



Press release 2018-05-17

Ambea interim report January-March 2018

CEO comment:

"The year has started well with continued favourable growth in Own Management and many beds in ramp-up phase. Together with start-up units, our acquisitions made a positive contribution to sales and profitability. However, as previously announced, volume reductions in Contract Management operations had an adverse impact on performance. During the quarter, we launched our new brands: Klara for staffing solutions and Heimta for operations in Norway, which both now report as separate segments. Net sales in the first quarter amounted to SEK 1,467 million (1,422). Own Management accounted for 67 per cent (62) of net sales. Adjusted EBITA, excluding items affecting comparability, was in line with the previous year at SEK 109 million (110). As part of work improving profitability and also retaining competitiveness in the future, Ambea decided during the quarter to adapt the Group's administrative costs. The adjustments include efficiency improvements by digitising and automating administrative procedures. The measures will have a limited impact on earnings in 2018, while we expect the full effect of savings in 2019, amounting to about SEK 30 million."

Highlights of the first quarter:

- Net sales rose 3 per cent to SEK 1,467 million (1,422)
- Operating profit (EBIT) increased to SEK 86 million (73)
- EBITA increased 22 per cent to SEK 105 million (86), corresponding to a margin of 7.2 per cent (6.1)
- Adjusted EBITA, excluding items affecting comparability decreased 1 per cent to SEK 109 million (110).
- The adjusted EBITA margin was 7.4 per cent (7.7)
- Items affecting comparability in the quarter amounted to SEK -4 million (-24), attributable to the divestment of personal assistance operations that was completed in the fourth quarter of 2017.
- Profit for the period was SEK 60 million (33)
- Earnings per share amounted to SEK 0.88 (0.52) before and SEK 0.87 (0.52) after dilution
- Operating cash flow amounted to SEK 111 million (87)
- Free cash flow totalled SEK 66 million (24)
- Norway (Heimta) and Staffing Solutions (Klara) are reported as separate segments as of the first quarter

Telephone conference:

Ambea will host a presentation with the possibility to attend through a telephone conference at 10:00 (CET) today. The presentation will be held in English and will also be available as webcast on: <https://edge.media-server.com/m6/p/b3wkjy2d>

Dial-in information:

To ensure that you are connected to the conference call, please dial in a few minutes before the conference call to register your attendance by stating "Ambea".

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The interim report, presentation and other material are available on www.ambea.com

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Ambea, is present in care services, and has approximately 15,000 employees. We offer services in disabled care, individual and family care, and elderly care with a focus on residential care and own management. We aim to be the quality leader in all that we do and our vision is to make the world a better place, one person at a time. Total revenue and adjusted EBITA for the 2017 financial year amounted to SEK 5,816 million and SEK 498 million. The company was founded in 1996 and its head office is located in Solna, Sweden. Ambea is listed on Nasdaq Stockholm.