



Press release

Loomis updates financial targets and outlines strategy for 2018-2021

At the Capital Markets Day, to be held in London today, Loomis updates its financial targets and introduces new sustainability targets. Under the heading “Leading the transformation of the Cash Ecosystem“ Loomis outlines its strategy for 2018-2021. The strategy includes organizational adjustments and changes in Group Management.

The targets can be summarized as follows:

- **Revenue**
SEK 24 billion by 2021, including both organic and acquired growth
- **Operating margin (EBITA)**
12-14 %
- **Dividend**
40-60% of net income
- **Sustainability**
 - Zero workplace related injuries
 - Decrease carbon emission by 30%
 - Decrease plastic volumes by 30%

Timing and size of acquisitions as well as investments required for the realization of the strategy, as outlined below, may have an impact on the operating margin during the period. Therefore a range has been set between 12 and 14 per cent. Under the assumption no dilutive acquisitions are made the business is expected to generate an operating margin of approximately 14 per cent by 2021.

Loomis has a strong focus on sustainability and the activities are integrated into Loomis’ business model. Loomis is committed to further increase the transparency and is therefore including three external sustainability targets. These targets have been selected as they are expected to have a positive impact on the environment but also affect the financial performance of Loomis in a positive way.

Leading the transformation of the Cash Ecosystem

Loomis ambition is to further move up in the value chain through new services and to capture growth opportunities. The core elements of the strategy are to increase the pace in less mature markets and add adjacent services with higher margins in more mature markets.

Loomis will continue to optimize the global business model in order to further improve the offering of cash management services (CMS) and SafePoint solutions in the US and Europe. Loomis is also raising the estimate of the available SafePoint market in the US from 300,000 to 400,000 potential installations. Loomis’ annual SafePoint installations in the US is expected to reach 10,000 during the strategy period. The current European market is estimated to 200,000 potential installations. The acceleration will be supported by establishing two new Centers of Excellence (CoE) and one Innovation Centre (IC). One CoE will be based in Houston, USA, focusing on SafePoint and retail solutions and one CoE will be established in Madrid, Spain,

Loomis offers safe and effective comprehensive solutions for the distribution, handling, storage and recycling of cash and other valuables. Loomis customers are banks, retailers and other companies. Loomis operates through an international network of more than 400 branches in more than 20 countries. Loomis employs around 24,000 people and had revenue in 2016 of SEK 16.8 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.

This information is information that Loomis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 12.15 p.m. CEST on September 28th, 2017.

focusing on cash in transit and cash management services. The IC will be located in Stockholm, Sweden. The intention is to increase the pace of how know-how is spread within the Loomis group and enhance the speed of implementation of new services and technologies.

By moving up in the value chain and offer services like ATM management, physical foreign exchange management, retail/bank front- and back office services and, in the long-term, digital platforms, new segments of the markets will be opened up. This will support our clients in a much better way as well as expanding the market potential in value-added segments.

Loomis sees acquisitions as a key component in the strategy and believes a large portion of growth during the upcoming strategy period will come from selective acquisitions. Loomis will prioritize existing geographies, bolt on acquisitions as well as acquisitions in new technology and services.

Loomis will continue to build upon the strengths in the Loomis model and will develop it even further by adding new skills and competences that will support our next step in value creation. This will include competences such as innovation management, IT and technology.

Organizational adjustments and management changes

To support the strategy, Loomis is also making organizational adjustments. Firstly, Loomis will bring all three European regions together into one (Europe), under the leadership of Georges Lopez, today Regional President Southern Europe. This will bring efficiency effects from exchanging knowledge and speed of implementation of new services as well as cost synergies for operating costs and capital expenditures. The new organization will be effective as of October 1, 2017. As a result, Regional President UK, Kenneth Högman and Regional President Northern and Eastern Europe, Patrik Högberg will assume new roles within the Loomis Group.

Secondly, Lars Blecko, today Regional President USA, is appointed non-executive chairman of Loomis USA and Aritz Larrea, today Country President Spain, will take over as Regional President USA as of June 1, 2018.

“Loomis has a strong market position as well as the financial capability to enable the next step in value creation. We are committed to seizing the future opportunities and to continue to deliver value for our employees, customers, shareholders and other stakeholders”, says Patrik Andersson, President & CEO of Loomis.

Practical information

The Capital Markets Day will start at 1.00 p.m. GMT and will be webcasted on www.loomis.com.

There will be opportunities to ask questions in connection with the presentations and the presentation material will be available on the Loomis website, www.loomis.com, after the presentations are finalized.

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