Q3

INTERIM REPORT
JANUARY-SEPTEMBER 2022

Summary of the third quarter

- Net sales amounted to SEK 3,679m (3,260). Organic growth was 6.8 percent.
- Lease adjusted EBITA (EBITA according to the previous accounting standard) was SEK 171m (208), corresponding to a lease adjusted operating margin of 4.6 percent (6.4).
- Operating profit (EBITA) amounted to SEK 295m (319), corresponding to an operating margin of 8.0 percent (9.8).
- Profit for the period amounted to SEK 95m (95). Diluted earnings per share were SEK 0.59 (0.58). Adjusted earnings per share after dilution were SEK 0.80 (0.83).
- Free cash flow amounted to SEK -273m (-114).
- There were 21,082 (20,935) beds in Attendo's homes at the end of the period. Occupancy in the homes was 85 percent (83).

Summary of the period January - September

- Net sales amounted to SEK 10,707m (9,529). Organic growth was 7.2 percent.
- Lease adjusted EBITA (EBITA according to the previous accounting standard) was SEK 191m (335), corresponding to a lease adjusted operating margin of 1.8 percent (3.5).
- Operating profit (EBITA) amounted to SEK 543m (664), corresponding to an operating margin of 5.1 percent (7.0).
- Operating results for the period were SEK 0m (67). Diluted earnings per share were SEK 0.00 (0.41). Adjusted earnings per share after dilution were SEK 0.74 (1.27).
- Free cash flow amounted to SEK -82m (96).

Group key figures

	Q3			Jan-Sep			Jan-Dec
SEKm	**2022**	**2021**	**Δ%**	**2022**	**2021**	**Δ%**	**2021**
Net sales	3,679	3,260	13%	10,707	9,529	12%	12,867
Lease adjusted operating profit (EBITA) [1]	171	208	-18%	191	335	-43%	400
Lease adjusted operating margin (EBITA)[1], %	4.6	6.4	-	1.8	3.5	-	3.1
Operating profit (EBITA)[1]	295	319	-7%	543	664	-18%	836
Operating margin (EBITA)[1], %	8.0	9.8	-	5.1	7.0	-	6.5
Profit for the period	95	95	-	0	67	-	59
Earning per share diluted, SEK	0.59	0.58	1%	0.00	0.41	-	0.35
Adjusted earnings per share diluted[1, 2], SEK	0.80	0.83	-3%	0.74	1.27	-42%	1.48
Free cash flow	-273	-114	-	-82	96	-	249

1) See also definitions of key data and alternative performance measures on pages 30-31.
2) Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets, IFRS 16 and items affecting comparability and related tax effects divided with the average number of shares outstanding, after dilution.

We continue to attract customers and are looking forward to better market conditions in Finland in 2023

We are satisfied with a strong inflow of customers in nursing homes in Sweden and, towards the end of the quarter, also in Finland. Occupancy continue to rise and we are generating persistent, strong organic growth. However, high sick leave due to Covid, increasing inflation and challenges finding qualified employees had clear impact on operating performance during the quarter. Returning to a high occupancy level, maintaining high and stable quality of care and re-establishing sustainable conditions in the Finnish care system are the most important factors in creating long-term profitability. Following an interruption in the third quarter, negotiations in Finland have been resumed and we are optimistic about opportunities to establish sustainable operating conditions in 2023 after several years of losses or break-even results in Finland.

Martin Tivéus, CEO

– Precise procedures are the foundation of systematic care provision. This year's survey shows that Attendo generally has a significantly higher share of effective procedures in place at its nursing homes and home care operations compared to the national average.

Group: Sustained good growth

We are reporting good underlying growth of 10 percent in the third quarter, driven mainly by higher customer inflow in Scandinavia, price adjustments in Finland and acquisitions. This was accompanied, however, by high personnel related costs including costs related to external staffing, overtime and sick leave. Inflation has also had adverse impact on the costs of food and other consumables. Lease adjusted EBITA for the third quarter of 2022 decreased by SEK 37 million, compared to the preceding year to SEK 171 million.

Finland: Better long-term conditions but performance remains weak

We started to renegotiate pricing conditions for nursing homes in Finland last quarter ahead of the expected final stage of the staffing law that will take effect in April 2023 and which stipulates a ratio of 0.7 care workers per resident. We negotiated contracts in the second quarter corresponding to about 20 percent of Attendo Finland's sales in care for older people. The negotiations were interrupted in the third quarter, however, when the Finnish government announced adjustments to the law in response to the strained labour situation in Finnish care for older people. The proposed adjustment, which was announced in late September, imply a softer transition to the staff density requirement, which will instead rise gradually from the current 0.6 to 0.65 in April 2023 and then increase to 0.7 care workers per resident as of December 2023.

Now that the revised proposal has been announced, efforts to renegotiate the remaining portion of the contracts have been resumed. During the third quarter, Attendo has terminated the majority of contracts in order to ensure that all contracts receive sustainable terms. Our assessment remains that negotiations for the majority of the contracts will be complete by the end of the year on terms that will apply from April 2023. Thus far, negotiated contracts under the new staffing law have entailed an average price adjustment of about 30 percent.

Sales in Attendo Finland increased by about 11 percent in local currency during the quarter, due to higher prices and a stronger currency. The number of beds sold decreased early in the third quarter due to difficulties with staff provision during the summer. The situation has gradually improved and customer inflow turned positive towards the end of the third quarter and into the fourth quarter.

High personnel costs related to the staffing law and resulting imbalances in the labour market are still affecting profit. Cost for sick leave related to Covid have decreased compared to the peak early in the year, but remain at a historically high level. Higher costs for consumables have had negative impact on profit. The operating result decreased by SEK 29 million compared to the comparison quarter.

Scandinavia: Continued high customer inflow, but profits slightly lower than 2021

The strong demand for our nursing homes is persisting. We are continuing to fill an increasing number of beds in our recently opened homes, but are also seeing a positive occupancy trend in mature units. After several years of high opening rates combined with low customer inflow during the pandemic, we have maintained clear focus in the last year on increasing occupancy, as occupancy is critical to our long-term profitability. Occupancy increased by a full three percentage points during the quarter to 85 percent, as compared to 78 percent for the same period last year. With few new openings in coming quarters and persistent good demand, we expect to gradually increase occupancy.

Net sales in Attendo Scandinavia increased by about 10 percent compared to the same quarter in 2021. Reported operating profit was in line with the previous year, while lease adjusted EBITA decreased by SEK 8 million to SEK 150 million. Higher occupancy has had a clearly positive effect on profit in nursing homes. However, lower results in home care services have had negative effect on overall profit. In addition, personnel costs were high due to sick leave combined with high costs for external staffing and overtime during the summer. Significant inflation has also affected the costs of consumables and food. The historically high rate of inflation is impacting all care providers and several initiatives are in progress to ensure sustainable conditions ahead of 2023.

Measuring and monitoring quality

Measuring and monitoring quality is a cornerstone of our operations. Our quality improvement work proceeds from operations by following up all non-conformances at the local unit level and monitoring aggregated data for regions, segments and business areas at the central level.

The Swedish National Board of Health and Welfare publishes two major surveys about the care industry every year: the “Welfare survey”, where residents are getting questions and the “Unit survey” in which nursing homes and home care units answer questions about their operations in health and social care for older people. The unit survey is aimed at stimulating knowledge and operational development, primarily at the local level. Precise routines are the foundation of systematic care provision. This year’s survey shows that Attendo generally has a significantly higher share of effective routines in place in our nursing homes and home care operations compared to the national average. The survey also shows that Attendo’s nursing homes offer better opportunities for activities, time spent outdoors and resident council meetings compared to the national average. Attendo has been focusing for a long time on lifestyle homes, where time spent outdoors and other activities are central features. This is also a cornerstone of our work to fulfil our mission of “empowering the individual”.

Martin Tivéus, CEO

Group

July – September 2022

Net sales and operating profit

Net sales increased by 12.9 percent to SEK 3,679m (3,260) during the quarter. Adjusted for currency effects, net sales increased by 10.3 percent. Organic growth accounted for 6.8 percent and the net change due to acquisitions and divestments was 3.5 percent. High organic growth continued in both business areas, attributable mainly to higher net sales in nursing homes.

Lease adjusted operating profit (EBITA) amounted to SEK 171m (208). The lease-adjusted operating margin (EBITA) was 4.6 percent (6.4). Operating profit decreased in both business areas. The decrease in Attendo Scandinavia is due primarily to lower profit in home care. High personnel costs due to increased staffing requirements had negative impact on performance within Attendo Finland. High inflation reduced profit in both business areas. Inflation has significant impact in all markets in 2022. The historically high rate of inflation is affecting all care providers and several initiatives are in progress to ensure sustainable conditions.

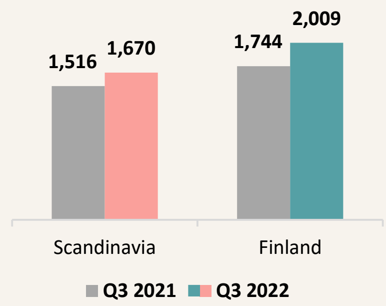
Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 124m (111). The quarter was positively affected by approximately SEK 8m non-recurring items in Attendo Scandinavia.

Operating profit (EBITA) amounted to SEK 295m (319) and the operating margin was 8.0 percent (9.8). Currency effects had no material impact on profits.

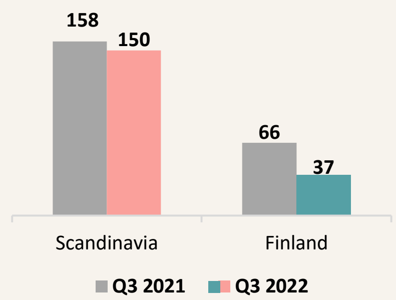
The total number of beds in operation in all homes was 21,082 (20,935) at the end of the quarter. Occupancy in all homes was 85 percent (83) at the end of the quarter. The number of beds under construction in own operations was 224 across 5 homes.

Operating profit (EBIT) amounted to SEK 281m (306), corresponding to an operating margin (EBIT) of 7.6 percent (9.4). The change is attributable to the same factors described above.

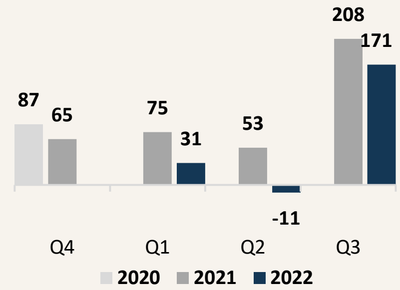
Net sales per business area, Q3 2022 (SEKm)



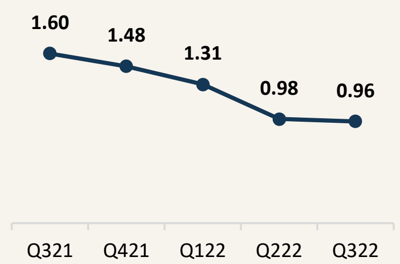
Lease adjusted operating profit (EBITA) per business area, Q3 2022 (SEKm)



Lease adjusted operating profit (EBITA)[1] per quarter (SEKm)



Adjusted earnings per share, r12 (SEK)



[1] Excluding items affecting comparability.

Net financial items

Net financial items amounted to SEK -160m (-171) for the quarter, including net interest expense of SEK -12m (-9). Interest expense related to the lease liability for land and buildings in accordance with IFRS 16 amounted to SEK -150m (-146).

Income tax

Income tax for the period amounted to SEK -26m (-40), corresponding to a tax rate of 21.5 percent (29.6).

Profit and earnings per share for the period

Profit for the period was SEK 95m (95), corresponding to basic and diluted earnings per share for shareholders in the parent company of SEK 0.59 (0.58). Adjusted earnings per share after dilution were SEK 0.80 (0.83).

January – September 2022

Net sales and operating profit

Net sales for the period increased by 12.4 percent to SEK 10,707m (9,529). Adjusted for currency effects, net sales increased by 10.1 percent. Organic growth accounted for 7.2 percent and the net change due to acquisitions and divestments was 2.9 percent. Organic growth was high in both business areas, attributable mainly to higher net sales in nursing homes.

Lease adjusted operating profit (EBITA) amounted to SEK 191m (335). The lease adjusted operating margin (EBITA) was 1.8 percent (3.5). Operating profit decreased in both business areas. The decrease in profit in Attendo Scandinavia is attributable mainly to a negative development in home care and generally high cost inflation. Profit in Attendo Finland decreased due to high personnel costs resulting from increased staffing requirements and general cost inflation.

Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 352m (329).

Operating profit (EBITA) amounted to SEK 543m (664) and the operating margin was 5.1 percent (7.0).

Operating profit (EBIT) amounted to SEK 499m (596), corresponding to an operating margin (EBIT) of 4.7 percent (6.3). The change is attributable to the same factors described above, as well as lower amortisation of acquisition-related intangible assets.

Net financial items

Net financial items amounted to SEK -488m (-493) for the period, including net interest expense of SEK -29m (-29). Interest expense related to the lease liability for land and buildings in accordance with IFRS 16 amounted to SEK -455m (-435).

Income tax

Income tax for the period amounted to SEK -11m (-36), corresponding to a tax rate of 97.4 percent (34.9). The tax rate for the period was affected by negative result in Finland and positive result in Sweden in combination with different tax rates in the countries.

Profit and earnings per share

The operating result for the period was SEK 0m (67), corresponding to basic and diluted earnings per share for shareholders in the parent company of SEK 0.00 (0.41). Adjusted earnings per share after dilution were SEK 0.74 (1.27).

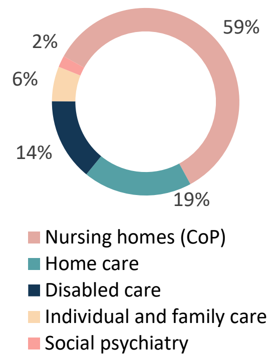
Business area:

ATTENDO SCANDINAVIA

Continued strong customer inflow

	Q3		Jan-Sep		Jan-Dec
SEKm	2022	2021	2022	2021	2021
Net sales	1,670	1,516	4,908	4,452	6,037
Lease adjusted EBITA	150	158	299	323	428
Lease adjusted EBITA margin, %	*9.0*	*10.4*	*6.1*	*7.2*	*7.1*
Operating profit (EBITA)	204	204	448	459	611
Operating margin (EBITA), %	*12.2*	*13.4*	*9.1*	*10.3*	*10.1*

Net sales by service offering, Q3 2022



July – September 2022

Net sales in Attendo Scandinavia amounted to SEK 1,670m (1,516), corresponding to growth of 10.2 percent including currency effects and 10.1 percent excluding currency effects. The increase is attributable mainly to higher net sales in nursing homes, as well as acquisitions.

The number of sold beds and occupancy in homes increased sharply in relation to the comparison quarter and occupancy increased by three percentage points in relation to the second quarter of 2022.

Lease adjusted EBITA amounted to SEK 150m (158), corresponding to a lease adjusted operating margin of 9.0 percent (10.4). The decrease in profit is explained mainly by lower profit in home care due to lower sales and efficiency. Increased occupancy improved profit in nursing homes. Operating profit was affected negatively overall by high cost inflation and higher personnel costs in the form of overtime and external staffing. Attendo has ongoing measures to reduce elevated personnel costs and to reverse the trend in home care.

Effects on operating profit related to IFRS 16 amounted to SEK 54m (46). The quarter was positively affected by approximately SEK 8m non-recurring items.

Operating profit (EBITA) amounted to SEK 204m (204), corresponding to an operating margin (EBITA) of 12.2 percent (13.4).

The number of beds opened in own operations in the last twelve months amounts to 243, which is lower than in 2021. At the end of the quarter, there were 141 beds under construction in own operations. Annual sales for outsourcing contracts won but not yet started and outsourcing contracts lost but not yet ended are estimated to SEK -93m net. The number of home care customers decreased during the quarter.

Business area:

ATTENDO SCANDINAVIA

Key data per quarter

Attendo Scandinavia	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Number of beds in homes in operation[1]	6,779	7,051	7,078	7,129	7,070
Occupancy in homes[1], %	78	80	81	82	85
Number of opened beds in own homes (r12)[2]	603	594	450	328	243
Number of beds in own homes under construction[2]	319	220	220	141	141
Number of home care customers	10,585	10,528	10,576	10,030	9,707

1) All homes.
2) Own homes.

January – September 2022

Net sales in Attendo Scandinavia amounted to SEK 4,908m (4,452), corresponding to growth of 10.2 percent including currency effects and 10.1 percent excluding currency effects. The increase is attributable to higher net sales in nursing homes. High sick leave early in the year had negative impact on net sales.

Lease adjusted EBITA amounted to SEK 299m (323), corresponding to a lease adjusted operating margin of 6.1 percent (7.2). Increased occupancy resulting in higher profit in nursing homes had positive effect also on total profit, but this was offset by a negative trend and lower profit in home care. High cost inflation and high personnel costs had negative impact on operating profit.

Effects on operating profit related to IFRS 16 amounted to SEK 149m (137).

Operating profit (EBITA) amounted to SEK 448m (459), corresponding to an operating margin (EBITA) of 9.1 percent (10.3).

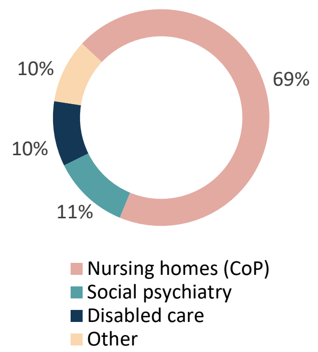
Business area:

ATTENDO FINLAND

The staffing situation remains challenging

	Q3		Jan-Sep		Jan-Dec
SEKm	**2022**	**2021**	**2022**	**2021**	**2021**
Net sales	2,009	1,744	5,799	5,076	6,830
Lease adjusted EBITA	37	66	-56	67	43
Lease adjusted EBITA margin, %	*1.8*	*3.8*	*-1.0*	*1.3*	*0.6*
Operating profit (EBITA)	106	130	148	259	296
Operating margin (EBITA), %	*5.3*	*7.5*	*2.5*	*5.1*	*4.3*

Net sales by service offering, Q3 2022



July– September 2022

Net sales in Attendo Finland amounted to SEK 2,009m (1,744) corresponding to growth of 15.2 percent. Adjusted for currency affects, net sales increased by 10.5 percent. The growth is attributable mainly to higher net sales, primarily in nursing homes, resulting from price increases and acquisitions. The total price increases amount to about 5 percent. The number of sold nursing home beds was lower than in the comparison quarter. Attendo has closed a number of homes due to staff shortages or problems related to occupancy. Occupancy was in line with the comparison quarter and the second quarter of 2022.

Lease adjusted EBITA amounted to SEK 37m (66) and the lease adjusted EBITA margin was 1.8 percent (3.8). The decrease in EBITA is explained by high personnel costs due to increased staffing requirements, inefficiency arising from very strict regulations, higher labour costs caused by the staff shortage and high sick leave. Sick leave increased due to Covid-19 during the quarter and was higher than in the comparison quarter. The operating profit was negatively affected by fewer sold beds than in the comparison quarter due to ended homes, as well as weak sales.

High cost inflation also had negative impact on profit. The annual wage review was carried out in September, which increased the cost base. Corona effects reduced profit by about SEK 10m compared to the preceding year, primarily due to higher sick leave.

Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 69m (65).

Operating profit (EBITA) amounted to SEK 106m (130) and the operating margin (EBITA) was 5.3 percent (7.5). Currency effects had no material impact on profits.

Three homes with a total of 130 beds were opened during the quarter and two homes were discontinued. In total, 130 beds were opened in the past twelve months. At the end of the quarter, there were 83 beds under construction in own operations.

Business area:

ATTENDO FINLAND

Key data per quarter

Attendo Finland	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Number of beds in homes in operation[1]	14,156	14,042	14,077	13,933	14,012
Occupancy in homes[1], %	85	86	85	85	85
Number of opened beds in own homes (r12)[2]	328	238	188	158	130
Number of beds in own homes under construction[2]	130	213	213	213	83
Number of home care customers	581	595	550	607	590

1) All homes.
2) Own homes.

January – September 2022

Net sales in Attendo Finland amounted to SEK 5,799m (5,076) corresponding to growth of 14.2 percent. Adjusted for currency effects, net sales increased by 10.1 percent. The growth is attributable mainly to higher net sales, primarily in nursing homes, resulting from price increases and acquisitions.

The total price increases amount to about 5 percent. Since the end of the comparison period, Attendo Finland has closed several homes and moved customers to other homes in order to increase occupancy and discontinued homes that lack long-term prospects. High sick leave had some negative effect on net sales.

Lease adjusted EBITA amounted to SEK -56m (67) and lease adjusted EBITA margin was -1.0 percent (1.3). The decrease in profits is mainly explained by higher personnel costs due to the staffing law as well as high cost inflation. The operating profit has also been affected negatively by high costs for sick leave and consumables due to Covid-19 during the first quarter.

Effects on operating profit (EBITA) related to IFRS 16 amounted to SEK 204m (192).

Operating profit (EBITA) amounted to SEK 148m (259) and the operating margin (EBITA) was 2.5 percent (5.1). Currency effects had no material impact on profits.

Cash flow

July – September 2022

Free cash flow was SEK -273m (-114) during the quarter, whereof changes in working capital amounted to SEK -445m (-287).

Cash flow from operating activities was SEK 31m (177). Cash used for net investments in non-current assets was SEK -30m (-41). Cash flow from investing activities thus amounted to SEK -30m (-59).

Cash flow from financing activities was SEK -124m (-548). Bank loans of SEK 150m (-) were raised during the quarter. Total cash flow amounted to SEK -123m (-430).

January – September 2022

Free cash flow was SEK -82m (96) for the period, whereof changes in working capital amounted to SEK -179m (-170).

Cash flow from operating activities was SEK 886m (928). Cash used for net investments in non-current assets was SEK -142m (-103). Business acquisitions reduced cash flow by SEK -204m (-263). Cash flow from investing activities thus amounted to SEK -346m (-365).

Cash flow from financing activities was SEK -774m (-1,027). Loans of SEK 100m (300) were repaid during the period and new loans of SEK 150m (-) were raised. Total cash flow amounted to SEK -234m (-464).

Financial position

Equity attributable to shareholders in the parent amounted to SEK 5,028m (4,932) as of 30 September 2022, representing diluted equity per share attributable to shareholders in the parent of SEK 31.24 (30.65). Net debt amounted to SEK 14,309m (13,462). Lease adjusted net debt, excluding lease liability for land and buildings, amounted to SEK 1,943m (1,761).

Interest-bearing liabilities amounted to SEK 14,602m (13,706) on 30 September 2022. Cash and cash equivalents as of 30 September 2022 amounted to SEK 293m (258) and Attendo had SEK 1,650m (1,800) in unutilised committed credit facilities.

Net debt/EBITDA was 6.6 (6.2). Lease adjusted net debt/lease adjusted EBITDA was 4.1 (2.8).

At the end of the quarter, net debt in relation to EBITDA was thus higher than 3.75, which is the long-term target. However, the ratio is within the framework of our financing agreement. The ratio will decrease as profitability improves.

	30 Sep		31 Dec
SEKm	**2022**	**2021**	**2021**
Interest-bearing liabilities	14,602	13,706	13,877
Provision for post-employment benefits	0	14	2
Cash and cash equivalents	-293	-258	-513
Net debt	**14,309**	**13,462**	**13,366**
Lease liability real estate	-12,366	-11,701	-11,776
Lease adjusted net debt	**1,943**	**1,761**	**1,590**

	30 Sep		31 Dec
SEKm	**2022**	**2021**	**2021**
Net debt / EBITDA	6.6	6.2	6.2
Lease adjusted net debt / Lease adjusted EBITDA	4.1	2.8	2.6

Quality and employees

The Finnish staffing reform

During the third quarter, the Finnish government announced changes to the reform that is currently being implemented and is aimed at increasing staffing in Finnish care for older people. The law means that staffing increases from 0.5 care staff per resident to 0.7 in several steps. The reform presents a significant problem because there is a structural shortage of care workers, which entails risk that many people will be denied access to care if the law is implemented as planned. In an attempt to improve conditions, the government has proposed increasing the requirement to 0.65 as of 1 April 2023 and postponing the final stage of the reform to 0.7 until 1 December 2023.

Most contracts were cancelled in the third quarter in order to urge negotiations for new terms in the agreements that reflect the new cost level. Attendo has maintained dialogue with contracting authorities, customers and families and communicated with the public to bring about greater understanding of conditions in the Finnish care system and the need to create conditions that are sustainable over the long term.

Better care for people with dementia

Attendo has initiated a partnership with the Alzheimer Society of Finland - *Muistiliitto*. Muistiliitto is engaged in advocacy nationally in Finland and internationally by promoting the general conditions for well-being and quality of life among people with dementia and their families. In partnership with Muistiliitto, Attendo has created digital trainings for our employees so that they can learn how improve their interactions with people with dementia. The latest pilot project involves a new concept of providing activities for people who have loved ones with dementia.

Attendo outperforms in the Board of Health and Welfare quality comparison

The Swedish National Board of Health and Welfare's unit survey identifies routines and other operating conditions in care for older people. According to this year's measurement, Attendo has a clearly higher incidence of existing procedures than other providers with regard to both nursing homes and home care services. Compared to the 2019 measurement (2020 and 2021 were cancelled due to the pandemic), Attendo has maintained or improved its rating for routines in four out of five areas. In home care services, Attendo has noted improvements in all five areas reviewed, where other providers have instead posted poorer performance compared to 2019.

Quality of life interviews at nursing homes

Attendo participated in a conference in September on the future of care for older people arranged by the Center for Business and Policy Studies, SNS. At the conference, Attendo presented the results of the pilot study of the introduction of quality of life interviews at nursing homes based on the ASCOT method. The results of the study were generally positive and quality of life interviews will be tested on a larger scale in nursing homes and social psychiatry units beginning in autumn 2022.

Parliamentary and local elections in Sweden

A general election to the parliament (the Riksdag) and regional and local governments was held in Sweden in September. Despite the successes of the governing party, the Social Democrats, the governing centre-left coalition lost the majority in the Riksdag to a centre-right coalition supported by the Sweden Democrats. Healthcare was ranked as the most important issue by voters, with care for older people in eighth place, according to exit polls.

In local elections, the red-green parties posted successes in large cities with subsequent shifts of power in areas including the City of Stockholm and the City of Gothenburg. In the rest of the country other parties advanced, particularly the Sweden Democrats. A larger number of municipal governments will now move towards the right, but government by cross-bloc coalitions in one form or another will still dominate.

Significant events in the third quarter

Other information

Changes in executive management

Jo-Anna Nordström, Head of Legal and Compliance at Attendo, has become a member of executive management and has been assigned responsibility for Attendo's corporate ESG and sustainability efforts in addition to her previous role. Jo-Anna Nordström holds a Master of Laws from Uppsala University and has a professional history as a lawyer with firms including Linklaters and Vinge. Jo-Anna has been the Head of Legal and Compliance at Attendo since 2019.

Business Development Director Eric Wåhlgren has been given expanded responsibility for quality improvement at the Group level.

Number of shares

The total number of shares is 161,386,592. Attendo holds 453,697 treasury shares and the total number of shares outstanding as of 30 September 2022 was thus 160,932,895.

Number of employees

The average number of employees was 21,640 (20,104) in the third quarter and 20,723 (18,878) for the period of January–September.

Related party transactions

Transactions with related parties are described in the annual report. Related-party transactions take place on market terms. There were no significant transactions with related parties during the period.

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 12m (11), and were entirely related to services provided to subsidiaries. The loss for the period after net financial items was SEK -23m (-24). At the end of the quarter, cash and cash equivalents amounted to SEK 0 (0), shares in subsidiaries to SEK 6,494m (6,494), and non-restricted equity to SEK 6,710m (5,988).

Seasonal and calendar effects

Attendo's profitability is affected by factors including seasonal variations, weekends and national public holidays. For Attendo, public holidays and weekends have a negative effect on profitability mainly due to wage compensation for unsocial working hours. For example, profitability is affected by Easter in either the first or second quarter, depending on the quarter in which Easter falls, while the first and fourth quarters are affected by the Christmas and New Year's holidays.

Rounding off

Note that figures have been rounded off in text, charts and tables

Risks and uncertainties

All business requires companies to take risks in various forms and to various extents. Risk management, defined as the work involved in identifying, managing and monitoring risks, is a key component of Attendo's strategy and operations. Attendo takes a structured approach to managing risks based on a framework that covers industry and market risks, operational risks and financial risks. External risks related to the conditions for private companies to operate care businesses, political risks, regulatory risks and reputational risks. Operational risks refer to risks directly linked to Attendo's operations, such as occupancy, pricing and access to skilled employees. Financial risks are related to factors including access to capital, exchange rates, interest rates and liquidity. The risks and how Attendo manages them are described in greater detail in Attendo's annual report (see the "Risks and risk management" section in the 2021 annual report, pages 52-55).

Current risks and risk management

In the drive to further develop Attendo, external risks, operational risks and financial risks are assessed in the light of Attendo's strategy and financial targets.

The Covid pandemic remains a risk for Attendo, with serious impact on Attendo's business and financial performance. The most significant effects of the pandemic are increased personnel costs due to high sick leave among employees and decreased occupancy.

A comprehensive care reform is ongoing in Finland. One of the aspects of the reform is that staff requirements have been increased in several steps and are planned to increase further in 2023. Higher staff requirements entail higher costs for all providers. Private providers must negotiate with each local authority or county on price compensation for staffing changes, which entails an uncertainty. Costs also arise before each stage (staff requirements) comes into force and there is consequently a lag before compensation is received.

Staff provision in Finnish care for older people is generally strained and the shortage of care workers has been exacerbated by the reform and the effects of the pandemic.

Currently we see no direct effects of Russia's invasion of Ukraine, as Attendo has no operations in any of the countries. On the other hand, we see indirect effects in the form of increased purchase prices for fuel, energy, food and consumables. There is a high risk that increased purchasing costs will not be covered by higher prices during the current year. This is because the company's contracts with local authorities normally regulates inflation during the year in next year's prices.

Accounting policies

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

This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act and should be read together with the annual report for 2021. The most significant accounting policies under IFRS, the reporting norm applied in preparing this interim report, are set forth in Note C1 on pages 68-72 of the annual report for 2021, which were applied to the preparation of this interim report.

The interim information on pages 1-13 is an integrated part of this financial report. The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation, RFR 2 Accounting for Legal Entities.

Outlook

Attendo does not publish forecasts.

Danderyd, October 26, 2022

Martin Tivéus

President and CEO

Auditor's limited review report (translation of the Swedish original)

To the Board of Attendo AB. reg. no. 559026-7885

Introduction

We have reviewed the condensed interim financial information (interim report) of Attendo AB as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 26 October 2022

PricewaterhouseCoopers AB

Erik Bergh

Authorized public accountant

Financial reports

Consolidated Income Statement

	Q3		Jan-Sep		Jan-Dec
SEKm	**2022**	**2021**	**2022**	**2021**	**2021**
Net sales	3,679	3,260	10,707	9,529	12,867
Other operating income	34	4	46	19	24
Total revenue	**3,713**	**3,264**	**10,753**	**9,548**	**12,891**
Personnel costs	-2,427	-2,096	-7,298	-6,415	-8,709
Other external costs	-613	-511	-1,794	-1,478	-2,016
Operating profit before amortization and depreciations (EBITDA)	**673**	**657**	**1,661**	**1,655**	**2,166**
Amortization and depreciation of tangible and intangible assets	-378	-338	-1,118	-991	-1,330
Operating profit after depreciation (EBITA)	**295**	**319**	**543**	**664**	**836**
Operating margin (EBITA), %	*8.0*	*9.8*	*5.1*	*7.0*	*6.5*
Amortization and write-down of acquisition related intangible assets	-14	-13	-44	-68	-81
Operating profit (EBIT)	**281**	**306**	**499**	**596**	**755**
Operating margin (EBIT), %	*7.6*	*9.4*	*4.7*	*6.3*	*5.9*
Net financial items	-160	-171	-488	-493	-652
Profit before tax	**121**	**135**	**11**	**103**	**103**
Income tax	-26	-40	-11	-36	-44
Profit for the period	**95**	**95**	**0**	**67**	**59**
Profit margin, %	*2.6*	*2.9*	*0.0*	*0.7*	*0.5*
Profit for the period attributable to:					
Parent company shareholders	95	94	-1	65	56
Non-controlling interest	-	1	1	2	3
Basic earnings per share, SEK	0.59	0.58	0.00	0.41	0.35
Diluted earnings per share, SEK	0.59	0.58	0.00	0.41	0.35
Average number of shares outstanding, basic, thousands	160,933	160,913	160,923	160,913	160,913
Average number of shares outstanding, diluted, thousands	160,933	160,928	160,933	160,928	160,930

Consolidated Statement of Comprehensive Income

	Q3		Jan-Sep		Jan-Dec
SEKm	**2022**	**2021**	**2022**	**2021**	**2021**
Profit for the period	**95**	**95**	**0**	**67**	**59**
Other comprehensive income for the period					
Items that will not be reclassified to profit or loss					
Remeasurements of defines benefit pension plans, net of tax	0	-11	1	-6	5
Items that may be reclassified to profit or loss					
Exchange rate differences on translating foreign operations attributable to the parent company shareholders	22	8	67	22	26
Other comprehensive income for the period	**22**	**-3**	**68**	**16**	**31**
Total comprehensive income for the period	**117**	**92**	**68**	**83**	**90**
Total comprehensive income attributable to:					
Parent company shareholders	117	91	67	81	87
Non-controlling interest	-	1	1	2	3

Consolidated Balance Sheet

Mkr	30 sep 2022	30 sep 2021	31 dec 2021
TILLGÅNGAR			
Anläggningstillgångar			
Goodwill	7 156	6 870	6 878
Övriga immateriella tillgångar	506	490	478
Materiella anläggningstillgångar	645	539	538
Nyttjanderätter	11 085	10 537	10 535
Finansiella anläggningstillgångar	452	431	434
Summa anläggningstillgångar	**19 844**	**18 867**	**18 863**
Omsättningstillgångar			
Kundfordringar	1 364	1 161	1 312
Övriga kortfristiga fordringar	502	443	370
Kassa och bank	293	258	513
	2 159	**1 862**	**2 195**
Tillgångar som innehas för försäljning	6	18	18
Summa omsättningstillgångar	**2 165**	**1 880**	**2 213**
Summa tillgångar	**22 009**	**20 747**	**21 076**
EGET KAPITAL OCH SKULDER			
Eget kapital			
Eget kapital hänförligt till moderbolagets aktieägare	5 028	4 932	4 932
Innehav utan bestämmande inflytande	-	25	25
Summa Eget kapital	**5 028**	**4 957**	**4 957**
Långfristiga skulder			
Långfristig upplåning	2 208	1 970	2 069
Långfristiga leasingskulder[1]	11 193	10 698	10 739
Avsättningar för pensioner	0	14	2
Övriga avsättningar	89	82	70
Övriga långfristiga skulder	163	98	106
Summa långfristiga skulder	**13 653**	**12 862**	**12 986**
Kortfristiga skulder			
Kortfristig upplåning	0	1	1
Kortfristiga leasingskulder[2]	1 201	1 037	1 068
Leverantörsskulder	446	316	425
Korta avsättningar	54	76	53
Övriga kortfristiga skulder	1 623	1 494	1 582
	3 324	**2 924**	**3 129**
Skulder som innehas för försäljning	4	4	4
Summa kortfristiga skulder	**3 328**	**2 928**	**3 133**
Summa eget kapital och skulder	**22 009**	**20 747**	**21 076**

1) I långfristiga leasingskulder ingår leasing avseende bilar uppgående till 7 Mkr (9) samt helår 11 Mkr.

2) I kortfristiga leasingskulder ingår leasing avseende bilar uppgående till 21 Mkr (27) samt helår 20 Mkr.

Consolidated Cash Flow Statement

Operational cash flow (alternative performance measure), SEKm	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Operating profit (EBITA)[1]	295	319	543	664	836
Depreciation and amortization of tangible and intangible assets	378	338	1,118	991	1,330
Changes in working capital	-445	-287	-179	-170	-72
Paid income tax	-17	-25	-61	-57	-58
Other non-cash items	-22	-11	-51	-26	-26
Cash flow after changes in working capital	**189**	**334**	**1,370**	**1,402**	**2,010**
Investments on tangible and intangible assets	-37	-44	-154	-128	-170
Divestments of tangible and intangible assets	7	3	12	25	19
Operating cash flow	**159**	**293**	**1,228**	**1,299**	**1,859**
Interest received/paid	-8	-11	-29	-39	-51
Interest expense for lease liabilities of real estate	-150	-146	-455	-435	-581
Repayment of lease liabilities	-274	-250	-826	-729	-978
Free cash flow	**-273**	**-114**	**-82**	**96**	**249**
Net change in assets and liabilities held for sale	-	-	-	2	2
Acquisition of operations	-	-17	-204	-263	-263
Divestment of subsidiaries	-	-1	-	-1	-1
Warrants	-	2	2	2	2
Repayment of loans	-	-300	-100	-300	-300
New borrowings	150	-	150	-	100
Total cash flow	**-123**	**-430**	**-234**	**-464**	**-211**
Cash and cash equivalents at the beginning of the period	412	686	513	716	716
Effect of exchange rate changes on cash	4	2	14	6	8
Cash and cash equivalents at the end of the period	**293**	**258**	**293**	**258**	**513**

Cash flow according to IFRS, SEKm	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Cash flow from operations	31	177	886	928	1,378
Cash flow from investing activities	-30	-59	-346	-365	-413
Cash flow from financing activities	-124	-548	-774	-1,027	-1,176
Total cash flow	**-123**	**-430**	**-234**	**-464**	**-211**

Consolidated Statement of Changes in Equity

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance	**4,957**	**4,871**	**4,871**
Total comprehensive income attributable to:			
The parent company shareholders	67	81	87
Non-controlling interest	1	2	3
Transactions with owners			
Warrants	2	2	2
Share-savings plan	1	1	1
Total transactions with owners	**3**	**3**	**3**
Transactions with non-controlling interest	-	-	-7
Closing balance	**5,028**	**4,957**	**4,957**
Equity attributable to:			
Parent company shareholders	5,028	4,932	4,932
Non-controlling interests	-	25	25

Segment in Summary

	Scandinavia		Finland		Other and eliminations		Group	
SEKm	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Net sales	**1,670**	**1,516**	**2,009**	**1,744**	**-**	**-**	**3,679**	**3,260**
- Net sales, own operations	1,300	1,168	1,998	1,729	-	-	3,298	2,897
- Net sales, outsourcing	370	348	11	14	-	-	381	362
Lease adjusted EBITA	**150**	**158**	**37**	**66**	**-15**	**-16**	**171**	**208**
Lease adjusted operating margin (EBITA), %	*9.0*	*10.4*	*1.8*	*3.8*	*-*	*-*	*4.6*	*6.4*
Operating profit (EBITA)	**204**	**204**	**106**	**130**	**-15**	**-16**	**295**	**319**
Operating margin (EBITA), %	*12.2*	*13.4*	*5.3*	*7.5*	*-*	*-*	*8.0*	*9.8*

	Scandinavia			Finland			Other and eliminations			Group		
SEKm	Jan-Sep 2022	Jan-Sep 2021	year 2021	Jan-Sep 2022	Jan-Sep 2021	year 2021	Jan-Sep 2022	Jan-Sep 2021	year 2021	Jan-Sep 2022	Jan-Sep 2021	year 2021
Net sales	**4,908**	**4,452**	**6,037**	**5,799**	**5,076**	**6,830**	**-**	**-**	**-**	**10,707**	**9,529**	**12,867**
- Net sales, own operations	3,789	3,414	4,632	5,765	5,033	6,772	-	-	-	9,554	8,447	11,404
- Net sales, outsourcing	1,119	1,038	1,405	34	43	58	-	-	-	1,153	1,081	1,463
Lease adjusted EBITA	**299**	**323**	**428**	**-56**	**67**	**43**	**-53**	**-54**	**-70**	**191**	**335**	**400**
Lease adjusted operating margin (EBITA), %	*6.1*	*7.2*	*7.1*	*-1.0*	*1.3*	*0.6*	*-*	*-*	*-*	*1.8*	*3.5*	*3.1*
Operating profit (EBITA)	**448**	**459**	**611**	**148**	**259**	**296**	**-53**	**-54**	**-70**	**543**	**664**	**836**
Operating margin (EBITA), %	*9.1*	*10.3*	*10.1*	*2.5*	*5.1*	*4.3*	*-*	*-*	*-*	*5.1*	*7.0*	*6.5*

Net Financial Items

	Q3		Jan-Sep		Jan-Dec
SEKm	**2022**	**2021**	**2022**	**2021**	**2021**
Net interest expense (excluding lease liabilities for real estate)	-12	-9	-29	-29	-36
Interest expense, lease liabilities for real estate	-150	-146	-455	-435	-581
Other	2	-16	-4	-29	-35
Net financial items	**-160**	**-171**	**-488**	**-493**	**-652**

Investments

SEKm	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Investments					
Investments in intangible assets	-	6	26	24	28
Investments in tangible assets	37	38	128	104	142
Divestments of tangible and intangible assets	-7	-3	-12	-25	-19
Total net investments	**30**	**41**	**142**	**103**	**151**
Intangible assets acquired through business combination					
Goodwill	-	-9	124	204	208
Customer relations	-	11	34	47	47
Other	-	0	-	0	-
Total intangible assets acquired through business combination	**-**	**2**	**158**	**251**	**255**

Financial Assets and Liabilities

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Financial assets measured at fair value			
Trade receivables	1,364	1,161	1,312
Cash and cash equivalents	293	258	513
Total financial assets	**1,657**	**1,419**	**1,825**
LIABILITIES			
Financial liabilities at fair value through profit or loss			
Contingent considerations	55	0	-
Purchase option from non-controlling interests	-	14	21
Financial liabilities measured at amortised cost			
Borrowings	2,208	1,971	2,070
Lease liabilities	12,394	11,735	11,807
Trade payables	446	316	425
Total financial liabilities	**15,103**	**14,036**	**14,323**

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 2021, note C26.

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	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets pledged as collateral	55	57	66
Contingent liabilities[1]	2,948	3,930	2,877

1) Leases of assets not yet in use are reported in contingent liabilities. Contingent liabilities also include a potential outflow of resources to complete acquisitions of real estate and operations from a few local authorities in Finland.

Adjusted Earnings and Adjusted Earnings per Share Q3 2022

SEKm	Reported	Acq.[1]	IFRS 16[2]	Total adj.	Adjusted earnings
Net sales	3,679	-	-	-	3,679
Other operating income	34	-	-19	-19	15
Operating profit before amortization and depreciation (EBITDA)	**673**	**-**	**-445**	**-445**	**228**
Amortization and depreciation of tangible and intangible assets	-378	-	321	321	-57
Operating profit (EBITA)	**295**	**-**	**-124**	**-124**	**171**
Amortization and write-down of acquisition related intangible assets	-14	14	-	14	-
Operating profit (EBIT)	**281**	**14**	**-124**	**-110**	**171**
Net financial items	-160	-	150	150	-10
Profit before tax (EBT)	**121**	**14**	**26**	**40**	**161**
Income tax	-26	-3	-3	-6	-32
Profit for the period	**95**	**11**	**23**	**34**	**129**
Profit for the period attributable to:					
The parent company shareholders	95	11	23	34	129
Non-controlling interests	-	-	-	-	-
Average number of shares outstanding, diluted, thousands	160,933	160,933	160,933	160,933	160,933
Earnings per share diluted, SEK	**0.59**	**0.08**	**0.15**	**0.21**	**0.80**

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1)and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

Adjusted Earnings and Adjusted Earnings per Share Q3 2021

SEKm	Reported	Acq.[1]	IFRS 16[2]	Total adj.	Adjusted earnings
Net sales	3,260	-	-	-	3,260
Other operating income	4	-	-	-	4
Operating profit before amortization and depreciation (EBITDA)	**657**		**-396**	**-396**	**261**
Amortization and depreciation of tangible and intangible assets	-338	-	285	285	-53
Operating profit (EBITA)	**319**	**-**	**-111**	**-111**	**208**
Amortization and write-down of acquisition related intangible assets	-13	13	-	13	-
Operating profit (EBIT)	**306**	**13**	**-111**	**-98**	**208**
Net financial items	-171	-	146	146	-25
Profit before tax (EBT)	**135**	**13**	**35**	**48**	**183**
Income tax	-40	-3	-6	-9	-49
Profit for the period	**95**	**10**	**29**	**39**	**134**
Profit for the period attributable to:					
The parent company shareholders	94	10	29	39	133
Non-controlling interests	1			-	1
Average number of shares outstanding, diluted, thousands	160,928	160,928	160,928	160,928	160,928
Earnings per share diluted, SEK	**0.58**	**0.06**	**0.18**	**0.24**	**0.83**

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1)and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

Adjusted Earnings and Adjusted Earnings per Share Jan-Sept 2022

SEKm	Reported	Acq.[1]	IFRS 16[2]	Total adj.	Adjusted earnings
Net sales	10,707	-	-	-	10,707
Other operating income	46	-	-19	-19	27
Operating profit before amortization and depreciation (EBITDA)	**1,661**	**-**	**-1,301**	**-1,301**	**360**
Amortization and depreciation of tangible and intangible assets	-1,118	-	949	949	-169
Operating profit (EBITA)	**543**	**-**	**-352**	**-352**	**191**
Amortization and write-down of acquisition related intangible assets	-44	44	-	44	-
Operating profit (EBIT)	**499**	**44**	**-352**	**-308**	**191**
Net financial items	-488	-	455	455	-33
Profit before tax (EBT)	**11**	**44**	**103**	**147**	**158**
Income tax	-11	-9	-18	-27	-38
Profit for the period	**0**	**35**	**85**	**120**	**120**
Profit for the period attributable to:					
The parent company shareholders	-1	35	85	120	119
Non-controlling interests	1	-	-	-	1
Average number of shares outstanding, diluted, thousands	160,933	160,933	160,933	160,933	160,933
Earnings per share diluted, SEK	**0.00**	**0.22**	**0.53**	**0.74**	**0.74**

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1)and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

Adjusted Earnings and Adjusted Earnings per Share Jan-Sept 2021

SEKm	Reported	Acq.[1]	IFRS 16[2]	Total adj.	Adjusted earnings
Net sales	9,529	-	-	-	9,529
Other operating income	19	-	-1	-1	18
Operating profit before amortization and depreciation (EBITDA)	**1,655**	**-**	**-1,165**	**-1,165**	**490**
Amortization and depreciation of tangible and intangible assets	-991	-	836	836	-155
Operating profit (EBITA)	**664**	**-**	**-329**	**-329**	**335**
Amortization and write-down of acquisition related intangible assets	-68	68	-	68	-
Operating profit (EBIT)	**596**	**68**	**-329**	**-261**	**335**
Net financial items	-493	-	435	435	-58
Profit before tax (EBT)	**103**	**68**	**106**	**174**	**277**
Income tax	-36	-14	-20	-34	-70
Profit for the period	**67**	**54**	**86**	**140**	**207**
Profit for the period attributable to:					
The parent company shareholders	65	54	86	140	205
Non-controlling interests	2		-	-	2
Average number of shares outstanding, diluted, thousands	160,928	160,928	160,928	160,928	160,928
Earnings per share diluted, SEK	**0.41**	**0.34**	**0.53**	**0.87**	**1.27**

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1)and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

Adjusted Earnings and Adjusted Earnings per Share 2021

SEKm	Reported	Acq.[1]	IFRS 16[2]	Total adj.	Adjusted earnings
Net sales	12,867	-	-	-	12,867
Other operating income	24	-	-	-	24
Operating profit before amortization and depreciation (EBITDA)	**2,166**	**-**	**-1,558**	**-1,558**	**608**
Amortization and depreciation of tangible and intangible assets	-1,330	-	-1,124	-1,124	-207
Operating profit (EBITA)	**836**		**-436**	**-436**	**400**
Amortization and write-down of acquisition related intangible assets	-81	81	-	81	-
Operating profit (EBIT)	**755**	**81**	**-436**	**-355**	**400**
Net financial items	-652	-	581	581	-71
Profit before tax (EBT)	**103**	**81**	**145**	**226**	**329**
Income tax	-44	-16	-28	-44	-88
Profit for the period	**59**	**65**	**117**	**182**	**241**
Profit for the period attributable to:					
The parent company shareholders	56	65	117	182	238
Non-controlling interests	3	-	-	-	3
Average number of shares outstanding, diluted, thousands	160,930	160,930	160,930	160,930	160,930
Earnings per share diluted, SEK	**0.35**	**0.40**	**0.73**	**1.13**	**1.48**

Profit for the period attributable to the parent company shareholders excluding amortization of acquisition related intangible assets (1)and IFRS 16 (2) and related tax effects divided with the average number of shares outstanding, after dilution.

Key Data

		Q3		Jan-Sep		Jan-Dec
		2022	2021	2022	2021	2021
Organic growth	%	6.8	5.6	7.2	4.1	4.4
Acquired growth	%	3.5	4.6	2.9	1.5	2.2
Change in currencies	%	2.5	-1.0	2.2	-2.2	-1.9
Operating margin (EBITA margin) r12	%	-	-	5.1	6.8	6.5
Lease adjusted operating margin (lease adjusted EBITA margin) r12	%	-	-	1.8	3.4	3.1
Working capital	SEKm	-	-	-256	-282	-379
Return on capital employed	%	-	-	3.4	4.1	4.1
Net debt to equity ratio	times	-	-	2.8	2.7	2.7
Equity to asset ratio	%	-	-	23	24	24
Net debt/EBITDA r12	times	-	-	6.6	6.2	6.2
Lease adjusted net debt / Lease adjusted EBITDA r12	times	-	-	4.1	2.8	2.6
Free cash flow	SEKm	-273	-114	-82	96	249
Net investments	SEKm	-30	-41	-142	-103	-151
Average number of employees		21,640	20,104	20,723	18,878	19,041
Key data per share						
Earnings per share, basic	SEK	0.59	0.58	0.00	0.41	0.35
Earnigns per share, diluted	SEK	0.59	0.58	0.00	0.41	0.35
Adjusted earnings per share, diluted	SEK	0.80	0.83	0.74	1.27	1.48
Equity per share, basic	SEK	-	-	31.25	30.65	30.65
Equity per share, diluted	SEK	-	-	31.24	30.65	30.65
Average number of shares outstanding, basic	thousands	160,933	160,913	160,923	160,913	160,913
Average number of shares outstanding, diluted	thousands	160,933	160,928	160,933	160,928	160,930
Number of shares, end of period	thousands	161,387	161,387	161,387	161,387	161,387
Number of treasury shares, end of period	thousands	454	474	454	474	474
Number of shares outstanding, end of period	thousands	160,933	160,913	160,933	160,913	160,913

Quarterly Data

SEKm	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Total net sales	3,065	3,062	3,207	3,260	3,338	3,482	3,546	3,679
- Net sales, own operations	2,668	2,700	2,849	2,897	2,957	3,093	3,163	3,298
- Net sales, outsourcing	397	362	358	362	381	389	383	381
Total net sales	3,065	3,062	3,207	3,260	3,338	3,482	3,546	3,679
- Net sales, Scandinavia	1,475	1,447	1,489	1,516	1,584	1,607	1,631	1,670
- Net sales, Finland	1,590	1,615	1,718	1,744	1,754	1,875	1,915	2,009
Lease adjusted operating profit (EBITDA)	142	125	104	261	118	86	46	228
Lease adjusted operating margin (EBITDA margin), %	*4.6*	*4.1*	*3.2*	*8.0*	*3.5*	*2.5*	*1.3*	*6.2*
Lease adjusted operating profit (EBITA)	87	75	53	208	65	31	-11	171
Lease adjusted operating margin (EBITA margin), %	*2.8*	*2.4*	*1.7*	*6.4*	*2.0*	*0.9*	*-0.3*	*4.7*
Operating profit (EBITDA)	509	502	496	657	511	507	481	673
Operating margin (EBITDA margin), %	*16.6*	*16.4*	*15.5*	*20.2*	*15.3*	*14.6*	*13.6*	*18.3*
Operating profit (EBITA)	193	183	162	319	172	142	106	295
Operating margin (EBITA margin), %	*6.3*	*6.0*	*5.1*	*9.8*	*5.2*	*4.1*	*3.0*	*8.0*
Profit for the period	4	-9	-19	95	-8	-32	-63	95
Profit margin, %	*0.1*	*-0.3*	*-0.6*	*2.9*	*-0.2*	*-0.9*	*-1.8*	*2.6*
Earnings per share basic, SEK	0.02	-0.06	-0.12	0.58	-0.06	-0.20	-0.39	0.59
Earnings per share diluted, SEK	0.02	-0.06	-0.12	0.58	-0.06	-0.20	-0.39	0.59
Adjusted earnings per share diluted, SEK	0.32	0.26	0.19	0.83	0.21	0.09	-0.14	0.80
Average number of employees	17,523	18,012	18,518	20,104	19,303	19,749	20,780	21,640
Operational data								
Number of units in operation[1]	707	716	716	716	710	711	705	707
Number of beds in homes[2]	20,349	20,852	20,858	20,935	21,093	21,155	21,062	21,082
Occupancy in homes, %[2]	81	81	83	83	84	84	84	85
Number of beds under construction[3]	1,036	782	608	449	433	433	354	224
Number of opened beds (r12)[3]	1,349	955	710	931	832	638	486	373

1) All units in all contract models and segments.
2) All homes.
3) Own homes.

Parent Company Income Statement

	Q3		Jan-Sep		Jan-Dec
SEKm	**2022**	**2021**	**2022**	**2021**	**2021**
Net sales	4	3	12	11	15
Personnel costs	-7	-2	-25	-21	-29
Other external costs	-3	-3	-10	-8	-11
Operating profit	**-6**	**-2**	**-23**	**-18**	**-25**
Net financial items	-	-1	-	-6	502
Profit after financial items	**-6**	**-3**	**-23**	**-24**	**477**
Group contributions	-	-	-	-	50
Profit before tax	**-6**	**-3**	**-23**	**-24**	**527**
Results of commission	117	-	233	-	-
Income tax	-16	-	-37	-	-4
Profit for the period	**95**	**-3**	**173**	**-24**	**523**

Profit for the period corresponds to total comprehensive income.

Parent Company Balance Sheet

SEKm	**30 Sep 2022**	**30 Sep 2021**	**31 Dec 2021**
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	239	5	50
Other receivables	1	5	2
Cash and cash equivalents	0	0	0
Total current assets	**240**	**10**	**52**
Total assets	**6,734**	**6,504**	**6,546**
EQUITY AND LIABILITIES			
Equity	**6,711**	**5,989**	**6,535**
Current liabilities			
Liabilities to group companies	10	505	-
Other liabilities	13	10	11
Total current liabilities	**23**	**515**	**11**
Total equity and liabilities	**6,734**	**6,504**	**6,546**

Attendo's operations

Attendo is the leading private provider of care services in the Nordics. The company has operations in Sweden, Finland and Denmark. Attendo is the largest private care provider in Sweden and Finland. Attendo is a locally based company and has more than 700 units in operation in about 300 municipalities. The company has about 27,000 employees. With the purpose of empowering the individual, Attendo provides services within care for older people, care for people with disabilities, social psychiatry and care for individuals and relatives.

Attendo provides services through two business areas, Attendo Scandinavia and Attendo Finland.

Attendo provides care services through two contract models:

- Own operations, where Attendo provides services in own controlled units/premises or provides home care in customer choice models. Attendo has own units within care for older people, people with disabilities, social psychiatry and care for individuals and relatives.
- 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, care for people with disabilities and care for individuals and relatives.

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

Definitions of key data and alternative performance measures (APM)

Explanations of financial performance measures

Acquired growth
(APM)
The net between the increase in the company's net sales from businesses and operations acquired during the past 12 months and loss of net sales from businesses and operations divested during the past 12 months in relation to the comparable period's net sales.

Adjusted earnings per share
(APM)
Profit or loss for the period attributable to the parent company shareholders excluding effects from amortization and impairment of acquisition related intangible assets, IFRS 16 as well as items affecting comparability and related tax items divided by the number of outstanding shares after dilution. See the tables Adjusted earnings and adjusted earnings per share for more information.

Capital employed
Equity plus interest-bearing liabilities and provisions for post-employment benefits. See Note C35 Reconciliations of alternative performance measures in the 2021 annual report for a reconciliation of the performance measure on a full year basis.

Cash and cash equivalents
Cash and bank balances, short term investments and derivatives with a positive fair value.

Earnings per share
Profit or loss for the period attributable to the parent company shareholders divided by average shares outstanding. Calculated both before (basic) and after dilution.

Equity/assets ratio
Equity divided by total assets.

Equity per share
Equity attributable to the parent company shareholders divided by average shares outstanding. Calculated both before (basic) and after dilution.

Free cash flow
(APM)
Free cash flow is a measure of the cash and cash equivalents the group generates in operating activities and investing activities. The performance measure is defined as operating cash flow after changes in working capital, cash flow from investments in and divestments of tangible and intangible assets, received/paid interest as well as interest expense for lease liabilities of real estate and repayment of lease liabilities according to IFRS 16. See the Consolidated cash flow statement for reconciliation and Note C35 Reconciliations of alternative performance measures in the 2021 annual report for a reconciliation of the performance measure on a full year basis.

Items affecting comparability
Items whose effects on profit are important to pay attention to when profit for the period is compared with earlier periods, such as significant impairment losses and other significant, non-recurring costs or income.

Lease adjusted EBITA
(APM)
See the definition of operating profit (EBITA) below. Lease adjusted operating profit (EBITA) is operating profit according to the previous reporting standard IAS 17, i.e. excluding the effects of the implementation of IFRS 16. Car leases were reported as finance leases under the previous standard. Consequently, it is the effects of leases of real estate under IFRS 16 that differentiate operating profit from lease adjusted operating profit. See the tables Adjusted earnings and adjusted earnings per share for more information.

Lease adjusted EBITDA
(APM)
See the definition of operating profit (EBITDA) below. Lease adjusted operating profit (EBITDA) is operating profit according to the previous accounting standard IAS 17, i.e. excluding the effects of the implementation of IFRS 16. Car leases were reported as finance leases under the previous standard. Consequently, it is the effects of leases of real estate under IFRS 16 that differentiate operating profit from lease adjusted operating profit. See the tables Adjusted earnings and adjusted earnings per share for more information.

Lease adjusted net debt
(APM)
See the definition of net debt below. Lease adjusted net debt is net debt according to the previous reporting standard IAS 17, i.e. excluding the IFRS 16 effect on lease liabilities attributable to right-of-use assets for real estate. See the table showing net debt calculation for more information.

Lease adjusted net debt / lease adjusted EBITDA
(APM)
Lease adjusted net debt in relation to lease adjusted EBITDA r12.

Lease adjusted operating margin (EBITA)
(APM)
Lease adjusted operating profit (EBITA) divided by net sales.

Lease adjusted operating margin (EBITDA)
(APM)
Lease adjusted operating profit (EBITDA) divided by net sales.

Net debt
(APM)
Net debt is a way of describing the group's indebtedness and its ability to repay its debt with cash and cash equivalents if all debts were to be due for payment today. Net debt is defined as interest-bearing liabilities plus provisions for post-employment benefits minus cash and cash equivalents. Net debt is presented both including and excluding lease liabilities attributable to right-of-use assets for real estate. See the section Financial position in this report for a reconciliation of net debt.

Net debt / EBITDA
(APM)
Net debt divided by operating profit (EBITDA) r12.

Net debt to equity ratio
(APM)
Net debt divided by equity.

Net investments
(APM)
The net of investments in and divestments of tangible and intangible assets, excluding acquisitions and divestment of operations as well as investments in and divestments of assets held for sale.

Operating margin (EBIT margin)
Operating profit or loss (EBIT) divided by net sales.

Operating margin (EBITA margin)
Operating profit (EBITA) divided by net sales.

Operating margin (EBITDA margin)
Operating profit (EBITDA) divided by net sales.

Operating profit (EBIT)
(APM)
Attendo reports operating profit (EBIT) as a performance measure because it shows the development of operating activities independent of financing. Operating profit (EBIT) refers to profit before financial items and tax. See the Consolidated income statement for a reconciliation of EBIT.

Operating profit (EBITA)
(APM)
Operating profit (EBITA) is used as a performance measure because it shows the development of operating activities without the effect of amortization and impairments of intangible assets from acquired companies and independently of financing. Operating profit (EBITA) refers to profit before amortization of acquisition related intangible assets, financial items and tax. See the Consolidated income statement for a reconciliation of EBITA.

Operating profit (EBITDA)
(APM)
Attendo reports operating profit (EBITDA) as a performance measure because it shows the development of operating activities independent of financing and investments. Operating profit (EBITDA) refers to profit or loss before depreciation, amortization and impairments. See the Consolidated income statement for a reconciliation of EBITDA.

Organic growth
(APM)
Attendo reports organic growth as a performance measure to show underlying net sales development excluding acquisitions/divestments and currency effects. The performance measure is calculated as net sales growth excluding acquisitions / divestments and changes in exchange rates.

Profit (Loss) for the period
Profit or loss for the period attributable to parent company shareholders and non-controlling interest.

Profit margin
Profit or loss for the period divided by net sales.

r12 "rolling 12 months"
The sum of the period's past 12 months.

Return on capital employed
(APM)
Attendo reports return on capital employed because it shows profits in relation to the capital used in operations. The definition of return on capital employed is operating profit (EBIT) excluding items affecting comparability for the past 12 months divided by average capital employed. See Note C35 Reconciliations of alternative performance measures in the 2021 annual report for a reconciliation of the performance measure on a full year basis.

Working capital
(APM)
Working capital is a key performance measure for optimising cash generation. The performance measure is defined as current assets excluding cash and cash equivalents and current interest-bearing assets minus current non-interest-bearing liabilities and provisions. Assets and liabilities held for sale are not included in working capital. See Note C35 Reconciliations of alternative performance measures in the 2021 annual report for a reconciliation of the performance measure on a full year basis.

Explanations of operational measures

CoP
Care for older people.

Mature unit
Own home in care for older people, care for people with disabilities and social psychiatry opened during the calendar year of 2018 or earlier, and units in other contract models and segments in operation for more than 12 months.

Occupancy
The number of occupied beds divided by the number of available beds. Occupancy is a weighted average in the last month of each reporting period.

INFORMATION TO SHAREHOLDERS AND ANALYSTS

Financial Calendar

Year-end report January-December 2022	10 February 2023
Annual General Meeting	26 April 2023
Interim report January-March 2023	4 May 2023
Interim report January-June 2023	20 July 2023
Interim report January-September 2023	24 October 2023

Presentation

A webcasted presentation will be held on October 26 at 10:00 (CET). You can follow the presentation at the following web link: https://ir.financialhearings.com/attendo-q3-2022/register

Analysts and investors have the opportunity to dial into the presentation to ask questions. Contact information is obtained by emailing to: kommunikation@attendo.se

The report and other information material will be made available at:
https://www.attendo.com/

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This is information that Attendo AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above on 26 October 2022 at 08.00 CET.

Forward-looking information

This report contains forward-looking information that reflects Attendo management's current assessments and expectations on certain future circumstances and possible outcome. This type of forward-looking information involves risks and uncertainties that may significantly impact future outcome. The information is based on certain assumptions, including such attributable to general economic conditions in the company's markets and demand for the company's services.

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