



## Interim Report January–March 2020

### First quarter of 2020

- Net sales in the first quarter amounted to SEK **2,541** (2,535) million. Organic growth was -2 per cent and growth from acquisitions 2 per cent, while exchange rate effects accounted for -1 per cent.
- Adjusted EBITA amounted to SEK **122** (131) million and the operating margin was **4.8** (5.2) per cent.
- EBIT was SEK **61** (77) million. Profit after tax was SEK **31** (43) million.
- Earnings per share were SEK **0.3** (0.4).
- Operating cash flow was SEK **184** (124) million.
- Leverage in relation to adjusted EBITDA was **2.1** (2.2).
- The spread of COVID-19 in the Nordic region escalated at the end of the first quarter, which negatively impacted the company's sales and operating profit. For a summary of the impact of and Coor's actions linked to COVID-19, refer to page 3.

” *A first quarter marked by a pandemic, but cash flow remained strong*

*Mikael Stöhr, President and CEO, Coor*

GROUP EARNINGS SUMMARY (SEK m)	Jan–Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Net sales	2,541	2,535	10,319	10,313
Organic growth, %	-2	10	2	5
Acquired growth, %	2	7	1	2
FX effects, %	-1	2	0	1
Adjusted EBITA	122	131	541	549
Adjusted EBITA margin, %	4.8	5.2	5.2	5.3
EBIT	61	77	283	299
Income for the period	31	43	157	169
Operating cash flow	184	124	652	591
Earnings per share, SEK	0.3	0.4	1.6	1.8

See page 23 for definitions and calculations of key performance indicators. Items affecting comparability are presented in Note 3.

## CEO's comments

### A first quarter marked by a pandemic, but cash flow remained strong

*The first quarter of 2020 was marked by the outbreak of COVID-19. Coor's main priority is the health and safety of our employees and our customers' employees. This priority always applies to Coor, especially in these times. As regards financial earnings, Coor's first-quarter sales totalled SEK 2,541 (2,535) million, delivering an operating profit of SEK 122 (131) million. A continued reduction in working capital drove strong cash conversion of 114 per cent over the last twelve months.*

#### Negative effects and powerful countermeasures

Coor was unaffected by the spread of the coronavirus in January and February. In March, the effects on our operating activities were unmistakable. The Nordic countries were closed down by their governments and authorities, and our customers followed suit at different speeds and to various extents. Coor's efforts to promote the reduced spread of infection have followed the recommendations of the authorities in the respective countries.

The effects of the spread of infection impacted Coor's sales and operating profit negatively, especially regarding the variable volumes in food and beverages (approximately 15 per cent of Coor's sales in 2019) where we witnessed a sharp downturn beginning in the second half of March. Variable volumes in other services were also impacted negatively when customers' operations decreased as a result of government decisions. The effects from expanded office cleaning services had only a limited positive impact in the quarter.

To minimise the financial effects, Coor has implemented cost reductions – primarily through short-term furloughs based on the regulations and support in the respective countries, but also through lay-offs. This affects approximately 2,300 persons, corresponding to just over 20 per cent of employees altogether at the end of the quarter, spread across all countries and Group-wide staff. We are also minimising purchases of goods and services as well as development initiatives that are not business-critical over the short term. The negative effects on operating profit linked to the pandemic are estimated to be approximately SEK 15 million for the first quarter.

#### Strong cash flow points the way to the future

Coor's operations are characterised by a low level of tied-up capital. The cash conversion for the last twelve months was 114 per cent, driven by a decline in working capital of SEK 188 million during the same period. As always, at Coor we work proactively on safeguarding the company's cash flow from the perspective of working capital, and we will also be reducing the level of investment during the year. Moreover, the Board of Directors has already proposed that the Annual General Meeting pass a resolution on not paying a dividend.

All these measures are intended to keep Coor strong through the most acute phase of the pandemic. On the other side of this phase, Coor will be needed as a business partner in the Nordic region. Many companies will choose to enhance the efficiency of their operations, finding new smart, digital and automated service solutions. Coor's "Service with IQ" customer offering will point the way to the facility management of the future in the Nordic region.

#### Continued market activity

Despite the operational turbulence late in the quarter, activity levels in the market for renegotiations and new contracts were high. Coor continued to conduct business during the first quarter with several crucial contract extensions, including our integrated facility management (IFM) agreement with Equinor's offshore operations in Norway and our IFM contracts with Borealis and Vasakronan in Sweden.

The integration continued of Norrlands Miljövård in Sweden, an operation that made a highly positive contribution to our Swedish operations during the first quarter.

#### 2020 marked by pandemic, but strong long-term prospects remain

2020 will be a year marked by the global pandemic. At present, it is difficult to foresee the consequences of the pandemic and the decisions being made in society to limit the effects on both health and the economy.

Structurally, however, we see that nothing has changed in either our customers' needs for efficient service solutions or in Coor's underlying business model. We are seeing strong interest and favourable demand in the market as well as interesting business opportunities throughout the Nordic region. We believe our prospects to achieve growth, profitability and cash flow in line with our targets over time are good.

Stockholm, 28 April 2020

Mikael Stöhr  
President and CEO, Coor



## COVID-19, first-quarter summary

*The spread of COVID-19 in the Nordic region escalated at the end of the first quarter of 2020. Coor immediately initiated the Group's continuity plan via the crisis teams of the national organisations and the Group. As always, Coor's main priority is the health and safety of our employees and our customers' employees, especially in these times with COVID-19. Immediate measures have also been initiated to minimise the financial effects by reducing the company's costs and safeguarding the company's cash flow. By providing our services, Coor has also enabled crucial societal functions to be maintained – especially in healthcare, infrastructure and the police.*

- Coor's efforts to promote the reduced spread of infection follow the recommendations of the authorities in the respective countries and are led by the crisis teams of the national organisations. The Group's crisis team coordinates the Group-wide efforts and ensures the sharing of know-how across national boundaries.
- COVID-19 impacts the company's sales and operating profit negatively, especially regarding the variable volumes in food and beverages (approximately 15 per cent of sales in 2019) where Coor witnessed a sharp downturn beginning in the second half of March. Variable volumes in other services were also impacted negatively when customers' operations decreased as a result of government decisions. The effects from expanded office cleaning services had only a limited positive impact in the quarter.
- Coor's subscription volumes in other services are not automatically impacted by reductions in customers' operations as a result of government decisions. In the standard contract with Coor, a pandemic is not regarded as a force majeure event. This does not mean, however, that subscription volumes will remain unaffected by COVID-19. Our operations are primarily conducted at our customers' locations. This means that Coor's operations are adjusted in close dialogue with our customers. We partner with our customers to find both short- and long-term sustainable solutions.
- To minimise the financial effects, Coor has implemented cost reductions – primarily through short-term furloughs based on the regulations and support in the respective countries, but also through lay-offs. This affects approximately 2,300 persons (corresponding to just over 20 per cent of employees altogether at the end of the quarter) spread across all countries and Group-wide staff. The company is also minimising purchases of goods and services as well as development initiatives that are not business-critical over the short term. The negative effects on operating profit linked to COVID-19 are estimated to be approximately SEK 15 million for the first quarter.
- The company is working proactively to safeguard its cash flow from the perspective of both working capital and investment. Customer payments are monitored on a daily basis at a detailed level. At present, we see no changes in payment patterns from our customers.
- The Board of Directors of Coor has decided to withdraw its previous dividend proposal, instead proposing that the Annual General Meeting resolve not to pay any dividend. The Board of Directors has also decided to withdraw its proposal for a new long-term incentive programme for the management of Coor for 2020. In conjunction with this, Coor's Nomination Committee has announced that they intend to propose unchanged Directors' fees for 2020, a change from the previous proposal.
- Coor has a strong financial position and healthy margins in relation to the bank covenants of 3.75x (interest-bearing net debt at the balance sheet date divided by adjusted EBITDA, rolling 12 months). Coor's bank financing of SEK 1,500 million runs through 2024, including optional extensions. Additionally, the company has a senior unsecured bond loan totalling SEK 1,000 million with a maturity of 5 years (from March 2019).
- Coor notes that it is difficult to foresee the consequences over the longer term of the pandemic and the decisions being made in society to limit the effects on both health and the economy.

## Group performance

### Net sales and operating profit

CONSOLIDATED (SEK m)	Jan–Mar	
	2020	2019
Net sales	2,541	2,535
Organic growth, %	-2	10
Acquired growth, %	2	7
FX effects, %	-1	2
Adjusted EBITA	122	131
Adjusted EBITA margin, %	4.8	5.2
EBIT	61	77
EBIT margin, %	2.4	3.0
Number of employees (FTE)	9,227	8,861

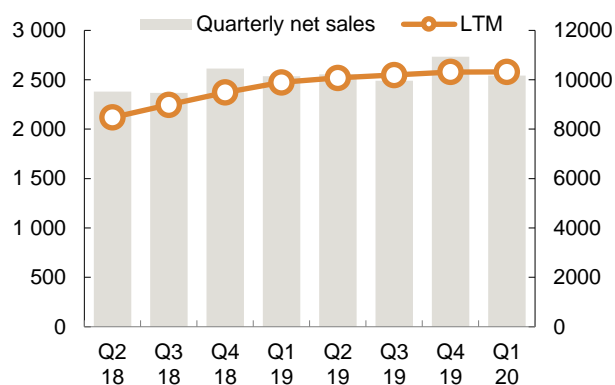
### First quarter (January–March)

Net sales were in principle unchanged compared with the year-earlier period. The acquisition of Norrlands Miljövärd contributed 2 per cent to growth, but organic growth was negative and amounted to -2 per cent. The negative organic growth comes from the effects of COVID-19 – primarily in food and beverages – and from the variable volumes in Sweden not being on a par with the high levels of the year-earlier period. The completed contracts with extremely low margins in Finland also negatively impacted growth, whereas the new and expanded business in primarily Sweden and Denmark made positive contributions. Acquired growth for the quarter was entirely attributable to Sweden.

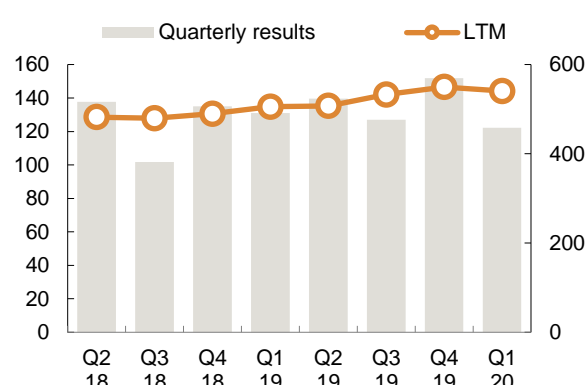
Operating profit (adjusted EBITA) amounted to SEK 122 (131) million. The operating margin for the quarter was 4.8 (5.2) per cent. Improvements to profitability, primarily in Sweden, did not fully offset the negative effects from COVID-19 across countries and lower operating profit from Denmark.

EBIT was SEK 61 (77) million. In addition to the decrease in operating profit, items affecting comparability and amortisations of customer contracts and trademarks were somewhat higher year-on-year.

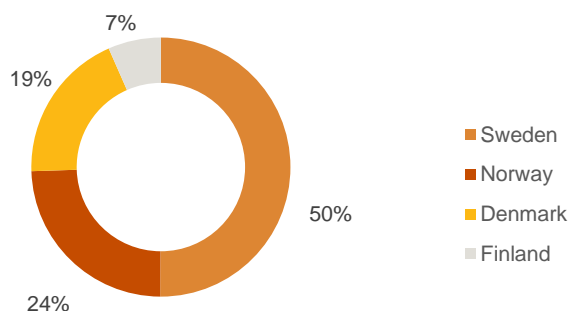
NET SALES (SEK M)



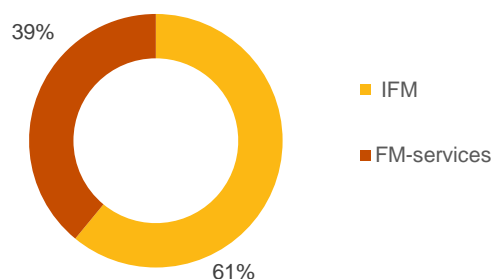
ADJUSTED EBITA (SEK M)



NET SALES BY COUNTRY, LTM, Q1 2020



NET SALES BY TYPE OF CONTRACT, LTM, Q1 2020



## Financial net and profit after tax

FINANCIAL NET (SEK m)	Jan–Mar	
	2020	2019
Net interest, excl leasing	-12	-10
Net interest, leasing	-3	-2
Borrowing costs	-1	-1
Other	-1	-2
<b>Total excl exchange rate differences</b>	<b>-17</b>	<b>-15</b>
Exchange rate differences	-1	-6
<b>Total</b>	<b>-17</b>	<b>-21</b>

Net financial items for the first quarter improved by SEK 4 million compared with the year-earlier period, primarily attributable to the exchange rate differences that arose in the year-earlier period when the loans under the previous financing agreement were repaid.

Tax for the period was SEK -13 (-13) million, corresponding to 29 (23) per cent of profit before tax. The change from the year-earlier period is attributable primarily to the higher share of interest expenses that are non-deductible in the first quarter of the current year. Profit after tax was SEK 31 (43) million.

## Cash flow

Operating cash flow for the first quarter amounted to SEK 184 (124) million.

Operating cash flow varies from one quarter to the next. The key parameter to follow is therefore the rolling 12-month change in working capital. In the past 12 months, working capital declined by SEK 188 million, which is an improvement year-on-year. This strong cash flow was attributable to focused working capital management across the whole organisation, as well as a positive calendar effect compared with the preceding year, when the last two days of the quarter fell on a weekend.

The most important external key performance indicator for cash flow is cash conversion, which is defined as the ratio of a simplified operating cash flow to adjusted EBITDA. Cash conversion for the most recent 12-month period amounted to 114 (108) per cent.

CASH CONVERSION (SEK m)	LTM	LTM	Full year
	Q1 2020	Q1 2019	2019
Adjusted EBITDA	744	605	749
Change in net working capital	188	126	101
Net investments	-83	-75	-68
<b>Cash flow for calculation of cash conversion</b>	<b>848</b>	<b>656</b>	<b>781</b>
<b>Cash conversion, %</b>	<b>114</b>	<b>108</b>	<b>104</b>

## Financial position

NET DEBT (SEK m)	31 Mar		31 Dec
	2020	2019	2019
Liabilities to credit institutions	740	489	791
Corporate bond	1,000	1,000	1,000
Leasing, net	364	338	379
Other	63	59	68
	<b>2,167</b>	<b>1,886</b>	<b>2,238</b>
Cash and cash equivalents	-578	-351	-497
<b>Net debt</b>	<b>1,589</b>	<b>1,535</b>	<b>1,741</b>
Leverage	2.1	2.2	2.3
Equity	1,995	2,254	1,980
Equity/assets ratio, %	30	34	29

1) Calculated pro forma as if IFRS 16 had been applied for the full 12-month period ending 31 March 2019.

Consolidated net debt at the end of the period was SEK 1,589 (1,535) million.

The company's leverage, defined as net debt to adjusted EBITDA, was 2.1 (2.2) at the end of the period, which is in line with the Group's target of a leverage below 3.0.

Equity at the end of the period was SEK 1,995 (2,254) million, and the equity/assets ratio was 30 (34) per cent.

Cash and cash equivalents amounted to SEK 578 (351) million at the end of the period. At the end of the period, the Group had undrawn credit lines totalling SEK 750 (1,000) million.

## Significant events in the first quarter

- On 21 January 2020, it was announced that Helena Söderberg would be taking over as HR Director no later than August 2020 and would join Coor's executive management team at the same time. Helena currently serves as HR Director at JM and will succeed Anders Asplund, who will retire in the second half of 2020.
- On 24 January 2020, it was announced that Coor had extended its IFM contract with Borealis for an additional five years. The contract is worth around SEK 100 million annually.
- On 19 March 2020, Coor announced that a reduced dividend of SEK 2.20 per share had been proposed in light of the prevalent uncertainty associated with the spread of the coronavirus.
- On 20 March 2020, it was announced that Coor would extend its IFM contract with Vasakronan. Coor's business relationship with Vasakronan generates annual sales of around SEK 200 million. The extension of the agreement is worth approximately SEK 120 million annually and runs through 2023. In addition, Coor also delivers conference and restaurant services in Vasakronan premises at an annual value of SEK 85 million.
- On 31 March 2020, it was announced that Coor would extend its offshore agreement with Equinor. Since 2015, Coor has delivered facility management services to five of Equinor's oil platforms. Equinor has now chosen to extend the agreement for three years by exercising the option in the agreement. The agreement has an annual value of nearly SEK 200 million. The extension goes into effect from 1 July 2020.
- The spread of COVID-19 in the Nordic region escalated at the end of the first quarter of 2020, which creates uncertainty that impacts Coor as a company and Coor's customers. Coor immediately initiated the Group's continuity plan via the crisis teams of the national organisations and the Group. Coor's main priority is the health and safety of our employees and our customers' employees.

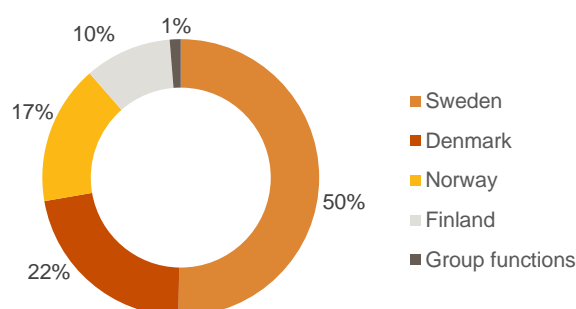
## Significant events after the end of the period

- On 7 April 2020, Coor announced that the Board of Directors had decided to withdraw its revised proposal for a dividend of SEK 2.20 per share, proposing instead that the Annual General Meeting pass a resolution on not proposing any dividend. Additionally, the Board of Directors of Coor also decided to withdraw its proposal for a new long-term incentive programme for the management of Coor for 2020. In conjunction with this, Coor's Nomination Committee has announced that they intend to propose unchanged Directors' fees for 2020, a change from the previous proposal.
- Coor notes that it is difficult to foresee the consequences over the longer term of the pandemic and the decisions being made in society to limit the effects on both health and the economy.

## Organisation and employees

At the end of the period, the number of employees was 11,427 (10,927), or 9,227 (8,861) on a full-time equivalent basis. The higher number of employees compared with the year-earlier period was mainly attributable to the acquisition of Norrlands Miljövård at the end of the preceding year. At the end of the quarter, approximately 2 300 persons were affected by the implemented cost reductions, primarily through short-term furloughs but also lay-offs.

### NUMBER OF EMPLOYEES (FTE), 31 MARCH 2020



## Operations by country

### Sweden

SWEDEN (SEK m)	Jan–Mar	
	2020	2019
Net sales	1,297	1,266
Organic growth, %	-2	7
Acquired growth, %	5	0
FX effects, %	0	0
Adjusted EBITA	124	114
Adjusted EBITA margin, %	9.6	9.0
Number of employees (FTE)	4,639	4,070

#### First quarter (January–March)

During the first quarter, the Swedish business grew by 2 per cent. The acquisition of Norrlands Miljövärd contributed 5 per cent to growth, but organic growth was negative and amounted to -2 per cent. Variable volumes decreased compared with the high levels of the year-earlier period and this decrease accelerated with the negative effects of COVID-19. This was partially offset by growth from new business (e.g. ICA).

Operating profit (adjusted EBITA) for the quarter amounted to SEK 124 (114) million. The operating margin was 9.6 (9.0) per cent. The improvement to operating profit and the margin is attributable to Norrlands Miljövärd and successful initiatives in enhancing efficiency. At the same time, operating profit and the margin were burdened by the negative effects of COVID-19, pertaining primarily to food and beverages.

Contract extensions regarding property services for Akelius and Hemsö were signed in the first quarter.

### Norway

NORWAY (SEK m)	Jan–Mar	
	2020	2019
Net sales	598	625
Organic growth, %	0	9
Acquired growth, %	0	8
FX effects, %	-4	4
Adjusted EBITA	32	36
Adjusted EBITA margin, %	5.4	5.8
Number of employees (FTE)	1,502	1,536

#### First quarter (January–March)

Sales in the Norwegian business decreased by 4 per cent during the first quarter owing to negative exchange rate effects but were otherwise on a par with the year-earlier period. The positive trend in variable volumes during the early part of the quarter was offset by the negative effects of COVID-19, primarily in food and beverages.

Additionally, a general sense of restraint was noted among customers in the oil and gas industry towards the end of the quarter.

Operating profit (adjusted EBITA) for the quarter amounted to SEK 32 (36) million. The operating margin was 5.4 (5.8) per cent. The negative trend in the operating margin is driven primarily by the effects of COVID-19.

A two-year contract extension with Arcus was signed during the first quarter.

## Denmark

DENMARK (SEK m)	Jan–Mar	
	2020	2019
Net sales	483	456
Organic growth, %	4	20
Acquired growth, %	0	39
FX effects, %	2	7
Adjusted EBITA	10	19
Adjusted EBITA margin, %	2.1	4.1
Number of employees (FTE)	2,030	2,128

### First quarter (January–March)

The Danish business grew organically by 4 per cent in the first quarter, driven primarily by the extended and expanded contract with the Danish Police, the Prison and Probation Service and the Public Prosecution Agency. Volumes in food and beverages were negatively impacted by COVID-19 and cancelled deliveries.

Operating profit (adjusted EBITA) amounted to SEK 10 (19) million. The operating margin was 2.1 (4.1) per cent. The deterioration in operating profit is associated primarily with a major restructuring, driven largely by COVID-19, that burdened earnings for the quarter with a negative non-recurring effect of SEK 5 million. As in the preceding quarter, we also noted higher central costs for ensuring the quality of customer deliveries and support functions. Measures to increase efficiency without reducing quality are ongoing and are expected to have an effect during 2020.

A contract extension with Ballerup Municipality regarding office cleaning services was signed during the first quarter. The agreement runs through 2023 with the possibility of an optional extension.

## Finland

FINLAND (SEK m)	Jan–Mar	
	2020	2019
Net sales	163	188
Organic growth, %	-15	13
Acquired growth, %	0	0
FX effects, %	2	5
Adjusted EBITA	1	1
Adjusted EBITA margin, %	0.9	0.7
Number of employees (FTE)	937	1,016

### First quarter (January–March)

Sales in Finland in the first quarter declined by 13 per cent, driven by deliveries completed during the fourth quarter and the effects of the previously announced termination of contracts with very low margins. COVID-19 had only a marginal effect on the Finnish business in the first quarter.

Operating profit (adjusted EBITA) was in line with the preceding year and amounted to SEK 1 (1) million. The operating margin was 0.9 (0.7) per cent. Lower overheads and the termination of low-margin contracts made a positive contribution to the operating margin.

In the first quarter, Coor won a multi-year IFM contract regarding services to a major Finnish customer, beginning in May.



## Significant risks and uncertainties

The Group's significant risks and uncertainties consist of **strategic risks** related to changes in market and economic conditions as well as sustainability and **operational risks** related to customer contracts. The Group is also exposed to various kinds of **financial risks**, such as currency, interest and liquidity risks. A detailed description of the Group's risks is provided in the Annual Report, which is available on the company's website. The spread of COVID-19 in the Nordic region has escalated since the publication of the Annual Report, creating uncertainty that impacts the market, Coor as a company and Coor's customers. Coor has summarised the measures taken owing to COVID-19 on page 3.

## Acquisitions and sales

No significant acquisitions or sales were implemented during the quarter.

## Parent Company

The Group's Parent Company, Coor Service Management Holding AB, provides management services to its wholly owned subsidiary Coor Service Management Group AB. The Parent Company also manages shares in subsidiaries.

Loss after tax in the Parent Company was SEK -20 (-25) million. Total assets in the Parent Company at the end of the period were SEK 7,847 (7,844) million. Equity in the Parent Company was SEK 5,473 (5,287) million.

## Related party transactions

No transactions between Coor and related parties that had a material impact on the company's financial position and results took place during the period.

## Ownership structure

The shares of Coor Service Management Holding AB were listed on Nasdaq Stockholm on 16 June 2015. At the end of the period, the three largest shareholders were Capital Group, Nordea Fonder and the Second Swedish National Pension Fund (Andra AP-fonden).

### COOR'S 15 LARGEST SHAREHOLDERS 31 MARCH 2020 <sup>1)</sup>

Shareholder	Number of shares and votes	Shares and votes, %
Capital Group	7,304,630	7.6
Nordea Fonder	7,195,930	7.5
Andra AP-Fonden	6,464,628	6.7
Didner & Gerge Fonder	6,069,171	6.3
AMF Försäkring & Fonder	6,032,384	6.3
SEB-Stiftelsen	4,000,000	4.2
Swedbank Robur Fonder	3,964,823	4.1
BMO Global Asset Management	3,560,840	3.7
Crux Asset Management Ltd	3,500,574	3.7
Taiga Fund Management AS	3,158,035	3.3
Wipunen varainhallinta Oy	3,150,000	3.3
Spiltan Fonder	3,124,513	3.3
JP Morgan Asset Management	2,313,539	2.4
The First Swedish National Pension Fund	1,964,699	2.1
Riikantorppa Oy	1,850,000	1.9
<b>Total 15 largest shareholders</b>	<b>63,653,766</b>	<b>66.4</b>
Other shareholders	32,158,256	33.6
<b>Total</b>	<b>95,812,022</b>	<b>100.0</b>

<sup>1)</sup> Source: Monitor by Modular Finance AB. Compiled and adapted data from such sources as Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

*The report for the period has not been reviewed by the company's auditors.*

*Stockholm, 28 April 2020*

*For the Board of Directors of Coor Service Management Holding AB*

Mikael Stöhr  
*President and CEO*

## For further information

For questions concerning the financial report, please contact our CFO and IR Director Klas Elmgren (+46 10 559 65 80).

For questions concerning the operations or the company in general, please contact Mikael Stöhr, President and CEO (+46 10 559 59 35) or Magdalena Öhrn, Director of Communications (+46 10 559 55 19).

More information is also available on our website: [www.coor.com](http://www.coor.com)

## Invitation to a press and analyst presentation

On 28 April 2020 at 2:00 p.m. CET, the company's President and CFO will give a presentation on developments in the first quarter via a webcast. To participate in the webcast, please register in advance using the following link:

<https://event.on24.com/wcc/r/2231150/2748EF0ACB3DBE86FC4F0DE155E0BDE9>

To listen to the presentation by telephone, dial +46850558366 (Sweden), +4723963688 (Norway), +4578150108 (Denmark), +358981710523 (Finland) or +443333009274 (UK).

The briefing material and a recording of the webcast will be published on the company's website [www.coor.com](http://www.coor.com), under Investors/Reports and presentations, after the briefing.

## Financial calendar

Interim Report January–June 2020	17 July 2020
Interim Report January–September 2020	4 November 2020
Interim Report January–December 2020	February 2021
Interim report January–March 2021	April 2021

*This constitutes information which Coor Service Management Holding AB is required to publish under the EU's Market Abuse Regulation. The information was submitted for publication through the above contact person on 28 April 2020 at 1:00 p.m. CET.*

Coor is a leading provider of facility management services in the Nordic countries, focusing on integrated and complex service undertakings (IFM). Coor offers specialist expertise in workplace services (soft FM), property services (hard FM) and strategic advisory services for development of customers' service activities. Coor creates value by executing, leading, developing and streamlining its customers' service activities, ensuring that they provide optimal support to the core business over time. This may include, for example, property services, cleaning services, restaurant, and mail and reception services. Coor's customer base includes many large and small companies and public-sector organisations across the Nordic region, including ABB, Aibel, Det Norske Veritas, E.ON, Equinor, Ericsson, ICA, NCC, Politiet (Danish police), Saab, Sandvik, SAS, Telia Company, the Swedish Transport Administration, Vasakronan, Volvo Cars and Volvo Group.

Coor established its operations in 1998 and has been listed on the Nasdaq Stockholm exchange since June 2015. Coor takes responsibility for the operations it conducts, in relation to its customers, employees and shareholders, as well as for its wider impact on society and the environment. Read more at [www.coor.com](http://www.coor.com)

<b>CONSOLIDATED INCOME STATEMENT</b>		<b>Jan - Mar</b>		<b>Rolling</b>	<b>Full year</b>
<b>(SEK m)</b>	<b>2020</b>	<b>2019</b>		<b>12 mo.</b>	<b>2019</b>
Net sales	2,541	2,535		10,319	10,313
Cost of services sold	-2,292	-2,287		-9,330	-9,326
<b>Gross income</b>	<b>249</b>	<b>248</b>		<b>989</b>	<b>987</b>
Selling and administrative expenses	-188	-171		-706	-689
<b>Operating profit</b>	<b>61</b>	<b>77</b>		<b>283</b>	<b>299</b>
Net financial income/expense	-17	-21		-67	-71
<b>Profit before tax</b>	<b>44</b>	<b>55</b>		<b>216</b>	<b>228</b>
Income tax expense	-13	-13		-59	-59
<b>Income for the period</b>	<b>31</b>	<b>43</b>		<b>157</b>	<b>169</b>
<b>Operating profit</b>	<b>61</b>	<b>77</b>		<b>283</b>	<b>299</b>
Amortisation and impairment of goodwill, customer contracts and trademarks	49	45		189	186
Items affecting comparability (note 3)	12	9		68	65
<b>Adjusted EBITA</b>	<b>122</b>	<b>131</b>		<b>541</b>	<b>549</b>
<b>Earnings per share, SEK, before and after dilution</b>	<b>0.3</b>	<b>0.4</b>		<b>1.6</b>	<b>1.8</b>
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>					
		<b>Jan - Mar</b>		<b>Rolling</b>	<b>Full year</b>
<b>(SEK m)</b>	<b>2020</b>	<b>2019</b>		<b>12 mo.</b>	<b>2019</b>
<b>Income for the period</b>	<b>31</b>	<b>43</b>		<b>157</b>	<b>169</b>
<i>Items that may be subsequently reclassified to profit or loss</i>					
Currency translation differences	-14	46		-25	35
Cash flow hedges	-6	0		6	12
<b>Other comprehensive income for the period</b>	<b>-20</b>	<b>46</b>		<b>-19</b>	<b>47</b>
<b>Total comprehensive income for the period</b>	<b>11</b>	<b>88</b>		<b>139</b>	<b>216</b>

The interim information on pages 11–23 is an integral part of this financial report.

<b>CONSOLIDATED BALANCE SHEET</b>		<b>Mar 31</b>		<b>Dec 31</b>
(SEK m)	<b>2020</b>	<b>2019</b>	<b>2019</b>	
<b>Assets</b>				
<b>Intangible assets</b>				
Goodwill	3,175	3,067	3,191	
Customer contracts	542	659	591	
Other intangible assets	179	153	173	
<b>Property, plant and equipment</b>				
Right-of use assets held via leases	372	349	387	
Other property, plant and equipment	88	96	85	
<b>Financial assets</b>				
Deferred tax receivable	160	200	161	
Other financial assets	24	14	31	
<b>Total non-current assets</b>	<b>4,540</b>	<b>4,538</b>	<b>4,619</b>	
<b>Current assets</b>				
Accounts receivable	1,224	1,248	1,310	
Other current assets, interest-bearing	1	1	1	
Other current assets, non-interest-bearing	378	427	438	
Cash and cash equivalents	578	351	497	
<b>Total current assets</b>	<b>2,181</b>	<b>2,028</b>	<b>2,246</b>	
<b>Total assets</b>	<b>6,721</b>	<b>6,566</b>	<b>6,864</b>	
<b>Equity and liabilities</b>				
<b>Equity</b>				
<b>Total equity</b>	<b>1,995</b>	<b>2,254</b>	<b>1,980</b>	
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings (Note 2)	1,806	1,541	1,856	
Lease liabilities (Note 2)	263	248	276	
Deferred tax liability	32	44	35	
Provisions for pensions	20	20	20	
Other non-interest bearing liabilities	0	2	0	
<b>Total non-current liabilities</b>	<b>2,120</b>	<b>1,854</b>	<b>2,188</b>	
<b>Current liabilities</b>				
Borrowings (Note 2)	0	0	12	
Lease liabilities (Note 2)	103	93	105	
Current tax liabilities	34	31	42	
Accounts payable	861	894	978	
Other current liabilities	1,595	1,435	1,545	
Short-term provisions	12	5	15	
<b>Total current liabilities</b>	<b>2,605</b>	<b>2,458</b>	<b>2,697</b>	
<b>Total equity and liabilities</b>	<b>6,721</b>	<b>6,566</b>	<b>6,864</b>	

<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b> (SEK m)	<b>Jan - Mar</b>		<b>Full year</b>
	<b>2020</b>	<b>2019</b>	<b>2019</b>
<b>Opening balance at beginning of period</b>	<b>1,980</b>	<b>2,164</b>	<b>2,164</b>
Income for the period	31	43	169
Other comprehensive income for the period	-20	46	47
Long-term incentive programs	3	1	8
Acquisition of own shares <sup>2)</sup>	0	0	-28
Dividend	0	0	-380
<b>Closing balance at end of period</b>	<b>1,995</b>	<b>2,254</b>	<b>1,980</b>

<sup>1)</sup> Coor repurchased its own shares to secure the LTIP 2019 incentive programme, as resolved by the 2019 Annual General Meeting. At 31 March 2020, the number of treasury shares was 340,000, which were repurchased at an average cost of SEK 82.50.

*There are no non-controlling interests, as the Parent Company owns all shares of all subsidiaries.*

**CONSOLIDATED CASH FLOW STATEMENT**

(SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
<b>Operating profit</b>	<b>61</b>	<b>77</b>	<b>283</b>	<b>299</b>
Adjustment for non-cash items	97	90	402	395
Finance net	-16	-26	-64	-74
Income tax paid	-18	-15	-47	-45
<b>Cash flow before changes in working capital</b>	<b>124</b>	<b>125</b>	<b>574</b>	<b>575</b>
Change in working capital	86	-1	188	101
<b>Cash flow from operating activities</b>	<b>210</b>	<b>125</b>	<b>761</b>	<b>676</b>
Net investments	-25	-11	-77	-63
Acquisition of subsidiaries	-12	0	-164	-152
<b>Cash flow from investing activities</b>	<b>-37</b>	<b>-11</b>	<b>-241</b>	<b>-215</b>
Change in borrowings	-50	-191	250	109
Dividend	0	0	-380	-380
Net lease commitments	-32	-29	-132	-128
Other	0	0	-15	-15
<b>Cash flow from financing activities</b>	<b>-82</b>	<b>-220</b>	<b>-277</b>	<b>-415</b>
<b>Total cash flow for the period</b>	<b>91</b>	<b>-106</b>	<b>243</b>	<b>46</b>
Cash and cash equivalents at beginning of period	497	435	351	435
Exchange gains on cash and cash equivalents	-9	23	-16	16
<b>Cash and cash equivalents at end of period</b>	<b>578</b>	<b>351</b>	<b>578</b>	<b>497</b>

**CONSOLIDATED OPERATING CASH FLOW**

(SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
EBIT	61	77	283	299
Depreciation and amortisation	99	92	392	385
Net investments	-25	-11	-77	-63
Change in working capital	86	-1	188	101
Adjustment for lease payments <sup>1)</sup>	-35	-31	-144	-140
Adjustment for non-cash items	-2	-2	10	10
<b>Operating cash flow</b>	<b>184</b>	<b>124</b>	<b>652</b>	<b>591</b>
Adjustment for items affecting comparability	12	9	68	65
Adjustment for lease payments <sup>1)</sup>	35	31	144	140
Other	-1	0	-16	-15
<b>Cash flow for calculation of cash conversion</b>	<b>231</b>	<b>164</b>	<b>848</b>	<b>781</b>
<b>Cash conversion, %</b>	<b>134</b>	<b>92</b>	<b>114</b>	<b>104</b>

<sup>1)</sup> Refers to payments linked to the leases that Coor reports in accordance with IFRS 16 in the balance sheet.

GEOGRAPHICAL SEGMENTS (SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
<b>Net sales</b>				
<b>Sweden</b>	<b>1,297</b>	<b>1,266</b>	<b>5,169</b>	<b>5,138</b>
<i>Total sales</i>	1,337	1,296	5,320	5,279
<i>Internal sales</i>	-41	-30	-151	-140
<b>Norway</b>	<b>598</b>	<b>625</b>	<b>2,519</b>	<b>2,546</b>
<i>Total sales</i>	600	628	2,528	2,555
<i>Internal sales</i>	-2	-3	-9	-9
<b>Finland</b>	<b>163</b>	<b>188</b>	<b>681</b>	<b>706</b>
<i>Total sales</i>	163	188	681	706
<i>Internal sales</i>	0	0	0	0
<b>Denmark</b>	<b>483</b>	<b>456</b>	<b>1,952</b>	<b>1,924</b>
<i>Total sales</i>	484	457	1,954	1,927
<i>Internal sales</i>	-1	0	-2	-2
<b>Group functions/other</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>
<b>Total</b>	<b>2,541</b>	<b>2,535</b>	<b>10,319</b>	<b>10,313</b>
<b>Adjusted EBITA</b>				
Sweden	124	114	473	462
Norway	32	36	157	161
Finland	1	1	13	13
Denmark	10	19	66	74
Group functions/other	-46	-39	-168	-162
<b>Total</b>	<b>122</b>	<b>131</b>	<b>541</b>	<b>549</b>
<b>Adjusted EBITA is reconciled to profit before tax as follows:</b>				
Amortisation and impairment of goodwill, customer contracts and trademarks	-49	-45	-189	-186
Items affecting comparability (note 3)	-12	-9	-68	-65
Net financial income/expense	-17	-21	-67	-71
<b>Profit before tax</b>	<b>44</b>	<b>55</b>	<b>216</b>	<b>228</b>

Adjusted EBITA margin, %	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Sweden	9.6	9.0	9.1	9.0
Norway	5.4	5.8	6.2	6.3
Finland	0.9	0.7	1.9	1.8
Denmark	2.1	4.1	3.4	3.9
Group functions/other	-	-	-	-
<b>Total</b>	<b>4.8</b>	<b>5.2</b>	<b>5.2</b>	<b>5.3</b>

NET SALES BY TYPE OF CONTRACT (SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
<b>Net sales</b>				
IFM	1,531	1,527	6,291	6,286
FM - services	1,010	1,008	4,028	4,027
<b>Total</b>	<b>2,541</b>	<b>2,535</b>	<b>10,319</b>	<b>10,313</b>

**QUARTERLY DATA**

(SEK m)	2020	2019				2018		
GEOGRAPHICAL SEGMENTS	I	IV	III	II	I	IV	III	II
<b>Net sales, external</b>								
Sweden	1,297	1,400	1,201	1,272	1,266	1,277	1,129	1,204
Norway	598	656	638	627	625	666	605	563
Finland	163	168	165	184	188	193	176	166
Denmark	483	509	487	473	456	477	459	447
Group functions/other	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,541</b>	<b>2,732</b>	<b>2,490</b>	<b>2,556</b>	<b>2,535</b>	<b>2,613</b>	<b>2,369</b>	<b>2,380</b>
<b>Adjusted EBITA</b>								
Sweden	124	138	91	119	114	116	72	123
Norway	32	40	44	41	36	41	41	36
Finland	1	1	9	1	1	-1	8	1
Denmark	10	19	20	17	19	25	20	18
Group functions/other	-46	-47	-37	-38	-39	-46	-39	-41
<b>Total</b>	<b>122</b>	<b>152</b>	<b>127</b>	<b>140</b>	<b>131</b>	<b>135</b>	<b>102</b>	<b>138</b>
<b>Adjusted EBITA-margin, %</b>								
Sweden	9.6	9.9	7.6	9.4	9.0	9.1	6.4	10.2
Norway	5.4	6.2	6.9	6.5	5.8	6.1	6.8	6.4
Finland	0.9	0.6	5.6	0.7	0.7	-0.5	4.8	0.9
Denmark	2.1	3.7	4.2	3.5	4.1	5.2	4.3	4.0
Group functions/other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4.8</b>	<b>5.6</b>	<b>5.1</b>	<b>5.5</b>	<b>5.2</b>	<b>5.2</b>	<b>4.3</b>	<b>5.8</b>

**QUARTERLY DATA**

(SEK m)	2020	2019				2018		
TYPE OF CONTRACT	I	IV	III	II	I	IV	III	II
<b>Net sales, external</b>								
IFM	1,531	1,695	1,517	1,548	1,527	1,565	1,389	1,428
FM-services	1,010	1,038	974	1,008	1,008	1,048	980	952
<b>Total</b>	<b>2,541</b>	<b>2,732</b>	<b>2,490</b>	<b>2,556</b>	<b>2,535</b>	<b>2,613</b>	<b>2,369</b>	<b>2,380</b>



**PARENT COMPANY  
INCOME STATEMENT**

(SEK m)	Jan - Mar		Full year
	2020	2019	2019
<b>Net sales</b>	<b>1</b>	<b>1</b>	<b>6</b>
Selling and administrative expenses	-8	-8	-33
<b>Operating profit</b>	<b>-7</b>	<b>-7</b>	<b>-27</b>
Dividend from group companies	0	0	600
Other net financial income/expense	-12	-19	-60
Group contribution	0	0	76
<b>Income before tax</b>	<b>-19</b>	<b>-25</b>	<b>589</b>
Income tax expense	-2	0	-8
<b>Income for the period</b>	<b>-20</b>	<b>-25</b>	<b>581</b>

**PARENT COMPANY BALANCE SHEET**

(SEK m)	Mar31		31 Dec
	2020	2019	2019
<b>Assets</b>			
Shares in subsidiaries	7,789	7,789	7,789
Deferred tax asset	50	52	50
Other financial assets	1	1	1
<b>Total non-current assets</b>	<b>7,840</b>	<b>7,842</b>	<b>7,840</b>
Receivables from Group companies*	2	1	80
Other trading assets	4	1	2
Cash and cash equivalents*	0	0	0
<b>Total current assets</b>	<b>7</b>	<b>2</b>	<b>82</b>
<b>Total assets</b>	<b>7,847</b>	<b>7,844</b>	<b>7,922</b>

	Mar31		Dec 31
	2020	2019	2019
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>5,473</b>	<b>5,287</b>	<b>5,494</b>
<b>Liabilities</b>			
Borrowings	1,804	1,539	1,855
Provisions for pensions	2	2	2
<b>Total non-current liabilities</b>	<b>1,806</b>	<b>1,541</b>	<b>1,856</b>
Liabilities to Group companies*	541	1,004	553
Income tax liability	8	0	7
Accounts payable	3	2	0
Other current liabilities	15	10	12
<b>Total current liabilities</b>	<b>568</b>	<b>1,015</b>	<b>572</b>
<b>Total liabilities</b>	<b>2,373</b>	<b>2,556</b>	<b>2,428</b>
<b>Total equity and liabilities</b>	<b>7,847</b>	<b>7,844</b>	<b>7,922</b>

\* The company is part of the Group wide cash pool with the subsidiary Coor Service Management Group AB as master account holder. The balance in the Group cash pool is accounted for as a current receivable or liability to Group companies.

## Key performance indicators

KEY PERFORMANCE INDICATORS (SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Net sales	2,541	2,535	10,319	10,313
Net sales growth, %	0.2	19.2	4.3	8.7
of which organic growth, %	-1.6	10.0	2.5	5.3
of which acquired growth, %	2.4	6.9	1.4	2.4
of which FX effect, %	-0.5	2.2	0.3	1.0
Operating profit (EBIT)	61	77	283	299
EBIT margin, %	2.4	3.0	2.7	2.9
EBITA	110	122	472	484
EBITA margin, %	4.3	4.8	4.6	4.7
Adjusted EBITA	122	131	541	549
Adjusted EBITA margin, %	4.8	5.2	5.2	5.3
Adjusted EBITDA	173	177	744	749
Adjusted EBITDA margin, %	6.8	7.0	7.2	7.3
Adjusted net profit	80	88	347	355
Net working capital	-852	-652	-852	-774
Net working capital / Net sales, %	-8.3	-6.6	-8.3	-7.5
Operating cash flow	184	124	652	591
Cash conversion, %	134	92	114	104
Net debt	1,589	1,535	1,589	1,741
Leverage <sup>1)</sup>	2.1	2.2	2.1	2.3
Equity/assets ratio, %	30	34	30	29

<sup>1)</sup> Leverage and adjusted EBITDA were impacted by the implementation of IFRS 16. The comparative figures for the first quarter of 2019 are based on a pro forma adjusted EBITDA as if IFRS 16 had been applied for the full rolling 12-month period ending 31 March 2019.

DATA PER SHARE	Jan–Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Share price at end of period	48.6	82.8	48.6	82.4
No. of shares at end of period	95,812,022	95,812,022	95,812,022	95,812,022
No. of treasury shares <sup>1)</sup>	-340,000	0	-340,000	-340,000
<b>No. of shares outstanding</b>	<b>95,472,022</b>	<b>95,812,022</b>	<b>95,472,022</b>	<b>95,472,022</b>
No. of ordinary shares outstanding (weighted average)	95,472,022	95,812,022	95,576,535	95,661,302
Earnings per share, before and after dilution, SEK	0.33	0.45	1.65	1.77
Shareholders' equity per share, SEK	20.89	23.53	20.89	20.74

<sup>1)</sup> In accordance with the resolution of the Annual General Meeting, Coor undertook an acquisition of its own shares during the second and third quarters of 2019 to secure its financial exposure in accordance with the LTIP 2019 long-term incentive programme. In total, Coor had 340,000 treasury shares at the end of the period to secure the financial commitments related to LTIP 2019.

## Notes

### Note 1 – Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in the Group's Annual Report for 2019.

The Parent Company financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

Due to rounding, some totals in this interim report may differ from the sum of individual items.

### Note 2 – Financial instruments

The carrying amounts and fair values for borrowing, which are included in the category financial liabilities at amortised cost, are as follows:

(SEK m)	Carrying amount			Fair value		
	Mar 31		Dec 31	Mar 31		Dec 31
	2020	2019	2019	2020	2019	2019
Lease liabilities	366	341	381	366	341	381
Liabilities to credit institutions	740	489	791	740	489	791
Corporate Bond	1,000	1,000	1,000	1,000	1,000	1,000
Other non-current liabilities	66	52	78	66	52	78
<b>Total</b>	<b>2,171</b>	<b>1,881</b>	<b>2,250</b>	<b>2,171</b>	<b>1,881</b>	<b>2,250</b>

The existing credit margin in the Group's financing agreements is deemed to be consistent with market terms, and the carrying amount therefore approximates fair value. The Group considers that the liabilities have been measured in accordance with Level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs.

### Note 3 – Items affecting comparability

Items affecting comparability are excluded from the measure of operating profit, adjusted EBITA, which the Group regards as the most relevant metric. The following table specifies the items affecting comparability that had an impact on earnings during the period. Integration and restructuring comprise organic transactions as well as acquisitions. Integration costs refer, for example, to costs for integrating IT systems while restructuring refers to costs related to staff reductions. Acquisition-related costs refer exclusively to transaction costs.

ITEMS AFFECTING COMPARABILITY (SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2018
Integration	-9	-11	-38	-40
Restructuring	-3	2	-29	-24
Acquisition related expenses	0	0	0	0
Other	0	0	0	0
<b>Total</b>	<b>-12</b>	<b>-9</b>	<b>-68</b>	<b>-65</b>

#### *Effects associated with COVID-19*

Coor has elected not to report the financial effects associated with COVID-19 as items affecting comparability in the income statement. It is the assessment of management that it is extremely difficult to separate the effects on sales and operating profit related to COVID-19 from other day-to-day events in the operations in a clear and consistent manner. The effects of COVID-19 are described in detail on page 3.

## Note 4 – Pledged assets and contingent liabilities

<b>PLEGDED ASSETS</b>	<b>Mar 31</b>		<b>Dec 31</b>
(SEK m)	<b>2020</b>	<b>2019</b>	<b>2019</b>
Bank guarantees	137	142	140
<b>Total</b>	<b>137</b>	<b>142</b>	<b>140</b>
<b>CONTINGENT LIABILITIES</b>	<b>Mar 31</b>		<b>Dec 31</b>
(SEK m)	<b>2020</b>	<b>2019</b>	<b>2019</b>
Performance bonds	176	180	181
<b>Total</b>	<b>176</b>	<b>180</b>	<b>181</b>

### *Parent Company*

The Parent Company has provided a Parent Company guarantee of SEK 33 (31) million to secure financial commitments for the Finnish subsidiary regarding leasing frame and bank guarantees. The Parent Company has also provided a Parent Company guarantee for a subsidiary in Norway to ensure fulfilment of delivery to a larger customer. There are no other pledged assets or contingent liabilities in the Parent Company.

## Purpose of the selected key performance indicators

To give its investors and other stakeholders clearer information about the Group's operations and its underlying success factors, Coor has chosen to provide information about a number of key performance indicators. The purpose of these indicators is explained below. See page 23 for definitions of terms and the calculation of key performance indicators.

### Growth

The Group deems that organic growth best reflects the underlying growth of the business, as this measure excludes the effect of acquisitions and fluctuations in exchange rates.

### Earnings and profitability

To reflect the performance and profitability of the underlying business more accurately, the Group has defined key performance indicators in which earnings have been adjusted for items affecting comparability and for amortisation and impairment of goodwill, customer contracts and trademarks. The Group considers that adjusted EBITA is the measure of operating profit which most clearly reflects the underlying profitability. It is also based on this measure of earnings that the Group's segments are followed up and evaluated internally.

The adjusted net profit measure of earnings excludes the non-cash items amortisation and impairment of goodwill, customer contracts and trademarks from consolidated net profit and is used as a basis for deciding on dividends to the shareholders.

### Cash flow and working capital

The Group continuously monitors operating cash flow, which includes the operating profit (excluding non-cash items), net investments and changes in working capital and payments linked to leasing agreements (even if the agreements according to IFRS 16 are reported in the balance sheet). The Group has chosen to exclude cash flow related to financial transactions and income taxes from this measure in order to provide a clearer picture of the cash flow generated by the operations.

The Group's objective is to maintain a cash conversion ratio of at least 90 per cent on a rolling 12-month basis. To ensure that the measure provides a true and fair picture over time, the Group calculates cash conversion using measures of operating profit and operating cash flow which exclude items affecting comparability.

To achieve the defined target for cash conversion, it is important to minimise working capital and maintain a negative working capital. The Group therefore continuously monitors the size of working capital relative to net sales.

### Net debt and leverage

To ensure that the Group has an appropriate funding structure at all times and is able to fulfil its financial obligations under its loan agreement, it is relevant to analyse net debt and leverage (defined as net debt divided by adjusted EBITDA, rolling 12 months). The Group's objective is to maintain a leverage of less than 3.0 times.

## Reconciliation of key performance indicators

The following table shows a reconciliation between the calculated key performance indicators and the income statement and balance sheet.

RECONCILIATION OF ADJUSTED KEY PERFORMANCE INDICATORS				
(SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
<b>Operating profit (EBIT)</b>	<b>61</b>	<b>77</b>	<b>283</b>	<b>299</b>
Amortisation and impairment of customer contracts and trademarks	49	45	189	186
<b>EBITA</b>	<b>110</b>	<b>122</b>	<b>472</b>	<b>484</b>
Items affecting comparability (Note 3)	12	9	68	65
<b>Adjusted EBITA</b>	<b>122</b>	<b>131</b>	<b>541</b>	<b>549</b>
Depreciation	51	47	203	199
<b>Adjusted EBITDA</b>	<b>173</b>	<b>177</b>	<b>744</b>	<b>749</b>
<b>Income for the period</b>	<b>31</b>	<b>43</b>	<b>157</b>	<b>169</b>
Amortisation and impairment of customer contracts and trademarks	49	45	189	186
<b>Adjusted net profit</b>	<b>80</b>	<b>88</b>	<b>347</b>	<b>355</b>
SPECIFICATION OF NET WORKING CAPITAL				
(SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Accounts receivable	1,224	1,248	1,224	1,310
Other current assets, non-interest-bearing	378	427	378	438
Accounts payable	-861	-894	-861	-978
Other current liabilities, non-interest-bearing	-1,595	-1,435	-1,595	-1,545
Adjustment for accrued financial expenses	2	1	2	1
<b>Net working capital</b>	<b>-852</b>	<b>-652</b>	<b>-852</b>	<b>-774</b>
SPECIFICATION OF NET DEBT				
(SEK m)	Jan - Mar		Rolling	Full year
	2020	2019	12 mo.	2019
Borrowings	1,806	1,541	1,806	1,869
Lease liabilities	366	341	366	381
Provisions for pensions	20	20	20	20
Cash and cash equivalents	-578	-351	-578	-497
Other financial non-current assets, interest-bearing	-24	-14	-24	-31
Other current assets, interest-bearing	-1	-1	-1	-1
<b>Net debt</b>	<b>1,589</b>	<b>1,535</b>	<b>1,589</b>	<b>1,741</b>

For a reconciliation of operating cash flow and cash conversion, see page 14.

## Definitions

**Cost of services sold** Costs which are directly related to the performance of the invoiced services, depreciation of property, plant and equipment, and amortisation of goodwill, customer contracts and trademarks.

**Items affecting comparability** Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

**EBITA** Operating profit before amortisation of goodwill, customer contracts and trademarks.

**Adjusted EBITA** Operating profit before amortisation of goodwill, customer contracts and trademarks, excluding items affecting comparability.

**Adjusted EBITDA** Operating profit before depreciation of all property, plant and equipment and amortisation of all intangible assets, excluding items affecting comparability.

**Adjusted net profit** Profit after tax excluding amortisation of goodwill, customer contracts and trademarks.

**Operating cash flow** Cash flow from operating activities excluding interest paid/received and income tax paid but including net investments in property, plant and equipment and intangible assets as well as payments connected with all leases.

**Working capital** Non-interest-bearing current assets less non-interest-bearing current liabilities at the balance sheet date.

**Net investments** Investments in property, plant and equipment and intangible assets less consideration received on sale of property, plant and equipment and intangible assets.

## Calculation of key performance indicators

**Net sales growth** Change in net sales for the period as a percentage of net sales for the same period in the previous year.

**Organic growth** Change in net sales for the period as a percentage of net sales for the same period in the previous year excluding acquisitions and foreign exchange effects.

**Acquired growth** Net sales for the period attributable to acquired businesses, excluding foreign exchange effects, as a percentage of net sales for the same period in the previous year.

**EBITA margin** EBITA as a percentage of net sales.

**Adjusted EBITA margin** Adjusted EBITA as a percentage of net sales.

**Adjusted EBITDA margin** Adjusted EBITDA as a percentage of net sales.

**Working capital/net sales** Working capital at the balance sheet date as a percentage of net sales (rolling 12 months).

**Net debt** Non-current and current interest-bearing assets less non-current and current interest-bearing liabilities at the balance sheet date.

**Earnings per share** Profit for the period attributable to shareholders of the parent company divided by average number of ordinary shares outstanding.

**Equity per share** Equity at the end of the period attributable to shareholders of the parent company divided by the number of shares outstanding at the end of the period.

**Equity/assets ratio** Consolidated equity and reserves attributable to shareholders of the Parent Company at the balance sheet date as a percentage of total assets at the balance sheet date.

**Cash conversion** Adjusted EBITDA less net investments and adjusted for changes in working capital as a percentage of adjusted EBITDA.

**Leverage** Net interest-bearing debt at the balance sheet date divided by adjusted EBITDA (rolling 12 months).