



Full-year report

January – December 2017

Managing **cash** in society.



October – December 2017

- Revenue SEK 4,358 million (4,421). Real growth 3 percent (4) and organic growth 2 percent (4).
- Operating income (EBITA)¹⁾ SEK 544 million (543) and operating margin 12.5 percent (12.3).
- Income before taxes SEK 496 million (477) and income after taxes SEK 436 million (342).
- Earnings per share before and after dilution SEK 5.79 (4.55).
- Cash flow from operating activities SEK 482 million (867), equivalent to 89 percent (160) of operating income (EBITA).

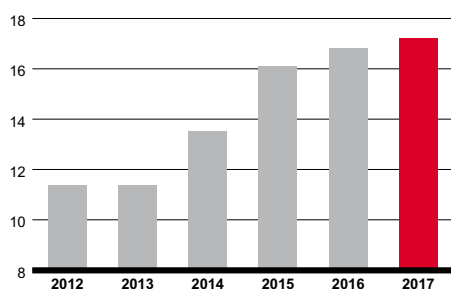
January – December 2017

- Revenue 17,228 SEK million (16,800). Real growth 3 percent (5) and organic growth 2 percent (5).
- Operating income (EBITA)¹⁾ SEK 2,093 million (1,890) and operating margin 12.1 percent (11.2).
- Income before taxes SEK 1,882 million (1,735) and income after taxes SEK 1,428 million (1,258).
- Earnings per share before and after dilution amounted to SEK 18.99 (16.73).
- Cash flow from operating activities SEK 1,756 million (2,013), equivalent to 84 percent (107) of operating income (EBITA).
- Proposed dividend SEK 9.00 (8.00) per share.

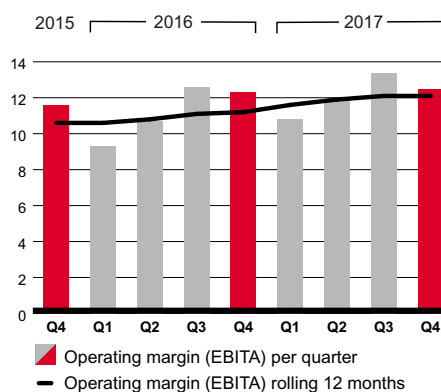
1) Earnings Before Interest, Taxes and Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

Financial targets to end of 2017

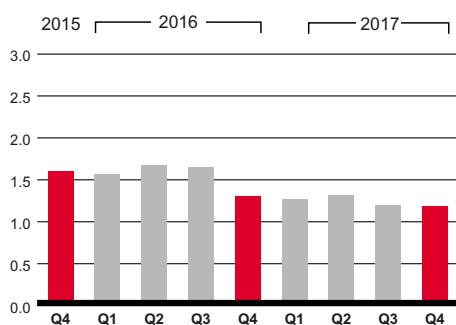
Revenue
SEK 17 billion 2017



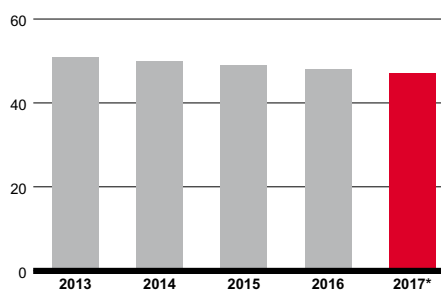
Operating margin (EBITA), %
10–12%



Net debt/EBITDA
Not exceeding 3.0



Annual Dividend, %
40–60% of the Group's net income



*Dividend proposal for the 2018 Annual General Meeting.

Comments by the President and CEO



2017 targets reached and next phase begins

The fourth quarter of 2017 was the last quarter for the strategy period that began in 2014. As we summarize the full year 2017, I'm proud to say that we reached all of the targets we set. The aim was to achieve revenue exceeding SEK 17 billion and an operating margin that was at the upper end of the 10 to 12 percent range. Our revenue in 2017 were SEK 17.2 billion and our operating margin reached 12.1 percent. It gives me great pleasure to be able to report that over the strategy period as a whole we strengthened our positions in both the USA and Europe. The priorities we set in 2014 proved to be the right ones. I would like to mention in particular the initiatives to increase volumes in CMS and SafePoint in the USA and our continuous efficiency improvement work in Europe.

On September 2017 we held a Capital Markets Day in London at which we presented an updated strategy and new financial targets, and introduced our sustainability targets. To read more about the updated strategy and the targets we have set for the period 2018–2021, please refer to page 12 in this report. In the final quarter of 2017 we signed a number of contracts in line with our strategy and I would like to mention in particular the acquisition of the cash handling company Wagner in Chile and the five-year SafePoint contract with Reitan Convenience in Sweden. The acquisition in Chile increases our presence South America, an attractive market for Loomis. The contract with Reitan Convenience is for around 400 units and is the largest SafePoint contract to date in Sweden. At the beginning of 2018 we also established a presence in the German market through the acquisition of KÖTTER's cash handling operations. We also strengthened our position in our International segment through the acquisition of Sequel's US operations.

Growth and operating income during the quarter

The Group's organic growth during the quarter was 2 percent (4) and, similar to the third quarter of 2017, this was primarily due to good growth in our operations in the USA, Turkey and Argentina. The Group's operating margin (EBITA) amounted to 12.5 percent (12.3), which is the highest operating margin we have ever had in a fourth quarter.

Our operations in the USA continued to develop very well. All of our business lines are increasing their market share and organic growth during the quarter was 7 percent (8). The high quality of our services is a strong factor contributing to our sustained strong growth. Our SafePoint concept remains successful and revenue increased during the quarter by around 20 percent compared with the corresponding period in 2016. For the full year 2017 the number of new units installed was 3,755. Altogether we now have 22,755 units installed at our customers' locations. The operating margin in the USA continued to improve, amounting to 13.9 percent (12.1) in the fourth quarter. Increased CMS volumes, more installed SafePoint units and ongoing efficiency improvement work at our branches were the main factors behind our sustained strong results.

The organic growth in Segment Europe amounted to -1 percent (0) during the quarter. There were a number of reasons for the overall negative organic growth. Fewer workdays in most countries during the quarter compared to the previous year and the trends in Sweden and France are among the most significant ones. Similar to the previous quarter, growth remained strong in Spain, Portugal, Turkey and Argentina, but this did not fully compensate for the trends in Sweden and France. The replacement of bank notes and coins in Sweden was largely completed in the third quarter of 2017 and this negatively affected our organic growth in the fourth quarter. The underlying volumes in the Nordic countries are declining slightly overall. The competition climate became tougher in France after the summer and we expect the growth trend there to be somewhat negative until summer 2018. Our operating margin in Segment Europe during the quarter was 13.4 percent (14.6). The lower operating margin is mainly due to development in the French operations. We expect the ongoing action program to reach its full effect in 2018 and this should change the negative trend in France. Efficiency improvement efforts and good cost control at our European branches are key contributing factors, although they were not able to compensate for the trend in France during the quarter.

Segment International had negative organic growth amounting to -8 percent (6) for the quarter. Demand for cross-border transportation of bank notes and precious metals remained low during the quarter. The operating margin, on the other hand, developed in a positive direction, reaching 8.6 percent (8.1). The main reason for this improvement is increased profitability in our precious metals storage operations.

We will continue on this path while also seizing many new opportunities we encounter along the way. I am looking forward to leading Loomis into the next phase alongside all of our dedicated employees, and to continue generating value for all of our stakeholders.

Patrik Andersson
President and CEO

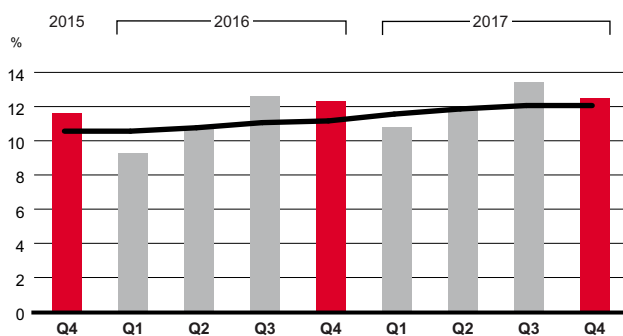
The Group and the segments in brief

	2017	2016	2017	2016
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Group total				
Revenue	4,358	4,421	17,228	16,800
Real growth, %	3	4	3	5
Organic growth, %	2	4	2	5
Operating income (EBITA) ¹⁾	544	543	2,093	1,890
Operating margin, %	12.5	12.3	12.1	11.2
Earnings per share before dilution, SEK ²⁾	5.79	4.55	18.99	16.73
Earnings per share after dilution, SEK	5.79	4.55	18.99	16.73
Cash flow from operating activities as % of operating income (EBITA)	89	160	84	107
Segment				
Europe				
Revenue	2,225	2,214	8,728	8,384
Real growth, %	2	4	5	3
Organic growth, %	–1	0	0	0
Operating income (EBITA) ¹⁾	297	324	1,175	1,119
Operating margin, %	13.4	14.6	13.5	13.4
USA				
Revenue	1,925	1,968	7,688	7,325
Real growth, %	7	9	6	12
Organic growth, %	7	8	6	11
Operating income (EBITA) ¹⁾	267	239	1,009	842
Operating margin, %	13.9	12.1	13.1	11.5
International				
Revenue	223	252	878	1,149
Real growth, %	–8	–30	–24	–17
Organic growth, %	–8	6	–6	0
Operating income (EBITA) ¹⁾	19	20	61	77
Operating margin, %	8.6	8.1	6.9	6.7

1) Earnings Before Interest, Taxes and Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

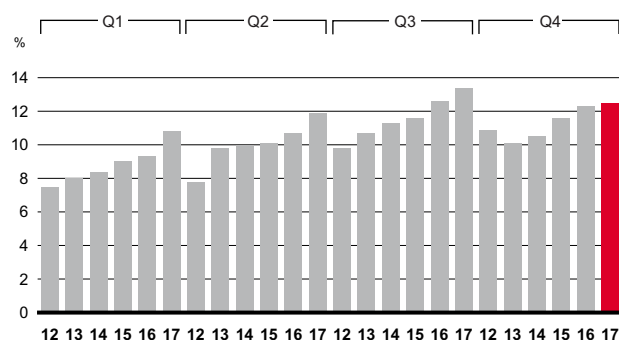
2) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,226,032. The number of treasury shares amount to 53,797.

Operating margin (EBITA)



■ Operating margin (EBITA) per quarter
 — Operating margin (EBITA) rolling 12 months

Operating margin (EBITA)



■ Operating margin (EBITA) per quarter

Revenue and earnings

	2017	2016	2017	2016
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Revenue	4,358	4,421	17,228	16,800
Operating income (EBITA) ¹⁾	544	543	2,093	1,890
Operating income (EBIT)	522	512	1,992	1,852
Income before taxes	496	477	1,882	1,735
Net income for the period	436	342	1,428	1,258
KEY RATIOS				
Real growth, %	3	4	3	5
Organic growth, %	2	4	2	5
Operating margin, %	12.5	12.3	12.1	11.2
Tax rate, %	12	28	24	27
Earnings per share after dilution, SEK	5.79	4.55	18.99	16.73

1) Earnings Before Interest, Taxes and Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

October – December 2017

Revenue for the quarter amounted to SEK 4,358 million (4,421). Organic growth was 2 percent (4) and real growth was 3 percent (4). Similar to previous quarters in 2017, organic growth is mainly attributable to continued good growth in both CIT and CMS in the USA. Sales also increased in several countries in the European segment, where Spain, Turkey, Argentina and Portugal showed good growth. The replacement of bank notes and coins in Sweden was largely completed in the third quarter and it is no longer having a positive effect on growth. The underlying volumes in the Nordic countries as a whole are still declining slightly. Similar to the second and third quarters in 2017, the organic growth was negative in France, which is mainly due to a tougher competition climate in the country. We expect development in France to remain negative until summer 2018. The acquisitions implemented in Belgium, Finland and Chile in 2017 had a positive impact on real growth.

The operating income (EBITA) amounted to SEK 544 million (543) and the operating margin was 12.5 percent (12.3). At comparable exchange rates the income improvement was around SEK 31 million. The improved profitability is mainly explained by an increase in the number of installed SafePoint units, economies of scale resulting from increased CMS volumes and better efficiency within CIT operations in the USA. Also, the continuous, Group-wide efforts to improve efficiency have continued to yield results in a number of European countries and this has contributed to the margin improvement. In France, on the other hand, the operating margin declined as a result of lower volumes. An action program is under way in that country and the full effect of this is expected to be reached in 2018.

The Group's operating income (EBITA) amounted to SEK 522 million (512). Amortization of acquisition-related intangible assets for the quarter amounted to SEK –15 million (–15) and acquisition-related costs amounted to SEK –8 million (–15).

Income before tax of SEK 496 million (477) includes a net financial expense of SEK –26 million (–35).

The tax expense for the quarter amounted to SEK –60 million (–135), which represents a tax rate of 12 percent (28). As a result of the recently passed tax reform in the USA, a one-off tax income of SEK 70 million was reported during the quarter. This item represents revaluations of the US operations' deferred tax liabilities.

Earnings per share after dilution amounted to SEK 5.79 (4.55).

January – December 2017

Revenue for the full year 2017 amounted to SEK 17,228 million (16,800). Sustained good growth in the USA is the main explanation for the organic growth of 2 percent (5). Growth in CMS in the USA is largely explained by a sustained increase in revenue from SafePoint. Organic growth for the Group as a whole was also positively affected by increased sales in a number of European countries, although this was offset by lower sales in France. Real growth of 3 percent (5) was positively affected by acquisitions in Denmark and Belgium and negatively impacted by the divestment in 2016 of the general cargo operations.

The operating income (EBITA) amounted to SEK 2,093 (1,890) million and the operating margin improved to 12.1 percent (11.2). At comparable exchange rates the income improvement was around SEK 222 million. The improved profitability is mainly explained by an increase in the number of installed SafePoint units, economies of scale resulting from increased volumes in CMS and by better efficiency within CIT operations in the USA. Profitability was also positively affected by the continuous Group-wide efforts to improve efficiency, which continued to yield results in a number of European countries.

Operating income for the period (EBIT) amounted to SEK 1,992 million (1,852), which includes amortization of acquisition-related intangible assets of SEK –55 million (–62) and acquisition-related costs of SEK –47 million (–56). The acquisition-related costs are mainly restructuring and integration costs relating to the acquisition implemented in 2016 in Denmark. The item affecting comparability of SEK 81 million is reported capital gains from the divestment of the general cargo operations.

Income before taxes of SEK 1,882 million (1,735) includes a net financial expense of SEK –109 million (–117).

The tax expense for the period amounted to SEK –454 million (–477), which represents a tax rate of 24 percent (27). As a result of the recently passed tax reform in the USA, a one-off tax income of SEK 70 million was reported during the fourth quarter of 2017. This item represents revaluations of the US operations' deferred tax liabilities.

Earnings per share after dilution amounted to SEK 18.99 (16.73).

The segments

EUROPE

	2017	2016	2017	2016
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Revenue	2,225	2,214	8,728	8,384
Real growth, %	2	4	5	3
Organic growth, %	–1	0	0	0
Operating income (EBITA) ¹⁾	297	324	1,175	1,119
Operating margin, %	13.4	14.6	13.5	13.4

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

Revenue and operating income – Segment Europe October – December 2017

Revenue for Segment Europe for the quarter amounted to SEK 2,225 million (2,214) and organic growth was -1 percent (o). Spain, Portugal, Argentina and Turkey were the main countries to demonstrate good organic growth during the quarter, but revenue also continued to grow in the UK. Sweden completed its replacement of bank notes and coins in the third quarter and this is no longer having a positive impact on organic growth. It is expected that organic growth will continue to fall slightly in the Nordic countries as a whole as well. Organic growth in France was initially negative in the second quarter of 2017 due to the increasingly tough competitive climate there. This trend continued for the rest of 2017 in France and we expect growth to remain negative there until summer 2018. The real growth of 2 percent (4) includes revenue attributable to the acquisitions made in Belgium, Finland and Chile in 2017.

Operating income (EBITA) amounted to SEK 297 million (324) and the operating margin was 13.4 percent (14.6). The lower margin is explained by lower volumes, mainly in France and Sweden, but there were also fewer workdays in the quarter compared to the same period in 2016. An action program is under way in France and the full effect of this is expected to be reached in 2018. Similar programs are in progress in the Nordic countries to compensate for slightly lower volumes there. The previously reported positive trend in the UK continued during the quarter.

January – December 2017

Revenue for Segment Europe in 2017 amounted to SEK 8,728 million (8,384) and organic growth was 0 percent (o). Spain, Portugal, Argentina and Turkey were the main countries to demonstrate good organic growth throughout the year. Lower volumes in the Nordic countries and France have partly offset the organic growth in the segment as a whole. In the second quarter of 2017, the competition climate became tougher in France and revenues have declined slightly since then. At the beginning of 2017 growth in the UK was negatively impacted by a few of the retail customers taken over in connection with the acquisition of UK Cardtronics' cash handling operations choosing other suppliers in 2016. The effect of the lost contracts levelled out during the summer and growth in the latter part of the year was positive. The real growth of 5 percent (3) includes revenue mainly attributable to the Danish company BKS, Belgian company Cobelguard and Finnish company Intermarketing.

The operating income (EBITA) amounted to SEK 1,175 (1,119) million and the operating margin improved to 13.5 percent (13.4). The improved profitability is explained by the ongoing efforts to improve efficiency, which continue to yield results in several countries, including the UK. In France, on the other hand, operating margin development was negative in 2017 due to lower volumes. The synergy effects realized within the Danish operations after the acquisition of BKS had a positive effect on profitability.

USA

	2017	2016	2017	2016
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Revenue	1 925	1 968	7 688	7 325
Real growth, %	7	9	6	12
Organic growth, %	7	8	6	11
Operating income (EBITA) ¹⁾	267	239	1 009	842
Operating margin, %	13,9	12,1	13,1	11,5

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

Revenue and operating income – Segment USA

October – December 2017

Revenue for Segment USA for the quarter amounted to SEK 1,925 million (1,968) and both real growth and organic growth amounted to 7 percent (9 and 8 respectively). The growth for the quarter was explained by increased revenue in both CIT and CMS. Increased revenue from SafePoint is the reason for a large share of the growth in CMS. Revenue for the quarter from SafePoint amounted to 13 percent (11) of the segment's total revenue. Changes in fuel fees, which Loomis passes on to its customers, had a marginally positive effect on organic growth for the quarter but did not significantly affect the operating income.

The share of revenue from CMS during the quarter amounted to 34 percent (32) of the segment's total revenue.

Operating income (EBITA) amounted to SEK 267 million (239) and the operating margin was 13.9 percent (12.1). As in the previous quarter, the main explanations for the improved operating margin are the increased number of installed SafePoint units, economies of scale achieved due to increased CMS volumes, and the constant efforts to improve efficiency, which continue to yield results. Profitability was also positively affected by CIT growth, which improved efficiency within this business stream.

January – December 2017

Revenue for Segment USA for 2017 amounted to SEK 7,688 million (7,325) and both real and organic growth amounted to 6 percent (12 and 11 respectively). The growth is the result of increased revenue in both CIT and CMS. Growth in CMS is largely explained by the sustained increase in revenue from SafePoint. Revenue from SafePoint for the period amounted to 12 percent (11) of the segment's total revenue. Changes in fuel surcharges, which Loomis passes on to its customers, had a positive effect on organic growth by 1 percentage point in the period, but did not significantly affect the operating income.

The proportion of revenue from CMS for the period amounted to 33 percent (33) of the segment's total revenue.

The operating income (EBITA) amounted to SEK 1,009 million (842) and the operating margin was 13.1 percent (11.5). The reasons for the improved profitability are the increased number of installed SafePoint units, economies of scale resulting from increased CMS volumes, and the continuous efforts to improve efficiency, which continue to yield results. Efficiency improvement in CIT operations also contributed to the profitability improvement as this business stream has grown and economies of scale have been achieved.

INTERNATIONAL

	2017	2016	2017	2016 ²⁾
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Revenue	223	252	878	1,149
Real growth, %	–8	–30	–24	–17
Organic growth, %	–8	6	–6	0
Operating income (EBITA) ¹⁾	19	20	61	77
Operating margin, %	8.6	8.1	6.9	6.7

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

2) The general cargo operations were divested as of July 1, 2016. The comparative figures have not been adjusted.

Revenue and operating income – Segment International October – December 2017

Revenue for Segment International amounted to SEK 223 million compared to SEK 252 million for the fourth quarter the previous year and real growth was –8 percent (–30). The previous year's negative real growth is related to the divested general cargo operations. Due to macroeconomic factors, demand for cross-border transportation of bank notes and precious metals was relatively low compared to the corresponding quarter the previous year, and organic growth was therefore –8 percent (6).

The operating income (EBITA) amounted to SEK 19 million (20) and the operating margin was 8.6 percent (8.1). The improved operating margin for the quarter is mainly explained by increased earnings within the precious metals storage operations.

January – December 2017

Revenue for Segment International in 2017 amounted to SEK 878 million compared to SEK 1,149 million for 2016. Real growth was –24 percent (–17). The lower revenue and the negative real growth are mainly explained by the fact that the comparative figures included revenue of SEK 239 million relating to the general cargo operations which were divested on July 1, 2016. The organic growth amounted to –6 percent (0) and is mainly explained by lower demand for cross-border transportation of bank notes and precious metals than in the corresponding period the previous year. Demand is greatly influenced by macroeconomic factors.

The operating profit (EBITA) amounted to SEK 61 million (77) and the operating margin for the period was 6.9 percent (6.7). The improved margin is to some extent explained by the fact that the divested operations had lower profitability than the remaining operations. The lower demand compared to the previous year, primarily in the high-value transportation of bank notes and precious metals, has, however, had a negative impact on profitability.

Cash flow

STATEMENT OF CASH FLOWS

	2017	2016	2017	2016
SEK m	Oct–Dec	Oct–Dec	Full year	Full year
Operating income (EBITA) ¹⁾	544	543	2,093	1,890
Depreciation	273	286	1,124	1,105
Change in accounts receivable	15	78	–165	–53
Change in other working capital and other items	39	261	–145	192
Cash flow from operating activities before investments	871	1,168	2,908	3,134
Investments in fixed assets, net	–389	–301	–1,152	–1,120
Cash flow from operating activities	482	867	1,756	2,013
Financial items paid and received	–41	–49	–111	–117
Income tax paid	–53	–57	–403	–326
Free cash flow	388	762	1,242	1,570
Cash flow effect of items affecting comparability	0	1	–1	138
Acquisition of operations ²⁾	–254	–23	–467	–201
Acquisition-related costs/revenue, paid/received ³⁾	–16	–11	–80	–17
Dividend paid	–	–	–602	–527
Change in interest-bearing net debt excl. liquid funds	–126	–189	–117	–168
Change in commercial papers issued and other long-term borrowing	–25	–394	231	–816
Cash flow for the period	–34	146	207	–20
Liquid funds at beginning of period	872	507	663	654
Exchange rate differences in liquid funds	0	10	–31	28
Liquid funds at end of period	839	663	839	663
KEY RATIOS				
Cash flow from operating activities as a % of operating income (EBITA)	89	160	84	107
Investments in relation to depreciation	1.4	1.0	1.0	1.0
Investments as a % of total revenue	8.9	6.8	6.7	6.7

1) Earnings Before Interest, Taxes and Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

2) Acquisition of operations up to December 31, 2016 includes the cash flow effect of acquisition-related transaction costs.

3) Refers to acquisition-related restructuring and integration costs. As of the beginning of 2017 this item includes acquisition-related transaction costs. For 2016, this item included an escrow repayment for the acquisition of Cardtronics' cash handling operations in the UK in 2015.

Cash flow

October – December 2017

Cash flow from operating activities was SEK 482 million (867), equivalent to 89 percent (160) of operating income (EBITA). Change in other working capital was positively impacted during the fourth quarter 2016 compared to the fourth quarter 2017. Due to the calendar effect, a greater part of the liabilities was due after 31 December 2016 whereas the equivalent costs for the fourth quarter 2017 were due before year-end.

Net investments in fixed assets for the period amounted to SEK 389 million (301), which can be compared to depreciation of fixed assets of SEK 273 million (286). Investments of SEK 204 million (155) were made during the period in vehicles, safety equipment and SafePoint. In addition, SEK 100 million (91) was invested in buildings, machinery and similar equipment.

The amount of income tax paid in the quarter was SEK 53 million compared to SEK 57 million for the corresponding quarter the previous year.

January – December 2017

Cash flow from operating activities was SEK 1,756 million (2,013), equivalent to 84 percent (107) of operating income (EBITA).

Net investments in fixed assets for the period amounted to SEK 1,152 million (1,120), which can be compared to depreciation of fixed assets of SEK 1,124 million (1,105). Investments of SEK 545 million (601) were made during the period in vehicles, safety equipment and SafePoint. In addition, SEK 368 million (318) was invested in buildings, machinery and similar equipment.

In 2017 SEK 602 million was paid out in dividends to the shareholders, which was equivalent to direct yield of around 3.1 percent.

Capital employed and financing

CAPITAL EMPLOYED AND FINANCING

	2017	2016
SEK m	Dec 31	Dec 31
Operating capital employed	4,866	4,615
Goodwill	5,615	5,626
Acquisition-related intangible assets	349	261
Other capital employed	30	74
Capital employed	10,860	10,576
Net debt	3,823	3,929
Shareholders' equity	7,037	6,647
Key ratios		
<i>Return on capital employed, %</i>	19	18
<i>Return on equity, %</i>	20	19
<i>Equity ratio, %</i>	46	45
<i>Net debt/EBITDA</i>	1.19	1.31

Capital employed

Capital employed amounted to SEK 10,860 million (10,576).
Return on capital employed amounted to 19 percent (18).

Equity and financing

Shareholders' equity amounted to SEK 7,037 million (6,647). The return on shareholders' equity was 20 percent (19) and the equity ratio was 46 percent (45). Shareholders' equity increased by the amount of the net income for the period, SEK 1,428 million, but was lowered by the SEK 602 million paid out in dividends to the shareholders, and by the strong Swedish krona which reduced the value of the Group's net assets in foreign currencies.

Net debt amounted to SEK 3,823 million (3,929). The net debt/EBITDA ratio amounted to SEK 1.19 on December 31, 2017 (1.31).

Acquisitions

	Consolidated as of	Segment	Acquired share ¹⁾ %	Annual revenue SEK m	Number of employees	Purchase price SEK m	Goodwill SEK m	Acquisition-related intangible assets SEK m	Other acquired net assets SEK m
Opening balance, January 1, 2017							5,626	261	
Acquisition of Cobelguard CIT NV ⁵⁾	January 30	Europe	100	114 ²⁾	170	34 ⁴⁾	72 ⁶⁾	21	–58
Acquisition of Intermarketing Oy ⁵⁾	September 21	Europe	100	90 ²⁾	30	186 ⁴⁾	102 ⁷⁾	66	18
Acquisition of Wagner ⁵⁾ 10)	December 20	Europe	100	189 ²⁾	940	254 ⁴⁾	160 ⁸⁾	61	33
Other acquisitions ⁵⁾	August 31	Europe	100	34 ³⁾	5	15 ⁴⁾	6 ⁹⁾	6	3
Total acquisitions January – December 2017							340	154	–3
Amortization of acquisition-related intangible assets							–	–55	
Translation differences							–351	–11	
Closing balance December 31, 2017							5,615	349	

1) Refers to share of votes. In acquisitions of assets and liabilities, no share of votes is indicated.

2) Annual revenue in 2016 translated to SEK million at the acquisition date.

3) Annual revenue for the fiscal year July 2015 to June 2016.

4) Purchase price on a cash/debt free basis (enterprise value) amounted to around SEK 114 million for Cobelguard, around SEK 181 million for Intermarketing, around SEK 260 million for Wagner and around SEK 15 million for other acquisitions.

5) The acquisition analyses are preliminary and subject to final adjustment no later than one year from the acquisition date.

6) Goodwill arising in connection with the acquisition is primarily attributable to geographical expansion. The goodwill amount includes a consideration calculated at present value not exceeding EUR 5 million. Any impairment is not tax deductible.

7) Goodwill arising in connection with the acquisition is primarily attributable to markets, synergy effects and expansion of services. Any impairment is not tax deductible.

8) Goodwill arising in connection with the acquisition is primarily attributable to geographical expansion. Any impairment is not tax deductible.

9) Goodwill arising in connection with the acquisition is primarily attributable to synergy effects. Any impairment is not tax deductible.

10) Chile is accounted for under Segment Europe because the operations there are reported and monitored as part of this segment.

Acquisitions January – December 2017

In January 2017 Loomis acquired all of the shares in the Belgian company Cobelguard CIT NV. Cobelguard provides domestic cash handling services and is based in Ghent, Belgium. In addition to the purchase price paid of SEK 34 million, the sellers have the right to a deferred consideration maximized at EUR 5 million depending on future financial development. The maximum deferred consideration has been calculated at net present value and the entire amount has been provided for. The purchase price, excluding the deferred consideration, was paid on closing. Cobelguard has around 170 employees and the annual revenue in 2016 was around EUR 12 million. The acquisition had a marginally negative impact on Loomis' earnings per share for 2017.

In September 2017 Loomis acquired all of the shares in the Finnish company Intermarketing Oy. Intermarketing's head office is in Helsinki, Finland. The company offers both bank and retail customers comprehensive solutions in cash depositing and recycling. 90 percent of the purchase price was paid on the transfer date. Intermarketing has around 30 employees and the annual revenue for 2016 amounted to around EUR 9.5 million. The acquisition had a marginally negative impact on Loomis' earnings per share for 2017.

In December 2017 Loomis acquired all of the shares in Wagner Seguridad Custodia y Transporte de Valores (Wagner) in Chile. Wagner provides domestic cash handling services and its head office is in Santiago, Chile. Wagner has around 940 employees and had revenue in 2016 of around USD 23 million. The acquisition is expected to have a marginally positive impact on Loomis' earnings per share for 2018.

In August 2017 a small acquisition was made. The acquisition was consolidated into Segment Europe and did not have any significant impact on Loomis' earnings per share for 2017.

Events after the balance sheet date

On January 17, 2018 Loomis announced its acquisition of all of the shares in the limited partnership company KÖTTER Geld- und Wertdienste SE & Co. KG (KGW), which will be separated from the KÖTTER group. KGW offers domestic cash handling services and its head office is in Essen, Germany. The enterprise value is around EUR 14 million, equivalent to around SEK 140 million. KGW has around 800 employees and the annual revenue for 2017 is expected to be around EUR 45 million. The acquired operations will be reported in Segment Europe and were consolidated into Loomis' accounts as of the closing date January 22, 2018. The purchase price was paid on closing. After acquisition and integration costs, the acquisition is expected to have a marginally negative impact on Loomis' earnings per share for 2018.

On January 19, 2018 it was announced that Loomis had acquired Sequel International Logistics (USA) Inc. The enterprise value was around USD 2 million, equivalent to around SEK 16.5 million. The acquisition is expected to have a marginally negative impact on Loomis' earnings per share for 2018.

Work on preparing an acquisition analyses for KÖTTER and Sequel is under way and preliminary acquisition analyses will be reported in the interim report for the first quarter of 2018.

Significant events and number of full-time employees

Significant events during the period

The Annual General Meeting on May 4, 2017 voted in favor of the Board's proposal to introduce an Incentive Scheme (Incentive Scheme 2017). Similar to Incentive Scheme 2016, the new incentive scheme involves two thirds of the variable remuneration being paid out in cash the year after it is earned. The remaining one third will be allotted to participants in the form of Class B shares in Loomis AB at the beginning of 2019. The allotment of shares is contingent upon the employee still being employed by the Loomis Group on the last day of February 2019, other than in cases where the employee has left his/her position due to retirement, death or a long-term illness, in which case the individual will retain the right to receive bonus shares. The principles for performance measurement and other general principles that already apply to existing Incentive Schemes will still apply. Loomis AB will not issue any new shares or similar instruments in connection with this Incentive Scheme. To enable Loomis to allot the shares, the AGM voted in favor of Loomis AB entering into a share swap agreement with a third party under which the third party will acquire the Loomis shares in its own name and transfer them to the Incentive Scheme participants. The Incentive Scheme will enable around 350 key individuals within the Loomis Group to become shareholders in Loomis AB over time. This will increase employee commitment to Loomis' development for the benefit of all shareholders.

On September 28, 2017 Loomis published its new financial and sustainability targets. The new targets for 2018–2021 are:

Financial targets

- Revenue: SEK 24 billion in 2021.
- Operating margin (EBITA): 12–14 percent.
- Dividend: 40–60 percent of net income

Sustainability targets

- Zero workplace-related injuries
- Decrease carbon emission by 30 percent
- Decrease plastic volumes by 30 percent

The timing and size of both acquisitions and investments may have an impact on the operating margin during the target period which is why a range of 12–14 percent for the operating margin has been set. Assuming that no margin-diluting acquisitions take place, Loomis is expecting to generate an operating margin of around 14 percent for the full year 2021.

Loomis has a strong focus on sustainability and the activities are integrated into the Company's business model. The goal is to further elevate the level of ambition for sustainability work and Loomis has therefore decided to include three sustainability targets. These targets have been chosen as they are expected to have a positive impact on the environment while also improving Loomis' financial results.

Strategy summary

Loomis is aiming to take a step further in the value chain by offering new services and seizing new growth opportunities. The core elements of strategy involve increasing the growth rate for the core products in less mature markets and, in more mature markets, increasing the offering of services that generate higher profitability and are closely linked to the current core business.

Loomis will continue to optimize its global business model to further improve its CMS and SafePoint offerings in the USA and Europe. Loomis is also raising the estimate for the SafePoint market in the US from 300,000 to 400,000 units. Loomis is expecting to be able to reach an installation rate of 10,000 SafePoint units a year in the USA towards the end of the strategy period. The European SafePoint market at this time is estimated at 200,000 units. To support the strategy, two Centers of Excellence and one Center of Innovation will be created. One Center of Excellence will be located in Houston, Texas, USA and will focus on solutions for SafePoint and other solutions for retail customers. The other Centre of Excellence will be located in Madrid, Spain and will focus on CIT and CMS. The Center of Innovation will be based in Stockholm, Sweden. The goal is to increase the pace of knowledge sharing within the Loomis Group and to facilitate the efficient implementation of new services and technologies.

By moving further along the value chain and offering services such as ATM management and foreign currency management, front and back office services for retail customers and banks and, in the longer term, digital platforms, Loomis will be able to reach new market segments. These offerings will be able to support the customers in a better way while also increasing Loomis' market potential.

Loomis sees acquisitions as a key component in the strategy and expects a large portion of growth to come from selective acquisitions during the strategy period. Loomis will prioritize acquisitions in existing markets as well as investments in new technology and new services.

The Company will continue to develop the Loomis Model by adding new knowledge and expertise. This will include areas such as innovation, IT and technology.

To support this strategy Loomis has made some organizational changes. The first change was to combine all three European regions into one region (Europe). Georges Lopez who was formally Regional President Southern Europe was appointed as President Region Europe. The structural change will not only contribute to extensive gains in terms of knowledge-sharing and implementation of new services, but will also provide cost synergies with respect to operating costs and capital expenditures. The

new organizational structure in Europe went into effect on October 1, 2017. As a result of the change, Kenneth Högman, Regional President, UK and Patrik Högberg, Regional President Northern and Eastern Europe, have taken on new roles within the Loomis Group.

Lars Blecko, currently Regional President USA will be appointed as Chairman of the Board for Loomis USA, while Aritz Larrea, currently Country President in Spain, will take over as Regional President USA as of June 1, 2018.

On December 22, 2017 Loomis announced what effect the US tax reform will have on Loomis. As a result of the reduced tax rate in the USA – from 35 to 21 percent – and based on estimates available at that time, Loomis was expecting to report a one-off tax income in the range SEK 55–70 million for the fourth quarter of 2017. The one-off tax income is attributable to revaluations of the deferred tax liabilities that Loomis US has on its balance sheet. The positive tax effect in the fourth quarter of 2017 was not expected to have any significant effect on cash flow. The final outcome, reported for the fourth quarter of 2017, was a positive tax income of SEK 70 million.

For the 2018 financial year and based on current estimates, the Group's tax rate is expected to be between 25 and 26 percent.

Number of full-time employees

The average number of full-time employees in 2017 was around 22,800 (around 22,000 for the full year 2016). Of these, around 12,500 employees work within Segment Europe, around 9,900 within Segment USA and around 400 are employed within International.

Risks and uncertainties

Risks

Loomis' operations, which include cash in transit, cash management services and international valuables logistics, involve Loomis' assuming the customer's risks associated with managing, transporting and storing cash, precious metals and valuables. Loomis has established routines and processes to identify, take action to mitigate and monitor risks. Risks are assessed based on two criteria: the likelihood that an event will occur and the severity of the consequences for the business if the event should occur. There is risk both in terms of circumstances pertaining to Loomis itself or the industry as a whole as well as risks that are more general in nature. Certain risks are outside of Loomis' control.

Below is a description of some of the most significant risks and uncertainties that may have a negative impact on Loomis' operations, financial position and results, and which should therefore be taken into account when making assessments based on full-year or interim information. The risks described below are not in any particular order of significance.

Operational risks: Operational risks are risks associated with the day-to-day operations and the services offered by the Company to its customers. Some of the most significant risks Loomis has identified are:

- IT-related risks, such as operational disruptions and extended stoppages of systems linked to operating activities, as well as risks linked to the installation of new systems.
- Risk of changed behavioral patterns relating to purchases and payments.
- Customer-related risks, such as the risk of loss of certain customers as well as significant changes in the banking sector.
- Competition risk, such as Loomis' ability to develop competitive offerings.
- Employee risk, such as a high staff turnover.
- Risk of robbery
- Risk of internal theft and/or failing cash reconciliation routines at cash centers.
- Risk associated with the implementation of acquisitions, such as difficulties integrating new operations and employees, as well as the anticipated benefits of a certain acquisition not being realized or being only partially realized.

Financial risk: In its operations, Loomis is exposed to risk associated with financial instruments such as liquid funds, accounts receivable, accounts payable and loans. The risks relating to these instruments are mainly:

- Interest rate risk associated with liquid funds and loans.
- Exchange rate risks associated with transactions and translation of shareholder's equity
- Financing risk relating to the Company's capital requirements.
- Liquidity risk associated with short-term solvency
- Credit risk pertaining to financial and commercial activities
- Capital risk pertaining to the capital structure.
- Price risk

The financial risks are described in more detail in Note 6 in the 2016 Annual Report.

Legal risks: Through its operations, Loomis is exposed to legal risks such as:

- Risk of disputes and legal action.
- Risk associated with the application of existing laws, other regulations and changes in legislation.

Factors of uncertainty

The economic trends in 2017 impacted certain geographic areas negatively, and it cannot be ruled out that Loomis' revenue and income for 2018 may be negatively impacted as a result of this. Changes in general economic conditions and market trends can have various effects on demand for cash handling services. These include the ratio of cash purchases to credit card purchases, changes in consumption levels, the risk of robbery and bad debt losses, as well as the staff turnover rate.

The preparation of financial reports requires the Board of Directors and Group Management to make estimates and assessments. Estimates and assessments affect both the income statement and the balance sheet as well as the information disclosed on things like contingent liabilities. Actual outcomes may deviate from these estimates and assessments depending on other circumstances and other conditions.

In 2018 the actual financial results of certain previously reported items affecting comparability, provisions and contingent liabilities, as described in the 2016 Annual report and where applicable under the heading "Other significant events" on page 16, may deviate from the financial assessments and provisions made by management. This may impact the Group's profitability and financial position.

Seasonal variations

Loomis' earnings fluctuate across the seasons and this should be taken into consideration when making assessments based on interim financial information. The primary reason for these seasonal variations is that the need for cash handling services increases during the vacation periods and in connection with public holidays and holiday periods.

Parent Company

SUMMARY STATEMENT OF INCOME

	2017	2016
SEK m	Full year	Full year
Revenue	512	443
Operating income (EBIT)	324	279
Income after financial items	1,012	443
Net income for the year	880	513

SUMMARY BALANCE SHEET

	2017	2016
SEK m	Dec 31	Dec 31
Fixed assets	9,791	9,564
Current assets	973	814
Total assets	10,765	10,378
Shareholders' equity ¹⁾	5,158	4,889
Liabilities	5,607	5,490
Total shareholders' equity and liabilities	10,765	10,378

1) The number of Class B treasury shares was 53,797.

The Parent Company does not engage in any operating activities. It is only involved in Group management and support functions. The average number of full-time employees at the head office in 2017 was 19 (19).

The Parent Company's revenue mainly consists of license fees and other revenue from subsidiaries. The improved result is mainly due to higher dividends from subsidiaries and exchange gains relating to loans in foreign currencies for investments in subsidiaries.

The Parent Company's fixed assets consist mainly of shares in subsidiaries and loan receivables from subsidiaries. The liabilities are mainly external liabilities and liabilities to subsidiaries.

Other significant events

For critical estimates and assessments as well as contingent liabilities, please refer to pages 67–68 and 93 of the 2016 Annual Report. As there have been no other significant changes to the events described in the Annual Report, no further comments have been made on these matters in this interim report.

Accounting principles

The Group's financial reports are prepared in accordance with the International Financial Reporting Standards (IAS/IFRS, as adopted by the European Union) issued by the International Accounting Standards Board and statements issued by the IFRS Interpretations Committee (formerly IFRIC).

This interim report has been prepared according to IAS 34 Interim Financial Reporting. The interim report is on pages 1–33, and pages 1–17 are thus an integrated part of this financial report.

The most important accounting principles according to IFRS, which are the accounting standards used in the preparation of this interim report, are described in Note 2 on pages 60–66 of the 2016 Annual Report.

IFRS 15 is the new standard for revenue recognition. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts. IFRS 15 is based on the principle that revenue is recognized when the customers obtains control of the goods or services that have been sold – a principle that replaces the earlier principle that revenue is recognized when the risks and benefits have been transferred to the purchaser. The standard goes into effect on January 1, 2018 and will be applied for the Group from that date. An entity may choose between a fully retrospective or prospective application with additional disclosures. Loomis intends to opt for prospective application. In 2017, in order to estimate the quantitative impact of the new rules on the financial statements, the Group evaluated the effect of the new standard and has identified the following areas as likely to be affected:

- **Sales of SafePoint:** When a SafePoint unit is sold, Loomis has historically reported this revenue at the time of the sale of the unit. Sales of SafePoint units only take place in exceptional cases. Usually the SafePoint unit is part of Loomis' total service delivery to the customer. In the future, revenue generated in the event a SafePoint unit is sold will be recognized over the duration of the customer contract. This is because it is primarily the type of financing that has changed and not Loomis' service delivery to the customer. In 2017 SafePoint units were sold for a value of SEK 31 million.

- **Variable remuneration:** Loomis' contracts involve various types of variable remuneration. Some of these items have in past periods been recognized as an expense, but in future they will be recognized as a reduction in revenue according to the new standard. In 2017 there were expensed items of SEK 27 million which, according to IFRS 15, would have been recognized as a revenue reduction.
- **Contract assets:** In certain cases under IFRS 15 expenses relating to obtaining contracts are recognized in the balance sheet and expensed over the duration of the contract. In 2017 there were expenses of this type of SEK 4 million.

The new revenue standard, IFRS 15, will have not any significant effect on either the statement of income or balance sheet total. Nor will it have any significant impact on Loomis' key ratios.

IFRS 9 Financial Instruments went into effect on January 1, 2018 when it replaced IAS 39 Financial Instruments: Recognition and measurement. IFRS 9 classifies financial assets in three different categories. The classification is established when an entity first recognizes a financial asset based on the characteristics of the asset and the entity's business model. The second part of the standard relates to hedge accounting. The new principles largely improve the way in which assets are recognized, providing a fair representation of a company's management of financial risks and financial instruments. Finally, new principles have been introduced regarding impairment of financial assets, with a model based on expected losses. The purpose of the new impairment model is, among other things, to make provisions for credit losses at an earlier stage. The standard is not expected to have any significant impact on the Group's or the Parent Company's financial statements. Accordingly, there will be no adjustments of reserves for credit losses or value of derivatives in the opening balances. The EU approved the standard in the fourth quarter of 2016 and it will be applied for the Group for the financial year starting on January 1, 2018.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The most important accounting principles applying to the Parent Company can be found in Note 36 on page 98 of the 2016 Annual Report.

Outlook for 2018

The Company is not providing any forecast information for 2018.

Stockholm, January 30, 2018

Patrik Andersson
President and CEO
Board member

Review Report

(Translation of the Swedish original)

Auditor's review report for interim information in summary (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act.

Introduction

We have reviewed this summarized interim financial information (full-year report) for Loomis AB (publ.) as of December 31, 2017 and the twelve-month period ending as of the same date. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this full-year report based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity.

A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is significantly limited in scope compared to the focus and scope of audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion expressed based on a review does not have the same level of certainty as a review based on an audit.

Conclusion

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

Stockholm, January 30, 2018

PricewaterhouseCoopers AB

Patrik Adolfson
Authorized Public Accountant

Financial reports in brief

STATEMENT OF INCOME

	2017	2016	2017	2016	2015
SEK m	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Revenue, continuing operations	4,285	4,305	16,824	16,485	15,391
Revenue, acquisitions	73	115	404	315	706
Total revenue	4,358	4,421	17,228	16,800	16,097
Production expenses	–3,150	–3,210	–12,533	–12,493	–12,163
Gross income	1,208	1,211	4,695	4,307	3,934
Selling and administration expenses	–664	–668	–2,602	–2,417	–2,231
Operating income (EBITA)¹⁾	544	543	2,093	1,890	1,703
Amortization of acquisition-related intangible assets	–15	–15	–55	–62	–62
Acquisition-related costs and revenue	–8	–15	–47 ²⁾	–56	–79
Items affecting comparability	–	–	–	81 ³⁾	12 ⁴⁾
Operating income (EBIT)	522	512	1,992	1,852	1,575
Net financial items	–26	–35	–109	–117	–114
Income before taxes	496	477	1,882	1,735	1,461
Income tax	–60	–135	–454	–477	–392
Net income for the period⁵⁾	436	342	1,428	1,258	1,069
KEY RATIOS					
Real growth, %	3	4	3	5	7
Organic growth, %	2	4	2	5	2
Operating margin (EBITA), %	12.5	12.3	12.1	11.2	10.6
Tax rate, %	12	28	24	27	27
Earnings per share before dilution, SEK ⁶⁾	5.79	4.55	18.99	16.73	14.21
Earnings per share after dilution, SEK	5.79	4.55	18.99	16.73	14.21

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

2) Acquisition-related costs and revenue for the period January–December 2017, refer to transaction costs of SEK –13 million (–13), restructuring costs of SEK –17 million (–33) and integration costs of SEK –17 million (–10). Transaction costs for the period January–December 2017 amount to SEK –6 million for acquisitions in progress, to SEK –4 million for completed acquisitions and to SEK –3 million for discontinued acquisitions.

3) Items affecting comparability of SEK 81 million relates to a reported capital gain from the divestment of the general cargo operations.

4) Items affecting comparability of SEK 12 million relates to a reversal of part of the provision of SEK 59 million which was made in 2007 attributable to overtime compensation in Spain.

5) Net income for the period is entirely attributable to the owners of the Parent Company.

6) For further information please refer to page 24.

STATEMENT OF COMPREHENSIVE INCOME

	2017	2016	2017	2016	2015
SEK m	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Net income for the period	436	342	1,428	1,258	1,069
Other comprehensive income					
Items that will not be reclassified to the statement of income					
Actuarial gains and losses after tax	–11	187	17	–183	46
Items that may be reclassified to the statement of income					
Exchange rate differences	41	278	–631	402	507
Hedging of net investments, net of tax	–13	–98	179	–159	–198
Other comprehensive income and expenses for the period, net after tax	17	367	–435	61	355
Total comprehensive income for the period¹⁾	452	709	993	1,319	1,424

1) Total comprehensive income is entirely attributable to the owners of the Parent Company.

Financial reports in brief

BALANCE SHEET

	2017	2016	2015
	Dec 31	Dec 31	Dec 31
SEK m			
ASSETS			
Fixed assets			
Goodwill	5,615	5,626	5,437
Acquisition-related intangible assets	349	261	349
Other intangible assets	102	114	118
Tangible fixed assets	4,689	4,709	4,305
Non-interest-bearing financial fixed assets	459	454	572
Interest-bearing financial fixed assets ¹⁾	96	80	78
Total fixed assets	11,311	11,245	10,860
Current assets			
Non-interest-bearing current assets ²⁾	2,952	2,907	2,816
Interest-bearing financial current assets ¹⁾	62	54	84
Liquid funds	839	663	654
Total current assets	3,852	3,624	3,555
TOTAL ASSETS	15,164	14,869	14,415
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity³⁾	7,037	6,647	5,843
Long-term liabilities			
Interest-bearing long-term liabilities	4,745	3,972	5,168
Non-interest-bearing provisions	630	729	806
Total long-term liabilities	5,376	4,701	5,974
Current liabilities			
Tax liabilities	180	122	141
Non-interest-bearing current liabilities	2,496	2,645	2,384
Interest-bearing current liabilities	75	754	73
Total current liabilities	2,751	3,521	2,598
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	15,164	14,869	14,415
KEY RATIOS			
<i>Return of shareholders' equity, %</i>	<i>20</i>	<i>19</i>	<i>18</i>
<i>Return of capital employed, %</i>	<i>19</i>	<i>18</i>	<i>17</i>
<i>Equity ratio, %</i>	<i>46</i>	<i>45</i>	<i>41</i>
Net debt	3,823	3,929	4,425
Net debt/EBITDA	1.19	1.31	1.60

1) As of the balance sheet date and in the comparative information, all derivatives are measured at fair value based on market data in accordance with IFRS.

2) Funds in the cash processing operations are reported net in the item "Non-interest-bearing current assets". For more information, please refer to page 85 and Note 23 in the Annual report 2016.

3) Shareholders' equity in its entirety is attributable to the owners of the Parent Company.

Financial reports in brief

CHANGE IN SHAREHOLDERS' EQUITY

	2017	2016	2015
SEK m	Full year	Full year	Full year
Opening balance	6,647	5,843	4,907
Actuarial gains and losses after tax	17	–183	46
Exchange rate differences	–631	402	507
Hedging of net investments, net of tax	179	–159	–198
Total other comprehensive income	–435	61	355
Net income for the period	1,428	1,258	1,069
Total comprehensive income	993	1,319	1,424
Dividend paid to Parent Company's shareholders	–602	–527	–451
Share-related remuneration	–1	11	0
Revaluation of option liability with non-controlling interests ¹⁾	–	–	–37
Closing balance	7,037	6,647	5,843

1) Refers to Loomis Turkey.

NUMBER OF SHARES AS OF DECEMBER 31, 2017

	Votes	No. of shares	No. of votes	Quota value	SEK m
Class A shares	10	3,428,520	34,285,200	5	17
Class B shares	1	71,851,309	71,851,309	5	359
Total no. of shares		75,279,829	106,136,509		376
Total Class B treasury shares	1	–53,797	–53,797		
Total no. of outstanding shares		75,226,032	106,082,712		

CONTINGENT LIABILITIES

	2017	2016	2015
SEK m	Dec 31	Dec 31	Dec 31
Securities and guarantees	3,235	3,262	2,617
Other contingent liabilities	11	14	13
Total contingent liabilities	3,246	3,276	2,630

CONTINGENT LIABILITIES, PARENT COMPANY

	2017	2016	2015
SEK m	Dec 31	Dec 31	Dec 31
Guaranteed committed bank facilities	1,270	1,802	1,196
Other contingent liabilities	1,816	1,298	1,173
Total contingent liabilities	3,085	3,100	2,369

Financial reports in brief

STATEMENT OF CASH FLOWS

	2017	2016	2017	2016	2015
SEK m	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Income before taxes	496	477	1,882	1,735	1,461
Items not affecting cash flow, items affecting comparability and acquisition-related costs ¹⁾	264	291	1,143	1,117	1,119
Income tax paid	–53	–57	–403	–326	–341
Change in accounts receivable	15	78	–165	–53	–170
Change in other operating capital employed and other items	39	261	–145	192	48
Cash flow from operations	761	1,051	2,313	2,665	2,118
Cash flow from investment activities	–643	–323	–1,619	–1,175	–1,658
Cash flow from financing activities	–151	–582	–487	–1,510	–386
Cash flow for the period	–34	146	207	–20	74
Liquid funds at beginning of the period	872	507	663	654	566
Translation differences in liquid funds	0	10	–31	28	14
Liquid funds at end of period	839	663	839	663	654

1) Adjusted for the divestment of operations which is reported in investment activities.

STATEMENT OF CASH FLOWS, ADDITIONAL INFORMATION

	2017	2016	2017	2016	2015
SEK m	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Operating income (EBITA)	544	543	2,093	1,890	1,703
Depreciation	273	286	1,124	1,105	1,061
Change in accounts receivable	15	78	–165	–53	–170
Change in other operating capital employed and other items	39	261	–145	192	48
Cash flow from operating activities before investments	871	1,168	2,908	3,134	2,642
Investments in fixed assets, net	–389	–301	–1,152	–1,120	–1,379
Cash flow from operating activities	482	867	1,756	2,013	1,264
Financial items paid and received	–41	–49	–111	–117	–118
Income tax paid	–53	–57	–403	–326	–341
Free cash flow	388	762	1,242	1,570	805
Cash flow effect of items affecting comparability	0	1	–1	138	–14
Acquisition of operations ¹⁾	–254	–23	–467	–201	–279
Acquisition-related costs and revenue, paid and received ²⁾	–16	–11	–80	–17	–52
Dividend paid	–	–	–602	–527	–451
Change in interest-bearing net debt excluding liquid funds	–126	–189	–117	–168	–258
Issuance of bonds ³⁾	–	–	–	–	549
Change in commercial papers issued and other long-term borrowing	–25	–394	231	–816	–225
Cash flow for the period	–34	146	207	–20	74
KEY RATIOS					
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	89	160	84	107	74
<i>Investments in relation to depreciation</i>	1.4	1.0	1.0	1.0	1.3
<i>Investments as a % of total revenue</i>	8.9	6.8	6.7	6.7	8.6

1) Acquisition of operations includes up until December 2016, the cash flow effect of acquisition-related transaction costs.

2) Refers to acquisition-related restructuring and integration costs. As from 2017 this item includes acquisition-related transaction costs. For 2016, this item includes an escrow repayment for the acquisition of Cardtronics' cash handling operations in the UK in 2015.

3) Bond issue according to Loomis' MTN program.

Financial reports in brief

SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe	USA	International	Other ¹⁾	Eliminations	Total
SEK m	Jan–Dec 2017	Jan–Dec 2017	Jan–Dec 2017	Jan–Dec 2017	Jan–Dec 2017	Jan–Dec 2017
Revenue, continuing operations	8,324	7,688	878	–	–66	16,824
Revenue, acquisitions	404	–	–	–	–	404
Total revenue	8,728	7,688	878	–	–66	17,228
Production expenses	–6,344	–5,570	–714	–	95	–12,533
Gross income	2,384	2,118	165	–	29	4,695
Selling and administrative expenses	–1,209	–1,108	–104	–152	–29	–2,602
Operating income (EBITA)	1,175	1,009	61	–152	–	2,093
Amortization of acquisition-related intangible assets	–26	–13	–15	–	–	–55
Acquisition-related costs	–37	–2	–	–8	–	–47
Operating income (EBIT)	1,112	994	46	–160	–	1,992

1) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe	USA	International	Other ¹⁾	Eliminations	Total
SEK m	Jan–Dec 2016	Jan–Dec 2016	Jan–Dec 2016	Jan–Dec 2016	Jan–Dec 2016	Jan–Dec 2016
Revenue, continuing operations	8,151	7,243	1,149	–	–58	16,485
Revenue, acquisitions	233	82	–	–	–	315
Total revenue	8,384	7,325	1,149	–	–58	16,800
Production expenses	–6,150	–5,470	–970	–	98	–12,493
Gross income	2,234	1,854	179	–	40	4,307
Selling and administrative expenses	–1,114	–1,013	–102	–149	–40	–2,417
Operating income (EBITA)	1,119	842	77	–149	–	1,890
Amortization of acquisition-related intangible assets	–30	–14	–18	–	–	–62
Acquisition-related costs	–52	–2	–	–2	–	–56
Items affecting comparability	–	–	81 ²⁾	–	–	81
Operating income (EBIT)	1,038	826	140	–151	–	1,852

1) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

2) Items affecting comparability of SEK 81 million relates to a reported capital gain from the divestment of the general cargo operations.

Financial reports in brief

SEGMENT OVERVIEW STATEMENT OF INCOME, ADDITIONAL INFORMATION

	2017	2016	2017	2016	2015
SEK m	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Europe					
Revenue	2,225	2,214	8,728	8,384	8,332
Real growth, %	2	4	5	3	4
Organic growth, %	–1	0	0	0	1
Operating income (EBITA)	297	324	1,175	1,119	1,055
Operating margin (EBITA), %	13.4	14.6	13.5	13.4	12.7
USA					
Revenue	1,925	1,968	7,688	7,325	6,428
Real growth, %	7	9	6	12	7
Organic growth, %	7	8	6	11	6
Operating income (EBITA)	267	239	1,009	842	692
Operating margin (EBITA), %	13.9	12.1	13.1	11.5	10.8
International¹⁾					
Revenue	223	252	878	1,149	1,419
Real growth, %	–8	–30	–24	–17	n/a
Organic growth, %	–8	6	–6	0	n/a
Operating income (EBITA)	19	20	61	77	87
Operating margin (EBITA), %	8.6	8.1	6.9	6.7	6.1
Other²⁾					
Revenue	–	–	–	–	–
Operating income (EBITA)	–40	–40	–152	–149	–131
Eliminations					
Revenue	–15	–13	–66	–58	–82
Operating income (EBITA)	–	–	–	–	–
Group total					
Revenue	4,358	4,421	17,228	16,800	16,097
Real growth, %	3	4	3	5	7
Organic growth, %	2	4	2	5	2
Operating income (EBITA)	544	543	2,093	1,890	1,703
Operating margin (EBITA), %	12.5	12.3	12.1	11.2	10.6

1) As of July 1, 2016, the general cargo operations were divested. The comparative figures have not been adjusted.

2) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

Financial reports in brief

ORGANIC AND REAL GROWTH

	2017	2016	2017	2016	2015
	Oct–Dec	Oct–Dec	Full year	Full year	Full year
SEK m					
Previous year's revenue	4,421	4,144	16,800	16,097	13,510
Organic growth ¹⁾	79	153	397	731	306
Acquired revenue	73	115	404	315	706
Divestments	–	–118	–239	–257	–
Real growth	152	150	562	789	1,012
Change in foreign currency	–215	127	–134	–86	1,575
Revenue for the period	4,358	4,421	17,228	16,800	16,097

1) For definition of organic growth, see page 31.

KEY RATIOS

	2017	2016	2017	2016	2015
	Oct–Dec	Oct–Dec	Full year	Full year	Full year
Real growth, %	3	4	3	5	7
Organic growth, %	2	4	2	5	2
Total growth, %	–1	7	3	4	19
Gross margin, %	27.7	27.4	27.3	25.6	24.4
Selling and administration expenses in % of total revenue	–15.2	–15.1	–15.1	–14.4	–13.9
Operating margin (EBITA), %	12.5	12.3	12.1	11.2	10.6
Tax rate, %	12	28	24	27	27
Net margin, %	10.0	7.7	8.3	7.5	6.6
Return of shareholders' equity, %	20	19	20	19	18
Return of capital employed, %	19	18	19	18	17
Equity ratio, %	46	45	46	45	41
Net debt (SEK m)	3,823	3,929	3,823	3,929	4,425
Net debt/EBITDA	1.19	1.31	1.19	1.31	1.60
Cash flow from operating activities as % of operating income (EBITA)	89	160	84	107	74
Investments in relation to depreciation	1.4	1.0	1.0	1.0	1.3
Investments as a % of total revenue	8.9	6.8	6.7	6.7	8.6
Earnings per share before dilution, SEK ¹⁾	5.79	4.55	18.99	16.73	14.21
Earnings per share after dilution, SEK	5.79	4.55	18.99	16.73	14.21
Shareholders' equity per share after dilution, SEK	93.55	88.36	93.55	88.36	77.67
Cash flow from operating activities per share after dilution, SEK	10.11	13.97	30.75	35.43	28.15
Dividend per share, SEK	–	–	8.00	7.00	6.00
Number of outstanding shares (millions)	75.2	75.2	75.2	75.2	75.2
Average number of outstanding shares (millions) ¹⁾	75.2	75.2	75.2	75.2	75.2

1) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,226,032. The number of treasury shares amount to 53,797.

Financial reports in brief

STATEMENT OF INCOME – BY QUARTER

	2017				2016				2015
SEK m	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec
Revenue, continuing operations	4,285	4,154	4,222	4,163	4,305	4,126	4,088	3,966	4,082
Revenue, acquisitions	73	92	124	116	115	75	59	66	62
Total revenue	4,358	4,246	4,346	4,279	4,421	4,200	4,147	4,032	4,144
Production expenses	–3,150	–3,034	–3,176	–3,172	–3,210	–3,075	–3,121	–3,087	–3,077
Gross income	1,208	1,211	1,169	1,106	1,211	1,126	1,026	944	1,067
Selling and administration expenses	–664	–641	–652	–645	–668	–598	–582	–569	–588
Operating income (EBITA)	544	570	517	462	543	528	444	376	479
Amortization of acquisition-related intangible assets	–15	–12	–14	–15	–15	–15	–16	–16	–16
Acquisition-related costs and revenue ¹⁾	–8	–10	–14	–15	–15	–32	–3	–5	–18
Items affecting comparability	–	–	–	–	–	81 ²⁾	–	–	–
Operating income (EBIT)	522	549	489	432	512	561	424	355	445
Net financial items	–26	–30	–26	–27	–35	–28	–26	–28	–30
Income before taxes	496	518	463	405	477	533	398	327	415
Income tax	–60	–147	–131	–115	–135	–141	–112	–88	–116
Net income for the period	436	371	332	290	342	391	286	239	299
KEY RATIOS									
Real growth, %	3	5	2	3	4	2	8	7	5
Organic growth, %	2	3	2	3	4	3	6	5	3
Operating margin (EBITA), %	12.5	13.4	11.9	10.8	12.3	12.6	10.7	9.3	11.6
Tax rate, %	12	28	28	28	28	27	28	27	28
Earnings per share after dilution (SEK)	5.79	4.93	4.41	3.85	4.55	5.20	3.81	3.17	3.97

1) Acquisition-related costs and revenue for the period January–December 2017, refer to transaction costs of SEK –13 million (–13), restructuring costs of SEK –17 million (–33) and integration costs of SEK –17 million (–10). Transaction costs for the period January–December 2017 amount to SEK –6 million for acquisitions in progress, to SEK –4 million for completed acquisitions and to SEK –3 million for discontinued acquisitions.

2) Items affecting comparability of SEK 81 million relates to a reported capital gain from the divestment of the general cargo operations.

Financial reports in brief

BALANCE SHEET – BY QUARTER

	2017				2016				2015
SEK m	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
ASSETS									
Fixed assets									
Goodwill	5,615	5,420	5,469	5,647	5,626	5,474	5,459	5,286	5,437
Acquisition-related intangible assets	349	300	249	267	261	282	318	326	349
Other intangible assets	102	97	109	109	114	115	118	113	118
Tangible fixed assets	4,689	4,495	4,575	4,693	4,709	4,582	4,294	4,138	4,305
Non interest-bearing financial fixed assets	459	437	446	467	454	653	559	519	572
Interest-bearing financial fixed assets	96	87	81	81	80	96	88	77	78
Total fixed assets	11,311	10,836	10,929	11,263	11,245	11,202	10,836	10,458	10,860
Current assets									
Non interest-bearing current assets	2,952	3,024	3,077	3,049	2,907	2,954	2,987	2,906	2,816
Interest-bearing financial current assets	62	20	96	22	54	26	32	98	84
Liquid funds	839	872	492	806	663	507	700	653	654
Total current assets	3,852	3,916	3,665	3,877	3,624	3,487	3,719	3,657	3,555
TOTAL ASSETS	15,164	14,752	14,594	15,140	14,869	14,690	14,555	14,115	14,415
SHAREHOLDERS' EQUITY AND LIABILITIES									
Shareholders' equity	7,037	6,576	6,361	6,820	6,647	5,926	5,633	5,791	5,843
Long-term liabilities									
Interest-bearing long-term liabilities	4,745	4,196	4,280	4,042	3,972	5,141	5,499	5,120	5,168
Non interest-bearing provisions	630	714	710	738	729	768	752	737	806
Total long-term liabilities	5,376	4,909	4,990	4,781	4,701	5,910	6,251	5,857	5,974
Current liabilities									
Tax liabilities	180	122	135	178	122	117	136	145	141
Non interest-bearing current liabilities	2,496	2,487	2,502	2,564	2,645	2,464	2,397	2,220	2,384
Interest-bearing current liabilities	75	657	606	796	754	273	138	103	73
Total current liabilities	2,751	3,266	3,243	3,539	3,521	2,854	2,672	2,467	2,598
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	15,164	14,752	14,594	15,140	14,869	14,690	14,555	14,115	14,415
KEY RATIOS									
Return of shareholders' equity, %	20	20	21	19	19	21	20	19	18
Return of capital employed, %	19	20	19	18	18	17	17	17	17
Equity ratio, %	46	45	44	45	45	40	39	41	41
Net debt	3,823	3,873	4,217	3,930	3,929	4,784	4,817	4,395	4,425
Net debt/EBITDA	1.19	1.20	1.32	1.27	1.31	1.65	1.68	1.57	1.60

Financial reports in brief

CASH FLOW – BY QUARTER

	2017				2016				2015
SEK m	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec
Additional information									
Operating income (EBITA)	544	570	517	462	543	528	444	376	479
Depreciation	273	273	285	293	286	278	269	271	264
Change in accounts receivable	15	–129	–85	35	78	–74	–43	–14	53
Change in other operating capital employed and other items	39	43	–1	–226	261	87	164	–320	53
Cash flow from operating activities before investments	871	757	715	564	1,168	818	834	313	850
Investments in fixed assets, net	–389	–236	–278	–249	–301	–282	–321	–217	–465
Cash flow from operating activities	482	522	437	315	867	536	513	96	384
Financial items paid and received	–41	–27	–24	–20	–49	–23	–24	–22	–39
Income tax paid	–53	–67	–218	–65	–57	–99	–118	–53	–80
Free cash flow	388	427	196	230	762	414	372	22	265
Cash flow effect of items affecting comparability	0	0	0	0	1	138	0	0	–2
Acquisition of operations ¹⁾	–254	–179	–	–34	–23	–175	–2	–1	–15
Acquisition-related costs / revenue, paid /received ²⁾	–16	–18	–16	–30	–11	4	–3	–7	–20
Dividend paid	–	–	–602	–	–	–	–527	–	–
Change in interest-bearing net debt excl. liquid funds	–126	191	–201	19	–189	–55	33	43	14
Issuance of bonds ³⁾	–	–	–	–	–	–	–	–	549
Change in commercial papers issued and other long-term borrowing	–25	–30	324	–38	–394	–530	158	–50	–745
Cash flow for the period	–34	392	–299	147	146	–204	31	7	46
KEY RATIOS									
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	89	91	85	68	160	102	116	26	80
<i>Investments in relation to depreciation</i>	1.4	0.9	1.0	0.9	1.0	1.0	1.2	0.8	1.8
<i>Investments as a % of total revenue</i>	8.9	5.6	6.4	5.8	6.8	6.7	7.7	5.4	11.2

1) Acquisition of operations includes up until December 2016, the cash flow effect of acquisition-related transaction costs.

2) Refers to acquisition-related restructuring and integration costs. As from 2017 this item includes acquisition-related transaction costs. For the period July–September 2016, this item includes an escrow repayment for the acquisition of Cardtronics' cash handling operations in the UK in 2015.

3) Bond issue according to Loomis' MTN program.

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SEGMENT OVERVIEW STATEMENT OF INCOME – BY QUARTER

	2017				2016				2015
SEK m	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec
Europe									
Revenue	2,225	2,199	2,198	2,105	2,214	2,162	2,035	1,974	2,113
Real growth, %	2	4	7	6	4	2	2	3	4
Organic growth, %	–1	0	1	1	0	0	1	1	1
Operating income (EBITA)	297	350	287	240	324	335	262	199	295
Operating margin (EBITA), %	13.4	15.9	13.1	11.4	14.6	15.5	12.9	10.1	14.0
USA									
Revenue	1,925	1,852	1,945	1,966	1,968	1,826	1,774	1,757	1,708
Real growth, %	7	8	5	6	9	10	14	16	11
Organic growth, %	7	8	5	6	8	9	13	14	10
Operating income (EBITA)	267	242	252	248	239	208	199	197	200
Operating margin (EBITA), %	13.9	13.1	13.0	12.6	12.1	11.4	11.2	11.2	11.7
International²⁾									
Revenue	223	210	221	224	252	231	348	318	342
Real growth, %	–8	–7	–38	–32	–30	–38	6	–9	–12
Organic growth, %	–8	–7	–8	2	6	–2	6	–9	–12
Operating income (EBITA)	19	15	17	10	20	22	19	16	23
Operating margin (EBITA), %	8.6	7.1	7.5	4.6	8.1	9.3	5.5	5.1	6.8
Other³⁾									
Revenue	–	–	–	–	–	–	–	–	–
Operating income (EBITA)	–40	–37	–39	–37	–40	–36	–36	–36	–40
Eliminations									
Revenue	–15	–16	–18	–17	–13	–19	–10	–17	–19
Operating income (EBITA)	–	–	–	–	–	–	–	–	–
Group total									
Revenue	4,358	4,246	4,346	4,279	4,421	4,200	4,147	4,032	4,144
Real growth, %	3	5	2	3	4	2	8	7	5
Organic growth, %	2	3	2	3	4	3	6	5	3
Operating income (EBITA)	544	570	517	462	543	528	444	376	479
Operating margin (EBITA), %	12.5	13.4	11.9	10.8	12.3	12.6	10.7	9.3	11.6

1) As of July 1, 2016, the general cargo operations were divested. The comparative figures have not been adjusted.

2) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

Financial reports in brief

SEGMENT OVERVIEW BALANCE SHEET – BY QUARTER

	2017				2016				2015
SEK m	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Europe									
Assets	6,550	6,171	6,019	5,898	5,701	5,780	5,330	5,266	5,441
Liabilities	2,259	2,297	2,266	2,337	2,365	2,540	2,159	2,012	2,055
USA									
Assets	6,301	6,266	6,375	6,652	6,719	6,482	6,371	5,996	6,117
Liabilities	700	573	607	568	733	574	622	459	626
International¹⁾									
Assets	1,167	1,182	1,247	1,278	1,241	1,242	1,460	1,427	1,424
Liabilities	220	220	237	253	216	236	398	353	311
Other²⁾									
Assets	1,146	1,133	953	1,312	1,208	1,186	1,394	1,426	1,433
Liabilities	4,948	5,086	5,123	5,162	4,908	5,414	5,743	5,500	5,580
Shareholder's equity	7,037	6,576	6,361	6,820	6,647	5,926	5,633	5,791	5,843
Group total									
Assets	15,164	14,752	14,594	15,140	14,869	14,690	14,555	14,115	14,415
Liabilities	8,127	8,176	8,233	8,320	8,222	8,764	8,922	8,324	8,572
Shareholder's equity	7,037	6,576	6,361	6,820	6,647	5,926	5,633	5,791	5,843

1) As of July 1, 2016, the general cargo operations were divested. The comparative figures have not been adjusted.

2) Segment Other consists mainly of Group assets and liabilities that cannot be divided by segment.

QUARTERLY DATA

	2017				2016				2015
SEK m	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec
Cash flow									
Operations	761	645	458	449	1,051	692	690	232	708
Investment activities	–643	–414	–278	–283	–323	–311	–324	–217	–480
Financing activities	–151	161	–479	–18	–582	–585	–335	–7	–182
Cash flow for the period	–34	392	–299	147	146	–204	31	7	46
Capital employed and financing									
Operating capital employed	4,866	4,708	4,748	4,799	4,615	4,806	4,526	4,477	4,352
Goodwill	5,615	5,420	5,469	5,647	5,626	5,474	5,459	5,286	5,437
Acquisition-related intangible assets	349	300	249	267	261	282	318	326	349
Other capital employed	30	21	112	37	74	148	146	96	130
Capital employed	10,860	10,450	10,578	10,750	10,576	10,710	10,450	10,186	10,268
Net debt	3,823	3,873	4,217	3,930	3,929	4,784	4,817	4,395	4,425
Shareholders' equity	7,037	6,576	6,361	6,820	6,647	5,926	5,633	5,791	5,843
Key ratios									
Return of shareholders' equity, %	20	20	21	19	19	21	20	19	18
Return of capital employed, %	19	20	19	18	18	17	17	17	17
Equity ratio, %	46	45	44	45	45	40	39	41	41
Net debt/EBITDA	1.19	1.20	1.32	1.27	1.31	1.65	1.68	1.57	1.60

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KEY RATIOS – BY QUARTER

	2017				2016				2015
	Dec 31	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec
Real growth, %	3	5	2	3	4	2	8	7	5
Organic growth, %	2	3	2	3	4	3	6	5	3
Total growth, %	–1	1	5	6	7	1	5	5	12
Gross margin, %	27.7	28.5	26.9	25.9	27.4	26.8	24.7	23.4	25.7
Selling and administration expenses in % of total revenue	–15.2	–15.1	–15.0	–15.1	–15.1	–14.2	–14.0	–14.1	–14.2
Operating margin (EBITA), %	12.5	13.4	11.9	10.8	12.3	12.6	10.7	9.3	11.6
Tax rate, %	12	28	28	28	28	27	28	27	28
Net margin, %	10.0	8.7	7.6	6.8	7.7	9.3	6.9	5.9	7.2
Return of shareholders' equity, %	20	20	21	19	19	21	20	19	18
Return of capital employed, %	19	20	19	18	18	17	17	17	17
Equity ratio, %	46	45	44	45	45	40	39	41	41
Net debt (SEK m)	3,823	3,873	4,217	3,930	3,929	4,784	4,817	4,395	4,425
Net debt/EBITDA	1.19	1.20	1.32	1.27	1.31	1.65	1.68	1.57	1.60
Cash flow from operating activities as % of operating income (EBITA)	89	91	85	68	160	102	116	26	80
Investments in relation to depreciation	1.4	0.9	1.0	0.9	1.0	1.0	1.2	0.8	1.8
Investments as a % of total revenue	8.9	5.6	6.4	5.8	6.8	6.7	7.7	5.4	11.2
Earnings per share before dilution, SEK ¹⁾	5.79	4.93	4.41	3.85	4.55	5.20	3.81	3.17	3.97
Earnings per share after dilution, SEK	5.79	4.93	4.41	3.85	4.55	5.20	3.81	3.17	3.97
Shareholders' equity per share after dilution, SEK	93.55	87.42	84.56	90.66	88.36	78.77	74.88	76.98	77.67
Cash flow from operations per share after dilution, SEK	10.11	8.58	6.09	5.97	13.97	9.20	9.17	3.08	9.42
Dividend per share, SEK	–	–	8.00	–	–	–	7.00	–	–
Number of outstanding shares (millions)	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2
Average number of outstanding shares (millions) ¹⁾	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2

1) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,226,032. The number of treasury shares amount to 53,797.

Definitions

Use of key ratios not defined in IFRS

The Loomis Group's accounts are prepared in accordance with IFRS. See page 16 for more information on accounting principles. Only a few key ratios are defined in IFRS. As of the second quarter 2016, Loomis is applying the Alternative Performance Measures issued by ESMA (European Securities and Markets Authority). Briefly, an alternative key ratio is a financial measurement

of historical or future earnings development, financial position or cash flow, not defined or specified in IFRS. To assist Group Management and other stakeholders in their analysis of the

Group's performance, Loomis is reporting certain key ratios not defined by IFRS. Group Management believes that this information will facilitate an analysis of the Group's performance. This data supplements the IFRS information and does not replace the key ratios defined in IFRS. Loomis' definitions of measurements not defined in IFRS may differ from definitions used by other companies. All of Loomis' definitions are included below. Key ratio calculations that cannot be checked against items in the statement of income and balance sheet can be found on page 24.

Gross margin, %

Gross income as a percentage of total revenue.

Operating income (EBITA)

Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

Operating margin (EBITA), %

Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability, as a percentage of revenue.

Operating income (EBITDA)

Earnings Before Interest, Taxes, Depreciation, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

Operating income (EBIT)

Earnings Before Interest and Tax.

Real growth, %

Increase in revenue for the period, adjusted for changes in exchange rates, as a percentage of the previous year's revenue.

Organic growth, %

Increase in revenue for the period, adjusted for acquisition/divestitures and changes in exchange rates, as a percentage of the previous year's revenue adjusted for divestitures.

Total growth, %

Increase in revenue for the period as a percentage of the previous year's revenue.

Net margin, %

Net income for the period after tax as a percentage of total revenue.

Earnings per share before dilution

Net income for the period in relation to the average number of outstanding shares during the period.

Calculation for:

Oct–Dec 2017: $436/75,226,032 \times 1,000,000 = 5.79$

Oct–Dec 2016: $342/75,226,032 \times 1,000,000 = 4.55$

Jan–Dec 2017: $1,428/75,226,032 \times 1,000,000 = 18.99$

Jan–Dec 2016: $1,258/75,226,032 \times 1,000,000 = 16.73$

Earnings per share after dilution

Calculation for:

Oct–Dec 2017: $436/75,226,032 \times 1,000,000 = 5.79$

Oct–Dec 2016: $342/75,226,032 \times 1,000,000 = 4.55$

Jan–Dec 2017: $1,428/75,226,032 \times 1,000,000 = 18.99$

Jan–Dec 2016: $1,258/75,226,032 \times 1,000,000 = 16.73$

Cash flow from operations per share

Cash flow for the period from operations in relation to the number of shares after dilution.

Investments in relation to depreciation

Investments in fixed assets, net, for the period, in relation to depreciation.

Investments as a % of total revenue

Investments in fixed assets, net, for the period, as a percentage of total revenue.

Shareholders' equity per share

Shareholders' equity in relation to the number of shares after dilution.

Cash flow from operating activities as % of operating income (EBITA)

Cash flow for the period before financial items, income tax, items affecting comparability, acquisitions and divestitures of operations and financing activities, as a percentage of operating income (EBITA).

Return on equity, %

Net income for the period (rolling 12 months) as a percentage of the closing balance of shareholders' equity.

Return on capital employed, %

Operating income (EBITA) (rolling 12 months) as a percentage of the closing balance of capital employed.

Equity ratio, %

Shareholders' equity as a percentage of total assets.

Net debt

Interest-bearing liabilities less interest-bearing assets and liquid funds.

n/a

Not applicable.

Other

Amounts in tables and other combined amounts have been rounded off on an individual basis. Minor differences due to this rounding-off, may, therefore, appear in the totals.

Loomis in brief

Vision

Managing cash in society.

Financial targets 2017

- Revenue: SEK 17 billion by 2017.
- Operating margin (EBITA): 10–12 percent.
- Net debt/EBITDA: Max 3.0.
- Dividend: 40–60 percent of net income.

Financial targets 2018-2021

- Revenue: SEK 24 billion by 2021.
- Operating margin (EBITA): 12–14 percent.
- Dividend: 40–60 percent of net income.

Sustainability

- Zero workplace related injuries.
- Decrease carbon emission by 30 percent.
- Decrease plastic volumes by 30 percent.

Operations

Loomis offers secure 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 around 400 branches in more than 20 countries. Loomis employs around 24,000 people and had revenue in 2017 of SEK 17.2 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.

Information meeting

An information meeting will be held on January 30, 2018 at 09:30 a.m. (CET).

This meeting will be held at Sveavägen 20, 9th floor, Stockholm.

To listen to the meeting proceedings by telephone (and to participate in the question and answer session), please call:

UK: 08445718892

USA: 1 631 510 7495

Sweden: +46 8 506 921 80

Provide conference ID number: Loomis, 6488188.

The meeting can also be viewed online at www.loomis.com/investors/reports&presentations

A recording of the webcast will be available at www.loomis.com/investors/reports&presentations after the information meeting, and a telephone recording of the meeting will be available until February 13, 2018 at 12:30 p.m. (CET) on number:

UK: 08443386600

USA: 1 866 247-4222

Sweden: +46 8 506 357 42

Conference ID number: Loomis, 6488188.

Future reporting and meeting

Interim report	January – March	May 3, 2018
Interim report	January – June	July 25, 2018
Interim report	January – September	November 2, 2018

Loomis' Annual General meeting will be held on May 3, 2018 in Stockholm.

For further information

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Questions can also be sent to: ir@loomis.com. Refer also to the Loomis website: www.loomis.com

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 7.30 a.m. (CET) on January 30, 2018.



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