Interim Report
January–March 2019

First quarter of 2019

- Net sales increased by 19 per cent in the first quarter, to SEK **2,535** (2,127) million. Organic growth was 10 per cent and growth from acquisitions 7 per cent, while foreign exchange effects accounted for 2 per cent of the increase.
- Adjusted EBITA increased by 14 per cent to SEK **131** (115) million and the operating margin was **5.2** (5.4) per cent.
- EBIT was SEK **77** (57) million. Profit after tax was SEK **43** (17) million.
- Earnings per share were SEK **0.4** (0.2).
- Operating cash flow was SEK **124** (-61) million.

" The year began with strong growth in all areas: sales, earnings and cash flow."

Mikael Stöhr,
President and CEO, Coor

GROUP EARNINGS SUMMARY	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Net sales	2,535	2,127	9,896	9,489
Organic growth, %	*10*	*10*	*10*	*10*
Acquired growth, %	*7*	*4*	*10*	*10*
FX effects, %	*2*	*0*	*3*	*3*
Adjusted EBITA	131	115	505	490
Adjusted EBITA margin, %	5.2	5.4	5.1	5.2
EBIT	77	57	239	219
Income for the period	43	17	129	104
Operating cash flow	124	-61	539	354
Earnings per share, SEK	0.4	0.2	1.4	1.1

See page 24 for definitions and calculations of key performance indicators. Non-recurring items are presented in Note 3.

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CEO's comments

The year began with strong growth in all dimensions: sales, earnings and cash flow.

Coor kicked off the 2019 financial year with growth of 19 per cent and is continuing to grow throughout the Nordic region. Operating profit increased by 14 per cent during the quarter and working capital declined by SEK 126 million over the most recent 12-month period, generating a cash conversion of 108 per cent.

Growth in the entire Nordic region

The strong organic growth from 2018 continued into the first quarter of 2019. During the first quarter, Coor delivered organic growth of 10 per cent and grew in all Nordic countries.

Activities in the Nordic FM market in the first quarter remained favourable for small and medium-sized procurements and stable for major IFM processes. Examples of new contracts with Coor during the quarter are Region Östergötland and Nordax Bank in Sweden, Gentofte Municipality in Denmark as well as increased deliveries to Attendo in Finland.

In Denmark, the government is continuing to conduct large IFM procurements. During the first half of April, two major Danish public procurement processes were decided. Coor won an extended and significantly expanded contract with the Danish Police, Public Prosecution Agency and Prison and Probation Service. The new contract is valued at approximately SEK 420 million per year for up to nine years. Compared with the previous agreement with the Danish police alone, the new agreement entails an extension of approximately SEK 150 million per year.

Increased operating profit

During the first quarter, Coor delivered a 14 per cent increase in operating profit.

In Denmark, operating profit grew several times over compared with the year-earlier period. The effects of the successful integration of last year's acquisition of the cleaning company Elite Miljø are now apparent. The result for the first quarter last year was also affected by very high costs for snow removal.

Operating profit also increased in Norway and Finland in the quarter, while it declined in Sweden. In Sweden, we are continuing to manage the effects of the renegotiated contract with Ericsson from the third quarter of 2018. The discontinuation of Coor's deliveries to Ericsson outside Sweden was finalised during the first quarter, and we can now focus fully on the expanded deliveries in Sweden.

Strong cash flow

Cash flow is a central factor for us at Coor. Supported by our strong cash flow, we can continue to look for suitable acquisition candidates in the Nordic region in the areas of property service, cleaning, and food and beverages. Cash flow also creates the basis for stable dividends to our owners over time. In the past 12 months, we have reduced our working capital by SEK 126 million, partly by enhancing the efficiency of the processes in the companies that we acquired during 2018. As a result, our cash conversion for the last 12 months amounted to 108 (80) per cent as of the end of the first quarter.

A favourable outlook

We are seeing a strong interest and favourable demand in the market as well as interesting business opportunities throughout the Nordic region. We believe our prospects to achieve growth, profitability and cash flow over time in line with our targets are good.

Stockholm, 2 May 2019

Mikael Stöhr
President and CEO, Coor

Group performance

Net sales and operating profit

CONSOLIDATED (SEK m)	Jan–Mar 2019	2018
Net sales	2,535	2,127
Organic growth, %	*10*	*10*
Acquired growth, %	*7*	*4*
FX effects, %	*2*	*0*
Adjusted EBITA	131	115
Adjusted EBITA margin, %	5.2	5.4
EBIT	77	57
EBIT margin, %	3.0	2.7
Number of employees (FTE)	8,861	8,292

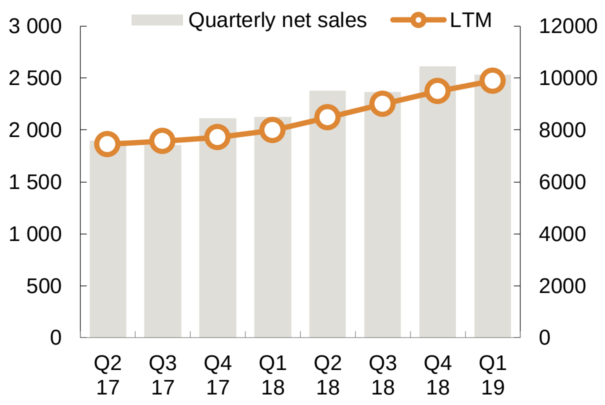
First quarter (January–March)

Organic growth for the quarter was 10 per cent, with all countries contributing positively. In addition, the three acquisitions completed during the preceding year contributed a further 7 per cent growth.

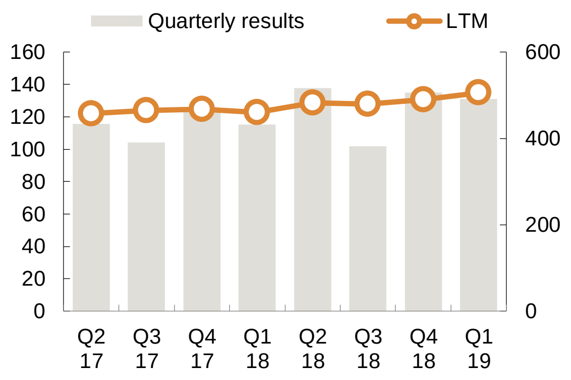
Operating profit (adjusted EBITA) increased by 14 per cent to SEK 131 (115) million. The operating margin for the quarter was 5.2 (5.4) per cent. The increase in operating profit was driven by Denmark, while the change in the operating margin was attributable to a lower margin in Sweden as a result of a major contract extension and reduced margin on variable volumes.

EBIT was SEK 77 (57) million. In addition to the increase in operating profit, items affecting comparability were halved since the integration of the acquisitions in the preceding year is nearing completion.

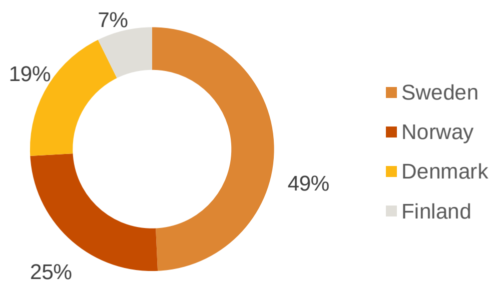
NET SALES (SEK m)



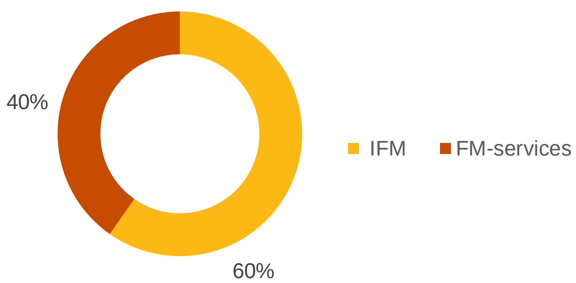
ADJUSTED EBITA (SEK m)



NET SALES BY COUNTRY, LTM, Q1 2019



NET SALES BY TYPE OF CONTRACT, LTM, Q1 2019



Financial net and profit after tax

FINANCIAL NET	Jan–Mar	
(SEK m)	2019	2018
Net interest, excl. leasing	-10	-7
Net interest, leasing	-2	0
Borrowing costs	-1	-1
Other	-2	-1
Total excl. exchange rate differences	**-15**	**-10**
Exchange rate differences	-6	-23
Total	**-21**	**-33**

Net financial items for the first quarter improved by SEK 12 million compared with the year-earlier period, primarily as a result of lower translation differences on loans in foreign currency. Coor refinanced its earlier bank loans in January 2019 and currently only has loans in SEK. Accordingly, Coor will have no significant exchange rate differences for the time being. The change in net interest compared with the year-earlier period is attributable to the increase in liabilities related to completed acquisitions. In conjunction with the transition to IFRS 16, interest expenses related to leases had a negative effect on net financial items; for further information regarding the effects of IFRS 16, see Note 4.

Tax for the period was SEK -13 (-7) million, corresponding to 23 (28) per cent of profit before tax. Profit after tax was SEK 43 (17) million.

Cash flow

Operating cash flow for the first quarter amounted to SEK 124 (-61) million. A normal seasonal variation for the Group entails that the first and third quarters are the weakest. As a rule, the first quarter is characterised by a build-up of accrued revenue for projects and a certain calendar effect as a result of February being a shorter month. However, this quarter was stronger than usual, driven primarily by the repayment of the erroneous double salary payments made at year-end. The company's efforts to reduce its working capital also continued to yield results and the calendar was more advantageous than in the preceding year, when the first quarter ended with the Easter weekend.

Operating cash flow varies from one quarter to the next. The key parameter to follow is therefore the rolling 12-month change in working capital. In the past 12 months, working capital declined by SEK 126 million, which is a strong improvement year-on-year.

The most important external key performance indicator for cash flow is cash conversion, which is defined as the ratio of a simplified operating cash flow to adjusted EBITDA. Cash conversion for the most recent 12-month period amounted to 108 (80) per cent.

CASH CONVERSION			
(SEK m)	LTM Q1 2019	LTM Q1 2018	Full year 2018
Adjusted EBITDA [1]	605	512	558
Change in net working capital	126	-15	-27
Net investments	-75	-85	-84
Cash flow for calculation of cash conversion [1]	**656**	**412**	**447**
Cash conversion, %	**108**	**80**	**80**

[1] Adjusted EBITDA and cash flow for calculation of cash conversion have been impacted by the transition to IFRS 16, see Note 4.

Financial position

NET DEBT	31 Mar	31 Mar	31 Dec
(SEK m)	2019	2018	2018
Liabilities to credit institutions	489	1,399	1,686
Corporate bond	1,000	0	0
Leasing, net	338	3	7
Other	59	9	59
	1,886	**1,411**	**1,753**
Cash and cash equivalents	-351	-293	-435
Net debt	**1,535**	**1,119**	**1,318**
Leverage	2.2	2.2	2.4
Equity	2,254	2,539	2,164
Equity/assets ratio, %	34	40	33

[1] Pro forma calculation as if IFRS 16 had been applied for the past 12 months, see Note 4.

At the end of the quarter, consolidated net debt amounted to SEK 1,535 (1,119) million. The increase compared with the year-earlier period was mainly attributable to the changed recognition of lease liabilities in connection with the new accounting rules for leasing, see also Note 4.

The leverage, defined as net debt to adjusted EBITDA, was 2.2 (2.2) at the end of the quarter, which is still in line with the Group's target of a leverage below 3.0. Both net debt and adjusted EBITDA were impacted by the new rules on leasing, see also Note 4.

Equity at the end of the period was SEK 2,254 (2,539) million, and the equity/assets ratio was 34 (40) per cent. The decrease in the equity/assets ratio compared with the year-earlier period was due to a dividend payment of SEK 383 million in the second quarter of 2018.

Cash and cash equivalents amounted to SEK 351 (293) million at the end of the period. At the end of the period, the Group had undrawn credit lines totalling SEK 1,000 (390) million.

In the first quarter of 2019, Coor refinanced the bank loans raised in connection with the IPO with a rolling credit facility from two credit institutes as well as a bond. The credit facility has a credit framework totalling SEK 1,500 million, while the bond comprises SEK 1,000 million.

Significant events during the first quarter

- On 13 March, Coor announced that the company has issued a senior unsecured bond totalling SEK 1,000 million. The bond has a tenor of five years and will be used to repay a bridge loan raised in January in conjunction with the refinancing of the Group's earlier bank loans. The bond generated strong investor interest and the issue was significantly oversubscribed.

Significant events after the end of the period

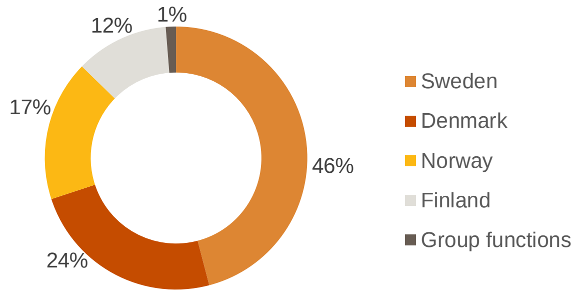
- On 11 April, it was announced that Coor had extended and expanded its IFM agreement with the Danish Police until 2025, with an option to extend for an additional three years. The assignment comprises a broad, integrated delivery of restaurant services, cleaning, operations and maintenance for the Danish Police, Public Prosecution Agency and Prison and Probation Service across their 450,000 square metre property portfolio. The annual volume, comprising subscriptions and variable volumes, is estimated at more than SEK 420 million, entailing an increase of about SEK 150 million per year.

- On April 26, Coor announced that Olof Stålnacke will leave the role of CFO and IR director for a new position outside the company.

Organisation and employees

At the end of the period, the number of employees was 10,927 (9,991), or 8,861 (8,292) on a full-time equivalent basis. The increased number of employees compared with the year-earlier period is attributable to the acquisition of West FM in July 2018 and to the start-up of new contracts and the expansion of existing contracts.

NUMBER OF EMPLOYEES (FTE), 31 MARCH 2019



Operations by country

Sweden

SWEDEN (SEK m)	Jan–Mar 2019	2018
Net sales	1,266	1,178
Organic growth, %	*7*	*7*
Acquired growth, %	*0*	*0*
FX effects, %	*0*	*0*
Adjusted EBITA	114	123
Adjusted EBITA margin, %	9.0	10.4
Number of employees (FTE)	4,070	3,934

First quarter (January–March)

During the first quarter, the Swedish business grew by 7 per cent. As in the last few quarters, growth was driven by the last stage of the commissioning of the new buildings at the Karolinska University Hospital in Solna, high variable volumes in a number of large contracts as well as new small and medium-sized contracts.

Operating profit (adjusted EBITA) for the quarter amounted to SEK 114 (123) million. The operating margin was 9.0 (10.4) per cent.

The change in the margin is mainly attributable to the extension of the Ericsson contract in the third quarter of the preceding year. The contract was impacted by the initiated geographic restructuring and by the normal contract extension effect, which initially leads to lower margins. The margin for the quarter was also impacted by lower margins on variable volumes and a number of start-ups of new and renegotiated contracts.

Norway

NORWAY (SEK m)	Jan–Mar 2019	2018
Net sales	625	517
Organic growth, %	*9*	*13*
Acquired growth, %	*8*	*3*
FX effects, %	*4*	*-3*
Adjusted EBITA	36	32
Adjusted EBITA margin, %	5.8	6.2
Number of employees (FTE)	1,536	1,323

First quarter (January–March)

During the quarter, the Norwegian business expanded by 21 per cent, of which 9 per cent represented organic growth and 8 per cent represented acquired growth.

Organic growth is being driven by increased variable volumes in a number of contracts as well as the new IFM contract with Storebrand initiated in September 2018.

Quarterly operating profit (adjusted EBITA) increased by 14 per cent and amounted to SEK 36 (32) million. The operating margin was 5.8 (6.2) per cent. The changed margin was due to the start of the contract with Storebrand, lower margins in parts of the variable volumes and unsatisfactory profitability from a large cleaning contract.

The integration of West FM continued during the first quarter. Both the integration and the underlying operations are proceeding according to plan.

Denmark

DENMARK (SEK m)	Jan–Mar 2019	2018
Net sales	456	274
Organic growth, %	*20*	*10*
Acquired growth, %	*39*	*35*
FX effects, %	*7*	*7*
Adjusted EBITA	19	2
Adjusted EBITA margin, %	4.1	0.6
Number of employees (FTE)	2,128	2,010

First quarter (January–March)

The Danish business grew 66 per cent during the first quarter. Organic growth was 20 per cent and the acquisition of Elite Miljø contributed 39 per cent. Organic growth was driven by new small and medium-sized contracts, continued high variable volumes and the contract with Copenhagen Municipality.

Operating profit (adjusted EBITA) in the Danish business increased significantly compared with the year-earlier period and amounted to SEK 19 (2) million during the quarter. The operating margin was 4.1 (0.6) per cent. The margin improvement is mainly attributable to the strong negative impact on the first quarter of 2018 due to extensive snow-clearance work under certain major contracts in which Coor is not compensated for higher costs. As a result of cost synergies from Elite Miljø, the negative mix effect from the acquisition also declined.

Finland

FINLAND (SEK m)	Jan–Mar 2019	2018
Net sales	188	159
Organic growth, %	*13*	*25*
Acquired growth, %	*0*	*0*
FX effects, %	*5*	*6*
Adjusted EBITA	1	-2
Adjusted EBITA margin, %	0.7	-1.0
Number of employees (FTE)	1,016	938

First quarter (January–March)

In the first quarter, Finland generated organic growth of 13 per cent, driven by a number of new small contracts, the expansion of existing contracts and healthy variable volumes. These positive effects were partly offset by the discontinuation of delivery to Ericsson in Finland and Estonia during the quarter.

The first quarter was characterised by an earnings improvement and a small positive result for Finland. The first quarter of the preceding year was impacted by a major contract start and a negative mix effect due to snow clearance. The profitability of the cleaning contracts that had a negative impact on the margin during the preceding year also improved.

Significant risks and uncertainties

The Group's significant risks and uncertainties consist of **strategic risks** related to changes in market and economic conditions as well as sustainability and **operational risks** related to customer contracts. The Group is also exposed to various kinds of **financial risks**, such as currency, interest and liquidity risks. A detailed description of the Group's risks is provided in the Annual Report, which is available on the company's website. No further significant risks are deemed to have arisen since the publication of the 2018 Annual Report.

Acquisitions and sales

No significant acquisitions or sales were implemented during the quarter.

Parent company

The Group's parent company, Coor Service Management Holding AB, provides management services to its wholly owned subsidiary Coor Service Management Group AB. The parent company also manages shares in subsidiaries.

Profit after tax in the parent company was SEK -25 (-41) million. Total assets in the parent company at the end of the period were SEK 7,844 (7,895) million. Equity in the parent company was SEK 5,287 (5,526) million.

Related party transactions

No transactions between Coor and related parties that had a material impact on the company's financial position and results took place during the period.

Ownership structure

The shares of Coor Service Management Holding AB were listed on Nasdaq Stockholm on 16 June 2015. At the end of the period, the three largest shareholders were Capital Group, Nordea Fonder and the Second Swedish National Pension Insurance Fund (Andra AP-fonden).

COOR'S 15 LARGEST SHAREHOLDERS 31 MARCH 2019 [1)]

Shareholder	Number of shares and votes	Shares and votes, %
Capital Group	7,719,000	8.1
Nordea Fonder	7,108,931	7.4
Andra AP-fonden	5,884,628	6.1
Fidelity Investments (FMR)	5,841,909	6.1
Didner & Gerge Fonder	5,724,004	6.0
AMF Försäkring & Fonder	5,367,566	5.6
BMO Global Asset Management	4,303,711	4.5
Swedbank Robur Fonder	4,208,523	4.4
Taiga Fund Management AS	4,024,256	4.2
Crux Asset Management Ltd	3,855,304	4.0
SEB-Stiftelsen	3,450,000	3.6
AFA Försäkring	2,529,686	2.6
Aviva	2,401,758	2.5
Länsförsäkringar Fonder	959,838	1.0
Stiftelsen Riksbankens Jubileumsfond	860,000	0.9
Total 15 largest shareholders	**64,239,114**	**67.0**
Other shareholders	31,572,908	33.0
Total	**95,812,022**	**100.0**

[1)] Source: Monitor by Modular Finance AB. Compiled and adapted data from such sources as Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

The report for the period has not been reviewed by the company's auditors.

Stockholm, 2 May 2019

For the Board of Directors of Coor Service Management Holding AB

Mikael Stöhr
President and CEO

For further information

For questions concerning the financial report, please contact our CFO and Director of Investor Relations Olof Stålnacke (+46 10 559 59 20).

For questions concerning the operations or the company in general, please contact Mikael Stöhr, President and CEO (+46 10 559 59 35) or Magdalena Öhrn, Director of Communications (+46 10 559 55 19).

IR Coordinator: Sara Marin (+46 10 559 59 51).

More information is also available on our website: www.coor.com

Invitation to a press and analyst presentation

On 2 May, at 2:00 p.m. CET, the company's President and CFO will give a presentation on developments in the first qu arter in a webcast. To participate in the webcast, please register in advance using the following link: http://event.on24.c om/wcc/r/1919004-1/71A28E4D8050F7AFD4B4920C0F8CA332?partnerref=rss-events. To listen to the presentation b y telephone, dial +46850558354 (Sweden), +4723500236 (Norway), +4582333194 (Denmark), +358981710520 (Finlan d) or +443333009031 (UK)

The briefing material and a recording of the webcast will be published on the company's website www.coor.se, under Investors/Reports and presentations, after the briefing.

Financial calendar

Interim Report	January–June 2019	18 July 2019
Interim Report	January–September 2019	7 November 2019
Interim Report	January–December 2019	12 February 2020
Interim Report	January–March 2020	28 April 2020

This constitutes information which Coor Service Management Holding AB is required to publish under the EU's Market Abuse Regulation. The information was submitted for publication through the above contact person on 2 May 2019, at 1:00 p.m. CET.

Coor is a leading provider of facility management services in the Nordic countries, focusing on integrated and complex servic e undertakings (IFM). Coor offers specialist expertise in workplace services (soft FM), property services (hard FM) and strategic advisory services for development of customers' service activities. Coor creates value by executing, leading, developing and streamlining its customers' service activities, ensuring that they provide optimal support to the core business over time. Coor's customer base includes many large and small companies and public-sector organisations across the Nordic region, including ABB, AB Volvo, Aibel, Det Norske Veritas, E.ON, Ericsson, Equinor, EY, NCC, Politiet (Danish police), Saab, Sandvik, SAS, Telia Company, the Swedish Transport Administration, Vasakronan and Volvo Cars.

Established in 1998, Coor has been listed on the Nasdaq Stockholm exchange since June 2015. Coor takes responsibility for the operations it conducts, in relation to its customers, employees and shareholders, as well as for its wider impact on society and the environment. Read more at www.coor.com

CONSOLIDATED INCOME STATEMENT	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Net sales	2,535	2,127	9,896	9,489
Cost of services sold	-2,287	-1,917	-8,950	-8,580
Gross income	**248**	**210**	**947**	**909**
Selling and administrative expenses	-171	-153	-708	-691
Operating profit	**77**	**57**	**239**	**219**
Net financial income/expense	-21	-33	-50	-62
Profit before tax	**55**	**24**	**188**	**157**
Income tax expense	-13	-7	-59	-53
Income for the period	**43**	**17**	**129**	**104**
Operating profit	**77**	**57**	**239**	**219**
Amortisation and impairment of goodwill, customer contracts and trademarks	45	40	181	176
Items affecting comparability *(Note 3)*	9	18	86	95
Adjusted EBITA	**131**	**115**	**505**	**490**
Earnings per share, SEK, before and after dilution	**0.4**	**0.2**	**1.4**	**1.1**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Income for the period	**43**	**17**	**129**	**104**
Items that may be subsequently reclassified to profit or loss				
Currency translation differences	46	58	17	29
Other comprehensive income for the period	**46**	**58**	**17**	**29**
Total comprehensive income for the period	**88**	**75**	**146**	**133**

The interim information on pages 10–24 is an integral part of this financial report.

CONSOLIDATED BALANCE SHEET	31 Mar		31 Dec
(SEK m)	2019	2018	2018
Assets			
Intangible assets			
Goodwill	3,067	2,982	3,036
Customer contracts	659	793	696
Other intangible assets	153	121	150
Property, plant and equipment *(Note 4)*	445	118	109
Financial assets			
Deferred tax receivable	200	225	203
Other financial assets	14	13	14
Total non-current assets	**4,538**	**4,252**	**4,208**
Current assets			
Accounts receivable	1,248	1,294	1,343
Other current assets, interest-bearing	1	1	1
Other current assets, non-interest-bearing	427	477	488
Cash and cash equivalents	351	293	435
Total current assets	**2,028**	**2,065**	**2,266**
Total assets	**6,566**	**6,318**	**6,474**

	31 Mar		31 Dec
	2019	2018	2018
Equity and liabilities			
Equity	**2,254**	**2,539**	**2,164**
Liabilities			
Non-current liabilities			
Borrowings *(Note 2 and 4)*	1,789	1,403	1,744
Deferred tax liability	44	45	45
Provisions for pensions	20	20	20
Other non-interest bearing liabilities	2	4	1
Total non-current liabilities	**1,854**	**1,472**	**1,810**
Current liabilities			
Interest-bearing liabilities *(Note 2 and 4)*	93	2	4
Current tax liabilities	31	30	32
Accounts payable	894	914	1,023
Other current liabilities	1,435	1,357	1,434
Short-term provisions	5	4	6
Total current liabilities	**2,458**	**2,307**	**2,500**
Total equity and liabilities	**6,566**	**6,318**	**6,474**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Jan–Mar		Full year
(SEK m)	2019	2018	2018
Opening balance at beginning of period	**2,164**	**2,464**	**2,464**
Income for the period	43	17	104
Other comprehensive income for the period	46	58	29
Long-term incentive programmes	1	0	-49
Transactions with shareholders	0	0	-383
Closing balance at end of period	**2,254**	**2,539**	**2,164**

There are no non-controlling interests, as the parent company owns all shares of all subsidiaries.

CONSOLIDATED CASH FLOW STATEMENT (SEK m)	Jan–Mar 2019	Jan–Mar 2018	Rolling 12 mth.	Full year 2018
Operating profit	**77**	**57**	**239**	**219**
Adjustment for non-cash items	90	55	281	246
Finance net	-26	-9	-62	-45
Income tax paid	-15	-15	-44	-44
Cash flow before changes in working capital	**125**	**88**	**413**	**376**
Change in working capital	-1	-153	126	-27
Cash flow from operating activities	**125**	**-65**	**539**	**349**
Net investments	-11	-19	-75	-83
Acquisition of subsidiaries	0	-337	-99	-436
Cash flow from investing activities	**-11**	**-357**	**-174**	**-520**
Change in borrowings	-191	-22	100	270
Dividend	0	0	-383	-383
Net lease commitments	-29	0	-30	-2
Other	0	0	1	1
Cash flow from financing activities	**-220**	**-22**	**-312**	**-114**
Total cash flow for the period	**-106**	**-444**	**53**	**-285**
Cash and cash equivalents at beginning of period	435	709	293	709
Exchange gains on cash and cash equivalents	23	28	6	11
Cash and cash equivalents at end of period	**351**	**293**	**351**	**435**

CONSOLIDATED OPERATING CASH FLOW (SEK m)	Jan–Mar 2019	Jan–Mar 2018	Rolling 12 mth.	Full year 2018
EBIT	77	57	239	219
Depreciation and amortisation	92	55	281	244
Net investments	-11	-19	-75	-83
Change in working capital	-1	-153	126	-27
Adjustments for lease payments[1)]	-31	0	-31	0
Adjustment for non-cash items	-2	0	0	2
Operating cash flow	**124**	**-61**	**539**	**354**
Adjustment for items affecting comparability	9	18	86	95
Adjustments for lease payments[1)]	31	0	31	0
Other	0	-3	0	-3
Cash flow for calculation of cash conversion	**164**	**-45**	**656**	**447**
Cash conversion, %	**92**	**-35**	**108**	**80**

[1)] Refers to payments linked to the leases that Coor reports in accordance with IFRS 16 in the balance sheet.

GEOGRAPHICAL SEGMENTS	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Net sales				
Sweden	**1,266**	**1,178**	**4,876**	**4,788**
Total sales	*1,296*	*1,208*	*4,998*	*4,910*
Internal sales	*-30*	*-30*	*-122*	*-122*
Norway	**625**	**517**	**2,459**	**2,351**
Total sales	*628*	*519*	*2,469*	*2,359*
Internal sales	*-3*	*-2*	*-9*	*-8*
Finland	**188**	**159**	**723**	**694**
Total sales	*188*	*159*	*723*	*694*
Internal sales	*0*	*0*	*0*	*0*
Denmark	**456**	**274**	**1,840**	**1,658**
Total sales	*457*	*274*	*1,841*	*1,659*
Internal sales	*0*	*0*	*-1*	*-1*
Group functions/other	**0**	**-1**	**-1**	**-1**
Total	**2,535**	**2,127**	**9,896**	**9,489**
Adjusted EBITA				
Sweden	114	123	425	434
Norway	36	32	154	150
Finland	1	-2	10	7
Denmark	19	2	81	64
Group functions/other	-39	-40	-165	-166
Total	**131**	**115**	**505**	**490**
Adjusted EBITA is reconciled to profit before tax as follows:				
Amortisation and impairment of goodwill, customer contracts and trademarks	-45	-40	-181	-176
Items affecting comparability *(Note 3)*	-9	-18	-86	-95
Net financial income/expense	-21	-33	-50	-62
Profit before tax	**55**	**24**	**188**	**157**

	Jan–Mar		Rolling	Full year
Adjusted EBITA margin, %	2019	2018	12 mth.	2018
Sweden	9.0	10.4	8.7	9.1
Norway	5.8	6.2	6.3	6.4
Finland	0.7	-1.0	1.4	1.1
Denmark	4.1	0.6	4.4	3.9
Group functions/other	-	-	-	-
Total	**5.2**	**5.4**	**5.1**	**5.2**

NET SALES BY TYPE OF CONTRACT	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Net sales				
IFM	1,527	1,383	5,909	5,765
FM services	1,008	745	3,987	3,724
Total	**2,535**	**2,127**	**9,896**	**9,489**

QUARTERLY DATA

(SEK m)	2019	2018				2017		
GEOGRAPHICAL SEGMENTS	**I**	**IV**	**III**	**II**	**I**	**IV**	**III**	**II**
Net sales, external								
Sweden	1,266	1,277	1,129	1,204	1,178	1,228	1,084	1,114
Norway	625	666	605	563	517	498	439	458
Finland	188	193	176	166	159	153	138	137
Denmark	456	477	459	447	274	234	193	192
Group functions/other	0	0	0	0	-1	-1	-1	-2
Total	**2,535**	**2,613**	**2,369**	**2,380**	**2,127**	**2,112**	**1,853**	**1,900**
Adjusted EBITA								
Sweden	114	116	72	123	123	123	95	114
Norway	36	41	41	36	32	33	27	30
Finland	1	-1	8	1	-2	6	10	2
Denmark	19	25	20	18	2	15	10	5
Group functions/other	-39	-46	-39	-41	-40	-52	-37	-36
Total	**131**	**135**	**102**	**138**	**115**	**125**	**104**	**115**
Adjusted EBITA margin, %								
Sweden	9.0	9.1	6.4	10.2	10.4	10.1	8.7	10.2
Norway	5.8	6.1	6.8	6.4	6.2	6.5	6.1	6.6
Finland	0.7	-0.5	4.8	0.9	-1.0	3.9	7.1	1.2
Denmark	4.1	5.2	4.3	4.0	0.6	6.2	5.2	2.7
Group functions/other	-	-	-	-	-	-	-	-
Total	**5.2**	**5.2**	**4.3**	**5.8**	**5.4**	**5.9**	**5.6**	**6.1**

QUARTERLY DATA

(SEK m)	2019	2018				2017		
TYPE OF CONTRACT	**I**	**IV**	**III**	**II**	**I**	**IV**	**III**	**II**
Net sales, external								
IFM	1,527	1,565	1,389	1,428	1,383	1,423	1,279	1,317
FM services	1,008	1,048	980	952	745	689	575	583
Total	**2,535**	**2,613**	**2,369**	**2,380**	**2,127**	**2,112**	**1,853**	**1,900**

PARENT COMPANY INCOME STATEMENT	Jan–Mar		Full year
(SEK m)	2019	2018	2018
Net sales	**1**	**1**	**4**
Selling and administrative expenses	-8	-5	-24
Operating profit	**-7**	**-4**	**-20**
Net financial income/expense	**-19**	**-37**	**-66**
Group contribution	0	0	315
Income before tax	**-25**	**-41**	**229**
Income tax expense	0	0	-52
Income for the period	**-25**	**-41**	**177**

PARENT COMPANY BALANCE SHEET	31 Mar		31 Dec
(SEK m)	2019	2018	2018
Assets			
Shares in subsidiaries	7,789	7,789	7,789
Deferred tax asset	52	104	52
Other financial assets	1	1	1
Total non-current assets	**7,842**	**7,894**	**7,842**
Receivables from Group companies*	1	0	317
Other trading assets	1	1	2
Cash and cash equivalents*	0	0	0
Total current assets	**2**	**1**	**319**
Total assets	**7,844**	**7,895**	**8,161**

	31 Mar		31 Dec
	2019	2018	2018
Equity and liabilities			
Shareholders' equity	**5,287**	**5,526**	**5,313**
Liabilities			
Borrowings	1,539	1,399	1,737
Provisions for pensions	2	2	2
Total non-current liabilities	**1,541**	**1,401**	**1,738**
Liabilities to Group companies*	1,004	955	1,101
Accounts payable	2	1	0
Other current liabilities	10	12	9
Total current liabilities	**1,015**	**968**	**1,110**
Total liabilities	**2,556**	**2,368**	**2,848**
Total equity and liabilities	**7,844**	**7,895**	**8,161**

** The company is part of the Group-wide cash pool with the subsidiary Coor Service Management Group AB as master account holder. The balance in the Group cash pool is accounted for as a current receivable or liability to Group companies.*

Key performance indicators

KEY PERFORMANCE INDICATORS (SEK m)	Jan–Mar 2019	Jan–Mar 2018	Rolling 12 mth.	Full year 2018
Net sales	2,535	2,127	9,896	9,489
Net sales growth, %	19.2	14.6	23.8	22.9
of which organic growth, %	*10.0*	*10.1*	*10.1*	*10.2*
of which acquired growth, %	*6.9*	*4.1*	*10.5*	*9.9*
of which FX effects, %	*2.2*	*0.4*	*3.2*	*2.8*
Operating profit (EBIT)	77	57	239	219
EBIT margin, %	3.0	2.7	2.4	2.3
EBITA	122	97	419	394
EBITA margin, %	4.8	4.6	4.2	4.2
Adjusted EBITA	131	115	505	490
Adjusted EBITA margin, %	5.2	5.4	5.1	5.2
Adjusted EBITDA	177	130	605	558
Adjusted EBITDA margin, %	7.0	6.1	6.1	5.9
Adjusted EBITDA, pro forma [1)]	177	160	695	677
Adjusted net profit	88	57	310	280
Net working capital	-652	-500	-652	-626
Net working capital / Net sales, %	-6.6	-6.3	-6.6	-6.6
Operating cash flow	124	-61	539	354
Cash conversion, %	92	-35	108	80
Net debt [1)]	1,535	1,119	1,535	1,318
Leverage [1)]	-	2.2	-	2.4
Net debt, pro forma [1)]	1,535	1,497	1,535	1,661
Leverage, pro forma [1)]	2.2	2.4	2.2	2.5
Equity/assets ratio, %	34	40	34	33

[1)] Leverage and adjusted EBITDA have been significantly impacted by the implementation of IFRS 16. Accordingly, Coor has chosen to also present key performance indicators that are calculated pro forma, as if IFRS 16 had also been applied to the comparative periods. For more information, see Note 4.

DATA PER SHARE	Jan–Mar 2019	Jan–Mar 2018	Rolling 12 mth.	Full year 2018
Share price at end of period	82.8	66.9	82.8	70.4
No. of shares at end of period	95,812,022	95,812,022	95,812,022	95,812,022
No. of ordinary shares (weighted average)	95,812,022	95,812,022	95,812,022	95,812,022
Earnings per share, before and after dilution, SEK	**0.45**	**0.18**	**1.35**	**1.09**
Shareholders' equity per share, SEK	**23.53**	**26.50**	**23.53**	**22.59**

Notes

Note 1 – Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in the Group's Annual Report for 2018 with the exception of the new standards and interpretations which became effective on 1 January 2019.

IFRS 16 became effective on 1 January 2019.

IFRS 16 Leases: IFRS 16 replaces the existing standard for accounting of leases. The Group applies the standard from 1 January 2019. The Group applies the modified retrospective approach, which means that comparative figures have not been restated. The size of the right-of-use assets was deemed to correspond to the size of the lease liability as of the transition date. An incremental borrowing rate has been set by country and type of asset as well as by lease term.

IFRS 16 requires that all assets and liabilities related to leases, with a few exceptions, be recognised in the balance sheet. Exceptions exist for low-value assets and leases with a term of less than 12 months. Leases are to be recognised as right-of-use assets with an associated lease liability on the date when the leased asset becomes available for use by the Group. Right-of-use assets are depreciated on a straight-line basis as of the commencement date until end of the lease term for the underlying asset. Each lease payment is divided between a repayment of the liability and a financial expense. The financial expense is to be distributed across the lease term so that each accounting period is charged with an amount that corresponds to a fixed interest rate for the recognised liability in each period. Lease payments are discounted at present value according to the determined discount rate, depending on the financial environment and type of asset as well as the lease term. For the Group as the lessor, the accounting treatment will remain essentially unchanged.

Ahead of the transition to IFRS 16, the Group has analysed all leases and assessed the effects on the financial statements. The conclusion is that, at the time of transition, the Group will recognise new assets and liabilities pertaining to leases for mainly premises, cars and forklifts. See Note 4 for a presentation of the effects resulting from the implementation of IFRS 16. To give readers a better understanding of the effects of IFRS 16, pro forma figures for the comparative periods are also provided in this note.

The parent company financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

Due to rounding, some totals in this interim report may differ from the sum of individual items.

Note 2 – Financial Instruments

The carrying amounts and fair values for borrowing, which are included in the category financial liabilities at amortised cost, are as follows:

	Carrying amount			Fair value		
	31 Mar		31 Dec	31 Mar		31 Dec
(SEK m)	2019	2018	2018	2019	2018	2018
Finance lease liabilities	341	5	9	341	5	9
Liabilities to credit institutions	489	1,399	1,686	489	1,399	1,686
Corporate bond	1,000	0	0	1,000	0	0
Other non-current liabilities	52	2	52	52	2	52
Total	**1,881**	**1,406**	**1,748**	**1,881**	**1,406**	**1,748**

The existing credit margin in the Group's financing agreements is deemed to be consistent with market terms, and the carrying amount therefore approximates fair value. The Group considers that the liabilities have been measured in accordance with Level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs.

Note 3 – Items affecting comparability

Items affecting comparability are excluded from the measure of operating profit, adjusted EBITA, which the Group regards as the most relevant metric. The following table specifies the items affecting comparability that had an impact on earnings during the period. Integration and restructuring comprise organic transactions as well as acquisitions. Integration costs refer, for example, to costs for integrating IT systems while restructuring refers to costs related to staff reductions. Acquisition-related costs refer exclusively to transaction costs.

ITEMS AFFECTING COMPARABILITY	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Integration	-11	-5	-62	-55
Restructuring	2	-8	-22	-32
Acquisition-related expenses	0	-6	-1	-7
Other	0	0	-1	0
Total	**-9**	**-18**	**-86**	**-95**

Note 4 – Effects from new accounting standard for leases – IFRS 16

The Group applies IFRS 16 *Leases* from 1 January 2019. Upon the transition to the new standard, Coor chose to apply the modified retrospective approach, meaning that the comparative periods were not restated. The Group recognises right-of-use assets and lease liabilities mainly for leases for premises and leases for cars and forklifts. Low-value lease assets are expensed straight-line over the lease term.

At 1 January 2019, the Group recognised right-of-use assets amounting to SEK 365 million and lease liabilities amounting to SEK 352 million after deduction of prepaid lease payments. The table below shows a reconciliation between total operating leases at 31 December 2018 in accordance with earlier rules and the lease liabilities recognised in the balance sheet at 1 January 2019 in accordance with the rules contained in IFRS 16:

SUMMARY OF TRANSITION TO IFRS 16	
SEK m	
Commitments for operating leases at 31 December 2018	**473**
Discounting using the Group's incremental borrowing rate [1)]	-27
Plus: Adjustments due to different assessment of extension of lease term	39
Plus: Liabilities for finance leases at 31 December 2018	9
Less: Leases for which the underlying asset is of a low value, which are expensed straight-line	-110
Less: Leases reclassified as service agreements	-19
Less: Prepaid lease payments	-13
Lease liability recognised at 1 January 2019	**352**

[1)] An incremental borrowing rate has been set by country and type of asset as well as by lease term. The weighted average borrowing rate used in the transition to IFRS 16 amounted to 2.7 per cent.

The transition to IFRS 16 mainly impacted the following key performance indicators:

- **Adjusted EBITDA** – lease payments in profit or loss are replaced by depreciation of right-of-use assets and interest on the lease liability. This creates a marginal improvement in operating income (EBIT) and a decline in net financial items, but the key performance indicator mainly impacted is adjusted EBITDA.
- **Net debt** – increased debt due to a large number of the commitments in accordance with the Group's leases being recognised as a liability in the balance sheet.
- **Leverage** – both net debt and adjusted EBITDA increase, which creates a difference in the parameters included in the calculation of leverage.
- **Cash conversion** – cash conversion is calculated by dividing a simplified operating cash flow by adjusted EBITDA. Both of these parameters have been affected by the implementation of IFRS 16.

Presentation of pro forma effects upon transition to IFRS 16:
To provide a better understanding of the transition effects of IFRS 16, the table below shows the pro forma effects for comparative periods and the rolling 12-month period as if IFRS 16 had also been applied to these periods. In the preparation of the pro forma effects for the comparative periods, the starting point was the leases in place at the end of 2018. Leases added in 2018 were assumed to be equally distributed over 2018 in the calculation of the effects. The same discount rates were used as for the calculation of debt upon the transition to IFRS 16 on 1 January 2019.

PRO FORMA EFFECTS FOR COMPARATIVE PERIODS AND ROLLING 12-MONTH PERIOD UPON TRANSITION TO IFRS 16

INCOME STATEMENT	Q1 2018 reported	Pro forma effects of IFRS 16	Q1 2018 pro forma	Full year 2018 reported	Pro forma effects of IFRS 16	Full year 2018 pro forma	LTM Q1 2019	Pro forma effects of IFRS 16	LTM Q1 2019 pro forma
Net sales	2,127	0	2,127	9,489	0	9,489	9,896	0	9,896
Operating expenses	-2,070	1	-2,069	-9,270	6	-9,264	-9,658	4	-9,653
EBIT	**57**	**1**	**59**	**219**	**6**	**225**	**239**	**4**	**243**
Amortisation of customer contracts and trademarks	40	0	40	176	0	176	181	0	181
Items affecting comparability	18	0	18	95	0	95	86	0	86
Adjusted EBITA	**115**	**1**	**117**	**490**	**6**	**496**	**505**	**4**	**510**
Depreciation/amortisation	15	28	43	68	113	182	100	85	185
Adjusted EBITDA	**130**	**30**	**160**	**558**	**119**	**677**	**605**	**89**	**695**
Financial net	-33	-3	-36	-62	-11	-73	-50	-8	-58
Profit/loss before tax	**24**	**-1**	**23**	**157**	**-5**	**152**	**188**	**-4**	**185**
Tax	-7	0	-6	-53	1	-52	-59	1	-58
Profit/loss after tax	**17**	**-1**	**16**	**104**	**-4**	**100**	**129**	**-3**	**127**
BALANCE SHEET									
Total assets	**6,318**	**377**	**6,695**	**6,474**	**339**	**6,814**	**6,566**	**-**	**6,566**
Shareholders' equity	**2,539**	**-1**	**2,538**	**2,164**	**-4**	**2,161**	**2,254**	**-**	**2,254**
Total liabilities	**3,779**	**378**	**4,157**	**4,310**	**343**	**4,653**	**4,312**	**-**	**4,312**
Equity/assets ratio, %	**40**	**-**	**38**	**33**	**-**	**32**	**34**	**-**	**34**
Net debt	**1,119**	**378**	**1,497**	**1,318**	**343**	**1,661**	**1,535**	**-**	**1,535**
Leverage	**2.2**	**-**	**2.4**	**2.4**	**-**	**2.5**	**-**	**-**	**2.2**

OPERATING CASH FLOW	Q1 2018 – reported	Pro forma effects of IFRS 16	Q1 2018 pro forma	Full year 2018 reported	Pro forma effects of IFRS 16	Full year 2018 pro forma	LTM Q1 2019	Pro forma effects of IFRS 16	LTM Q1 2019 pro forma
Operating profit (EBIT)	57	1	59	219	6	225	239	4	243
Depreciation/amortisation	55	28	83	244	113	357	281	85	366
Net investments	-19	0	-19	-83	0	-83	-75	0	-75
Change in working capital	-153	0	-153	-27	0	-27	126	0	126
Payments for leases [1)]	0	-30	-30	0	-119	-119	-31	-89	-121
Other non-cash items	0	0	0	2	0	2	0	0	0
Operating cash flow	**-61**	**0**	**-61**	**354**	**0**	**354**	**539**	**0**	**539**
Adjustment for items affecting comparability	18	0	18	95	0	95	86	0	86
Payments for leases [1)]	0	30	30	0	119	119	31	89	121
Other	-3	0	-3	-3	0	-3	0	0	0
Cash flow in the calculation of cash conversion	**-45**	**30**	**-15**	**447**	**119**	**566**	**656**	**89**	**745**
Cash conversion, %	**-35**	**-**	**-10**	**80**	**-**	**84**	**108**	**-**	**107**

[1)] Refers to payments linked to the leases that Coor reports in accordance with IFRS 16 in the balance sheet.

Note 5 – Pledged assets and contingent liabilities

PLEDGED ASSETS (SEK m)	31 Mar 2019	31 Mar 2018	31 Dec 2018
Bank guarantees	142	141	136
Total	**142**	**141**	**136**

CONTINGENT LIABILITIES (SEK m)	31 Mar 2019	31 Mar 2018	31 Dec 2018
Performance bonds	180	170	175
Total	**180**	**170**	**175**

Parent company

The parent company has provided a parent company guarantee of SEK 31 million to secure financial commitments for the Finnish subsidiary regarding leasing frame and bank guarantees. The Parent Company has also provided a parent company guarantee for a subsidiary in Norway to ensure fulfilment of delivery to a larger customer. There are no other pledged assets or contingent liabilities in the Parent Company.

Purpose of the selected key performance indicators

To give its investors and other stakeholders clearer information about the Group’s operations and its underlying success factors, Coor has chosen to provide information about a number of key performance indicators. The purpose of these indicators is explained in the following. See page 24 for definitions of terms and the calculation of key performance indicators.

Growth

The Group deems that organic growth best reflects the underlying growth of the business, as this measure excludes the effect of acquisitions and fluctuations in exchange rates.

Earnings and profitability

To reflect the performance and profitability of the underlying business more accurately, the Group has defined key performance indicators in which earnings have been adjusted for items affecting comparability and for amortisation and impairment of goodwill, customer contracts and trademarks. The Group considers that adjusted EBITA is the measure of operating profit which most clearly reflects the underlying profitability. It is also based on this measure of earnings that the Group’s segments are followed up and evaluated internally.

The adjusted net profit measure of earnings excludes the non-cash items amortisation and impairment of goodwill, customer contracts and trademarks from consolidated net profit and is used as a basis for deciding on dividends to the shareholders.

Cash flow and working capital

The Group continuously monitors operating cash flow, which includes the operating profit (excluding non-cash items), net investments and changes in working capital and payments linked to leasing agreements (even if the agreements according to IFRS 16 are reported in the balance sheet). The Group has chosen to exclude cash flow related to financial transactions and income taxes from this measure in order to provide a clearer picture of the cash flow generated by the operations.

The Group’s objective is to maintain a cash conversion ratio of at least 90 per cent on a rolling 12-month basis. To ensure that the measure provides a true and fair picture over time, the Group calculates cash conversion using measures of operating profit and operating cash flow which exclude items affecting comparability.

To achieve the defined target for cash conversion, it is important to minimise working capital and maintain a negative working capital. The Group therefore continuously monitors the size of working capital relative to net sales.

Net debt and leverage

To ensure that the Group has an appropriate funding structure at all times and is able to fulfil its financial obligations under its loan agreement, it is relevant to analyse net debt and leverage (defined as net debt divided by adjusted EBITDA). The Group’s objective is to maintain a leverage of less than 3.0 times.

Reconciliation of key performance indicators

The following table shows a reconciliation between the calculated key performance indicators and the income statement and balance sheet.

RECONCILIATION OF ADJUSTED KEY PERFORMANCE INDICATORS	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Operating profit (EBIT)	**77**	**57**	**239**	**219**
Amortisation and impairment of customer contracts and trademarks	45	40	181	176
EBITA	**122**	**97**	**419**	**394**
Items affecting comparability *(Note 3)*	9	18	86	95
Adjusted EBITA	**131**	**115**	**505**	**490**
Depreciation	47	15	100	68
Adjusted EBITDA	**177**	**130**	**605**	**558**
Pro forma effects *(Note 4)*	0	30	89	119
Adjusted EBITDA, pro forma	**177**	**160**	**695**	**677**
Income for the period	**43**	**17**	**129**	**104**
Amortisation and impairment of customer contracts and trademarks	45	40	181	176
Adjusted net profit	**88**	**57**	**310**	**280**

SPECIFICATION OF NET WORKING CAPITAL	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Accounts receivable	1,248	1,294	1,248	1,343
Other current assets, non-interest-bearing	427	477	427	488
Accounts payable	-894	-914	-894	-1,023
Other current liabilities, non-interest-bearing	-1,435	-1,357	-1,435	-1,434
Adjustment for accrued financial expenses	1	0	1	0
Net working capital	**-652**	**-500**	**-652**	**-626**

SPECIFICATION OF NET DEBT	Jan–Mar		Rolling	Full year
(SEK m)	2019	2018	12 mth.	2018
Borrowings	1,789	1,403	1,789	1,744
Provisions for pensions	20	20	20	20
Interest-bearing current liabilities	93	2	93	4
Cash and cash equivalents	-351	-293	-351	-435
Other financial non-current assets, interest-bearing	-14	-13	-14	-14
Other current assets, interest-bearing	-1	-1	-1	-1
Net debt	**1,535**	**1,119**	**1,535**	**1,318**
Pro forma effects *(Note 4)*	0	378	0	343
Net debt, pro forma	**1,535**	**1,497**	**1,535**	**1,661**

For a reconciliation of operating cash flow and cash conversion, see page 13.

Definitions

Cost of services sold Costs which are directly related to the performance of the invoiced services, depreciation of property, plant and equipment, and amortisation of goodwill, customer contracts and trademarks.

Items affecting comparability Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

EBITA Operating profit before amortisation of goodwill, customer contracts and trademarks.

Adjusted EBITA Operating profit before amortisation of goodwill, customer contracts and trademarks, excluding items affecting comparability.

Adjusted EBITDA Operating profit before depreciation of all property, plant and equipment and amortisation of all intangible assets, excluding items affecting comparability.

Adjusted net profit Profit after tax excluding amortisation of goodwill, customer contracts and trademarks.

Operating cash flow Cash flow from operating activities excluding interest paid/received and income tax paid but including net investments in property, plant and equipment and intangible assets as well as payments connected with all leases.

Working capital Non-interest-bearing current assets less non-interest-bearing current liabilities at the balance sheet date.

Net investments Investments in property, plant and equipment and intangible assets less consideration received on sale of property, plant and equipment and intangible assets.

Calculation of key performance indicators

Net sales growth Change in net sales for the period as a percentage of net sales for the same period in the previous year.

Organic growth Change in net sales for the period as a percentage of net sales for the same period in the previous year excluding acquisitions and foreign exchange effects.

Acquired growth Net sales for the period attributable to acquired businesses, excluding foreign exchange effects, as a percentage of net sales for the same period in the previous year.

EBITA margin EBITA as a percentage of net sales.

Adjusted EBITA margin Adjusted EBITA as a percentage of net sales.

Adjusted EBITDA margin Adjusted EBITDA as a percentage of net sales.

Working capital/net sales Working capital at the balance sheet date as a percentage of net sales (rolling 12 months).

Net debt Non-current and current interest-bearing assets less non-current and current interest-bearing liabilities at the balance sheet date.

Earnings per share Profit for the period attributable to shareholders of the parent company divided by average number of ordinary shares.

Equity per share Equity at the end of the period attributable to shareholders of the parent company divided by the number of shares at the end of the period.

Equity/assets ratio Consolidated equity and reserves attributable to shareholders of the parent company at the balance sheet date as a percentage of total assets at the balance sheet date.

Cash conversion Adjusted EBITDA less net investments and adjusted for changes in working capital as a percentage of adjusted EBITDA.

Leverage Net interest-bearing debt at the balance sheet date divided by adjusted EBITDA (rolling 12 months). As a result of the transition to IFRS 16, pro forma figures pertaining to adjusted EBITDA for the rolling 12-month period were applied for the first quarter of 2019, see Note 4.