

Press release, 10 November 2017

Attendo's report for the third quarter 2017: More new openings – now over 10 000 beds in own operations

Attendo had a record number of openings during the third quarter, primarily related to nursing homes. In total 720 new beds were added, bringing the number of beds to 10,378 in own operations. Profit for the third quarter was in line with the corresponding quarter of 2016, but the margin was slightly lower.

Comments by Henrik Borelius, CEO

For the sixth consecutive quarter Attendo increased the number of beds under construction in own operations. This provides a foundation for continued stable growth. Attendo opened a record number of new homes and now has more than 10,000 beds in own operations. This has been made possible by Attendo improving its efforts to establish new units and through favourable market conditions.

Own operations showed continued stable growth in both nursing homes and homes for people with disabilities. Attendo opened 21 own care homes during the quarter, with 16 in Finland and 5 in Sweden. Construction started on 23 new homes in Finland, 4 in Sweden and 1 in Denmark. At the end of the third quarter, Attendo had 2,757 beds under construction.

Net sales in *Outsourcing* increased compared to the third quarter of 2016 as a result of the two combination contracts that started in Finland in early 2017. Net sales in *Staffing* were slightly lower in the quarter compared with the corresponding period 2016. The markets for *Outsourcing* and *Staffing* are expected to remain challenging but stable.

Profit for the third quarter was in line with the corresponding quarter of 2016, but the margin was lower. Improvements in planning and processes and acquisitions contributed positively to earnings. The profit was adversely affected by the sharply reduced demand for integration care services as well as by weakened profits in home care, mainly related to Denmark. The number of newly opened homes within our own operations was the highest ever in the third quarter, which initially hampers earnings. Attendo continues to plan for a high number of openings in the coming quarters, with cost impact. During the fourth quarter, earnings are expected to be negatively affected by the continued phasing out of integration operations, home care costs related to Denmark and to restructuring of acquisitions. The costs are estimated to be limited to the fourth quarter.

Attendo is constantly working to develop the care offering using new procedures and new technologies. To develop the care for people with dementia, Attendo's own homes in Sweden will be connected to the Swedish register for Behavioural and Psychological Symptoms in Dementia (BPSD). A number of Attendo's nursing homes in Finland have introduced new large-format computer tablets this quarter. Attendo's customers can now initiate video calls with relatives, as well as use the internet and easily play games, in a visually attractive way.

In summary, Attendo showed continued stable development. The result of the long-term strategy to focus on growth in own operations is now clearly visible and, at the end of the quarter, Attendo had over 10,000 beds. Finnish care company Mikeva will bring additionally approximately 2,800 new beds in care for older people, social psychiatry and care for people with disabilities. By establishing more units, Attendo is supporting society's need for care services, giving individuals access to personalised care in comfortable homes and creating long-term growth for the shareholders.

Summary of the third quarter 2017

- Net sales increased by 7 percent to SEK 2,741m (2,568). Adjusted for currency effects net sales increased by 7 percent.
- Operating profit (EBITA) amounted to SEK 337m (340), representing an operating margin of 12.3 percent (13.2).
- Profit for the period was SEK 223m (224), corresponding to a profit margin of 8.1 percent (8.7) and earnings per share diluted of SEK 1.39 (1.39).
- Operating cash flow was SEK 73m (101).
- The total number of beds in operation in own homes amounted to 10,378 (9,012), an increase with 15 percent. Beds under construction in own operations were 2,757, distributed among 71 homes.

Invitation to teleconference

The report will be presented at a teleconference on 27 July 2017 at 10:00 am (CET). The teleconference will be hosted by Attendo's CEO Henrik Borelius and acting CFO Rebecca Ericsson Birck. The presentation will be held in English.

To participate in the conference, please dial in on any number below:

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The presentation and the teleconference can also be viewed on the following page:
<https://tv.streamfabriken.com/attendo-q3-2017>

The quarterly report and other information material will be made public on:
www.attendo.com/investor-relations

Attendo AB (publ)

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Attendo - the leading care and healthcare company in the Nordics

Attendo is the leading private provider of publicly financed care and healthcare services in the Nordic region. The company was founded in 1985 and was first to provide outsourced care for older people in Sweden. In addition to care for older people, Attendo provides care for people with disabilities, individuals and families, and, in Finland, healthcare and dental care. Attendo has more than 20 000 employees and is locally anchored with over 500 operations in more than 200 municipalities in Sweden, Finland, Norway and Denmark. www.attendo.com