



Third quarter 2018 – Presentation

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Martin Tivéus, CEO

Fredrik Lagercrantz, CFO

Financial summary of Q3¹: Higher organic growth driven by new own units

- Net sales of SEK 2,802m (2,220), growth increased by 21% adjusted for currency effects
- Operating profit (EBITA) of SEK 297m (277) and corresponding EBITA margin amounted to 10.6% (12.5)
- Operating cash flow² of SEK 186m (73)
- Attendo opened 319 own nursing home beds. By end of Q3 Attendo had 15,343 own beds in operation
- Closing of divestment of Attendo's health care operations expected in Q4 2018



Attendo Muréngatan, Gävle, Sweden

Business highlights: High growth in own operations

Highlights by contract model

Own operations: (80% of sales)

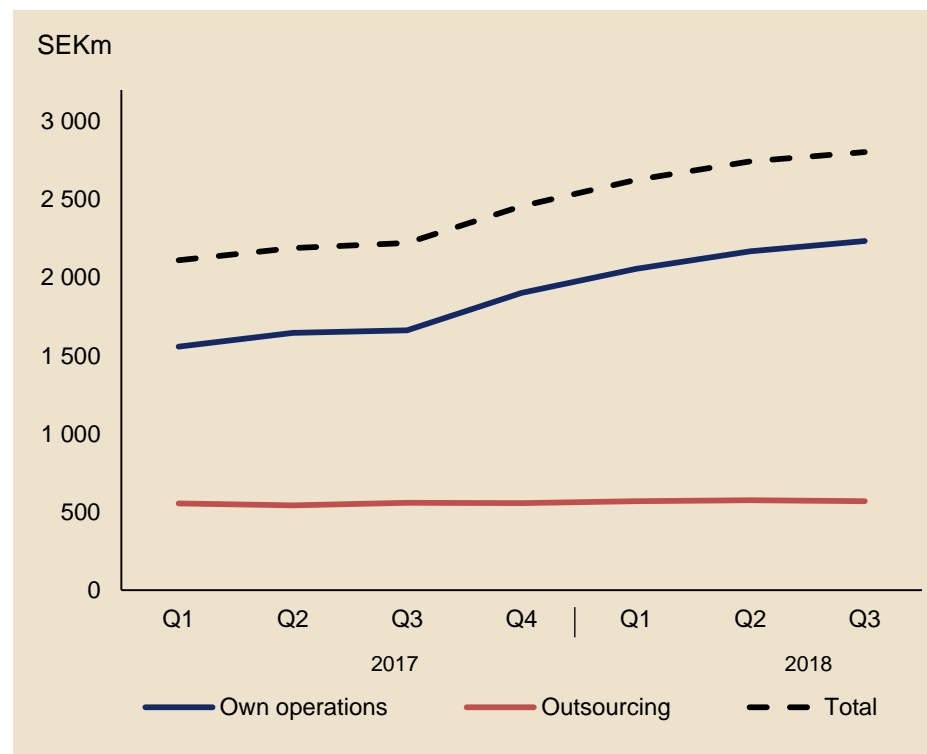
- High growth in net sales, +34% due to acquisitions and new nursing homes
- Record high number of new own nursing homes opened in 2018, seasonally lower number in Q3
- Construction of 13 new units started with 409 beds
- Cont. high number of beds under construction: 2,519
- Closure of some units

Outsourcing operations: (20% of sales)

- Net sales increased by 2% compared to Q3 2017, mainly due price adjustments and currency
- Attendo lost contract volumes of SEK 60m
- Some larger contracts in Stockholm to expire in Q4 2018

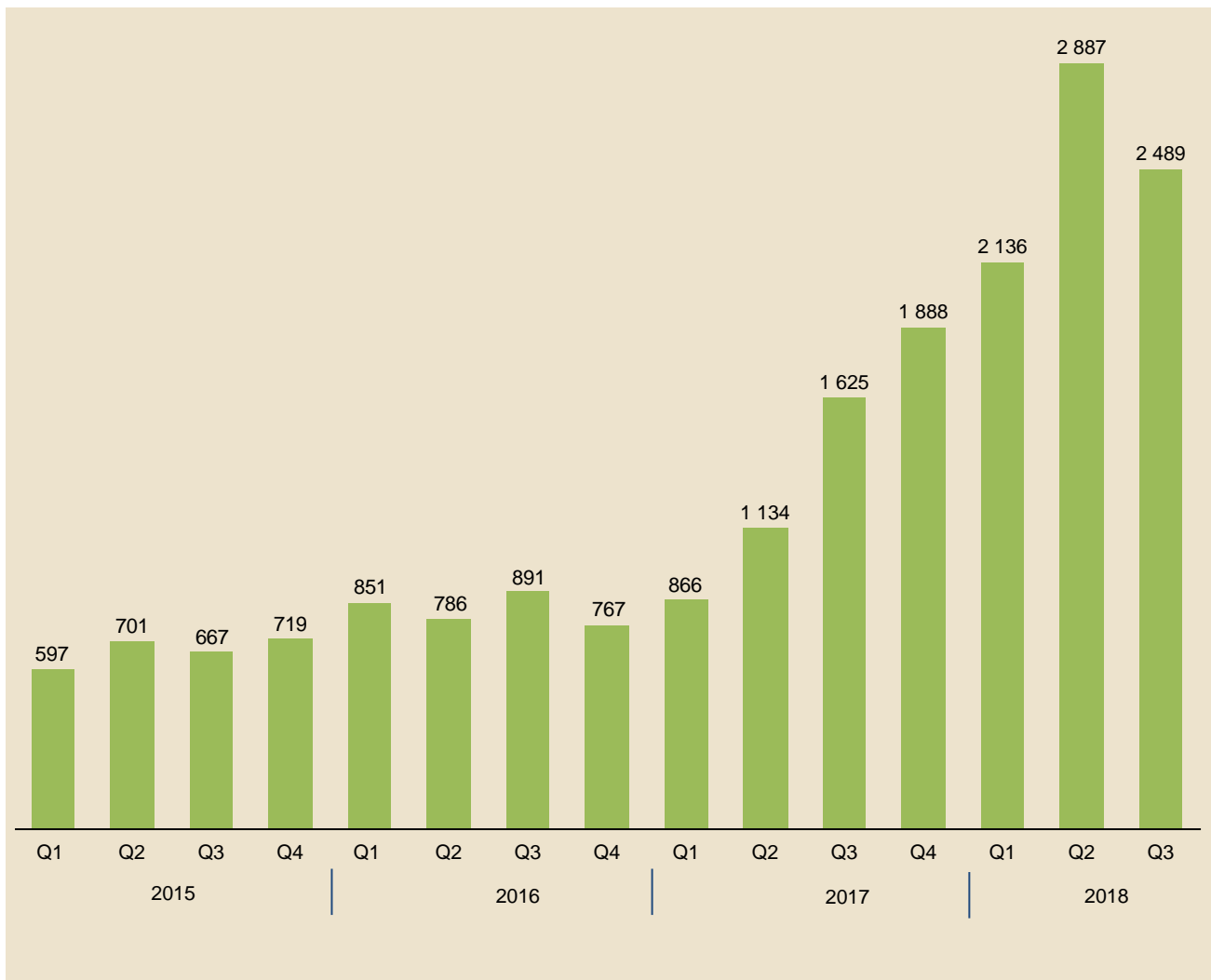
Net sales by contract model

SEKm	Q3 2018	Q3 2017	Chg (%)
Own operations	2,233	1,661	34
Outsourcing	569	559	2

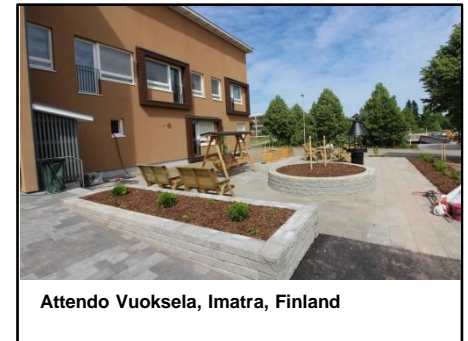


Own operations: High number of openings

No. of opened beds in own operation¹⁾, rolling 12 months



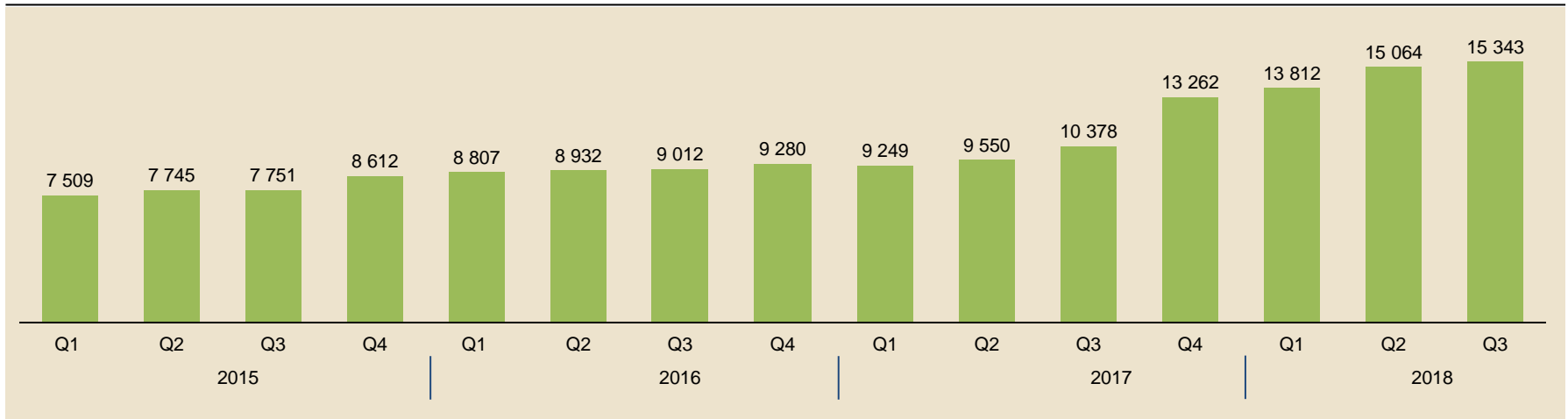
New openings



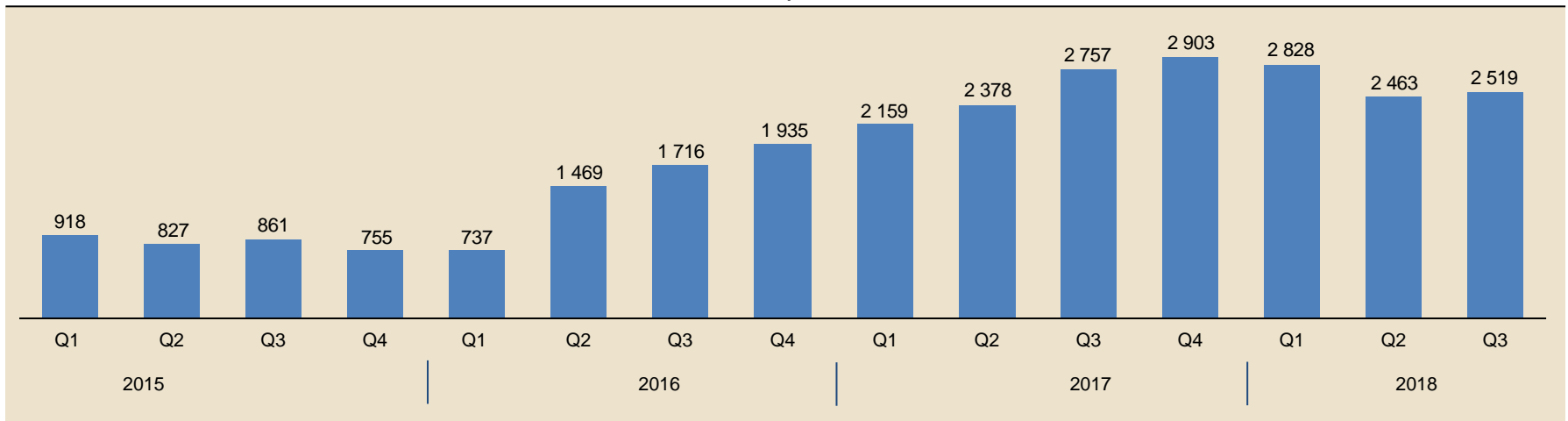
1) Own nursing homes (CoP) and own care homes (care for people with disabilities, social psychiatry)

Own operations: ~50% increase of beds in own operation (Y/Y)

No. of beds in own operation¹⁾



No. of beds in own operation under construction²⁾



1) Own nursing homes (CoP) and own care homes (care for people with disabilities, social psychiatry and individuals and families)

2) Own nursing homes (CoP) and own care homes (care for people with disabilities and social psychiatry)

Market highlights: Elections in Sweden may open up new opportunities locally

Sweden

- Solid demand for own operations solutions
- Market for outsourcing contract higher vs last year and sequentially
- Elections to parliament and local authorities in Sweden
 - New majorities more pro-private may result in new opportunities



Finland

- Solid demand for own operations solutions
- Some local authorities divest care facilities to secure local services and jobs
- Social and health care reform (SOTE)
 - Uncertain on timing of decision in parliament



P&L: Higher organic growth

SEKm	Q3 2018	Q3 2017	Change (%)
Net sales	2,802	2,220	26
<i>Organic</i>	4.1	1.7	-
<i>Acquired</i>	17.3	4.2	-
<i>Currency</i>	4.8	0.1	-
Operating profit (EBITA)	297	277	7
<i>Operating margin (EBITA), %</i>	10.6	12.5	-
EBIT	260	250	4
Financial net	-35	-21	-
Income tax	-54	-50	-
Profit from remaining operations	171	179	-4
Profit from operations held for sale	38	44	
Diluted earnings per share, SEK	1.06	1.11	-5

EBITA change: M&A and occupancy in ramp-up units balance opening costs



Q3 2018 vs. Q3 2017:

- + Acquisitions
- + Improved occupancy in units that were under start-up during Q3 2017
- + Home care Sweden
- Own units under start-up/openings
- Lower contribution from outsourcing

Cash flow*: Positive op cash flow due to timing effects of working capital

SEKm	Q3 2018	Q3 2017
Operating profit (EBITA)	350	337
Change in working capital, paid tax and non cash items	-120	-199
Cash flow after changes in working capital	230	138
Net investments in tangible and intangible assets	-44	-65
Operating cash flow	186	73
Interest received/paid	-33	-8
Free cash flow	153	65
Net change in assets and liabilities held for sale	-59	-300
Net of acquisitions/divestments	-19	-95
Cash flow from financing	-79	-14
Total cash flow	-4	-344
Net debt	4,673	3,322
Net debt/EBITDA	3.8	2.7

* All figures presented including cash flow from health care operations

Quality & employees: Awards, preventive measures and new ways of displaying nursing homes in focus

Examples from third quarter 2018



- Measures to handle the extreme warm weather during the summer months
- Solar panels at nursing homes for higher efficiency and more sustainable buildings
- Pop-up nursing home in Finland
- Attendo Unika, nominated for best employer by Samhall
- Attendo's nurse of the year elected in Finland and the innovation of the year

Attendo 

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