



Interim report January–March 2018

Attendo AB (publ)

Interim Report, January-March 2018

Summary of the first quarter 2018

- Net sales increased by 20.3 percent to SEK 3,200m (2,661). Adjusted for currency effects, net sales increased by 17.6 percent.
- Operating profit (EBITA) amounted to SEK 240m (279), corresponding to an operating margin of 7.5 percent (10.5). Adjusted for write-down of real estate related to integration care of SEK 20m, EBITA amounted to SEK 260m with an operating margin of 8.1 percent.
- Profit for the period amounted to SEK 129m (181) corresponding to a profit margin of 4.0 percent (6.8) and diluted earnings per share of SEK 0.80 (1.13).
- Operating cash flow amounted to SEK 101m (176).
- The total number of beds in own homes was 13,812 (9,249), an increase of 49 percent. The number of beds under construction in own operations was 2,828 across 70 homes.
- Martin Tivéus was appointed as new CEO.

| SEKm | Q1 2018 | Q1 2017 | Change, % | Jan-Dec 2017 |
|------------------------------------|---------|---------|-----------|--------------|
| Net sales | 3,200 | 2,661 | 20 | 11,157 |
| Operating profit (EBITA) | 240 | 279 | -14 | 1,084 |
| <i>Operating margin (EBITA), %</i> | 7.5 | 10.5 | - | 9.7 |
| Profit for the period | 129 | 181 | -29 | 680 |
| Earnings per share diluted, SEK | 0.80 | 1.13 | -29 | 4.24 |
| Operating cash flow | 101 | 176 | -43 | 763 |
| Average number of employees | 17,097 | 15,130 | 13 | 15,871 |

Non-IFRS financial measures are reconciled to the most directly reconcilable line items in the financial statements at the end of this report

CEO Pertti Karjalainen comments on the report

In line with our strategy, Attendo is in a period of numerous openings of new homes and a large number of beds under construction. We are building a solid foundation for future growth and long-term value creation. Attendo now has 13,812 own beds in operation, an increase by around 50 percent since the corresponding period last year.

There was strong sales growth in the contract model *Own operations*, mainly from acquisitions, but also from openings of new nursing homes during the latter part of 2017. Attendo opened 19 own homes during the quarter, 18 in Finland and 1 in Sweden. Construction of 14 new nursing homes in Finland began. At the end of the first quarter, Attendo had 2,828 beds under construction, almost 700 more than at the end of the first quarter of 2017. When the pace of establishment in the market increases, it is taking somewhat longer to fill new homes.

Net sales in *Outsourcing* increased slightly compared to the first quarter of 2017. Net sales in *Staffing* were higher during the quarter, explained by currency effects, new contracts and higher volumes in existing contracts. The outsourcing and staffing markets are assessed to be stable.

Profits for the first quarter were lower than for the corresponding quarter 2017. Acquisitions, improved planning and processes as well as contribution from units that were under start up during the comparison quarter in 2017, made positive contributions to profit. This was offset by the negative impact on profits from newly opened units, write-down of real estate values as well as calendar effects. The close down of integration care operations and home care in Denmark had a negative impact in relation to the comparison quarter, however less than in the preceding quarter. The high opening pace will continue to impact profits in the next quarters, while the negative effects from home care and integration care are expected to decrease.

In 2011, Attendo was the first care provider in the Nordics that published an annual Quality Report aimed at increasing focus and transparency in quality work. For 2017, Attendo has prepared a combined Quality and Sustainability Report that even more clearly highlights the company's social initiatives overall and our efforts to improve in key quality areas. Attendo's key contributions to society are to maintain high and consistent quality, establish new operations that help reduce waiting times and develop a workplace that gives satisfied employees opportunities for personal and professional growth.

Attendo is in an intense period with numerous openings during the year. This helps local authorities to reduce waiting times in care for older people, provides more customers with access to modern homes with high quality care, and gives Attendo good opportunities to increase its organic growth. We are also happy to welcome a new permanent CEO to Attendo this autumn, Martin Tivéus.

First quarter in brief

Net sales and operating profit

Net sales increased by 20.3 percent to SEK 3,200m (2,661) during the first quarter. Adjusted for currency effects, net sales increased by 17.6 percent. Adjusted for currency effects, net sales rose in all geographies except Denmark.

The growth is attributable to acquisitions, new own nursing homes, contractual price increases and higher occupancy in own homes that were under start-up during the comparison quarter.

Net sales increased in own operations by 30.0 percent, in outsourcing by 3.0 percent and in staffing by 10.1 percent.

Operating profit (EBITA) amounted to SEK 240m (279) and the operating margin to 7.5 percent (10.5). Underlying EBITA, excluding write-down of real estate, amounted to SEK 260m and the operating margin was 8.1 percent.

New units in own operations had large negative impact on profits as occupancy initially is low. Attendo has opened a record-high number of homes since the comparison quarter and significantly more beds than during the previous 12 month period. Attendo is planning for several additional openings during coming quarters. New units in own operations will consequently continue to have negative impact on profits during the next quarters.

Demand for integration care declined sharply during the latter part of 2017 and Attendo started a gradual discontinuing of the operations. In conjunction with the close down, a review of Attendo's owned real estate was conducted, where the market value was assessed to be lower than the carrying amount for a few real estates. The analysis resulted in a write-down of the real estates' value of SEK 20m in the first quarter of 2018. The remaining integration care operations consist of only about 100 beds.

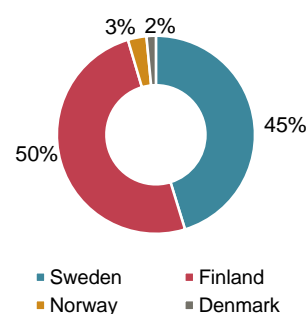
Calendar effects reduced profits, mainly due to Easter occurring partially in the first quarter of 2018, while the holiday occurred entirely in the second quarter in 2017.

Integration care and home care in Denmark also affected profits negatively in relation to the comparison quarter 2017, however less so than in the preceding quarter.

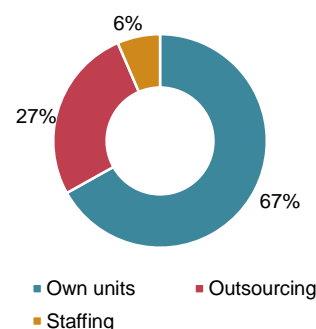
Earnings generated by acquired units and Attendo's continuous efforts to improve planning and processes made a positive contribution to profits compared to the same quarter in 2017. Higher occupancy in own homes which were under start-up during the comparison quarter also had a positive impact on profits. Overall, changes in currency exchange rates had a positive effect on operating profit of SEK 7m compared to 2017.

EBIT amounted to SEK 201m (248). Amortisation of acquisition-related intangible assets was SEK 8m higher than in the first quarter of 2017.

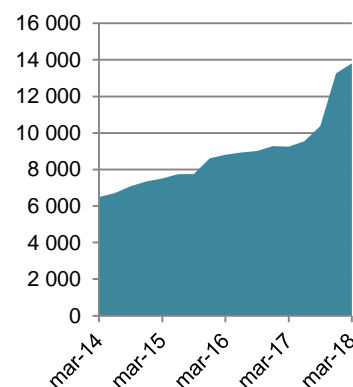
Net sales per country, Q1 2018



Net sales per contract model, Q1 2018



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



At the end of the first quarter, Attendo's total number of units was 746 (556), of which 597 in own operations. The number of beds in nursing and care homes was 17,496 (12,993), of which 13,812 in own operations. There were 70 homes and 2,828 beds under construction in own operations at the end of the period.

Finance net

Finance net amounted to SEK -34m (-17) for the quarter, including net interest expense of SEK -24m (-14). The increase in net interest expense was due mainly to new loans raised in 2017 in connection with the acquisition of Mikeva.

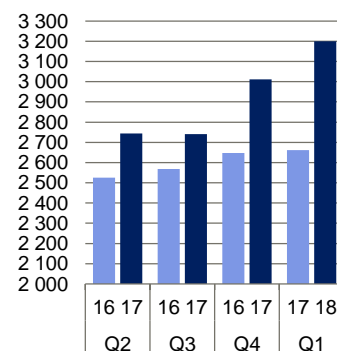
Income tax

Tax on profit for the period was SEK -38m (-50), corresponding to a tax rate of 22.5 percent (21.6).

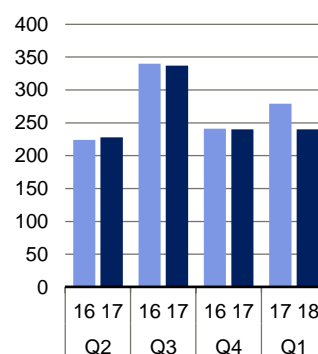
Profit and earnings per share for the period

Profit for the period amounted to SEK 129m (181), corresponding to basic earnings per share of SEK 0.80 (1.13) and diluted earnings per share of SEK 0.80 (1.13).

Net sales, SEKm



Operating profit (EBITA) SEKm



Cash flow

Operating cash flow amounted SEK 101m (176) in the first quarter, of which changes in working capital amounted to SEK -77m (-40).

Cash flow from net investments in non-current assets was SEK -50m (-39) and cash flow from assets and liabilities held for sale amounted to SEK 207m (-42). Business acquisitions reduced cash flow by SEK -108m (-78). Cash flow from financing activities was SEK 49m (-19).

Total cash flow amounted to SEK 226m (20).

Financial position

Consolidated equity as of 31 March 2018 amounted to SEK 5,623m (5,002), corresponding to diluted equity per share of SEK 34.98 (31.17).

Net debt amounted to SEK 4,773m (2,682).

| SEKm | Mar 31, 2018 | Mar 31, 2017 | Dec 31, 2017 |
|---|-----------------|-----------------|-----------------|
| Interest-bearing liabilities | 5,434 | 3,343 | 5,236 |
| Provisions for post-employment benefits | 57 | 28 | 52 |
| Liquid funds | -718 | -689 | -475 |
| Net debt | 4,773 | 2,682 | 4,813 |

Interest-bearing liabilities, excluding provisions for post-employment benefits, amounted to SEK 5,434m (3,343) on 31 March 2018. The increase was mainly due to new loans in connection with the acquisition of Mikeva. Cash and cash equivalents as of 31 March 2018 amounted to SEK 718m (689) and Attendo had SEK 958m (1,214) in unutilised credit facilities.

Shares outstanding

The total number of shares is 160,933,098. Attendo holds 519,471 treasury shares and the total number of shares outstanding as of 31 March 2018 was thus 160,413,627.

Number of employees

The average number of employees in the first quarter was 17,097 (15,130).

Own operations

Net sales in own operations amounted to SEK 2,143m (1,648) in the first quarter. The growth of 30.0 percent is attributable to acquisitions and new homes in own operations.

A total of 19 homes with 539 beds opened during the quarter: 18 homes in Finland with 533 beds and 1 home in Sweden with 6 beds. In Sweden, Attendo also opened a supportive home for young people with 24 beds and a daily activities unit with 20 places for people with disabilities. At the end of the period, Attendo had 13,812 beds in operation, an increase by 49 percent since the same quarter in 2017.

Demand for integration care declined sharply in 2017 and a gradual close down of the operations began last year, resulting in lower net sales compared to the same period in 2017. The majority of the integration care operations have been discontinued or converted to other operations. At the end of the quarter, there were around 100 remaining beds in operation in integration care.

Attendo is reviewing its home care operations, which includes termination of units that lack long term prospects. Attendo closed a few operations during the first quarter. By focusing on home care with higher client density and where conditions are sound, profitability is expected to improve over time.

At the end of the quarter, there were 2,828 beds under construction. Construction began on 14 homes in Finland during the quarter, mainly nursing homes, with a total of 577 beds.

Units, beds and home care customers as of 31 March, 2018

| Own units | Total | Sweden | Finland | Norway | Denmark |
|----------------------------|--------|--------|---------|--------|---------|
| Units in operation* | 597 | 222 | 364 | 3 | 8 |
| Beds in operation** | 13,812 | 3,671 | 9,918 | 163 | 60 |
| Beds under construction*** | 2,828 | 678 | 2,078 | - | 72 |
| Home care customers | 11,350 | 9,040 | - | 130 | 2,180 |

* 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).

Own operations

67%

of Net sales

Operations in Sweden, Finland,
Norway and Denmark

Outsourcing operations

Net sales in outsourcing increased by 3.0 percent to SEK 850m (825) in the quarter. The increase in net sales is attributable to currency effects and contractual price increases.

During the quarter, Attendo won new, not yet started, contracts with estimated annual revenue of approximately SEK 120m, and lost ongoing, not yet ended, contracts with annual revenue of approximately SEK 40m.

Outsourcing operations

27%

of Net sales

Operations in Sweden, Finland,
Norway and Denmark

Units, beds and home care customers as of 31 March 2018

| Outsourcing | Total | Sweden | Finland | Norway | Denmark |
|----------------------|-------|--------|---------|--------|---------|
| Units in operations* | 128 | 87 | 35 | 5 | 1 |
| Beds in operations** | 3,684 | 2,778 | 568 | 310 | 28 |
| Home care customers | 1,400 | 790 | 610 | - | - |

* 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 in the first quarter amounted to SEK 207m (188), an increase by 10.1 percent. The higher net sales were attributable to currency effects, new contracts and somewhat better volumes in existing contracts.

Staffing operations

6%

of Net sales

Operations in Finland.

Quality and employees

Attendo is working actively to increase transparency in the systematic quality work pursued within the company. Already in 2011, an annual Quality Report containing the key outcomes of the quality improvement program was presented. During the quarter, the first combined Quality and Sustainability Report for 2017 was published, which also meets the new requirements to publish statutory sustainability reports. The report summarises the most important progress within Attendo's prioritised sustainability areas, social development, quality and employees, as well as initiatives in the areas of human rights, anti-corruption and environmental sustainability.

The report also shows that Attendo achieved a total quality index in 2017 of 85 out of 100 according to the internal Quality Thermometer, which reflects both ongoing outcomes and quality initiatives taken during the year. This is in line with the outcomes in 2015 and 2016. Among the quality improvement initiatives, new activities to encourage physical movement, giant tablet computers to enhance social interaction in nursing homes and the decision to connect all Attendo dementia care homes to the Swedish register for Behavioural and Psychological Symptoms in Dementia (BPSD), were noted.

Attendo won quality-based contracts in public procurement processes in Borås and Uppsala, Sweden, during the quarter covering a total of 15 group homes, and implemented several activities that enhance quality. In Norway, residents in Attendo's nursing homes in the Oslo area watched the iconic 50 km cross-country ski race in Holmenkollen, in person. And in Finland, entertainer Joel Hallikainen toured more than 80 nursing homes, performing a repertoire of classic Finnish tunes.

In March, the region "Attendo Mellan" was appointed Attendo Region of the Year. The performance criteria are quality, employee satisfaction, leadership, growth and financial performance. The region has been particularly successful at opening new units and implementing the Attendo model there.

Pension fund Ilmarinen in Finland named local manager Veera Boman-Martikainen at the Attendo Pihlajajarju nursing home the best leader in Eastern Finland. Boman-Martikainen was rewarded for her ability to combine active and present leadership with warmth and empathy for the clients.

Attendo's quality work

Attendo's quality model rests on three pillars: satisfied customers, 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 coordinators with the support of specialized quality functions. Recurring quality audits are conducted by Attendo, payors 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 at:

<http://www.attendo.com/about-attendo/focus-on-quality>

Market review

Sweden – strong demand within own operations

The demand for Attendo's own operations offering was good, with continued high interest from Swedish local authorities needing to expand the number of beds, mainly in care for older people. Contracted volumes in the Outsourcing market in care for older people were higher in the first quarter of 2018 than in the previous quarter and the same period in 2017. Contracted volumes in care homes for people with disabilities also rose in relation to the preceding quarter and preceding year, while demand for outsourcing contracts in integration services has ended.

During the quarter, the Swedish Government presented a bill to the Parliament proposing to impose a profit cap on providers of welfare services. If the proposals are implemented, they will have negative impact on freedom of choice and diversity in areas including social care. The proposals have been heavily criticized by government agencies, experts and the Council on Legislation. In the opinion of the Council on Legislation, the proposals directly contravene applicable legislation. At present, there is not a parliamentary majority behind the proposal. The vote on the bill is expected in June 2018.

Finland – strong demand within own operations

Strong demand for Attendo's own operations offering persisted in Finland, due to replacement needs of old capacity and underlying demand. As a consequence of the health and social care reform ("SOTE reform"), local authorities are restricted to invest in new nursing homes.

The main features of the SOTE reform remains. The government has decided that the first active care choices in primary care will be made in 2021. Discussions of the various components of the SOTE reform continued during the quarter. The main features of the reform enjoy majority support. Attendo remains optimistic about the opportunities offered by the reform for private providers.

Denmark – challenging conditions in home care

The Danish home care services market remains challenging. Private and public providers do not operate on a level playing field. As a result, privately owned companies are exiting the market and citizens have less freedom of choice.

Norway – continued low activity

Activity in the Norwegian market remained low and no new contracts are out for tendering.

The Swedish social and health care market

In Sweden, 290 local authorities are responsible for social care and care for older people, while 20 regional authorities (regions and county councils) provide health and dental care. Attendo's customers in Sweden are mainly local authorities responsible for social care and care for older people. Local authorities, regions and county councils are also responsible for financing health and social care.

The Finnish health and social care market

The Finnish health care system is decentralized with 311 local authorities responsible for providing primary health care, social care and care for older people, along with 20 hospital districts, each of which provide specialist care to several municipalities. Attendo's customers in Finland are mainly local authorities providing primary health care and social care, along with some additional private customers in dental care and occupational health care. As in Sweden, Finnish local authorities have far-reaching responsibility for financing welfare services.

Significant events in the quarter

Acquisitions during the first quarter

Kaijankoti Oy, a provider of care for older people in Savitaipale, Finland, was acquired on 1 January 2018.

Juuan Hoito ja Hoiva Oy, a provider of care for older people and social psychiatry in Juuka, Finland, was acquired on 1 February 2018.

Pielisen Karjalan Dementiakoti Oy, a provider of care for older people and social psychiatry in Nurmes, Finland, was acquired on 1 February 2018.

Arken, a provider of care for young adults in Vårgårda, Sweden was acquired on 1 February, 2018.

Kreativ Omsorg & Utbildning i Motala AB was acquired on 1 March 2018.

Hoitokoti Omena Oy, a provider of care for older people in Ilomantsi, Finland, was acquired on 1 March 2018.

Other financial information

Related-party transactions

Attendo has transactions with two related parties, which in all material respects consist of Attendo leasing properties from companies in which these parties are shareholders. The transactions had a value of SEK 3m (2) during the year. All related-party transactions take place on market terms.

For further details, please refer to page 60 of Attendo's 2017 annual report.

Parent company, Attendo AB (publ)

The business of the parent company is to provide services to the subsidiaries and manage shares in subsidiaries. The company's expenses relate mainly to executive salaries, directors' fees and costs for external consultants.

Net sales for the period were SEK 3m (3), and were entirely related to services provided to subsidiaries. The company is reporting a loss after net financial items of SEK -4m (-6). At the end of the quarter, cash and cash equivalents amounted to SEK 0m (0), shares in subsidiaries to SEK 6,494m (6,494), and non-restricted equity to SEK 6,245 (6,417).

Seasonal variations

Attendo's profitability is subject to seasonal variations, weekend and holiday effects. For Attendo, public holidays and weekends 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 and New Year holidays.

Events after the balance sheet date

Acquisitions after the reporting date

Ektorpsgården Lidingö AB, a provider of care for older people in Lidingö, Sweden, was acquired on 1 April 2018.

Vällingbygården i Stockholm AB, a provider of care for older people in Vällingby, Sweden, was acquired on 1 April 2018.

Changes in Attendo's Executive Management

The board of directors appointed Martin Tivéus as the new CEO. Martin Tivéus, aged 47, joins Attendo from a role as Chief Commercial Officer at Klarna, and was previously CEO of Avanza, Evidensia Djursjukvård and Glocalnet. Martin Tivéus is also a board member of Telia Company. He studied economics at Stockholm University and the Stockholm School of Economics.

Martin Tivéus will begin his new role as the CEO of Attendo on 1 September. Pertti Karjalainen will continue serving as CEO for Attendo until Martin Tivéus begins his employment.

Annual General Meeting

Attendo held its Annual General Meeting (AGM) 12 April 2018 in Danderyd. In accordance with the board of directors proposal, the AGM resolved on a dividend of 1.27 SEK per share. The AGM resolved that the number of board members shall amount to six and re-elected the board Ulf Lundahl (chairman), Catarina Fagerholm, Tobias Lönnevall, Anssi Soila, Anitra Steen, and resolved to elect Alf Göransson as new board member. The board members Mona Boström and Henrik Borelius had informed that they were not available for re-election.

Further, the AGM resolved to adopt a long term incentive program (Attendo+ 2018) directed to some key employees.

Risk management

Attendo conducts care and health care operations in the Nordics and are exposed to a number of different risks. Attendo divides risks in external risks, operational risks and financial risks. External risks comprise risks regarding competition, political risk, legal risk and reputational risk. Operational risks refer to risks directly linked to Attendos operations e.g. pricing and acquisitions. Financial risks are, amongst others, related to currency, interest rates and liquidity.

Risk management, i.e. the work with identifying, managing and monitoring risks is an important part of Attendo's operations and well integrated in the daily work. The risks and a description of Attendo's risk management are presented in Attendo's annual report for 2017, page 20. Attendo's assessment is that no further risks have been added.

Accounting policies

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 2017.

IFRS 15 comes into force on January 1, 2018 and replaces IAS 18 Revenue and IAS 11 Entrepreneurship Agreements and associated SIC and IFRIC. The standard does not have any impact on the financial statements apart from increased disclosure requirements. IFRS 9 deals with the classification, valuation and reporting of financial assets and liabilities and replaces parts of IAS 39. The standard will not have any material impact on the Group's financial statements.

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.

This report has not been reviewed by Attendo's auditor.

Outlook

Attendo does not report any forecast.

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

Danderyd, May 4, 2018

Pertti Karjalainen

CEO

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 2018 | Q1 2017 | Jan-Dec 2017 |
|--|--------------|--------------|---------------|
| Net sales | 3,200 | 2,661 | 11,157 |
| Other operating income | 5 | 3 | 17 |
| Total revenue | 3,205 | 2,664 | 11,174 |
| Personnel costs | -2,032 | -1,670 | -7,010 |
| Other external costs | -867 | -680 | -2,926 |
| Amortization and depreciation of tangible and intangible assets | -66 | -35 | -154 |
| Operating profit (EBITA) | 240 | 279 | 1,084 |
| <i>Operating margin (EBITA) %</i> | <i>7.5</i> | <i>10.5</i> | <i>9.7</i> |
| Amortization of acquisition related intangible assets | -39 | -31 | -131 |
| Operating profit (EBIT) | 201 | 248 | 953 |
| <i>Operating margin (EBIT), %</i> | <i>6.3</i> | <i>9.3</i> | <i>8.5</i> |
| Net financial items | -34 | -17 | -77 |
| Profit before tax | 167 | 231 | 876 |
| Income tax | -38 | -50 | -196 |
| Profit for the period | 129 | 181 | 680 |
| <i>Profit margin %</i> | <i>4.0</i> | <i>6.8</i> | <i>6.1</i> |
| Profit for the period attributable to the parent company shareholders | 129 | 181 | 680 |
| Basic earnings per share, SEK | 0.80 | 1.13 | 4.26 |
| Diluted earnings per share, SEK | 0.80 | 1.13 | 4.24 |
| Basic average number of shares, thousands | 160,413 | 159,800 | 159,784 |
| Diluted average number of shares, thousands | 160,748 | 160,466 | 160,544 |

Consolidated Statement of Comprehensive Income

| SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2017 |
|---|------------|------------|--------------|
| Profit for the period | 129 | 181 | 680 |
| Other comprehensive income for the period | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of defined benefit pension plans, net of tax | - | - | 2 |
| Items that may be reclassified to profit or loss | | | |
| Exchange rate differences on translating foreign operations | 123 | -5 | 50 |
| Total other comprehensive income for the period | 123 | -5 | 52 |
| Total comprehensive income for the period | 252 | 176 | 732 |
| Total comprehensive income attributable to the parent company shareholders | 252 | 176 | 732 |

Consolidated Balance Sheet

| SEKm | Mar 31, 2017 | Mar 31, 2017 | Dec 31, 2017 |
|---|---------------|---------------|---------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 8,808 | 6,928 | 8,541 |
| Other intangible assets | 733 | 563 | 717 |
| Equipment | 576 | 418 | 559 |
| Other non-current assets | 113 | 75 | 109 |
| Total non-current assets | 10,230 | 7,984 | 9,926 |
| Current assets | | | |
| Trade receivables | 1,205 | 885 | 1,204 |
| Other current assets | 629 | 435 | 411 |
| Cash and cash equivalents | 718 | 689 | 475 |
| | 2,552 | 2,009 | 2,090 |
| Assets held for sale | 578 | 107 | 786 |
| Total current assets | 3,130 | 2,116 | 2,876 |
| Total assets | 13,360 | 10,100 | 12,802 |
| EQUITY AND LIABILITIES | | | |
| Equity | 5,623 | 5,002 | 5,369 |
| Non-current liabilities | | | |
| Liabilities to credit institutions | 5,363 | 3,273 | 5,171 |
| Provisions for post-employment benefits | 57 | 28 | 52 |
| Other provisions | 17 | 16 | 11 |
| Other non-current liabilities | 131 | 109 | 131 |
| Total non-current liabilities | 5,568 | 3,426 | 5,365 |
| Current liabilities | | | |
| Liabilities to credit institutions | 71 | 70 | 65 |
| Trade payables | 287 | 134 | 281 |
| Other current liabilities | 1,764 | 1,438 | 1,648 |
| | 2,122 | 1,642 | 1,994 |
| Liabilities held for sale | 47 | 30 | 74 |
| Total current liabilities | 2,169 | 1,672 | 2,068 |
| Total equity and liabilities | 13,360 | 10,100 | 12,802 |

Consolidated Cash Flow Statement

| Operational cash flow, SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2017 |
|---|------------|------------|--------------|
| Operating profit (EBITA) | 240 | 279 | 1,084 |
| Depreciation, amortization and write down of tangible and intangible assets | 66 | 35 | 154 |
| Changes in working capital | -77 | -40 | -73 |
| Paid income tax | -83 | -62 | -207 |
| Other non-cash items | 5 | 3 | 13 |
| Cash flow after changes in working capital | 151 | 215 | 971 |
| Investments in tangible and intangible assets | -62 | -50 | -267 |
| Divestment of tangible and intangible assets | 12 | 11 | 59 |
| Operating cash flow | 101 | 176 | 763 |
| Interest received/paid | -23 | -17 | -72 |
| Free cash flow | 78 | 159 | 691 |
| Net change in assets and liabilities held for sale | 207 | -42 | -647 |
| Acquisition of operations | -108 | -78 | -1,262 |
| Share issue | - | - | 56 |
| Warrants | - | - | -25 |
| Repurchase of own shares | - | - | -33 |
| Dividends paid | - | - | -195 |
| Borrowings repaid | -151 | -19 | -618 |
| New borrowings | 200 | - | 1,833 |
| Total cash flow | 226 | 20 | -200 |
| Cash and cash equivalents at the beginning of the period | 475 | 670 | 670 |
| Effect of exchange rate changes on cash | 17 | -1 | 5 |
| Cash and cash equivalents at the end of the period | 718 | 689 | 475 |

| Cash flow, SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2017 |
|-------------------------------------|------------|-----------|--------------|
| Cash flow from operations | 128 | 198 | 899 |
| Cash flow from investing activities | 49 | -159 | -2,117 |
| Cash flow from financing activities | 49 | -19 | 1,018 |
| Total cash flow | 226 | 20 | -200 |

Consolidated Statement of Changes in Equity

| SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2017 |
|---------------------------------------|--------------|--------------|--------------|
| Opening balance | 5,369 | 4,825 | 4,825 |
| Total comprehensive income | 252 | 176 | 732 |
| Transactions with owners | | | |
| Share issue | - | - | 56 |
| Warrants | - | - | -20 |
| Repurchase of own shares | - | - | -33 |
| Share-savings plan | 2 | 1 | 4 |
| Dividend | - | - | -195 |
| Total transactions with owners | 2 | 1 | -188 |
| Closing balance | 5,623 | 5,002 | 5,369 |

Net sales by country

| SEKm | Sweden | | | Finland | | | Norway | | | Denmark | | | Group | | |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | Q1 2018 | Q1 2017 | FY 2017 | Q1 2018 | Q1 2017 | FY 2017 | Q1 2018 | Q1 2017 | FY 2017 | Q1 2018 | Q1 2017 | FY 2017 | Q1 2018 | Q1 2017 | FY 2017 |
| Net sales service area | 1 448 | 1 376 | 5 664 | 1 606 | 1 145 | 4 926 | 97 | 85 | 359 | 49 | 55 | 207 | 3 200 | 2 661 | 11 157 |
| - Care for older people | 1 072 | 978 | 4 061 | 764 | 487 | 2 184 | 85 | 85 | 338 | 49 | 55 | 207 | 1 970 | 1 604 | 6 791 |
| - Care | 376 | 398 | 1 603 | 265 | 108 | 561 | 12 | - | 20 | - | - | - | 653 | 506 | 2 185 |
| - Health care | - | - | - | 577 | 551 | 2 181 | - | - | - | - | - | - | 577 | 551 | 2 181 |
| Net sales contract model | 1 448 | 1 376 | 5 664 | 1 606 | 1 145 | 4 926 | 97 | 85 | 359 | 49 | 55 | 207 | 3 200 | 2 661 | 11 157 |
| - Own operations | 992 | 925 | 3 868 | 1 074 | 651 | 2 934 | 34 | 22 | 110 | 42 | 49 | 186 | 2 143 | 1 648 | 7 097 |
| - Outsourcing | 456 | 451 | 1 796 | 325 | 306 | 1 248 | 63 | 63 | 249 | 7 | 5 | 22 | 850 | 825 | 3 315 |
| - Staffing | - | - | - | 207 | 188 | 745 | - | - | - | - | - | - | 207 | 188 | 745 |

Investments

| SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2017 |
|--|------------|-----------|--------------|
| Investments | | | |
| Investments in intangible assets | 10 | 6 | 30 |
| Investments in tangible assets | 52 | 44 | 237 |
| Divestments of tangible and intangible assets | -12 | -11 | -59 |
| Total net investments | 50 | 39 | 208 |
| Intangible assets acquired through business combination | | | |
| Goodwill | 79 | 64 | 1,568 |
| Customer relationships | 28 | 15 | 245 |
| Other | 0 | - | 13 |
| Total intangible assets acquired through business combination | 107 | 79 | 1,826 |

For further information regarding acquisitions, see page 11.

Financial assets and liabilities

| SEKm | Level | Mar 31, 2018 | Mar 31, 2017 | Dec 31, 2017 |
|---|-------|--------------|--------------|--------------|
| ASSETS | | | | |
| Loans and receivables | | | | |
| Trade receivables | | 1,205 | 885 | 1,204 |
| Cash and cash equivalents | | 718 | 689 | 475 |
| Total financial assets | | 1,923 | 1,574 | 1,679 |
| LIABILITIES | | | | |
| Financial liabilities at fair value through profit or loss | | | | |
| Contingent considerations | 3 | 144 | 120 | 132 |
| Other financial liabilities | | | | |
| Borrowings/leasing liabilities | | 5,434 | 3,343 | 5,236 |
| Trade payables | | 287 | 134 | 281 |
| Total financial liabilities | | 5,865 | 3,597 | 5,649 |

The table shows the Group's significant financial assets and liabilities. Assets and liabilities recognized as loans and receivables, and other financial liabilities are valued 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 2017, note C23.

Valuation technique

Level 3: The fair value of contingent considerations is based on estimated outcome from the contractual clauses in the share purchase agreements.

Pledged assets and contingent liabilities

| SEKm | Mar 31, 2018 | Mar 31, 2017 | Dec 31, 2017 |
|------------------------------|--------------|--------------|--------------|
| Assets pledged as collateral | 126 | 133 | 133 |
| Contingent liabilities | - | - | - |

Key Data

| | | Q1 2018 | Q1 2017 | Jan-Dec 2018 |
|---|-----------|---------|---------|--------------|
| Net sales | SEKm | 3,200 | 2,661 | 11,157 |
| Organic growth | % | 2.0 | 2.9 | 2.4 |
| Acquired growth | % | 15.6 | 3.5 | 6.0 |
| Changes in currencies | % | 2.7 | 1.2 | 0.9 |
| Operating profit (EBITA) | SEKm | 240 | 279 | 1,084 |
| Operating margin (EBITA) | % | 7.5 | 10.5 | 9.7 |
| Profit for the period | SEKm | 129 | 181 | 680 |
| Profit margin | % | 4.0 | 6.8 | 6.1 |
| Working capital | SEKm | -217 | -252 | -314 |
| Return on capital employed ² | % | 9.3 | 12.1 | 10.1 |
| Net debt to equity ratio | times | 0.8 | 0.5 | 0.9 |
| Equity to asset ratio | % | 42 | 50 | 42 |
| Operating cash flow | SEKm | 101 | 176 | 763 |
| Net investments | SEKm | -50 | -39 | -208 |
| Average number of employees | | 17,097 | 15,130 | 15,871 |
| Key data per share | | | | |
| Earnings per share, basic | SEK | 0.80 | 1.13 | 4.26 |
| Earnings per share, diluted | SEK | 0.80 | 1.13 | 4.24 |
| Equity per share, basic | SEK | 35.05 | 31.30 | 33.60 |
| Equity per share, diluted | SEK | 34.98 | 31.17 | 33.44 |
| Average number of shares outstanding, basic | thousands | 160,413 | 159,800 | 159,784 |
| Average number of shares outstanding, diluted | thousands | 160,748 | 160,466 | 160,544 |
| Number registered shares, end of period | thousands | 160,933 | 160,000 | 160,933 |
| Number of treasury shares, end of period | thousands | 519 | 200 | 521 |
| Number of shares outstanding, end of period | thousands | 160,414 | 159,800 | 160,412 |

Quarterly Data

| SEKm | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total net sales | 2,525 | 2,568 | 2,647 | 2,661 | 2,744 | 2,741 | 3,011 | 3,200 |
| - Net sales, own operations | 1,557 | 1,603 | 1,656 | 1,648 | 1,733 | 1,729 | 1,987 | 2,143 |
| - Net sales, outsourcing | 775 | 777 | 787 | 825 | 824 | 832 | 834 | 850 |
| - Net sales, staffing | 193 | 188 | 204 | 188 | 187 | 180 | 190 | 207 |

| SEKm | Q2 2016 | Q3 2016 | Q4 2016 | Q1 2017 | Q2 2017 | Q3 2017 | Q4 2017 | Q1 2018 |
|---------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total net sales | 2,525 | 2,568 | 2,647 | 2,661 | 2,744 | 2,741 | 3,011 | 3,200 |
| - Net sales Sweden | 1,369 | 1,392 | 1,388 | 1,376 | 1,419 | 1,432 | 1,437 | 1,448 |
| - Net sales Finland | 1,024 | 1,038 | 1,114 | 1,145 | 1,183 | 1,167 | 1,432 | 1,606 |
| - Net sales Norway | 78 | 82 | 86 | 85 | 84 | 85 | 105 | 97 |
| - Net sales Denmark | 54 | 56 | 59 | 55 | 58 | 57 | 37 | 49 |
| Operating profit (EBITA) | 224 | 340 | 241 | 279 | 228 | 337 | 240 | 240 |
| Operating margin (EBITA). % | 8.9 | 13.2 | 9.1 | 10.5 | 8.3 | 12.3 | 8.0 | 7.5 |
| Profit for the period | 146 | 224 | 151 | 181 | 141 | 223 | 135 | 129 |
| Profit margin. % | 5.8 | 8.7 | 5.7 | 6.8 | 5.1 | 8.1 | 4.5 | 4.0 |
| Earnings per share basic, SEK | 0.91 | 1.40 | 0.94 | 1.13 | 0.88 | 1.40 | 0.84 | 0.80 |
| Earnings per share diluted, SEK | 0.91 | 1.39 | 0.94 | 1.13 | 0.88 | 1.39 | 0.84 | 0.80 |
| Average number of employees | 14,304 | 15,781 | 14,602 | 15,130 | 15,204 | 16,545 | 16,606 | 17,097 |

Parent Company Income Statement

| SEKm | Q1 2018 | Q1 2017 | Jan-Dec 2016 |
|-------------------------------------|-----------|-----------|--------------|
| Net sales | 3 | 3 | 11 |
| Personnel costs | -4 | -7 | -24 |
| Other external costs | -2 | -1 | -10 |
| Operating profit | -3 | -5 | -23 |
| Finance net | -1 | -1 | -4 |
| Profit after financial items | -4 | -6 | -27 |
| Group contributions | - | - | 25 |
| Profit before tax | -4 | -6 | -2 |
| Income tax | - | - | - |
| Profit for the period | -4 | -6 | -2 |

Profit for the period corresponds to total comprehensive income

Parent Company Balance Sheet

| SEKm | Mar 31, 2018 | Mar 31, 2017 | Dec 31, 2017 |
|-------------------------------------|--------------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Shares in subsidiaries | 6,494 | 6,494 | 6,494 |
| Total non-current assets | 6,494 | 6,494 | 6,494 |
| Current assets | | | |
| Receivables to group companies | 3 | 4 | 28 |
| Other receivables | 3 | 3 | 1 |
| Cash and cash equivalents | 0 | 0 | 0 |
| Total current assets | 6 | 7 | 29 |
| Total assets | 6,500 | 6,501 | 6,523 |
| EQUITY AND LIABILITIES | | | |
| Equity | 6,246 | 6,418 | 6,251 |
| Current liabilities | | | |
| Liabilities to group companies | 241 | 66 | 256 |
| Other liabilities | 13 | 17 | 16 |
| Total current liabilities | 254 | 83 | 272 |
| Total equity and liabilities | 6,500 | 6,501 | 6,523 |

Information to shareholders and analysts

Calendar 2018

| | |
|----------------------------------|-----------------|
| Interim report January-June | 26 July 2018 |
| Interim report January-September | 9 November 2018 |

Telephone conference

A telephone conference will be held today, 4 May 2018 at 10.00 (CET) with Attendo's CEO Pertti Karjalainen and CFO Fredrik Lagercrantz. For participation please dial in on the following number:

SE: +46 8 50 55 64 53
FI: +358 981 710 491
UK: +44 20 30 08 98 04

[Link to webcast:](#)

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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 current expectations 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 700 units in operation, in more than 200 municipalities. The company has more than 24,000 employees. 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 contracts. Attendo has outsourced units for care for older people, people with disabilities, individuals and families and health care.
- Staffing, where Attendo provides medical personnel such as general practitioners, specialists, dentists and nurses for health care.

Local authorities (mainly municipalities) are Attendo's payors 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 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 of key figures and alternative performance measures

Explanations to financial measures

| | |
|---|---|
| Acquired growth | Increase in net sales related to companies or operations acquired the last 12 months. |
| Capital employed | Equity plus interest bearing liabilities. |
| Earnings per share | Profit for the period in relation to the average number of shares outstanding. |
| Equity/asset ratio | Equity as a percentage of total assets. |
| Equity per share | Equity in relation to the average number of shares outstanding. |
| Liquid funds | Cash/cash equivalents, short term investments and derivatives with a positive fair value. |
| Net debt (alternative performance measure) | Net debt is a way to describe the Group's indebtedness and its ability to repay its debt with cash if all debts were cancelled today. Net debt is defined as interest bearing liabilities and provisions for post-employment benefits less liquid funds. See page 6 in this report for a reconciliation of net debt. |
| Net debt to equity 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. Investments and disposals of assets held for sale are not included in Net investments. |
| Operating cash flow (alternative performance measure) | Operating cash flow is a measure of the cash generated by the Group in its ongoing operations. Operating cash flow is defined as cash flow from operating activities adjusted for investments and divestments of tangible and intangible assets as well as paid and received interest. See note C31 in the annual report 2017 for a reconciliation of the measure on a full year basis. |
| 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) (alternative performance measure) | Attendo uses operating profit (EBIT) as an internal key figure as it shows the development of the ongoing operations regardless of funding. It is defined as profit before net financial items and income tax. See the consolidated income statement for a reconciliation of EBIT. |
| Operating profit (EBITA) (alternative performance measure) | Operating income (EBITA) is used as a key figure since it shows the development of the ongoing operations without influence from depreciation and amortization of acquisition related intangible assets and regardless of funding. Operating profit (EBITA) is defined as profit before amortisation of acquisition related intangible assets, net financial items and income tax. See the consolidated income statement for a reconciliation of EBITA. |
| Organic growth (alternative performance measure) | In order to show the underlying development of sales excluding acquisitions and currency effects, Attendo reports organic growth. Organic growth is defined as increase of net sales excluding acquisitions and currency effects. See note C31 in the annual report 2017 for a reconciliation of Organic growth on a full year basis. |
| Profit for the period | Profit/loss for the period attributable to parent company shareholders. |
| Profit margin | Profit for the period as a percentage of net sales. |
| Return on capital employed (alternative performance measure) | Attendo has chosen to report the return on capital employed as it shows profits from the operations in relation to the capital used in the operations. Operating profit (EBIT) is defined as operating profit (EBIT) rolling 12 months as a percentage of average capital employed. See note C31 in the annual report for a reconciliation of the key figure on a full year basis. |
| Working capital (alternative performance measure) | Working capital is an important key to optimizing cash generation. It is defined as current assets less liquid funds and short term interest bearing assets, minus short-term non-interest bearing liabilities and provisions. Assets and liabilities held for sale are excluded from the working capital. See note C31 in the annual report 2017 for a reconciliation of Working Capital on a full year basis. |

Explanations to operational measures

| | |
|----------------------|--|
| New unit | Unit in operation less than 12 months. |
| Existing unit | Unit in operation more than 12 months. |