profit or loss			
Derivatives (currency swap)	2	-	91
Loans and receivables			
Trade receivables		851	814
Cash and cash equivalents		708	966
Total financial assets		1,559	1,871
LIABILITIES			
Derivatives used for hedge-accounting			
Derivatives (interest swap)	2	-	16
Financial liabilities at fair value through profit or loss			
Option liability	3	-	210
Contingent considerations	3	42	60
Other financial liabilities			
Borrowings		3,401	5,205
Trade payables		205	194
Total financial liabilities		3,648	5,685

The table shows the Group's significant financial assets and liabilities. Asset and liabilities accounted for as loans and receivables, and other financial liabilities are carried at amortized cost. Fair value for all financial assets and liabilities are equal to the carrying value. For complete table and further information see Attendo's Annual report 2015, note 23.

Valuation technique

Level 2: The fair value of interest rate and currency swaps is determined by discounting the estimated cash flows. Discounting is based on quoted market rates on comparable instruments at the balance sheet date.

Level 3: The fair value of option liability is determined by the valuation principles established by the European Venture Capital Association (EVCA). The option liability was settled in connection to the listing. Fair value of contingent considerations are based on estimated outcome from the contractual clauses in the share purchase agreement.

Key Data

		Q1 2016	Q1 2015	Jan-Dec 2015
Net sales	SEKm	2,472	2,391	9,831
Organic growth	%	3.1	4.6	5.6
Acquired growth	%	0.9	1.9	1.9
Changes in currencies	%	-0.6	2.8	1.2
Operating profit (EBITA)	SEKm	197	187	933
<i>Operating margin(EBITA)</i>	%	8.0	7.8	9.5
Profit for the period	SEKm	128	57	286
<i>Profit margin</i>	%	5.2	2.4	2.9
Working capital	SEKm	-147	-182	-130
Return on capital employed ²	%	11.4	10.6	11.4
Net debt to equity ratio	times	0.6	1.6	0.7
Equity to asset ratio	%	47	27	45
Operating cash flow	SEKm	143	57	765
Net investments	SEKm	46	38	165
Average number of employees		14,061	14,097	14,512
Key data per share				
Earnings per share ¹ , basic	SEK	0.80	0.36	1.79
Earnings per share ¹ , diluted	SEK	0.80	0.36	1.79
Equity per share ¹ , basic	SEK	27.23	16.31	26.37
Equity per share ¹ , diluted	SEK	27.07	16.31	26.36
Average number of outstanding shares ¹ , basic	thousands	160,000	160,000	160,000
Average number of outstanding shares ¹ , diluted	thousands	160,934	160,000	160,083
Number of outstanding shares ¹ at end of the period	thousands	160,000	160,000	160,000

Quarterly Data

SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Total net sales	2,260	2,282	2,316	2,391	2,421	2,455	2,564	2,472
- Net sales, own operations	1,188	1,217	1,280	1,322	1,354	1,415	1,498	1,511
- Net sales, outsourcing	792	802	776	818	803	810	805	769
- Net sales, staffing	280	263	260	251	264	230	261	192
SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Total net sales	2,260	2,282	2,316	2,391	2,421	2,455	2,564	2,472
- Net sales Sweden	1,214	1,225	1,238	1,248	1,257	1,282	1,339	1,332
- Net sales Finland	938	933	972	1,037	1,049	1,051	1,088	1,009
- Net sales Norway	76	83	60	60	61	65	78	77
- Net sales Denmark	32	41	46	46	54	57	59	54
Operating profit (EBITA)	193	298	153	187	186	345	215	197
<i>Operating margin (EBITA). %</i>	8.5	13.1	6.6	7.8	7.7	14.1	8.4	8.0
Profit for the period	67	163	-27	57	56	182	-9	128
<i>Profit margin. %</i>	3.0	7.1	-1.2	2.4	2.3	7.4	-0.4	5.2
Earnings per share ¹ basic, SEK	0.42	1.02	-0.17	0.36	0.35	1.14	-0.06	0.80
Earnings per share ¹ diluted, SEK	0.42	1.02	-0.17	0.36	0.35	1.14	-0.06	0.80
Average number of employees	14,243	15,137	13,918	14,097	14,378	15,294	14,285	14,061

1.Earnings per share in the comparable period have been calculated based on the number of shares after the listing. See definitions page 24.

2.As from the first quarter 2016 return on capital employed is calculated based on EBIT, see definition on page 24. To improve comparison, the comparable periods previously calculated on EBITA has been restated.

Redemption of shares in the subsidiary Terveyden Tuottajat Oy

The subsidiary Terveyden Tuottajat Oy (TT) was deconsolidated as of 31 December 2015, which means that TT is included in the Group's income statement during the full year 2015, but not in the balance sheet as of 31 December 2015. Net sales from TT were fully recognized in the contract model Staffing. The table below shows the impact on key measures with TT fully consolidated and deconsolidated.

SEKm	Q1 2015		Jan-Dec 2015	
	Excl. TT	Incl. TT	Excl. TT	Incl. TT
Net sales	2,315	2,391	9,546	9,831
Operating profit before depreciation and amortization (EBITDA)	214	222	1,044	1,077
Operating profit (EBITA)	186	187	931	933
<i>Operating margin (EBITA,)</i> %	8.0	7.8	9.8	9.5
Operating profit (EBIT)	177	178	885	887
Profit for the period	57	57	286	286
Net debt	4,229	4,232	2,827	2,756
Working capital	-123	-182	-130	-270
Net investments	-34	-38	152	165

Parent Company Income Statement

SEKm	Q1 2016	Q1 2015	17 Sep- 31 Dec 2015
Net sales	4	-	3
Employee costs	-6	-	-5
Other external costs	-4	-	-32
Operating profit	-6	-	-34
Finance net	0	-	-
Profit before tax	-6	-	-34
Tax on profit for the period	0	-	7
Profit for the period	-6	-	-27

Attendo AB (publ) was incorporated on September 17, 2015 and became the ultimate parent company of the Group on October 23, 2015. The company has not conducted any operation prior to the acquisition of Attendo Group and thus lacks history and income statement and balance sheet for the comparable periods in this interim report.

Parent Company Balance Sheet

SEKm	Mar 31, 2016	Mar 31, 2015	Dec 31, 2015
ASSETS			
Non-current assets			
Shares in subsidiaries	6,494	-	6,494
Deferred tax asset	16	-	16
Total non-current assets	6,510	-	6,510
Current assets			
Receivables on group companies	0	-	0
Other receivables	10	-	7
Cash and cash equivalents	0	-	0
Total current assets	8	-	7
Total assets	6,520	-	6,517
EQUITY AND LIABILITIES			
Equity	6,463	-	6,472
Current liabilities			
Liabilities to group companies	44	-	23
Other liabilities	13	-	22
Total current liabilities	55	-	45
Total equity and liability	6,520	-	6,517

Calendar and contacts

Calendar

- 17 May 2016, Annual General Meeting
- 28 July 2016, Interim report January- June 2016
- 11 November 2016, Interim report January- September 2016

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Disclosure on publication

The information in this report is what Attendo is required to disclose under Sweden's Securities Market Act and/or the Financial Instruments Trading Act.

Forward-looking information

This report contains forward-looking information based on the current expectation of the Attendo's management. Although management deems that the expectations presented by such forward-looking information are reasonable, no guarantee can be given that these expectations will prove correct. Accordingly, the actual future outcome could vary considerably compared to what is stated in the forward-looking information, due to such factors as changed market conditions for Attendo's services and more general conditions regarding business cycles, market and competition, changes in legal requirements and other political measures, and fluctuation in exchange rates.

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Introduction to Attendo

Attendo is the leading private provider of care services in the Nordics. The company has operations in Sweden, Finland, Norway and Denmark.

Attendo is the largest private provider of care for older people in Sweden and Finland, and outsourced health care in Finland. Attendo is a locally based company and has more than 500 units in operation, in more than 200 municipalities. With the vision of empowering the individual Attendo provides services within care for older people, care for people with disabilities, individual and families and health care.

Attendo provides care and health care through three contract models:

- Own operations, where Attendo provides services in own controlled units/premises or provides services in customer choice models. Attendo has own units within care for older people, people with disabilities, individuals and families, as well as dental care and occupational health care.
- Outsourcing operations, where Attendo provides services in publicly controlled units/premises or provides home care services based on outsourcing contract model. Attendo has outsourced units for care for older people, people with disabilities, individuals and families and health care.
- Staffing, where Attendo provides temporary staffing of general practitioners, specialists, dentists and nurses for health care.

Local authorities (mainly municipalities) are Attendo's customer for a large majority of the service offerings, but contract types and duration of contracts vary depending on service model and service offering. Own operations are based on framework agreements and outsourcing operations are based on outsourcing contracts, following a tender process. The customer contract period is typically 2-5 years. Staffing operations are normally based on framework agreements or direct contracts with durations of up to 4 years.

Definitions

Explanations to financial measures

Acquired growth	Increase in net sales due to acquired companies or units.
Capital employed	Total assets less non-interest bearing liabilities.
Earnings per share	Profit for the period in relation to the average number of shares.
Equity/asset ratio	Equity as a percentage of total assets.
Equity per share	Equity in relation to the average number of shares.
Liquid funds	Cash/cash equivalents, short term investments and derivatives with a positive fair value.
Net debt	Interest bearing liabilities and provisions for post-employment benefits less liquid funds.
Net debt ratio	Net debt as a percentage of total equity.
Net investments	Net of investments and disposals of intangible and tangible assets excluding acquisition related assets.
Number of shares	Shares outstanding as of 31 December 2015. In order to facilitate comparisons, all key measures in the comparable periods have been calculated based on the number of shares after the listing.
Operating margin (EBIT)	Operating profit (EBIT) as a percentage of net sales.
Operating margin (EBITA)	Operating profit (EBITA) as a percentage of net sales.
Operating profit (EBIT)	Profit before net financial items and income tax.
Operating profit (EBITA)	Profit before amortization of acquisition related intangible assets, net financial items and income tax.
Organic growth	Increase of net sales excluding acquisitions and currency effects.
Profit for the period	Profit/loss for the period attributable to parent company shareholders.
Profit for the period adjusted	Profit/loss for the period adjusted for one-time items net after tax.
Profit margin	Profit for the period as a percentage of net sales.
Return on equity	Profit for the period (LTM) in relation to average equity.
Return on capital employed	Operating profit (EBIT) as a percentage of average capital employed.
Working capital	Current assets less liquid funds and interest bearing assets, less short term liabilities and non-interest bearing provisions.

Explanations to operational measures

Home care client

An individual that receives planned and unplanned support such as service and personal care connected to the everyday life and health care at home.

New unit

Unit in operation <12 months.

Existing unit

Unit in operation >12 months.

LA

Local Authority

CoP

Care for Older People