

Interim report

April-June 2017

Q2



Humana is a leading Nordic private care company. The company is the market leader within individual and family care and personal assistance. In Norway and Finland, Humana is the second-largest provider within individual and family care. Humana has approx. 16,000 employees who all work with a shared vision – Everyone is entitled to a good life. The company had annual revenue of SEK 6,362 M in 2016. Humana is a growth company with a focus on quality and customer satisfaction. Humana has been listed on Nasdaq Stockholm since 2016. The company's headquarters are located in Stockholm, Sweden. Read more about Humana on www.humana.se or <http://corporate.humana.se>.

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Humana



Continued focus and consolidation

Second quarter: April-June 2017

- **Operating revenue** amounted to SEK 1,678 M (1,534), an increase of 9% or SEK 144 M.
- **Operating profit** was SEK 74 M (56) including SEK 15 M in capital gain from sale of real estate.
- **Net profit after tax for the period** was SEK 48 M (34).
- **Earnings per share for the period** before and after dilution were SEK 0.91 (0.64).
- **Operating cash flow** was SEK 45 M (29).
- A **dividend** for the 2016 financial year of SEK 0.50 per share was approved at the 2017 Annual General Meeting, corresponding to approximately SEK 27 M.

Interim period January-June 2017

- **Operating revenue** amounted to SEK 3,326 M (3,005), an increase of 11% or SEK 321 M.
- **Operating profit** was SEK 140 M (98) including SEK 15 M in capital gain from sale of real estate.
- **Net profit after tax for the period** was SEK 89 M (18).
- **Earnings per share for the period** before and after dilution were SEK 1.67 SEK (-0.08).
- **Operating cash flow** was SEK 28 M (58).

Events during the second quarter

- To focus and concentrate Elderly Care operations on elderly housing under our own management and to further strengthen opportunities for continued profitable growth, Humana decided during the quarter to dispose of its home care service operations. A sale agreement has been signed with Attendo. The annual divested revenue amounts to approximately SEK 250 M. Approval from the Swedish Competition Authority was received on 20 July 2017 and the sale is expected to be completed in the third quarter of 2017.
- Humana has sold 16 properties in Sweden to Hemfosa Fastigheter. The purchase price, which will be through a sale-and-leaseback transaction, amounts to SEK 135 M and the capital gain amounts to SEK 15 M.

Events after the end of the period

- Humana signed an agreement to establish an elderly housing unit under own management in Kungsängen. The unit, which is scheduled to open in 2019, has 72 flats and is Humana's fifth elderly housing unit under own management.
- Humana has acquired Nordic Senior Services Oy in Finland.

Revenue and profit

SEK M	Apr-Jun 2017	Apr-Jun 2016	%	Jan-Jun 2017	Jan-Jun 2016	%	Jul-Jun 2016/17	Jan-Dec 2016	%
Net revenue	1 663	1 534	8%	3 312	3 005	10%	6 669	6 362	5%
Other revenue	15	0	n/a	15	0	n/a	15	0	n/a
Operating revenue	1 678	1 534	9%	3 326	3 005	11%	6 684	6 362	5%
Operating profit	74	56	32%	140	98	43%	371	329	13%
Adjusted operating profit	60	58	2%	125	137	-9%	357	369	-3%
Net profit for the period	48	34	41%	89	18	399%	241	170	42%
Operating cash flow	45	29	53%	28	58	-52%	-164	-134	n/a



Humana

Not satisfied but efforts are paying off

"Conversion efforts in Individual & Family are progressing and we see an improvement compared with the first quarter. Market conditions remain challenging in Personal Assistance, while integration in Norway continues."

Humana is a leading Nordic care company focused on operations under own management. Over the past three years, we have acquired no less than 18 companies, of which 15 were in the Individual & Family business area.



Humana's focus on growth, through its own establishment of new units as well as acquisitions, has provided valuable expertise for continuing to grow and evolve in Sweden as well as in the Norwegian and Finnish care markets. Following an intensive growth period, during which demand for migration-related investments has decreased, we see a need to consolidate operations in the Individual & Family business area in Sweden and in the Norwegian operations. The conversion of Humana's transit and migration units in Individual & Family has been completed and we are now working to increase capacity utilisation in the new units. We are not satisfied with the second quarter results but the development is moving in the right direction when compared with the first quarter. There was also a positive development within the quarter. There are further improvement opportunities in the business area and this work is expected to improve profitability during the remainder of the financial year. Our expectation is that we for the 2018 fiscal year are back at an operating margin of 9-10% for the business area. It is pleasing that during the quarter we received approval for several new business starts, which is positive for the business area's future growth.

Market conditions for operating the personal assistance business in Sweden continue to be very challenging. Humana takes a long-term approach to these operations and sees future potential for the business area. We implemented measures at an early stage to help compensate for increased payroll expenses that are not compensated for by a corresponding increase in the state reimbursement level. Försäkringskassan continues to be restrictive in interpreting the regulations, which leads to a reduction of hours and revoked decisions.

Unfortunately, this affects people who are already in a difficult situation.

During the quarter, the decision was made to establish Humana's fifth elderly housing unit under own management, this time in Kungsängen, north of Stockholm. There is great interest in Humana's modern elderly care concept. To concentrate operations and utilise the good growth potential in developing elderly housing under our own management, Humana has agreed to sell its home care service business. The Swedish Competition Authority's approval was obtained after the end of the quarter and the business is scheduled to be handed over in the third quarter.

Business in Finland continues to progress very well. Humana's services are in demand and opportunities for continued growth appear good in existing and new segments. After the closing of the period Humana has acquired Nordic Senior Service Oy. The acquisition means an expansion of Humana's service area to include elderly care and LSS. We are not pleased with how the Norwegian operations have developed during the quarter, and efforts to increase capacity utilisation and efficiency as well as completing the integration are ongoing. The on-going efficiency program is expected to contribute to that we in 2018 reach an operating margin in the Norwegian operations that is higher than the 6% overall group target. We are pleased to note that during the quarter we won several strategic framework agreements in Norway.

We also sold some of our property holdings in Sweden to Hemfosa Fastigheter during the quarter. The sale strengthens our balance sheet and gives us opportunities for further investments in Nordic care.

In summary, we leave behind us an eventful quarter with the sale of the home care service business, property sales and continued work towards future growth and profitability.

Stockholm, 18 August 2017

Rasmus Nerman, President and CEO
Humana AB

Operating revenue by business area

	Apr-Jun 2017	Apr-Jun 2016	%	Jan-Jun 2017	Jan-Jun 2016	%	Jul-Jun 2016/17	Jan-Dec 2016	%
SEK M									
Individual & Family	569	552	3%	1 123	1 101	2%	2 236	2 214	1%
Personal Assistance	652	656	-1%	1 301	1 323	-2%	2 623	2 645	-1%
Elderly Care	148	144	2%	302	287	5%	594	580	2%
Other Nordics	294	182	62%	587	294	99%	1 216	924	32%
Other revenue 2)	15	0	n/a	15	0	n/a	15	0	n/a
Total operating revenue	1 678	1 534	9%	3 326	3 005	11%	6 684	6 362	5%

Organic growth by business area ¹⁾

	Apr-Jun 2017	Apr-Jun 2016		Jan-Jun 2017	Jan-Jun 2016		Jul-Jun 2016/17	Jan-Dec 2016	
%									
Individual & Family	-0,2%	6,6%		-1,3%	7,4%		-0,3%	4,4%	
Personal Assistance	-0,6%	-2,3%		-1,6%	-0,4%		-2,3%	-1,6%	
Elderly Care	2,5%	-0,6%		4,9%	-2,0%		2,7%	-1,0%	
Other Nordics , local currency	-8,6%	12,8%		-5,4%	11,7%		7,5%	7,0%	
Total organic growth, constant currency rate	-0,8%	2,0%		-1,2%	2,9%		-0,3%	1,1%	

Operating profit per business area

	Apr-Jun 2017	Apr-Jun 2016	%	Jan-Jun 2017	Jan-Jun 2016	%	Jul-Jun 2016/17	Jan-Dec 2016	%
SEK M									
Individual & Family	40	43	-5%	77	98	-21%	190	211	-10%
Personal Assistance	29	35	-18%	65	74	-12%	142	151	-6%
Elderly Care	-6	-5	n/a	-8	-11	n/a	-4	-6	n/a
Other Nordics	16	18	-9%	29	22	31%	96	89	8%
Central costs/other 2)	-5	-34	n/a	-23	-86	n/a	-53	-115	n/a
Total operating profit	74	56	32%	140	98	43%	371	329	13%

Operating profit margins by business area

	Apr-Jun 2017	Apr-Jun 2016		Jan-Jun 2017	Jan-Jun 2016		Jul-Jun 2016/17	Jan-Dec 2016	
%									
Individual & Family	7,1%	7,7%		6,9%	8,9%		8,5%	9,5%	
Personal Assistance	4,4%	5,4%		5,0%	5,6%		5,4%	5,7%	
Elderly Care	-4,0%	-3,6%		-2,8%	-3,7%		-0,7%	-1,1%	
Other Nordics	5,4%	9,7%		4,9%	7,5%		7,9%	9,6%	
Total operating profit margin	4,4%	3,7%		4,2%	3,2%		5,6%	5,2%	

1) Like-for-like growth for companies that Humana owned in the preceding comparison period.

2) Operating profit in the second quarter of 2016 includes SEK 2 M in IPO costs and SEK 40 M on a full-year basis. Full-year 2016 include SEK 16 M in acquisition costs. Included in 2017 is a capital gain of SEK 15 M from the disposal of property (sale-and-leaseback) in the second quarter and SEK 1 M in acquisition costs.



Group performance

Revenue

Operating revenue in the second quarter increased 9% to SEK 1,678 M (1,534), an increase of SEK 144 M, which is in line with Humana's target of annual growth of 8-10%. Our own managed operations accounted for 95% of revenue. Acquired operations (companies that were not owned during the whole previous comparative period) contributed SEK 138 M to revenue in the quarter. Organic revenue decreased by 0.8%. The decrease is explained by worsening market conditions in Personal Assistance and changes in demand for migration-related services in Sweden and Norway.

For the six-month period January-June, operating revenue increased by 11% to SEK 3,326 M (3,005), slightly above the growth target. Acquired companies contributed SEK 336 M to operating revenue. Organically, i.e. excluding completed acquisitions, revenue decreased by 1.2% or SEK 28 M.

Profit

Operating profit for the second quarter was SEK 74 M (56) including SEK 15 M in capital gain from sale of property, corresponding to an operating margin of 4.4% (3.7). Adjusted profit was SEK 60 M (58), an adjusted operating margin of 3.6% (3.8). Acquisitions contributed SEK 17 M to operating profit. Profit was affected by slightly lower capacity utilisation in the Individual & Family units that were switched from immigration units to more complex care units. Efforts to increase efficiency and reduce costs in the business area continue. The fact that Easter fell in the second quarter this year, as compared to the first quarter last year, had a negative effect on profit for the quarter. Profit after tax for the period amounted to SEK 48 M (34).

Year-to-date operating profit increased to SEK 140 M (SEK 98 M including SEK 40 M in IPO costs). The result includes SEK 15 M in capital gain from the sale of property. Adjusted operating profit amounted to SEK 125 M (137), corresponding to an adjusted operating margin of 3.8% (4.6). Acquired companies contributed SEK 32 M to EBIT. Operating profit for the period decreased as a result of continued challenging market conditions in Personal Assistance, increased social costs for young people of SEK 9 M and slightly lower capacity utilisation in Individual & Family and Norway.

Events during the first half year

Sale of property holdings in Sweden

Humana has sold 16 properties in Sweden to Hemfosa Fastigheter. The purchase will be through a sale-and-leaseback transaction amounting to SEK 135 M with a capital gain of SEK 15 M.

Disposal of Humana's home care business

During the quarter, Humana agreed to sell its home care business to Attendo. The business comprises home care services in 13 locations in Sweden, approximately 1,100 employees, 2,100 customers and annual revenues of around SEK 250 M. Approval from the Swedish Competition Authority was received in July and the sale is expected to be completed in the third quarter of 2017.

Humana Annual General Meeting approves dividend

Humana's AGM approved a dividend of SEK 0.50 per share for the 2016 financial year.

Acquisition of Skellefteå Stöd och Behandling AB

In January, Humana acquired Skellefteå Stöd och Behandling AB (Individual & Family).

Establishment of elderly housing under own management in Staffanstorp in 2018

Humana intends to open its fourth elderly housing unit under own management in 2018.

Events after the end of the quarter

Establishment of new elderly housing under own management in Kungsängen

Humana signed an agreement for its fifth elderly housing unit under own management. The unit, located in Kungsängen, north of Stockholm, consists of 72 flats and is expected to open in 2019.

Förvärv av Nordic Senior Services Oy

Humana has acquired Nordic Senior Services Oy in Finland. The acquisition means an expansion of Humana's service area to include elderly care and LSS.



Business area performance

Individual & Family

Revenue grew 3% in the quarter to SEK 569 M (552). Year-to-date revenue increased by 2% to SEK 1,123 M (1,101). Organically, however, revenue declined by 0.2% in the quarter and by 1.3% for the six-month period. The weaker growth rate is due to the fact that the previous transit and migration units that now have been converted into more specialised treatment units are in the start-up phase during the period. Acquisitions contributed SEK 18 M to revenue in the quarter and SEK 37 M for the six-month period.

Operating profit declined somewhat to SEK 40 M (43), corresponding to an operating margin of 7.1% (7.7) in the quarter, which was an improvement compared with the first quarter. Acquisitions contributed SEK 4 M to profits. Operating profit for the six-month period amounted to SEK 77 M (98). Profit degradation is explained by lower capacity utilisation in units that are under conversion, costs associated with the conversion program and measures taken to increase cost-effectiveness in the business area. Humana's assessment is that the improvement program, which will continue through 2017, will increase efficiency and thereby strengthen profitability in the business area.

The sale-and-leaseback transaction carried out during the quarter means that annual rental costs for the business area will increase by approximately SEK 9 M.

Personal Assistance

Revenue decreased by 1% to SEK 652 M (656) in the second quarter and by 2% for the first half year. An increase in the state reimbursement level of 1.0% compared with the previous year affected revenues. The number of customers and the number of assistance hours has continued to decline though as a consequence of Försäkringskassan's continued restrictive position on assistance decisions.

Operating profit was SEK 29 M (35), corresponding to an operating margin of 4.4% (5.4) in the quarter. The ongoing mitigation programme has helped to compensate for the impact of increased social security contributions for young people of SEK 2 M in the quarter and for the fact that the payroll expense increase exceeded the increase in the state reimbursement level. Operating profit for the six-month period decreased by SEK 9 M to SEK 65 M (74). The decrease is attributable to slightly fewer customers, the payroll expense increase exceeded the increase in the flat rate and the costs of social security contributions for young people has increased. The cost increase due to higher social security contributions for young people amounted to SEK 5 M for the six-month period.

Elderly Care

Revenue from the elderly care segment amounted to SEK 148 M (144) in the second quarter, an increase of 2%. Revenues were affected positively by the elderly housing unit under our own management in Gävle. Year-to-date revenue was SEK 302 M (287), an increase of 5% compared with the same period last year. The home care service business, which is being sold to Attendo, contributed SEK 68 M to revenue in the second quarter and SEK 135 M to half-year revenues, with results amounting to SEK -4 M for the quarter and SEK -7 M for the six-month period.

Operating profit was SEK -6 M (-5) for the quarter. Year-to-date operating profit was SEK -8 M (-11). The elderly housing unit in Gävle made a positive contribution these results. However, the start-up of the elderly housing units in Växjö and Åkersberga had a negative effect on profit for both the quarter and the half-year period.

Humana opened its second elderly housing unit under own management in Växjö at the end of the quarter. A decision has been made to build three additional elderly housing units under our own management in Åkersberga, Staffanstorp and Kungsängen with one scheduled to open in autumn 2017, one in 2018 and one in 2019.

An agreement was signed in the second quarter to sell the home care service operations in Sweden to Attendo. Business is conducted in 13 locations in Sweden with approximately 1,100 employees, 2,100 customers and annual revenues of around SEK 250 M. Approval from the Swedish Competition Authority was received in July, which means that the business will be transferred in the third quarter of 2017.

Other Nordics

Revenue from Other Nordics amounted to SEK 294 M (182) in the second quarter, an increase of 62%. The increase is explained by the acquisitions of Arjessa in Finland and KOA in Norway, which were completed in late May 2016. Organically, at a constant currency exchange rate, revenue decreased by 8.6%. The organic decline is explained by lower revenues from unaccompanied asylum-seeking minor children in Norway. Acquisitions contributed SEK 120 M to revenue in the quarter. For the six-month period, revenue amounted to SEK 587 M (294), an increase of SEK 293 M, of which acquisitions contributed SEK 299 M. Operating profit for the second quarter amounted to SEK 16 M (18), an operating margin of 5.4% (9.7). Acquisitions contributed SEK 13 M to earnings. For the six-month period, operating profit increased to SEK 29 M (22), of which acquisitions contributed SEK 24 M.



Financial position

Financing

At the end of June 2017, group equity amounted to SEK 1,785 M (1,726 at 31 December 2016), equivalent to an equity/assets ratio of 35.6% (35.1). Humana's interest-bearing net debt amounted to SEK 1,561 M (1,314). The increase compared with 30 June 2016 is mainly related to Försäkringskassan's changed payment terms with payment in arrears instead of the previous payment in advance. Changed payment terms in Personal Assistance have had an impact on working capital of approximately SEK 380 M since being introduced last year.

Humana's interest-bearing net debt in relation to EBITDA at the end of the period was 3.8 times (3.5), which is above the company's net debt target. The goal is for interest-bearing net debt to not exceed 3.0 times EBITDA over time.

Financial position

	30 Jun 2017	30 Jun 2016	31 Dec 2016
SEK M			
Non-current interest-bearing liabilities	1 350	1 392	1 405
Current interest-bearing liabilities	680	315	687
Cash and cash equivalents	-468	-393	-465
Interest-bearing net debt	1 561	1 314	1 628
Equity/assets ratio, %	35.6%	35.1%	34.8%
Interest-bearing net debt/adjusted EBITDA 12 months, times	3.8x	3.5x	3.9x

Cash flow and capital expenditures

Operating cash flow during the period was SEK 28 M (58). The decrease is essentially explained by increased working capital of SEK -76 M (-5). Working capital has continued to be negatively affected by the introduction of payment in arrears in Personal Assistance, which was introduced on 1 October 2016. Investments during the period increased somewhat compared with the same period last year to SEK -65 M (-55).

The net effect of business acquisitions on cash flow was SEK -16 M (-442), of which SEK -6 M (-17) was for settlement of earn-out payments related to acquisitions from previous years. Cash flow from financing activities was SEK -75 M (SEK 383 M including the IPO's new share issue). Cash flow for the period was SEK -9 M (-106).

Financial targets

Revenue growth

- Annual growth of 8-10% in the medium term, achieved through organic growth as well as bolt-on acquisitions

Profitability

- EBIT margin of approximately 6% over the medium term

Capital structure

- Interest-bearing net debt in relation to EBITDA not to exceed a factor of 3.0
- However, leverage may temporarily exceed the target level, for example, in relation to acquisitions

Dividend policy

- Payment of a dividend equivalent to 30% of net profit for the year
- The proposed dividend shall consider Humana's long-term development potential and financial position



Other information

Employees

The number of full time employees at the end of June 2017 was 10,055 (10,091 per end of December 2016).

Shares, share capital and shareholders

The number of shares in Humana AB at the end of June 2017 amounted to 53,140,064 shares with a quotient value of SEK 0.022, corresponding to share capital of SEK 1,180,879. The number of shareholders at the end of June 2017 was 4,060. The five largest shareholders were Air Syndication SCA (Argan), MSIL IPB Client Account, Zirkona AB (Per Granath), Bodenholm Master and Zeres Public Market Fund.

Marketplace

Humana AB shares trade on the Nasdaq Stockholm Main Market. The company's ticker symbol is HUM and the ISIN code is SE0008040653.

Share-based incentive programme

Humana has two long-term incentive programmes: one for the Company's senior executives and one for 187 other Humana employees. The purpose of the incentive programme is to encourage a broad shareholding among Humana employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed Humana's financial targets. The programmes include a warrant programme and a share savings programme. More information is available in the 2016 Annual Report

Related-party transactions

The Group's key persons consist of the Board of Directors, group management and CEO – in part through ownership in Humana and in part through the executives' roles. Related parties also include the principal shareholder, Air Syndication S.C.A., which is represented on the Board by Lloyd Perry. Related-party transactions are conducted on an arm's length basis.

Risks and uncertainties

While doing business the Group is exposed to various types of financial risk. These risks can be summarised as financing risk, liquidity risk, credit risk and interest rate risk. A detailed description of risks is provided in the risk section of the 2016 Annual Report, pages 70-73 and in Note K21.

The main business-related risks and uncertainties that could affect the Group's performance in 2017 are related to political decisions that could affect private care companies, along with risks associated with the implementation of completed acquisitions.

Humana's business is funded by governments, municipalities and county councils, entailing that the business is impacted by political decisions. This means that Humana's growth opportunities are affected by public opinion and by politicians' views of the Group's areas of operation. Humana uses business intelligence to promptly identify changes in the external operating environment and can thereby assess risks and opportunities, and adapt its operations to changes in the Group's operating environment. The political situation is evaluated on a continuous basis.

Parent Company

Profit for the period was SEK -22 M (-44). The Parent Company's equity/assets ratio was 43.5% (44.3% on 30 June 2016).



Humana

This interim report was not reviewed by the Company's auditors.

This information is such that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 08:00 CET on 18 August 2017.

Conference call

A conference call will be held today, 18 August, at 09:00 CET, at which President and CEO Rasmus Nerman and CFO Ulf Bonnevier will present the report and answer questions. To participate, please call:

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The Board of Directors and President certify that the half-year report gives a true and fair presentation of the Parent Company's and Group's business, financial position and result of operations, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, 18 August 2017

Per Båtelson
Chairman of the Board

Helen Fasth Gillstedt
Board member

Per Granath
Board member

Kirsi Komi
Board member

Monica Lingegård
Board member

Lloyd Perry
Board member

Ulrika Östlund
Board member

Rasmus Nerman
President and CEO



Consolidated income statement

SEK M	Note	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Net revenue		1 663	1 534	3 312	3 005	6 669	6 362
Other revenue		15	0	15	0	15	0
Operating revenue	3	1 678	1 534	3 326	3 005	6 684	6 362
Other external costs		-258	-234	-514	-445	-1 032	-963
Personnel costs		-1 331	-1 216	-2 643	-2 387	-5 220	-4 964
Depreciation		-15	-11	-29	-21	-58	-50
Other operating costs		0	-17	-1	-55	-2	-57
Operating costs		-1 604	-1 478	-3 187	-2 908	-6 312	-6 033
Operating profit		74	56	140	98	371	329
Financial revenue		0	2	2	6	8	11
Financial costs		-18	-17	-41	-89	-92	-140
Unrealised changes in value of derivatives		2	7	9	14	22	27
Profit before tax		58	49	109	28	309	228
Income tax		-9	-15	-20	-10	-69	-58
Net profit for the period		48	34	89	18	241	170
Of which, attributable to:							
Owners of the Parent Company		48	34	89	18	241	170
Net profit for the period		48	34	89	18	241	170
Earnings per ordinary share, SEK, before dilution	5	0.91	0.64	1.67	-0.08	4.53	2.87
Earnings per ordinary share, SEK, after dilution	5	0.91	0.64	1.67	-0.08	4.53	2.87
Average number of ordinary shares, thousands		53 140	53 140	53 140	49 870	53 140	51 514

Consolidated statement of comprehensive income

SEK M	Note	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Net profit		48	34	89	18	241	170
Other comprehensive income							
Items that have been/can be reclassified to profit/loss							
Exchange rate differences on translation of foreign operation		0	6	-3	8	4	15
Comprehensive income for the period		48	40	86	26	245	185
Of which, attributable to:							
Owners of the Parent Company		48	40	86	26	245	185



Consolidated balance sheet in summary

SEK M	Note	30 Jun 2017	30 Jun 2016	31 Dec 2016
Assets				
Non-current assets				
Goodwill	4	3 080	3 038	3 089
Other intangible assets		12	15	13
Property, plant and equipment		370	329	405
Financial assets		8	10	6
Total non-current assets		3 471	3 393	3 514
Current assets				
Trade receivables		483	530	523
Other current receivables		551	151	459
Cash and cash equivalents		468	393	465
Assets held for sale	8	43	-	-
Total current assets		1 545	1 073	1 446
TOTAL ASSETS		5 016	4 466	4 960
Equity and liabilities				
Equity				
Share capital		1	1	1
Additional paid-in capital		1 091	1 091	1 091
Retained earnings		694	475	634
Equity attributable to owners of the parent company		1 785	1 567	1 726
Non-current liabilities				
Interest-bearing liabilities		1 350	1 392	1 405
Deferred tax liabilities		82	70	78
Total non-current liabilities		1 432	1 462	1 484
Current liabilities				
Interest-bearing liabilities		680	315	687
Trade payables		85	100	103
Other current liabilities		996	1 022	960
Liabilities directly associated with the assets held for sale	8	38	-	-
Total current liabilities		1 799	1 437	1 750
TOTAL EQUITY AND LIABILITIES		5 016	4 466	4 960



Consolidated statement of changes in equity in summary

SEK M	Share Capital	Additional paid-in capital	Translation reserve	Retained earnings	Total equity
Opening balance, 1 January 2016	1	642	-7	457	1 093
Comprehensive income for the period					
Profit for the period	-	-	-	18	18
Other comprehensive income for the period	-	-	8	-	8
Total comprehensive income for the period	-	-	8	18	26
Transactions with Company owners					
New share issue	0	450	-	-	450
IPO expenses	-	-8	-	-	-8
Tax on IPO expenses	-	2	-	-	2
New share option issue	-	5	-	-	5
Total transactions with Company owners	-	448	-	-	448
Closing balance, 30 June 2016	1	1 091	1	475	1 567
Opening balance, 1 January 2017	1	1 091	1	633	1 726
Comprehensive income for the period					
Profit for the period	-	-	-	89	89
Other comprehensive income for the period	-	-	-3	-	-3
Total comprehensive income for the period	-	-	-3	89	86
Transactions with Company owners					
Dividend	-	-	-	-27	-27
Total transactions with Company owners	-	-	-	-27	-27
Closing balance, 30 June 2017	1	1 091	-2	695	1 785



Consolidated statement of cash flows in summary

SEK M	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Profit before tax	58	49	109	28	309	228
Adjustment for:						
Depreciation	15	11	29	21	58	50
Financial items, net	17	7	31	70	62	101
Cash flow from operating activities before changes in working capital	89	67	169	119	429	379
Changes in working capital	-19	0	-76	-5	-445	-372
Cash flow from operating activities	70	67	93	114	-15	8
Financial items, net	-21	-10	-39	-54	-84	-99
Income tax paid	-29	-27	-39	-52	-56	-70
Cash flow from operating activities, net	20	30	16	7	-155	-161
Acquisition of subsidiaries, net cash impact	0	-425	-16	-442	-48	-474
Sales of subsidiaries, net cash impact	132	0	132	0	132	0
Investments in other non-current assets, net	-26	-38	-65	-55	-150	-142
Cash flow from investing activities	106	-463	51	-497	-66	-616
Proceeds from new borrowings	0	232	7	1 619	357	1 969
Repayment of borrowings	0	-37	-56	-1 678	-56	-1 678
Dividend	-27	0	-27	0	-27	0
New share issue	0	0	0	442	0	442
Cash flow from financing activities	-27	195	-75	383	274	733
Cash flow for the period	99	-238	-9	-106	53	-44
Cash and cash equivalents at start of period	359	631	465	501	393	501
Cash flow for the period	99	-238	-9	-106	53	-44
Exchange rate difference in cash/cash equivalents	10	0	13	-2	23	8
Cash and cash equivalents at end of period	468	393	468	393	468	465



Key ratios

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Operating revenue	1 678	1 534	3 326	3 005	6 684	6 362
EBIT, %	4,4%	3,7%	4,2%	3,2%	5,6%	5,2%
Interest-bearing net debt, SEK M	1 561	1 314	1 561	1 314	1 561	1 628
Return on capital employed, %	1,9%	1,8%	3,7%	3,1%	9,8%	8,9%
Equity/assets ratio, %	35,6%	35,1%	35,6%	35,1%	35,6%	34,8%
Operating cash flow	45	29	28	58	-164	-134
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,8x	3,5x	3,8x	3,5x	3,8x	3,9x
Average number full-time employees Individual & Family	2 500	2 486	2 513	2 463	2 552	2 528
Average number full-time employees Personal Assistance	5 034	5 113	4 996	5 152	5 120	5 198
Average number full-time employees Elderly Care	1 174	1 145	1 204	1 209	1 246	1 248
Average number full-time employees Other Nordic	1 347	697	1 327	577	1 294	920
Average number full-time employees Central functions	23	18	23	18	22	19
Total average number full-time employees	10 079	9 459	10 063	9 419	10 234	9 912
Number of full-time employees on the closing date	10 055	9 965	10 055	9 965	9 965	10 091
Average number of customers Individual & Family	2 092	2 184	2 122	2 194	2 130	2 165
Average number of customers Personal Assistance	1 880	1 909	1 878	1 918	1 884	1 904
Average number of customers Elderly Care	2 586	2 896	2 653	3 010	2 827	3 006
Average number of customers Other Nordic	2 429	829	2 282	535	2 160	1 286
Total average number of customers	8 987	7 818	8 935	7 656	9 000	8 361
Average number of ordinary shares on the closing date, 000s	53 140	53 140	53 140	49 870	53 140	51 514
Equity per ordinary share, SEK	34	29	34	31	34	34



Parent company

Income statement in summary

SEK M	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Operating revenue	3	3	5	5
Operating costs	-11	-46	-19	-54
Operating profit	-9	-44	-13	-48
Group contribution	0	0	155	155
Interest revenue from group companies	0	0	0	0
Interest cost	-19	-16	-43	-36
Profit after financial items	-28	-56	99	70
Change untaxed reserves	0	0	-1	-1
Tax	6	12	-21	-15
Net profit for the period	-22	-44	76	54

Balance sheet in summary

SEK M	30 Jun 2017	30 Jun 2016	31 Dec 2016
Non-current assets	1 623	1 623	1 623
Current assets	1 786	1 615	1 890
TOTAL ASSETS	3 409	3 238	3 513
Equity	1 484	1 434	1 532
Untaxed reserves	171	170	171
Non-current Interest-bearing liabilities	1 297	1 343	1 354
Other current liabilities	457	291	456
TOTAL EQUITY AND LIABILITIES	3 409	3 238	3 513



Notes

Note 1 Accounting policies

This report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting along with applicable stipulations of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act – Interim Reports. For the Group, the same accounting policies and bases of calculation have been used as in the annual report for 2016, which was prepared in accordance with International Financial Reporting Standards as endorsed by the EU, and interpretations of these. No changes have been made in the Group's accounting policies.

Note 2 Estimations and assessments

Preparation of financial statements in accordance with IFRS requires that company management makes assessments and estimations along with assumptions that affect application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimations and assessments.

Impairment testing of goodwill

Goodwill is tested annually to determine if there is any need to recognise impairment. Such impairment testing is conducted for calculations that are based on management's assumptions about the rate of growth, profit margin, investment need and the discount rate. Other estimations may result in another outcome and another financial position. In addition to that which is described below, critical assessments and sources of uncertainty in estimates are the same as in the latest annual report.

- Properties were sold in a sale-and-leaseback transaction with an average contractual rental period length for the properties of 13.6 years. Management's assessment is that it may be considered consistent with IAS 17 to classify the transaction as an operational leaseback and to recognise it in accordance with IAS 17 pp. 33ff.
- An agreement to sell the home care service business was concluded in June after which assets and liabilities attributable to these assets were recognised as assets held for sale. Approval from the Swedish Competition Authority was received after the end of the period and the sale is expected to be completed in the third quarter of 2017.

Note 3 Operating segments

SEK M	Individual & Family		Personal Assistance		Elderly Care		Other Nordic		Other 1)		Total	
	Jan-Jun 2017	Jan-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Jun 2017	Jan-Jun 2016
Net revenue												
External revenue	1 123	1 101	1 301	1 323	302	287	587	294	0	0	3 312	3 005
Other operating revenue	0	0	0	0	0	0	0	0	15	0	15	0
Operating revenue	1 123	1 101	1 301	1 323	302	287	587	294	15	0	3 326	3 005
Profit before depreciation, amortisation and other operating costs	92	110	66	75	-5	-7	38	25	-22	-30	169	173
Depreciation	-14	-12	-1	-1	-3	-3	-10	-3	-1	-1	-29	-21
Other operating costs	0	0	0	0	0	0	0	0	-1	-55	-1	-55
Operating profit	77	98	65	74	-8	-11	29	22	-23	-86	140	98

1) Operating profit in 2016 includes SEK 40 M in IPO expenses and SEK 15 M in acquisition costs. A capital gain on the sale of property (sale-and-leaseback) of SEK 15 M and acquisition costs of SEK 1 M are included in 2017.



Note 4 Acquisition of operations

Goodwill

SEK M	30 Jun 2017	31 Dec 2016
Opening balance, 1 January	3 089	2 584
Acquisitions of subsidiaries	9	463
Exchange rate differences	-18	42
Closing balance, end of period	3 080	3 089

Acquisitions in 2017

Humana acquired Nordic Senior Services Oy in Finland in August 2017. The acquisition strengthens Humana's geographical presence in Finland while expanding its service offer to include elderly care and LSS. The company's revenue in 2017 was approximately SEK 69 M.

In January 2017, Humana acquired Skellefteå Stöd & Behandling AB. The acquisition meant that Humana strengthened its presence in individual and family care in Norrland. Skellefteå Stöd & Behandling runs supportive housing unit Fyren and residential care home Lotsen. The target group is boys ages 14–18 with psychosocial and neuropsychiatric problems (ADHD). The company had sales of approximately SEK 12 M in 2016.

Acquisitions in 2016

Humana completed seven acquisitions during 2016. The acquisitions will help Humana expand into Finland, strengthen its geographic position in Norway and expand its specialisation in individual and family care.

- Nygårds Vård Gotland AB (Individual & Family), in April 2016
- Kvæfjord Opplevelse og Avlastning AS (Other Nordics), in May 2016
- Arjessa Oy (Other Nordics), in May 2016
- Kilen Akut Behandlingshem AB (Individual & Family), in September 2016
- FUGA omsorg AB (Individual & Family), in September 2016
- Platea AB (Individual & Family), in November 2016
- Pienryhmäkoti Puolenhehtaarin Metsä Oy (Other Nordics), in December 2016

For more information regarding these acquisitions, refer to the Annual Report for 2016.



Humana

Net assets in acquired companies as per the acquisition date

SEK M	Smaller acquisitions* and other	Total
Non-current assets	9	9
Trade receivables and other receivables	-1	-1
Cash and cash equivalents	2	2
Interest-bearing liabilities	-6	-6
Trade payables and other operating liabilities	-1	-1
Deferred tax liability	0	0
Net identifiable assets and liabilities	2	2
Goodwill	9	9
Consideration paid		
Cash and cash equivalents	12	12
Contingent earn-out payments	0	0
Total consideration paid	12	12
Impact on cash and cash equivalents		
Cash consideration paid	12	12
Cash and cash equivalents in acquired units	-2	-2
Total impact on cash and cash equivalents	10	10
Settlement of payments attributable to acquisitions in previous years	6	6
Total impact on cash and cash equivalents	16	16
Impact on revenue and profit 2017		
Operating revenue	16	16
Operating profit	4	4

*The acquisition analysis is preliminary since the final settlement has not been determined.

Goodwill

The goodwill resulting from the acquisitions relates to employee expertise in treatment methods, establishment of market position, the underlying profitability of the acquired units and the synergies expected to arise when the units are integrated with the rest of the Group. No part of the goodwill that arose in 2016 and 2017 is tax deductible.

Acquisition costs

Acquisition costs amounted to SEK -1 M (-15). The costs consist primarily of compensation to consultants and lawyers for financial and legal advice in connection with acquisitions. The costs are recognised as other operating expenses in the income statement.

Note 5 Earnings per share

SEK M	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Net profit for the period	48	34	89	18	241	170
Less return on preference shares	-	0	-	-22	-	-22
Profit for the period after return on preference shares	48	34	89	-4	241	148
Average number of ordinary shares, thousands	53 140	53 140	53 140	49 870	53 140	51 514
Earnings per ordinary share, SEK, before dilution	0.91	0.64	1.67	-0.08	4.53	2.87
Earnings per ordinary share, SEK, after dilution	0.91	0.64	1.67	-0.08	4.53	2.87



Note 6a Fair value of financial instruments and level of valuation hierarchy

30 June 2017	SEK M	Initially identified at fair value	Trade and other receivables	Other liabilities	Total	Fair value	Level 1	Level 2	Level 3
Financial liabilities at fair value									
Interest-rate swaps for hedging*		2	-	-	2	2	-	2	-
Earn-out payments		22	-	-	22	22	-	-	22

31 December 2016	SEK M	Initially identified at fair value	Trade and other receivables	Other liabilities	Total	Fair value	Level 1	Level 2	Level 3
Financial liabilities at fair value									
Interest-rate swaps for hedging*		10	-	-	10	10	-	10	-
Earn-out payments		28	-	-	28	28	-	-	28

* Fair value is based on the brokers' quotations. Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

Fair value measurement

When the fair value of an asset or liability is to be determined, the Group uses observable data as far as possible. Fair value is categorised in various levels in a fair value hierarchy based on input data that is used in the valuation method as follows:

- Level 1: according to prices quoted in an active market for the same instruments
- Level 2: based on directly or indirectly observable market data that is not included in level 1
- Level 3: based on input data that is not observable in the market

Note 6b Reconciliation of opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK M	30 Jun 2017	31 Dec 2016
Opening balance, 1 January	28	26
Total recognised gains and losses:		
Recognised in adjustment of earn-out payments in profit for the year	0	0
Cost of acquisitions	0	20
Settled during the period	-6	-19
Closing balance, end of period	21	28



Note 7a Financial definitions

Adjusted EBIT

Operating profit adjusted for items affecting comparability.

Average equity

Average equity attributable to owners of the Parent Company per quarter, based on opening and closing balance per quarter.

Average number of customers

Average number of customers during the period.

Average number of ordinary shares

Average of number of shares outstanding on a daily basis after redemptions and repurchases.

Average number of full-time employees

Average number of full-time employees over the entire period.

Capital employed

Total assets less non-interest-bearing liabilities.

Earnings per ordinary share for the period

Profit for the period attributable to owners of the Parent Company less the period's share of declared dividend on preferred shares, divided by average number of ordinary shares.

EBIT

Operating profit before interest and tax.

EBIT margin (%)

EBIT divided by operating revenue multiplied by 100.

EBITDA

Operating profit before depreciation, amortisation and impairment losses.

Equity per ordinary share

Equity attributable to owners of the Parent Company divided by number of shares outstanding after the end of the period after redemptions, repurchases and new issues.

Equity/assets ratio (%)

Equity including non-controlling interests divided by total assets, multiplied by 100.

Interest-bearing net debt

Borrowings excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.

Interest-bearing net debt/EBITDA

Interest-bearing net debt divided by EBITDA.

Operating cash flow

Operating profit including changes in depreciation/amortisation and impairment, working capital and investments in other non-current assets (net).

Operating profit

Profit before interest and tax.

Organic growth

Like-for-like growth for companies in the respective segments that Humana owned in the preceding comparative period.

Return on capital employed, ROCE (%)

Operating profit plus net financial income divided by capital employed, multiplied by 100.



Note 7b Reconciliation with IFRS financial statements

In the financial reports that Humana issues, there are alternative performance measures specified that complement the measures defined or specified in the applicable financial reporting rules. Alternative performance measures are indicated when, in their context, they provide clearer or more detailed information than the measures defined in the applicable financial reporting rules. The alternative performance measures are derived from the company's consolidated financial statements and do not comply with IFRS.

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jul-Jun 2016/17	Jan-Dec 2016
Adjusted operating profit						
Operating profit	74	56	140	98	371	329
IPO costs	-	2	0	40	0	40
Other non-recurring items	-15	0	-15	0	-15	0
Adjusted operating profit	60	58	125	137	357	369
Adjusted EBITDA						
Operating profit	74	56	140	98	371	329
Depreciation	15	11	29	21	58	50
IPO costs	-	2	0	40	0	40
Other non-recurring items	-15	0	-15	0	-15	0
Adjusted EBITDA	74	69	154	158	415	419
Organic revenue growth						
Revenue, base	1 477	1 362	2 944	2 703	5 146	5 481
Revenue, organic growth	-12	28	-35	77	-15	58
Total organic growth, constant currency rate	-0,8%	2,0%	-1,2%	2,9%	-0,3%	1,1%
Operating cash flow						
Operating profit	74	56	140	98	371	329
Depreciation	15	11	29	21	58	50
Changes in working capital	-19	0	-76	-5	-445	-372
Investments in other non-current assets, net	-26	-38	-65	-55	-150	-142
Operating cash flow	45	29	28	58	-164	-134

	30 Jun 2017	30 Jun 2016	31 Dec 2016
Interest-bearing net debt, SEK M			
Non-current interest-bearing liabilities	1 350	1 392	1 405
Current interest-bearing liabilities	680	315	687
Cash and cash equivalents	-468	-393	-465
Interest-bearing net debt	1 561	1 314	1 628
Adjusted EBITDA 12 month	415	378	419
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,8x	3,5x	3,9x
Return on capital employed, %			
TOTAL ASSETS	5 016	4 466	4 960
Deferred tax liabilities	-82	-70	-78
Trade payables	-85	-100	-103
Other current liabilities	-1 031	-1 022	-960
Capital employed	3 818	3 274	3 818
Operating profit	140	98	329
Financial revenue	2	6	11
Total	141	103	341
Return on capital employed, %	3,7%	3,1%	8,9%
Equity/assets ratio, %			
Equity attributable to owners of the parent company	1 785	1 567	1 726
TOTAL ASSETS	5 016	4 466	4 960
Equity/assets ratio, %	35,6%	35,1%	34,8%



Note 7c Intent

Return on capital employed

Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the type of financing.

Adjusted operating profit and adjusted EBITDA

Operating profit adjusted for items affecting comparability. The adjustment of items affecting comparability is done to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items.

Operating cash flow

Operating profit including changes in depreciation/amortisation/impairment, working capital and investments in other non-current assets (net). Excluding cash flow from acquisitions and financing facilitates an analysis of cash flow generation in operating activities.

Interest-bearing net debt

Net debt is used to easily illustrate and assess the Group's ability to meet financial commitments.

Interest-bearing net debt/EBITDA

Indicates consolidated debt in relation to EBITDA. Used to illustrate the Group's ability to meet financial commitments.

Equity/assets ratio

Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.

Working capital

Total current assets minus total current liabilities.

Note 8 Operations held for sale

As resolved by the Board in June 2017, the home care service operations that are part of the Elderly Care business area are recognised as held for sale. The sale is expected to be completed in September 2017. As of 30 June, the disposal group's assets comprise SEK 43 M minus liabilities of SEK 38 M.

SEK M	30 June 2017
Property, plant and equipment	1
Trade receivables	34
Other current receivables	8
Total assets	43
Trade payables	-4
Other current liabilities	-34
Total liabilities attributable to assets held for sale	-38
Net	4