



Press release

Loomis restructures the physical foreign exchange (FX) business in Norway

In May 2019, a Danish journalist put forward allegations that a Loomis subsidiary had delivered currency to foreign exchange offices in Denmark, of which a few were suspected to be involved in money laundering. The foreign exchange business in Denmark was conducted by Loomis Foreign Exchange AS in Norway (Loomis FX).

Loomis ambition is to always secure compliance with rules and regulations and Loomis has high standards for ethical guidelines. This applies to corporate governance as well as risk management within operations and other areas. Therefore, Loomis immediately initiated an internal and two external investigations to review Loomis FX's anti money laundering (AML) framework and the compliance with relevant regulations. The conclusions of the investigations were communicated through a press release issued on July 19, 2019.

The investigations identified deficiencies in relation to compliance during the period of investigation (2016-2018). Loomis rectified the deficiencies and has strengthened the organization for compliance of rules and regulations. Loomis also contacted the Norwegian Financial Supervisory Authority ("NFSA") to share the conclusions from the investigations but also to inform about the measures taken. Based on the previous deficiencies specified in the investigations, the NFSA has recently informed Loomis FX they were considering revoking the license to conduct FX business in Norway for Loomis FX.

Therefore, Loomis FX has chosen to return its license and the NFSA has confirmed that Loomis FX is no longer under NFSA supervision and their review will not lead to a formal decision. Loomis FX business in Norway was limited and revenues were approximately SEK 60 million in 2019, corresponding to approximately 0.3 percent of the Loomis group's total revenues.

Loomis international strategy for FX operations remains unchanged. In December 2018 Loomis acquired CPoR Devises ("CPoR"), a French credit institution under the supervision of the French Financial Supervisory Authority. CPoR has a strong position within the French FX market. Loomis AB, the parent company of the Loomis group, and CPoR jointly lead the strategy for the international expansion within FX, in line with the communication at the capital markets day on September 5, 2019. The process with CPoR as the main hub for all of Loomis' FX operations was intensified after the external and internal investigations were completed in 2019.

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Loomis offers safe and effective comprehensive solutions for the distribution, handling, storage and recycling of cash and other valuables. Loomis customers are banks, retailers and other companies. Loomis operates through an international network of more than 400 branches in more than 20 countries. Loomis employs around 25,000 people and had revenue in 2019 of SEK 21.0 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.