

# Interim report

## July–September 2018

# Q3



*Humana is a leading Nordic public care company. The company is the market leader within individual and family care and personal assistance with operations in Sweden, Norway, Finland and Denmark. Humana has 15,000 employees who all work with a shared vision – Everyone is entitled to a good life. The company had annual revenue of SEK 6,557 M in 2017. Humana is a growth company with a focus on quality and customer satisfaction. Humana has been listed on Nasdaq Stockholm. The company's headquarters are located in Stockholm, Sweden.*

Read more about Humana on [www.humana.se](http://www.humana.se) or <http://corporate.humana.se>.

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**Humana**

# Third quarter and interim period in brief

## Third quarter: July-September 2018

- **Operating revenue** was SEK 1 677 M (1 613), an increase of 4 %. Adjusted for the divested home care service business, which contributed to revenue last year, revenue increased by 7 %.
- **Operating profit** was SEK 151 M (SEK 110 M incl SEK 14 M in capital loss), an increase of 37 % or SEK 41 M.
- **Net profit after tax for the period** was SEK 102 M (71).
- **Earnings per share for the period** before and after dilution were SEK 1.92 (1.34).
- **Operating cash flow** was SEK 35 M (-41).

## Interim period: January-September 2018

- **Operating revenue** amounted to SEK 5 022 M (4 940), an increase of 2 % compared with last year. Adjusted for the divested home care service business, which contributed last year, revenue increased by 6 %.
- **Operating profit** was SEK 310 M (250), an increase of 24 %.
- **Net profit after tax for the period** was SEK 194 M (160), an increase of 21 %.
- **Earnings per share for the period** before and after dilution were SEK 3.65 SEK (3.01).
- **Operating cash flow** was SEK 148 M (-14).

## Significant events during the third quarter and after end of the period

- In the third quarter, Humana took a first step into Denmark through the acquisition of StøtteCompagniet ApS, a small company specialising in outpatient individual and family care.
- After the end of the quarter we acquired assistance company RIK Assistans in Härnösand.

## Revenue and profit

SEK M	Jul-Sep 2018	Jul-Sep 2017	%	Jan-Sep 2018	Jan-Sep 2017	%	Oct-Sep 2017/18	Jan-Dec 2017	%
Net revenue	1 677	1 614	4%	5 010	4 926	2%	6 627	6 542	1%
Other revenue	0	-1	n/a	11	14	-21%	11	14	-21%
<b>Operating revenue</b>	<b>1 677</b>	<b>1 613</b>	<b>4%</b>	<b>5 022</b>	<b>4 940</b>	<b>2%</b>	<b>6 638</b>	<b>6 556</b>	<b>1%</b>
Operating profit	151	110	37%	310	250	24%	376	316	19%
Adjusted operating profit	151	125	21%	310	250	24%	376	316	19%
Net profit for the period	102	71	43%	194	160	21%	228	194	18%
Operating cash flow	35	-41	n/a	148	-14	n/a	346	184	88%

# A strong quarter with better profitability and increased growth

**As we summarise the third quarter of 2018, I can note that we are starting to achieve good organic growth, our operating profit is increasing, and we are strengthening our financial position. The quarter also saw us taking our first step into the interesting care market in Denmark.**

Our revenue grew by 7% in the third quarter and by 6% for the entire January to September period. This is after the exclusion of the home care service operation that was divested last year. It is satisfying to see that our improvement programmes are achieving sustainable results and that organic growth is starting to reach a more satisfactory level.



After a period of restructuring and streamlining, operating profit also increased significantly. The operating margin was 9% for the third quarter, which is our strongest quarter, and 6.2% for the nine-month period. We are approaching our 6% margin target. In the third quarter we also continued to strengthen our financial position and have further reduced our leverage. I am pleased to also note that we see improvements in all areas of operations in the Group.

Other Nordics business area stands out, performing strongly in the third quarter. Operations in Norway are now seeing the full effects of the implemented action programme, and in Finland, business continues to develop well with high demand for our services. During the quarter, we also took our first step into Denmark through the acquisition of StøtteCompagniet ApS, a small company specialising in outpatient care in the Copenhagen region. It is an exciting time in the Danish care market, with regulatory changes and a political climate that is increasingly open to private care providers. The acquisition of StøtteCompagniet enables us to approach this growing market in place.

In the Individual & Family business area, we now see a stabilisation of demand. Although the overall revenue development is still weak, we can see better demand in several sub-segments and future growth opportunities in these areas look positive. In this complex and diversified market where we offer the greatest combined expertise in psychosocial problems and mental illness, we have found a more efficient working method and are now well prepared for continued growth in 2019.

In Elderly Care, I can see after the quarter that we are following our plan and have turned from a negative to a positive operating result, driven by our own managed housing units and generally good market demand. Construction of two further elderly care homes under our own management, in Staffanstorp and Kungsängen, is going according to plan and they will be opened in the spring and summer of 2019, respectively.

In Personal Assistance, we see the market stabilising and increased confidence in the future. Developments regarding fewer hours of assistance, due to the withdrawal of decisions by Försäkringskassan, have slowed. Our business is maintaining high quality with continued satisfied customers and we are highly efficient. For the first time in several years, we have also made selective acquisitions in the business area, and through these we move our positions forward in attractive geographic areas. Humana continues to take market share in a challenging market.

In summary, Humana's position today is stable. We are more efficient, we are growing, and we have strengthened our finances. All in all, this means that we intend to be notably more active going forward. We are well positioned for future growth, both organically and through bolt-on acquisitions.

Stockholm, 16 November 2018

A handwritten signature in blue ink, appearing to be 'Rasmus Nerman', written over a light blue horizontal line.

**Rasmus Nerman**, President and CEO  
Humana AB



Humana

## Operating revenue by business area

SEK M	Jul-Sep	Jul-Sep	%	Jan-Sep	Jan-Sep	%	Oct-Sep	Jan-Dec	%
	2018	2017		2018	2017		2017/18	2017	
Individual & Family	538	537	0%	1 645	1 659	-1%	2 197	2 212	-1%
Personal Assistance	666	667	0%	1 978	1 968	1%	2 631	2 621	0%
Elderly Care	112	128	-12%	328	429	-24%	420	521	-19%
Other Nordics	361	282	28%	1 060	869	22%	1 379	1 188	16%
Other revenue <sup>2)</sup>	0	-1	n/a	11	14	-21%	11	14	-21%
<b>Total operating revenue</b>	<b>1 677</b>	<b>1 613</b>	<b>4%</b>	<b>5 022</b>	<b>4 940</b>	<b>2%</b>	<b>6 638</b>	<b>6 556</b>	<b>1%</b>

## Organic growth by business area <sup>1)</sup>

%	Jul-Sep	Jul-Sep	%	Jan-Sep	Jan-Sep	%	Oct-Sep	Jan-Dec	%
	2018	2017		2018	2017		2017/18	2017	
Individual & Family	0,4%	-5,6%		-1,0%	-2,7%		-2,0%	-2,8%	
Personal Assistance	-1,0%	-0,6%		0,2%	-1,3%		0,2%	-0,9%	
Elderly Care	32,4%	4,0%		30,7%	11,8%		26,5%	12,2%	
Other Nordics, constant currency	16,9%	-12,0%		8,3%	-10,0%		-5,6%	-5,4%	
<b>Total organic growth, constant currency rate</b>	<b>4,4%</b>	<b>-4,3%</b>		<b>2,9%</b>	<b>-1,9%</b>		<b>1,2%</b>	<b>-1,3%</b>	

## Operating profit per business area

SEK M	Jul-Sep	Jul-Sep	%	Jan-Sep	Jan-Sep	%	Oct-Sep	Jan-Dec	%
	2018	2017		2018	2017		2017/18	2017	
Individual & Family	72	70	3%	159	147	8%	203	191	6%
Personal Assistance	51	49	3%	111	114	-3%	156	160	-2%
Elderly Care	6	-1	n/a	5	-10	n/a	-3	-18	n/a
Other Nordics	40	26	52%	86	55	56%	93	62	50%
Central costs/other <sup>2) 3)</sup>	-17	-34	n/a	-51	-57	n/a	-74	-79	n/a
<b>Total operating profit</b>	<b>151</b>	<b>110</b>	<b>37%</b>	<b>310</b>	<b>250</b>	<b>24%</b>	<b>376</b>	<b>316</b>	<b>19%</b>

## Operating profit margins by business area

%	Jul-Sep	Jul-Sep	%	Jan-Sep	Jan-Sep	%	Oct-Sep	Jan-Dec	%
	2018	2017		2018	2017		2017/18	2017	
Individual & Family	13,3%	13,0%		9,7%	8,9%		9,2%	8,6%	
Personal Assistance	7,6%	7,4%		5,6%	5,8%		5,9%	6,1%	
Elderly Care	5,0%	-1,1%		1,6%	-2,3%		-0,7%	-3,4%	
Other Nordics	11,0%	9,3%		8,1%	6,3%		6,7%	5,2%	
<b>Total operating profit margin</b>	<b>9,0%</b>	<b>6,8%</b>		<b>6,2%</b>	<b>5,1%</b>		<b>5,7%</b>	<b>4,8%</b>	

1) Organic growth is calculated as revenue growth for comparable companies that Humana owned during the comparative comparison period.

2) Operating profit in Q3 2017 includes SEK 14M capital loss of the Home Care business.

3) Operating profit full year 2017 includes SEK 4M in acquisition costs, SEK 14 M capital loss of the Home Care business and capital gain of SEK 14M from the disposal of property (sale-and-leaseback) during the second quarter. Operating profit Q2 2018 includes effect of final settlement of contingent considerations of SEK 9M with associated acquisition costs of SEK 5 M.

# Group development

## Revenue

Third-quarter operating revenue increased by 4% compared with the same quarter last year and amounted to SEK 1,677 M (1,613). Adjusted for the sold home care service business, growth was 6.8% for the quarter. Organic revenue growth was 4.4%. Acquired operations, that is, companies that were not owned during the previous comparative period, contributed SEK 25 M to revenues in the quarter.

For the nine-month period January-September, operating income increased by 2% to SEK 5,022 M (4,940). Adjusted for the sold home care service business, growth was 5.5% for the period. Acquired companies contributed SEK 56 M to operating income. Organic revenue growth was 2.9%.

The lower growth compared to the Group's target of 8-10% in the medium term is explained by lower acquisition activity and lower demand in parts of Individual & Family. However, revenue growth in the third quarter shows that growth is on the right track. Operations under our own management accounted for 95% of revenues.

## Profit

Operating profit for the third quarter increased to SEK 151 M (110 including SEK 14 M in capital loss from the sale of the home care service operation), corresponding to an operating margin of 9.0% (6.8). Earnings for the quarter were positively affected by the action programme in the Norwegian operations, which has continued to help lower costs, and improved efficiency, while revenues have increased. The Elderly Care business area, which went from loss to profit in the quarter, also helped improve earnings. Both of our two major business areas, Individual & Family and Personal Assistance, are performing somewhat better than last year.

Operating profit for the nine-month period was SEK 310 M (250). The profit improvement of SEK 60 M, an increase of 24%, is due to positive effects from the implemented action programme in the Norwegian operations and in Individual & Family and the fact that Elderly Care is going from loss to profit. We also see that our investments in growth are starting to contribute to improved profitability. It is most clearly visible in the Other Nordics and Elderly Care business areas, but also in parts of Individual & Family's operations.



## Events

### First quarter 2018

- The Swedish Agency for Health Technology Assessment and Assessment of Social Services (SBU) presents a report on the Treatment Foster Care Oregon (TFCO) method in family homes and at residential care homes that shows very good treatment results and cost savings for society. Humana holds a licence for the method in the Nordic countries.
- Humana wins the quality procurement for contracted elderly housing at Riddargården in Stockholm, which can accommodate 45 residents.
- Andreas Westlund is appointed as new business area manager for Personal Assistance.

### Second quarter 2018

- The 2018 AGM, in line with the suggestion from the Humana's Board, approve a dividend of SEK 0.60 per share for 2017.
- Humana wins the quality procurement for contracted elderly housing at Hammarby Sjöstad in Stockholm.
- Humana acquires Luotsimaja Oy with operations in psychosocial change management for children and adolescents in Pori in western Finland.
- The government's proposal for restrictions on profits in welfare businesses is voted down in the Swedish Riksdag.
- The health care reform in Finland (SOTE) is postponed.
- Anders Broberg is appointed as new business area manager for Elderly Care.

### Third quarter 2018

- Humana acquires Västgöta Assistans, a small personal assistance business, with approximately SEK 20 M in annual turnover.
- Humana expands into Denmark through the acquisition of StøtteCompagniet ApS, a company specialised in individual and family outpatient care with an annual turnover of around SEK 20 M.

### Events after the end of the quarter

- Humana acquires assistance company RIK Assistans with approximately SEK 65 M in annual turnover.

## Performance by business area

### Individual & Family

Revenue for the quarter amounted to SEK 538 M (537), in line with the same period last year. Revenue for the nine-month period amounted to SEK 1,645 M (1,659), a decrease of 1%.

Operating profit for the quarter increased by 3% compared with last year to SEK 72 M (70), corresponding to an operating margin of 13.3% (13.0). Operating profit for the nine-month period increased by 8% and amounted to SEK 159 M (147). The improved profit for the nine-month period is mainly due to lower costs resulting from implemented action programmes. In addition, the investments made in several sub-segments within Individual & Family have begun to contribute both to growth and profitability.

### Personal Assistance

Revenue for the third quarter amounted to SEK 666 M (667), in line with the same period last year. Revenue for the nine-month period amounted to SEK 1,978 M (1,968), an increase of 1%. The number of assistance hours provided decreased slightly in the quarter and for the nine-month period. The increase in the state reimbursement level of 1.5% influenced the figures positively.

Operating profit for the quarter increased by 3% to SEK 51 M (49), corresponding to an operating margin of 7.6% (7.4). For the nine-month period, operating profit decreased by 3% to SEK 111 M (114). The lower profit for



the entire nine-month period is primarily attributable to the increase in staff costs exceeding the increase in the state reimbursement level.

### **Elderly Care**

In the third quarter, revenue in Elderly Care amounted to SEK 112 M (128, of which home care service business SEK 43 M), a decrease of 12% but an increase of 32% when the home care service business, which was divested in 2017, is excluded. For the nine-month period, revenue amounted to SEK 328 M (429, of which home care service business SEK 178 M), an organic increase of 31%. Elderly housing under own management continues to perform well and during the period occupancy in the new units has increased.

Operating profit for the third quarter amounted to SEK 6 M (-1). Profit for the nine-month period amounted to SEK 5 M (-10). The improvement in profit is due to higher occupancy and better efficiency.

After the end of the quarter, on November 1, two new elderly care homes were opened: Sjöstadsgården in Hammarby Sjöstad and Riddargården at Odenplan in Stockholm. Humana now operates 16 elderly care homes, of which 3 are under our own management. Construction of two further elderly care homes under our own management, in Staffanstorp and Kungsängen, is going according to plan and they will be opened in the spring and summer of 2019, respectively.

### **Other Nordics**

Revenues in Other Nordics amounted to SEK 361 M (282) in the third quarter, an increase of 28%. For the nine-month period, revenue amounted to SEK 1,060 M (869), an increase of 22%. Acquisitions contributed SEK 20 M to revenue in the quarter and SEK 51 M year to date. Organic revenues increased by 17% for the quarter and by 8% for the nine-month period. Efforts to improve efficiency and increase capacity utilisation in the Norwegian operations continues to show results. The Finnish operations also show continued strong growth due to positive organic growth and contributions from acquisitions.

Operating profit for the third quarter amounted to SEK 40 M (26), corresponding to a 52% improvement in profit. For the nine-month period, profit rose by SEK 31 M to SEK 86 M (55), an increase of 56%. The operating margin was 11.0% (9.3) for the quarter and 8.1% (6.3) for the nine-month period. The improvement in profit is partly due to increased efficiency and reduced costs resulting from the action programme and partly to revenue growth resulting from high demand and good capacity utilisation.

# Financial position

## Financing

At the end of September 2018, group equity amounted to SEK 2,092 M (1,856), equivalent to an equity/assets ratio of 40,7 % (37,1). At the end of December 2017, group equity amounted to SEK 1,891 M, an equity/assets ratio of 37,4%. Humana's interest-bearing net debt amounted to SEK 1 405 M (1 590), a decrease of 12 % compared to the same period last year. Humana's interest-bearing net debt in relation to EBITDA improved and was 3.2 times (4,2). We are approaching the company's debt target of interest-bearing net debt not exceeding 3.0 times EBITDA over time.

## Financial position

SEK M	30 Sep 2018	30 Sep 2017	31 Dec 2017
Non-current interest-bearing liabilities	1 281	1 351	1 345
Current interest-bearing liabilities	634	671	680
Cash and cash equivalents	-511	-432	-584
<b>Interest-bearing net debt</b>	<b>1 405</b>	<b>1 590</b>	<b>1 440</b>
Equity/assets ratio, %	40,7%	37,1%	37,4%
Interest-bearing net debt/adjusted EBITDA 12 months, times	3,2x	4,2x	3,8x

## Cash flow and investments expenditures

Operating cash flow during the nine-month period was SEK 148 M (-14). The improvement and reversal to positive operating cash flow is mainly due to lower tied-up working capital of SEK -107 M (-199). Investments during the period also decreased somewhat and amounted to SEK -103 M (-110) net.

Acquisitions had an impact on cash flow during the nine-month period of SEK -32 M (-29), including settlement of earn-out payments related to acquisitions from previous years of SEK -15 M (-6). Cash flow from financing activities was SEK -139 M (-75), whereof SEK -107 M (-49) the net amortisation of debt during the period and SEK -32 M (-27) the dividend. Cash flow for the nine-month period declined to SEK -83 M (-41).

## Financial targets

### Revenue growth

Annual growth of 8-10% in the medium term, achieved through organic growth as well as bolt-on acquisitions.

### Profitability

EBIT margin of approximately 6% over the medium term.

### Capital structure

Interest-bearing net debt in relation to EBITDA not to exceed a factor of 3.0 However, leverage may temporarily exceed the target level, for example, in relation to acquisitions.

### Dividend policy

Payment of a dividend equivalent to 30% of net profit for the year. The proposed dividend shall consider Humana's long-term development potential and financial position.



## Other information

### Employees

The number of full time employees at the end of September 2018 was 10,044 (10,011). The number of full time employees was 9,503 at the end of December 2017.

### Shares, share capital and shareholders

The number of shares in Humana AB at the end of September 2018 amounted to 53,140,064 with a quote value of SEK 0.022, corresponding to share capital of SEK 1,180,880. The number of shareholders at the end of September 2018 was 3,282. The five largest shareholders were Air Syndication SCA (Argan), Incentive AS (funds and mandates), Nordea Investment Funds, Zirkona AB (Per Granath) and Third Swedish National Pension Fund (AP3).

### Marketplace

Humana AB shares trade on the Nasdaq Stockholm Main Market. The company's ticker symbol is HUM and the ISIN code is SE0008040653.

### Share-based incentive programme

Humana has two long-term incentive programmes: one warrant programme for eight of the Company's senior executives and one share savings programme for 165 other Humana employees. For more information regarding the programmes, see the note 7 and annual report for 2017.

### Related-party transactions

The Group's key persons consist of the Board of Directors, group management and CEO – in part through ownership in Humana and in part through the executives' roles. Related parties also include the principal shareholder, Air Syndication S.C.A. Related-party transactions are conducted on an arm's length basis.

### Risks and uncertainties

While doing business the Group is exposed to various types of financial risk. These risks can be summarised as financing risk, liquidity risk, credit risk and interest rate risk. A detailed description of risks is provided in the risk section of the 2017 Annual Report, pages 58-61 and in Note K21.

The main business-related risks and uncertainties that could affect the Group's performance in 2018 are related to political decisions that could affect private care companies, along with risks associated with the implementation of completed acquisitions.

Humana's business is funded by governments, municipalities and county councils, entailing that the business is impacted by political decisions. This means that Humana's growth opportunities are affected by public opinion and by politicians' views of the Group's areas of operation. Humana continuously monitors changes in the external operating environment. The purpose is to quickly assess risks and opportunities and adapt its operations to changes in the Group's operating environment. The political situation is evaluated on a continuous basis.

### Parent Company

Loss for the nine-month period was SEK -36 M (-35). The Parent Company's equity/assets ratio was 42.5 % (43.3 % at 30 September 2017).

The Parent Company is indirectly affected by the operations of its subsidiaries so risks and uncertainties are the same as those for the Group described above.

The President certify that the nine-month report gives a true and fair presentation of the Parent Company's and Group's business, financial position and result of operations, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, 16 November 2018

**Rasmus Nerman**  
*President and CEO Humana AB*

# Review report

Humana AB

Corp. id. 556760-8475

## Introduction

We have reviewed the condensed interim financial information (interim report) of Humana AB as of 30 September 2018 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 16 November 2018

KPMG AB

**Helena Nilsson**

*Authorized Public Accountant*

## Consolidated income statement

SEK M	Note	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
Net revenue		1 677	1 614	5 010	4 926	6 627	6 542
Other revenue		0	-1	11	14	11	14
<b>Operating revenue</b>	3	<b>1 677</b>	<b>1 613</b>	<b>5 022</b>	<b>4 940</b>	<b>6 638</b>	<b>6 556</b>
Other external costs		-251	-238	-779	-752	-1 043	-1 016
Personnel costs		-1 257	-1 233	-3 878	-3 876	-5 147	-5 145
Depreciation		-18	-16	-49	-45	-64	-60
Other operating costs		-1	-17	-6	-17	-8	-19
<b>Operating costs</b>		<b>-1 527</b>	<b>-1 503</b>	<b>-4 712</b>	<b>-4 690</b>	<b>-6 262</b>	<b>-6 241</b>
<b>Operating profit</b>		<b>151</b>	<b>110</b>	<b>310</b>	<b>250</b>	<b>376</b>	<b>316</b>
Financial revenue		0	1	1	3	2	5
Financial costs		-19	-15	-60	-56	-84	-79
Unrealised changes in value of derivatives		0	0	1	9	1	9
<b>Profit before tax</b>		<b>132</b>	<b>97</b>	<b>251</b>	<b>206</b>	<b>295</b>	<b>250</b>
Income tax		-30	-26	-57	-46	-67	-57
<b>Net profit for the period</b>		<b>102</b>	<b>71</b>	<b>194</b>	<b>160</b>	<b>228</b>	<b>194</b>
<b>Of which, attributable to:</b>							
Owners of the Parent Company		102	71	194	160	228	194
<b>Net profit for the period</b>		<b>102</b>	<b>71</b>	<b>194</b>	<b>160</b>	<b>228</b>	<b>194</b>
Earnings per ordinary share, SEK, before dilution	5	1,92	1,34	3,65	3,01	4,29	3,64
Earnings per ordinary share, SEK, after dilution	5	1,92	1,34	3,65	3,01	4,29	3,64
Average number of ordinary share, thousands		53 140	53 140	53 140	53 140	53 140	53 140

## Consolidated statement of other comprehensive income

SEK M	Note	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
<b>Net profit</b>		<b>102</b>	<b>71</b>	<b>194</b>	<b>160</b>	<b>228</b>	<b>194</b>
<b>Other comprehensive income</b>							
<b>Items that have been/can be reclassified to profit/loss</b>							
Effect of currency hedge of net investment in foreign operations	6c	8	0	-19	0	-19	0
Exchange rate differences on translation of foreign operation		-12	-2	56	-4	59	-4
<b>Net profit and other comprehensive income for the period</b>		<b>98</b>	<b>70</b>	<b>232</b>	<b>156</b>	<b>268</b>	<b>190</b>
<b>Of which, attributable to:</b>							
Owners of the Parent Company		98	70	232	156	268	190

## Consolidated balance sheet in summary

SEK M	Note	30 Sep 2018	30 Sep 2017	31 Dec 2017
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill	4	3 166	3 089	3 104
Other intangible assets		9	13	10
Property, plant and equipment		490	394	413
Financial assets		15	8	8
<b>Total non-current assets</b>		<b>3 680</b>	<b>3 504</b>	<b>3 535</b>
<b>Current assets</b>				
Trade receivables and other receivables		818	934	842
Other current receivables		136	139	99
Cash and cash equivalents		511	432	584
<b>Total current assets</b>		<b>1 465</b>	<b>1 505</b>	<b>1 525</b>
<b>TOTAL ASSETS</b>		<b>5 145</b>	<b>5 010</b>	<b>5 060</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		1	1	1
Additional paid-in capital		1 094	1 092	1 091
Retained earnings		997	763	799
<b>Equity attributable to owners of the parent company</b>		<b>2 092</b>	<b>1 856</b>	<b>1 891</b>
<b>Equity attributable to non controlling interest</b>		<b>0</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>2 092</b>	<b>1 856</b>	<b>1 891</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities		1 281	1 351	1 345
Deferred tax liabilities		78	82	73
<b>Total non-current liabilities</b>		<b>1 359</b>	<b>1 433</b>	<b>1 417</b>
<b>Current liabilities</b>				
Interest-bearing liabilities		634	671	680
Trade payables		86	107	93
Other current liabilities		974	942	979
<b>Total current liabilities</b>		<b>1 694</b>	<b>1 720</b>	<b>1 752</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5 145</b>	<b>5 010</b>	<b>5 060</b>



## Consolidated statement of changes in equity in summary

SEK M	Share Capital	Additional paid-in capital	Translation reserve	Retained earnings	Equity attributable to parent owners	Non controlling interest	Total equity
<b>Opening balance, 1 January 2017</b>	<b>1</b>	<b>1 091</b>	<b>1</b>	<b>633</b>	<b>1 726</b>	<b>-</b>	<b>1 726</b>
<b>Comprehensive income for the period</b>							
Profit for the period	-	-	-	160	160	-	160
Other comprehensive income for the period	-	-	-4	-	-4	-	-4
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-4</b>	<b>160</b>	<b>156</b>	<b>-</b>	<b>156</b>
<b>Closing balance, 30 September 2017</b>	<b>1</b>	<b>1 092</b>	<b>-3</b>	<b>766</b>	<b>1 856</b>	<b>-</b>	<b>1 856</b>
<b>Opening balance, 1 January 2018</b>	<b>1</b>	<b>1 092</b>	<b>4</b>	<b>793</b>	<b>1 891</b>	<b>-</b>	<b>1 891</b>
<b>Comprehensive income for the period</b>							
Profit for the period	-	-	-	194	194	-	194
Other comprehensive income for the period	-	-	37	-	37	-	37
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>194</b>	<b>232</b>	<b>-</b>	<b>232</b>
<b>Transactions with owners of the parent company</b>							
Dividend	-	-	-	-32	-32	-	-32
Share-savings plan	-	1	-	-	-	-	1
Sale to non controlling interest	-	-	-	-	-	0	0
<b>Total transactions with owners of the parent company</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-32</b>	<b>-32</b>	<b>0</b>	<b>-31</b>
<b>Closing balance, 30 September 2018</b>	<b>1</b>	<b>1 094</b>	<b>41</b>	<b>955</b>	<b>2 092</b>	<b>0</b>	<b>2 092</b>



## Consolidated statement of cash flows in summary

SEK M	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
<b>Profit before tax</b>	<b>132</b>	<b>97</b>	<b>251</b>	<b>206</b>	<b>295</b>	<b>250</b>
<b>Adjustment for:</b>						
Depreciation	18	16	49	45	64	60
Financial items, net	19	13	59	44	80	66
<b>Cash flow from operating activities before changes in working capital</b>	<b>168</b>	<b>126</b>	<b>359</b>	<b>295</b>	<b>440</b>	<b>376</b>
Changes in working capital	-81	-122	-107	-199	51	-41
<b>Cash flow from operating activities</b>	<b>87</b>	<b>4</b>	<b>252</b>	<b>96</b>	<b>490</b>	<b>335</b>
Financial items, net	-4	-4	-31	-43	-53	-64
Income tax paid	-16	17	-34	-22	-42	-30
<b>Cash flow from operating activities, net</b>	<b>67</b>	<b>17</b>	<b>187</b>	<b>32</b>	<b>396</b>	<b>241</b>
Acquisition of subsidiaries, net cash impact	-10	-13	-32	-29	-45	-42
Sales of subsidiaries, net cash impact	0	9	4	141	-4	133
Investments in other non-current assets, net	-52	-44	-103	-110	-145	-151
<b>Cash flow from investing activities</b>	<b>-62</b>	<b>-48</b>	<b>-131</b>	<b>3</b>	<b>-194</b>	<b>-60</b>
Proceeds from new borrowings	0	0	144	7	144	7
Repayment of borrowings	0	0	-251	-56	-251	-56
Dividend	0	0	-32	-27	-32	-27
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>-139</b>	<b>-75</b>	<b>-139</b>	<b>-75</b>
<b>Cash flow for the period</b>	<b>6</b>	<b>-31</b>	<b>-83</b>	<b>-41</b>	<b>64</b>	<b>106</b>
<b>Cash and cash equivalents at start of period</b>	<b>507</b>	<b>468</b>	<b>584</b>	<b>465</b>	<b>432</b>	<b>465</b>
Exchange rate difference in cash/cash equivalents	-2	-4	9	9	14	13
<b>Cash and cash equivalents at end of period</b>	<b>511</b>	<b>432</b>	<b>511</b>	<b>432</b>	<b>511</b>	<b>584</b>



## Key ratios

	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
Operating revenue	1 677	1 613	5 022	4 940	6 638	6 556
EBIT, %	9,0%	6,8%	6,2%	5,1%	5,7%	4,8%
Interest-bearing net debt, SEK M	1 405	1 590	1 405	1 590	1 405	1 440
Return on capital employed, %	3,8%	2,9%	7,7%	6,5%	9,4%	8,2%
Equity/assets ratio, %	40,7%	37,1%	40,7%	37,1%	40,7%	37,4%
Operating cash flow	35	-41	148	-14	346	184
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,2x	4,2x	3,2x	4,2x	3,2x	3,8x
Average number full-time employees Individual & Family	2 506	2 559	2 420	2 528	2 402	2 483
Average number full-time employees Personal Assistance	5 296	5 428	5 080	5 140	5 052	5 097
Average number full-time employees Elderly Care	776	1 051	769	1 153	740	1 028
Average number full-time employees Other Nordic	1 553	1 379	1 495	1 344	1 484	1 372
Average number full-time employees Central functions	22	24	22	23	23	23
Total average number full-time employees	10 153	10 440	9 786	10 189	9 701	10 003
Number of full-time employees on the closing date	10 044	10 011	10 044	10 011	10 044	9 503
Average number of customers Individual & Family	1 927	1 994	1 974	2 080	1 985	2 064
Average number of customers Personal Assistance	1 812	1 861	1 825	1 873	1 830	1 866
Average number of customers Elderly Care	676	1 898	671	2 401	648	1 946
Average number of customers Other Nordic	2 880	2 464	2 931	2 343	2 882	2 441
Total average number of customers	7 294	8 218	7 400	8 696	7 344	8 316
Average number of ordinary shares on the closing date, 000s	53 140	53 140	53 140	53 140	53 140	53 140
Equity per ordinary share, SEK	39	35	39	35	39	36



## Parent company

### Income statement in summary

SEK M	Note	Jan-Sep 2018	Jan-Sep 2017	Jan-Dec 2017
Operating revenue		4	4	5
Operating costs		-13	-15	-19
<b>Operating profit</b>		<b>-8</b>	<b>-11</b>	<b>-13</b>
Interest revenue from group companies		0	0	0
Interest cost		-38	-33	-46
<b>Profit after financial items</b>		<b>-47</b>	<b>-44</b>	<b>-60</b>
Group contribution		0	0	150
Change untaxed reserves		0	0	-8
Tax		10	10	-18
<b>Net profit for the period</b>		<b>-36</b>	<b>-35</b>	<b>64</b>

### Balance sheet in summary

SEK M	30 Sep 2018	30 Sep 2017	31 Dec 2017
Non-current assets	1 626	1 625	1 625
Current assets	1 917	1 776	1 905
<b>TOTAL ASSETS</b>	<b>3 543</b>	<b>3 401</b>	<b>3 530</b>
Equity	1 504	1 472	1 571
Untaxed reserves	179	171	179
Non-current Interest-bearing liabilities	1 243	1 299	1 296
Other current liabilities	617	458	485
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 543</b>	<b>3 401</b>	<b>3 530</b>





## Notes

### Note 1 Accounting policies

This report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting along with applicable stipulations of the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act – Interim Reports. For the Group, in general the same accounting policies and bases of calculation have been used as in the annual report for 2017, which was prepared in accordance with International Financial Reporting Standards as ratified by the EU, and interpretations of these. The changes made to the Group's accounting policies are set out below.

Disclosures in accordance with IAS 34.16A appear in the financial statements and their associated notes as well as in the interim information on pages 2-8, which form an integral part of this financial report.

All amounts in this report are stated in millions of Swedish kronor (SEK M) unless otherwise stated. Rounding differences may occur.

#### *Classification of assistance allowance*

From 1 January 2018, Humana has reclassified receivables from Försäkringskassan related to assistance allowances from Other current receivables to Trade and other receivables. The change was made retroactively.

#### *Hedge accounting*

As of 1 January 2018, the Group applies hedge accounting to hedging of net investments in foreign operations. The Group thus applies hedge accounting in accordance with IFRS 9.

Humana hedges net investments in EUR and NOK through loans in these currencies. Exchange differences for the period on currency loans less tax effects are recognised, insofar as hedging is effective, in other comprehensive income with accumulated exchange differences and fair value changes in a specific component of equity (translation reserve). This partially neutralises the translation differences that arise from foreign operations.

#### **New accounting standards applied from 1 January 2018**

Humana applies IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers from 1 January 2018. The transition has not had any effect on the income statement or balance sheet.

*IFRS 9 Financial Instruments* replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 deals with the classification, valuation and dissolution of recognised financial assets and financial liabilities and introduces new rules for hedge accounting and a new model for impairment of trade receivables. The new standard entails increased disclosure requirements and changes in presentation (Notes 6a, 6c).

*IFRS 15 Revenue from Contracts with Customers* replaces IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. According to IFRS 15, revenue is recognised when control over the service is transferred to the customer. Humana's obligation to its care users is to provide personal care at scheduled times. Performance of the care obligation is then invoiced monthly. Humana's assessment is that the period allocation of revenue is not affected by the new standard.

#### **New accounting standards not yet applicable**

IFRS 16 *Leasing* will replace IAS 17 Leasing and apply as of 1 January 2019. Early adoption is permitted if IFRS 15 Revenue from Contracts with Customers is also adopted. The standard requires that the leases recognise all leases except for those shorter than 12 months or where the lease item is of low value in the balance sheet. It also means that lease payments that are now recognised as other external expenses are replaced by a cost of depreciation on leased assets and an interest expense attributable to lease liability in the income statement.

## Note 2 Estimations and assessments

Preparation of financial statements requires that company management makes assessments and estimations along with assumptions that affect application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual outcome may deviate from these estimations and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the most recent annual report.

## Not 3a Operating segments

SEK M	Individual & Family		Personal Assistance		Elderly Care		Other Nordic		Other <sup>1)</sup>		Total	
	Jan-Sep 2018	Jan-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Jan-Sep 2018	Jan-Sep 2017
Net revenue –												
External revenue	1 645	1 659	1 978	1 968	328	429	1 060	869	0	0	5 010	4 926
Other operating revenue	0	0	0	0	0	0	0	0	11	14	11	14
<b>Operating revenue</b>	<b>1 645</b>	<b>1 659</b>	<b>1 978</b>	<b>1 968</b>	<b>328</b>	<b>429</b>	<b>1 060</b>	<b>869</b>	<b>11</b>	<b>14</b>	<b>5 022</b>	<b>4 940</b>
<b>Profit before depreciation, amortisation and other operating costs</b>	<b>181</b>	<b>169</b>	<b>112</b>	<b>116</b>	<b>10</b>	<b>-5</b>	<b>106</b>	<b>70</b>	<b>-44</b>	<b>-38</b>	<b>365</b>	<b>312</b>
Depreciation	-22	-22	-2	-2	-5	-5	-19	-15	-1	-1	-49	-45
Other operating costs	0	0	0	0	0	0	-1	0	-6	-17	-6	-17
<b>Operating profit</b>	<b>159</b>	<b>147</b>	<b>111</b>	<b>114</b>	<b>5</b>	<b>-10</b>	<b>86</b>	<b>55</b>	<b>-51</b>	<b>-56</b>	<b>310</b>	<b>250</b>

1) Operating revenue 2017 includes a capital gain on the sale of property (sale-and-leaseback) of SEK 14 M, the operating profit 2017 also includes a capital loss of SEK 14 M from the divestment of the home care service operation. Operating revenue in Q2 2018 includes the effect of final settlement of contingent considerations of SEK 9 M with associated acquisition costs of SEK 5 M.

## Not 3b Revenue per country

SEK M	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017
Sweden	1 316	1 331	3 962	4 070
Finland	163	121	489	355
Norway	196	161	569	514
Denmark	2	-	2	-
<b>Total operating revenue</b>	<b>1 677</b>	<b>1 613</b>	<b>5 022</b>	<b>4 940</b>

## Not 4a Acquisition of operations

SEK M	30 Sep 2018	30 Sep 2017	31 Dec 2017
<b>Opening balance, 1 January</b>	<b>3 104</b>	<b>3 089</b>	<b>3 089</b>
Acquisitions of subsidiaries	16	17	31
Adjustment of acquisition analysis	-	-3	-3
Sales of subsidiaries	-1	-	-
Exchange rate differences	48	-14	-13
<b>Closing balance, end of period</b>	<b>3 167</b>	<b>3 089</b>	<b>3 104</b>

### Acquisitions in 2018

In 2018, Humana made two acquisitions, one in Finland and one in Denmark: Luotsimaja Oy in Pori in western Finland with operations in psychosocial change management for children and adolescents and Støttecompagniet ApS in Copenhagen with individual and family outpatient care. The acquisition of Støttecompagniet means that Humana has taken its first step into Denmark. In Sweden, Humana acquired two small businesses for the Personal Assistance business area. At the beginning of the quarter, Västgöta Assistans was acquired in Kinna. After the end of the quarter RIK Assistans in Härnösand was acquired.

- Luotsimaja Oy (Other Nordics) in June 2018
- Västgöta Assistans (Personal Assistance) in July 2018
- Støttecompagniet ApS (Other Nordics) in September 2018
- RIK Assistans (Personal Assistance) in October 2018

If the three businesses acquired in the period had been added as at 1 January 2018, Humana's assessment is that the Group's revenues would have amounted to SEK 5,052 M (SEK 30 M higher), operating profit to SEK 310 M (SEK 0 M higher) and profit after tax to SEK 195 M (SEK 1 M higher).

### Acquisitions in 2017

Humana completed three acquisitions in 2017. The acquisitions helped strengthen Humana's operations in Finland and expanded its activities in individual and family care in northern Sweden.

- Skellefteå Stöd & Behandling AB (Individual & Family) January 2017
- Nordic Senior Services Oy (Finland) August 2017
- Ryhmäkoti Raide Oy (Finland) October 2017

For more information regarding these acquisitions, refer to the Annual Report for 2017.

## Not 4b Acquisition of operations

### Net assets in acquired companies as per the acquisition date

SEK M	Smaller acquisitions* and other, total.
Non-current assets	5
Trade receivables and other receivables	5
Cash and cash equivalents	0
Interest-bearing liabilities	0
Trade payables and other operating liabilities	-1
Deferred tax liability	0
<b>Net identifiable assets and liabilities</b>	<b>7</b>
<b>Goodwill</b>	<b>16</b>
<b>Consideration paid</b>	
Cash and cash equivalents	16
Contingent earn-out payments	0
<b>Total consideration paid</b>	<b>16</b>
<b>Impact on cash and cash equivalents</b>	
Cash consideration paid	16
Cash and cash equivalents in acquired units	0
<b>Total impact on cash and cash equivalents</b>	<b>17</b>
Settlement of payments attributable to acquisitions in previous years	15
<b>Total impact on cash and cash equivalents</b>	<b>32</b>
<b>Impact on revenue and profit 2018</b>	
Operating revenue	9
Operating profit	1
Net profit impact earn-out payment	4

\*The acquisition analysis is preliminary since the final settlement has not been determined.

#### Goodwill

The goodwill arising from the acquisitions is attributable to the staff's expertise in treatment methods, the establishment of market position, the underlying profitability of acquired units and the synergies that are expected when the units are integrated with the Group. No portion of the goodwill that arose in 2017 and 2018 is tax deductible.

#### Acquisition costs

Acquisition costs were SEK -6 M (-3). The costs mainly relate to remuneration to consultants and lawyers for financial and legal advisory services in connection with acquisitions. The costs are recognised as other operating expenses in the income statement.

## Not 5 Earnings per share

SEK M	Note	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
<b>Net profit for the period attributable to owners of the parent company</b>		102	71	194	160	228	194
Average number of ordinary shares, thousands		53 140	53 140	53 140	53 140	53 140	53 140
Earnings per ordinary share, SEK, before dilution		1,92	1,34	3,65	3,01	4,29	3,64
Earnings per ordinary share, SEK, after dilution		1,92	1,34	3,65	3,01	4,29	3,64

## Not 6a Fair value of financial instruments and level in valuation hierarchy

30 September, 2018	SEK M	Financial liabilities measured at fair value through profit and loss		Fair value	Level		
		Total			1	2	3
<b>Financial liabilities</b>							
	Interest-rate swaps and interest options for hedging*	0	0	0	-	0	-
	Earn-out payments	5	5	5	-	-	5

30 September, 2017	SEK M	Financial liabilities measured at fair value through profit and loss		Fair value	Level		
		Total			1	2	3
<b>Financial liabilities</b>							
	Interest-rate swaps and interest options for hedging*	1	1	1	-	1	-
	Earn-out payments	22	22	22	-	-	22

### Fair value measurement

When the fair value of an asset or liability is to be determined, the Group uses observable data as far as possible. Fair value is categorised in various levels in a fair value hierarchy based on input data that is used in the valuation method as follows:

Level 1: according to prices quoted in an active market for the same instruments

Level 2: based on directly or indirectly observable market data that is not included in level 1

Level 3: based on input data that is not observable in the market

## Not 6b Presentation of the reconciliation of the opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK M	30 Sep 2018	31 Dec 2017
<b>Opening balance, 1 January</b>	<b>27</b>	<b>28</b>
Total recognised gains and losses:		
Recognised in adjustment of earn-out payments in profit for the year	-9	0
Cost of acquisitions	2	5
Settled during the period	-15	-6
<b>Closing balance, end of period</b>	<b>5</b>	<b>27</b>

## Note 6c Hedge accounting

The Group is hedging parts of the foreign exchange risk related to net investments in foreign operations. As of 30 September 2018, the Group had exposure in EUR and NOK, which is hedged with loans in foreign currencies. Starting from 1 January 2018, hedge accounting is applied and thus the effective part of the translation differences is recognised in the consolidated statement of other comprehensive income. In the comparison period, translation differences are recognised as financial income and expense. As at 30 September 2018, the Group had loans of EUR 39 M and loans of NOK 328 M for which hedge accounting is applied. The related translation difference of negative SEK 24 M before tax is consequently recognised in the consolidated statement of other comprehensive income.

## Not 7 Incentive programmes

Humana har per den 30 september 2018 två långsiktiga incitamentsprogram vilka godkändes av årsstämorna. As of 30 September 2018, Humana has two long-term incentive programmes that have been approved by the AGMs in 2016 and 2017. The warrant programme is directed at the Company's eight senior executives and the share savings programme is directed at key employees at Humana. The purpose of the programmes is to encourage a broad ownership among Humana employees, facilitate recruitment, retain competent employees and increase the motivation to achieve or exceed Humana's financial targets.

The warrants were acquired at market price and were issued in three separate series that can be redeemed at different times. The first date for redeeming the warrants was during the period 1-31 March 2018 at the subscription price of SEK 74.40. The subscription price for Series 2 is SEK 77.50 and for Series 3 is SEK 80.60.

For the share savings programme, participants could invest in saving shares (at market price) and then, based on the terms of the programme, can receive matching shares and potentially even performance-based shares at the end of the programme. The number of registered saving shares at 30 September 2018 amounts to 65,000, which corresponds to a maximum allocation of 89,000 shares.

Number of warrants	2018	Number sharebased programme	2018
<b>Outstanding January 1</b>	<b>1 440 420</b>	<b>Outstanding January 1</b>	<b>89 000</b>
Acquired	-	Acquired	-
Forfeited	-	Forfeited	-
Exercised	-	Exercised	-
Expired	-480 140	Expired	-
<b>Outstanding September 30</b>	<b>960 280</b>	<b>Outstanding September 30</b>	<b>89 000</b>

## Not 8a Reconciliation with IFRS financial statements

In the financial reports that Humana issues, there are alternative performance measures specified that complement the measures defined or specified in the applicable financial reporting rules. Alternative performance measures are indicated when, in their context, they provide clearer or more detailed information than the measures defined in the applicable financial reporting rules. The alternative performance measures are derived from the company's consolidated financial statements and do not comply with IFRS.

	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Oct-Sep 2017/18	Jan-Dec 2017
<b>Adjusted operating profit</b>						
Operating profit	151	110	310	250	376	316
Loss on disposal of Home Care	-	14	-	14	-	14
Capital gains on sale of properties	-	-	-	-14	-	-14
<b>Adjusted operating profit</b>	<b>151</b>	<b>125</b>	<b>310</b>	<b>250</b>	<b>376</b>	<b>316</b>
<b>Adjusted EBITDA</b>						
Operating profit	151	110	310	250	376	316
Depreciation	18	16	49	45	64	60
Loss on disposal of Home Care	-	14	-	14	-	14
Capital gains on sale of properties	-	-	-	-14	-	-14
<b>Adjusted EBITDA</b>	<b>168</b>	<b>140</b>	<b>359</b>	<b>295</b>	<b>440</b>	<b>376</b>
<b>Organic revenue growth</b>						
Revenue, base	1 559	1 611	4 736	4 230	6 298	5 647
Revenue, organic growth	69	-69	137	-81	78	-76
<b>Total organic growth, constant currency rate</b>	<b>4,4%</b>	<b>-4,3%</b>	<b>2,9%</b>	<b>-1,9%</b>	<b>1,2%</b>	<b>-1,3%</b>
<b>Operating cash flow</b>						
Operating profit	151	110	310	250	376	316
Depreciation	18	16	49	45	64	60
Changes in working capital	-81	-122	-107	-199	51	-41
Investments in other non-current assets, net	-52	-44	-103	-110	-145	-151
<b>Operating cash flow</b>	<b>35</b>	<b>-41</b>	<b>148</b>	<b>-14</b>	<b>346</b>	<b>184</b>
	<b>30 Sep 2018</b>	<b>30 Sep 2017</b>				<b>31 Dec 2017</b>
<b>Interest-bearing net debt</b>						
Non-current interest-bearing liabilities	1 281	1 351				1 345
Current interest-bearing liabilities	634	671				680
Cash and cash equivalents	-511	-432				-584
<b>Interest-bearing net debt</b>	<b>1 405</b>	<b>1 590</b>				<b>1 440</b>
<b>Adjusted EBITDA 12 month</b>	<b>440</b>	<b>382</b>				<b>376</b>
<b>Interest-bearing net debt/Adjusted EBITDA 12 months, times</b>	<b>3,2x</b>	<b>4,2x</b>				<b>3,8x</b>
<b>Return on capital employed, %</b>						
TOTAL ASSETS	5 145	5 010				5 060
Deferred tax liabilities	-78	-82				-73
Trade payables	-86	-107				-93
Other current liabilities	-974	-942				-979
<b>Capital employed</b>	<b>4 007</b>	<b>3 879</b>				<b>3 915</b>
Operating profit	310	250				316
Financial revenue	1	3				5
<b>Total</b>	<b>310</b>	<b>253</b>				<b>320</b>
<b>Return on capital employed, %</b>	<b>7,7%</b>	<b>6,5%</b>				<b>8,2%</b>
<b>Equity/assets ratio, %</b>						
Equity attributable to owners of the parent company	2 092	1 856				1 891
TOTAL ASSETS	5 145	5 010				5 060
<b>Equity/assets ratio, %</b>	<b>40,7%</b>	<b>37,1%</b>				<b>37,4%</b>

## Not 8b Financial definitions and intent

### Key financial figures

	<b>Definition</b>	<b>Intent</b>
<b>Adjusted operating profit and adjusted EBITDA</b>	Operating profit and EBITDA adjusted for items affecting comparability..	The adjustment of items affecting comparability is done to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items..
<b>Capital employed</b>	Total assets less non-interest-bearing liabilities.	The measure indicates the portion of the company's assets financed by interest-bearing capital.
<b>EBITDA</b>	Operating profit before depreciation, amortisation and impairment losses..	The measure is used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries.
<b>Equity/assets ratio (%)</b>	Equity including non-controlling interests divided by total assets, multiplied by 100.	Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.
<b>Interest-bearing net debt</b>	Borrowings excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.	Net debt is used to easily illustrate and assess the Group's ability to meet financial commitments.
<b>Interest-bearing net debt/EBITDA</b>	Interest-bearing net debt divided by EBITDA.	Indicates consolidated debt in relation to EBITDA. Used to illustrate the Group's ability to meet financial commitments.
<b>Operating cash flow</b>	Operating profit including changes in depreciation/amortisation/impairment, working capital and investments in other non-current assets (net).	Excluding cash flow from acquisitions and financing facilitates an analysis of cash flow generation in operating activities.
<b>Organic growth</b>	Like-for-like growth for companies in the respective segments that Humana owned in the preceding comparative period..	The measure shows the underlying sales growth in comparable companies between the different periods.
<b>Return on capital employed, ROCE (%)</b>	Operating profit plus net financial income divided by capital employed, multiplied by 100.	Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the financing.



## Other financial performance measures

	<b>Definition</b>
<b>Average equity</b>	Average equity attributable to owners of the Parent Company per quarter, based on opening and closing balance per quarter.
<b>Average number of customers</b>	Average number of customers during the period.
<b>Average number of full-time employees</b>	Average number of full-time employees in the reporting period.
<b>Average number of ordinary shares</b>	Average of number of shares outstanding on a daily basis after redemptions and repurchases.
<b>Earnings per ordinary share for the period</b>	Profit for the period attributable to owners of the Parent Company less the period's share of declared dividend on preferred shares, divided by average number of ordinary shares. Defined in IFRS.
<b>EBIT margin (%)</b>	EBIT divided by operating revenue multiplied by 100.
<b>Equity per ordinary share</b>	Equity attributable to owners of the Parent Company divided by number of shares outstanding after the end of the period after redemptions, repurchases and new issues.
<b>Items affecting comparability</b>	Non-recurring items that are not expected to return, which complicate the comparability between two given periods.
<b>Operating profit, EBIT</b>	Profit before financial items and tax.

*This information is information that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 08:00 CET on 16 November 2018.*

### Conference call

A conference call will be held 16 November at 09:00 CET, at which President and CEO Rasmus Nerman and CFO Ulf Bonnevier will present the report and answer questions. To participate, call:

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#### Financial calendar 2019

Year-end Report 2018 14 Feb 2019

Interim report Jan-Mar 2019 9 May 2019

AGM 2019 9 May 2019

Interim report Apr-Jun 2019 16 Aug 2019

Interim report Jul-Sep 2019 8 Nov 2019

