

# Interim report

*April-June 2018*

# Q2



*Humana is a leading Nordic public care company. The company is the market leader within individual and family care and personal assistance. In Norway and Finland, Humana is the second-largest provider within individual and family care. Humana has approx. 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**

# Improvements continue in Other Nordics

## Second quarter: April-June 2018

- **Operating revenue** was SEK 1,696 M (1,678), an increase of 1%. Adjusted for the home care services business, which contributed to second quarter revenue last year, revenue increased by 5%.
- **Operating profit** was SEK 78 M (60 excl. SEK 15 M in capital gain), an increase of SEK 18 M.
- **Net profit after tax for the period** was SEK 47 M (48).
- **Earnings per share for the period** before and after dilution were SEK 0.88 (0.91).
- **Operating cash flow** was SEK 143 M (45).

## Interim period January-June 2018

- **Operating revenue** amounted to SEK 3,344 M (3,326), an increase of 1% compared with the same period last year. Adjusted for the home care service business, which contributed last year, revenue increased by 5%.
- **Operating profit** was SEK 159 M (125 excl. SEK 15 M in capital gain).
- **Net profit after tax for the period** was SEK 92 M (89).
- **Earnings per share for the period** before and after dilution were SEK 1.73 (1.26).
- **Operating cash flow** was SEK 113 M (28).

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

- There are no significant events to report for the second quarter or after the end of the quarter.

## Revenue and profit

SEK M	Apr-Jun	Apr-Jun	%	Jan-Jun	Jan-Jun	%	Jul-Jun	Jan-Dec	%
	2018	2017		2018	2017		2017/18	2017	
Net revenue	1 685	1 663	1%	3 333	3 312	1%	6 563	6 542	0%
Other revenue	11	15	-24%	11	15	-24%	11	14	-25%
<b>Operating revenue</b>	<b>1 696</b>	<b>1 678</b>	<b>1%</b>	<b>3 344</b>	<b>3 326</b>	<b>1%</b>	<b>6 574</b>	<b>6 556</b>	<b>0%</b>
Operating profit	78	74	5%	159	140	14%	335	316	6%
Adjusted operating profit	78	60	31%	159	125	27%	335	316	6%
Net profit for the period	47	48	-4%	92	89	4%	197	194	2%
Operating cash flow	143	45	222%	113	28	300%	269	184	46%



# From action programme to focus on growth

**“It is satisfying to see that the action programme is having positive effects also in Norway and that the business is now contributing to growth in the Other Nordics segment. Our main focus is now on gearing up for growth through organic start-ups, new quality-procured contracts and acquisitions.”**

I can see that our reorganisation and streamlining efforts are now resulting in continued improvements, even in Norway. In addition to lower costs and increased revenue, these efforts have also resulted in improved control and follow-up, which is important for our continued development. We are clearly on the right track with our operations in Norway. In addition, we have a stable and growing operation in Finland with good treatment results which altogether gives a significantly improved development in Other Nordics.



At the political level, the Swedish Riksdag rejected the proposed profit constraints as expected, while the planned June vote in Finland on its health and social services reform (SOTE) was postponed, which means that implementation will be delayed. In Norway, the political debate on the future structure of care and treatment for children and adolescents has intensified.

Individual & Family continues to see positive effects from the action programme implemented last year. This is in comparison to our high capacity utilisation in Q2 last year, and although our efficiency has increased considerably, we can see a need to increase our efforts to grow revenues. To strengthen capacity utilisation, we have increased sales and marketing activities, while at the same time we are providing training in areas of the business that require increased specialisation. In parallel with these initiatives, work is progressing on organic expansion of LSS housing and residential care homes.

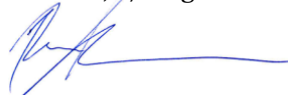
The number of individuals entitled to personal assistance in Sweden continued to decline, albeit at a

lower rate during the second quarter. In the first half of the year, the decrease in number of hours was 0.9%, which means that the market in terms of number of hours, has decreased by 8.4% since its highest level 2015. However, Humana continued to take market shares during the quarter and the first half of the year and sees the opportunity to take a more active role in the ongoing market consolidation. The fact that staff cost increase continue to exceed the increase in reimbursement means that in the long run we estimate that it will be difficult to fully compensate for the cost increases.

We continue according to plan to improve profitability in the Elderly Care business area at the same time as strong growth continues. Capacity utilisation in the units under own management continued to improve in the quarter and we look forward with confidence to the establishment of units under own management in Staffanstorp and Kungsängen. We are pleased to note that Humana has won several strategic quality procurements in the Stockholm area, most recently Sjöstadsgården in Stockholm's Hammarby Sjöstad. Clearly, concentrating operations on elderly housing under own management and quality-procured contracts creates opportunities for Humana to run a qualitative and efficient business with improved profitability.

To summarise the quarter, I can say that we continue to improve the efficiency in operations, thus providing a basis for increased growth. It is also satisfying to see that our cash flow has developed well during the period and that we continue to reduce our debt, which means that we are approaching our leverage target. We are clearly on the right track.

Stockholm, 17 August 2018



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

## Operating revenue by business area

SEK M	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun		Jul-Jun	Jan-Dec	
	2018	2017	%	2018	2017	%	2017/18	2017	%
Individual & Family	555	569	-2%	1 106	1 123	-1%	2 196	2 212	-1%
Personal Assistance	659	652	1%	1 312	1 301	1%	2 632	2 621	0%
Elderly Care	108	148	-27%	217	302	-28%	436	521	-16%
Other Nordics	362	294	23%	698	587	19%	1 300	1 188	9%
Other revenue 2)	11	15	-24%	11	15	-24%	11	14	-25%
<b>Total operating revenue</b>	<b>1 696</b>	<b>1 678</b>	<b>1%</b>	<b>3 344</b>	<b>3 326</b>	<b>1%</b>	<b>6 575</b>	<b>6 556</b>	<b>0%</b>

## Organic growth by business area 1)

%	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun		Jul-Jun	Jan-Dec	
	2018	2017	%	2018	2017	%	2017/18	2017	%
Individual & Family	-2,4%	-0,2%		-1,4%	-1,3%		-3,3%	-2,8%	
Personal Assistance	1,0%	-0,6%		0,8%	-1,6%		0,3%	-0,9%	
Elderly Care	35,3%	2,5%		29,9%	4,9%		19,4%	12,2%	
Other Nordics, constant currency	11,4%	-8,6%		6,5%	-5,4%		-16,1%	-5,4%	
<b>Total organic growth, constant currency rate</b>	<b>3,4%</b>	<b>-0,8%</b>		<b>2,6%</b>	<b>-1,2%</b>		<b>-0,8%</b>	<b>-1,3%</b>	

## Operating profit per business area

SEK M	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun		Jul-Jun	Jan-Dec	
	2018	2017	%	2018	2017	%	2017/18	2017	%
Individual & Family	40	40	-2%	87	77	13%	201	191	5%
Personal Assistance	25	29	-13%	60	65	-8%	155	160	-3%
Elderly Care	1	-6	n/a	0	-8	n/a	-10	-18	n/a
Other Nordics	28	16	77%	46	29	60%	79	62	28%
Central costs/other 2) 3)	-16	-5	n/a	-34	-23	n/a	-90	-79	n/a
<b>Total operating profit</b>	<b>78</b>	<b>74</b>	<b>5%</b>	<b>159</b>	<b>140</b>	<b>14%</b>	<b>335</b>	<b>316</b>	<b>6%</b>

## Operating profit margins by business area

%	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun		Jul-Jun	Jan-Dec	
	2018	2017	%	2018	2017	%	2017/18	2017	%
Individual & Family	7,1%	7,1%		7,9%	6,9%		9,1%	8,6%	
Personal Assistance	3,8%	4,4%		4,6%	5,0%		5,9%	6,1%	
Elderly Care	0,8%	-4,0%		-0,2%	-2,8%		-2,2%	-3,4%	
Other Nordics	7,8%	5,4%		6,6%	4,9%		6,1%	5,2%	
<b>Total operating profit margin</b>	<b>4,6%</b>	<b>4,4%</b>		<b>4,8%</b>	<b>4,2%</b>		<b>5,1%</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) Other revenue Q2 2017 include a capital gain of SEK 15 M from the disposal of property (sale-and-leaseback). Operating revenue in Q2 2018 include effect of final settlement of contingent considerations of SEK 9 M.

3) Operating profit full year 2017 includes SEK 4M in acquisition costs and SEK 14 M sales loss of the Home Care business. Operating profit Q2 2018 include effect of final settlement of contingent considerations of SEK 9 M with associated acquisition costs of SEK 5 M.

# Group performance

## Revenue

Operating revenue in the second quarter increased by 1% compared to the same quarter last year and amounted to SEK 1,696 M (1,678). Adjusted for the sold home care service business, growth was 5% in the quarter. Organic revenue growth was 3.4%. The lower growth compared to the Company's target is explained by lower acquisition activity, contracts that have gone back to municipal management and lower demand in parts of Individual & Family. Operations under own management accounted for 95% of revenues. Acquired operations, that is, companies that were not owned throughout the previous comparative period, contributed SEK 19 M to revenues in the quarter.

Operating revenue for the January-June period also increased by 1% to SEK 3,344 M (3,326). Adjusted for the sold home care service business, growth was 5% for the period. Acquired companies contributed SEK 39 M to operating revenue. Organically, that is, excluding acquisitions, revenue increased by 2.6%.

## Profit

Operating profit for the second quarter amounted to SEK 78 M (SEK 74 M incl. SEK 15 M in capital gain from sale and leaseback), corresponding to an operating margin of 4.6% (4.4). The result includes effects of final settlement of contingent considerations amounting to SEK 4 M net (SEK 9 M in operating income and SEK 5 M in other operating expenses). Adjusted for the property sale last year, adjusted operating profit amounted to SEK 78 M (60), corresponding to an increase of SEK 18 M or 31%. Earnings for the quarter were positively affected by the improvement programme in the Norwegian operations, which has continued to lower costs, and improved efficiency in the quarter, while revenues have increased. The Elderly Care business area, which went from loss to profit in the quarter, also improved profits. The profit development in Personal Assistance due to fewer customers and the fact that the personnel cost increase exceeded the increase in the state reimbursement level was negative. The Individual & Family business area has lowered the underlying costs but continues its weaker revenue development due to lower demand in some areas of the business.

Operating profit for the six-month period amounted to SEK 159 M (140 including SEK 15 M in capital gain from sale of real estate). Adjusted operating profit amounted to SEK 159 M (125), corresponding to an adjusted operating margin of 4.8% (3.8). Operating profit for the six-month period increased by SEK 19 M, although profitability in Personal Assistance decreased. The improvement in profits for the six-month period is due to positive effects from improvement programmes implemented in Individual & Family and in the Norwegian operations as well as to the fact that Elderly Care has gone from losses to breaking even. The weaker development in Personal Assistance is due to slightly fewer customers and the fact that the personnel cost increase exceeds the increase in the state reimbursement level.



## 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.

### Events after the end of the quarter

- Humana acquires Västgöta Assistans, a small personal assistance business, with approximately SEK 20 M in annual turnover.

## Business area performance

### Individual & Family

Revenue for the quarter amounted to SEK 555 M (569), 2% below the same quarter last year. Revenue for the half year period decreased by 1% to SEK 1,106 M (1,123). Organic revenue decreased by 2.4% for the quarter and 1.4% for the six-month period. The decrease in revenue in the quarter and for the six-month period is mainly attributable to lower demand in parts of the business area.

Operating profit for the quarter was unchanged compared with last year and was SEK 40 M (40), corresponding to an operating margin of 7.1% (7.1). Operating profit for the six-month period was SEK 87 M (77). The increase is mainly due to lower costs resulting from the efficiency programme.

### Personal Assistance

Revenue increased by 1% in the quarter to SEK 659 M (652) and by 1% for the six-month period to SEK 1,312 M (1,301). The increase in the state reimbursement level of 1.5% has contributed to revenues. The number of customers continued to decline slightly in the quarter and for the six-month period while the number of assistance hours provided increased slightly.

Operating profit for the quarter decreased by 13% to SEK 25 M (29), corresponding to an operating margin of 3.8% (4.4) for the quarter. For the six-month period the operating profit decreased to SEK 60 M (65). The decrease in profit for the quarter and the half year period is attributable to slightly fewer customers and to the fact that the personnel cost increase exceeds the increase in the state reimbursement level. As at 1 April 2018, the government approved a temporary amendment to the law entailing that two-year reviews be stopped for persons who have been granted personal assistance ("Emergency Stop"). The stop has contributed to a somewhat stabilising market during the quarter. After the end of the quarter, Humana acquired Västgöta Assistans with around 10 customers and approximately SEK 20 M in annual turnover.



## Elderly Care

Revenues in Elderly Care amounted to SEK 108 M (148, of which home care service 68) in the second quarter, a decrease of 27%. Adjusting for the home care service operation, revenues increased by 35%. For the six-month period revenues amounted to SEK 217 M (302, of which home care service 135). Adjusted for the home care service operation, revenue increased by 30%. Organic revenue increased by 35.3% for the quarter and by 29.9% for the six-month period. Capacity utilisation in the elderly housing under our own management that opened in Åkersberga and Växjö in 2017 has improved.

Operating profit in the second quarter was SEK 1 M (-6). Operating profit for the six-month period was SEK 0 M (-8). Costs for newly started operations had an impact on profit of SEK 2 M during the quarter and SEK 5 M for the six-month period. Two additional elderly housing units under our own management will open in 2019 in Staffanstorp and Kungsängen. In April, Humana won another quality procurement for an elderly housing contract in the Stockholm area that entails operation of Sjöstadsgården with 59 residents in Hammarby Sjöstad in Stockholm. Humana will take over in the autumn of 2018. Humana previously announced the takeover of Åsengården with 29 residents in Hägersten outside Stockholm, which will be started up in the autumn of 2018, and Riddargården with 45 apartments at Odenplan in Stockholm.

## Other Nordics

Revenues in Other Nordics amounted to SEK 362 M (294) in the second quarter, an increase of 23%. For the six-month period, revenues were SEK 698 M (587), an increase of 19%. Organic revenue growth was 11.4% in the quarter and 6.5% for the six-month period. Efforts to improve efficiency and capacity utilisation rates in the Norwegian operations developed well in the quarter. The Finnish operations show continued strong growth due to good organic growth and contributions from completed acquisitions. Acquisitions contributed SEK 19 M to revenue in the quarter and SEK 39 M for the six-month period.

Operating profit for the second quarter amounted to SEK 28 M (16), corresponding to a 77% improvement in profit. For the six-month period, operating profit increased by SEK 17 M to SEK 46 M (29). The operating margin was 7.8% (5.4) for the quarter and 6.6% (4.9) for the six-month period. The improvement in profit is explained by improved efficiency and revenue growth in Norway and continued high demand and good capacity utilisation in Finland.



# Financial position

## Financing

At the end of June 2018, group equity amounted to SEK 1,994 M (1,785), equivalent to an equity/assets ratio of 38.8% (35.6). 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 1,417 M (1,561), a decrease of 9% compared to the same period last year. Humana's interest-bearing net debt in relation to EBITDA improved and was 3.4 times (3.8), which also was an improvement compared with the end of December 2017. The level is still slightly above the company's net debt target.

SEK M	30 Jun 2018	30 Jun 2017	31 Dec 2017
Non-current interest-bearing liabilities	1 286	1 350	1 345
Current interest-bearing liabilities	639	680	680
Cash and cash equivalents	-507	-468	-584
<b>Interest-bearing net debt</b>	<b>1 417</b>	<b>1 561</b>	<b>1 440</b>
Equity/assets ratio, %	38,8%	35,6%	37,4%
Interest-bearing net debt/adjusted EBITDA 12 months, times	3,4x	3,8x	3,8x

## Cash flow and investments expenditures

Operating cash flow during the six-month period was SEK 113 M (28). The improvement is explained by lower working capital, totalling SEK -26 M (-76). Investments during the period declined to net SEK -51 M (-65). Acquisitions had an impact on cash flow during the period of SEK -22 M (-16). Settlement of earn-out payments related to acquisitions from previous years had an impact on the period of SEK -15 M (-6). Cash flow from financing activities was SEK -139 M (-75). Cash flow for the period declined to SEK -88 M (-9).

## 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 June 2018 was 9,981 (10,005). 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 June 2018 amounted to 53,140,064 with a quote value of SEK 0.022, corresponding to share capital of SEK 1,180,879. The number of shareholders at the end of June 2018 was 3,395. The five largest shareholders were Air Syndication SCA (Argan), Incentive AS, Nordea Investment Funds, Zirkona AB (Per Granath) and UBS AG London Branch.

### 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 half year period was SEK -30 M (-22). The Parent Company's equity/assets ratio was 40.8% (43.5% at 30 June 2017).

This interim report was not subject to a review as per ISRE 2410 by the Company's auditors.

*This information is information that Humana AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out below, at 08:00 CET on 17 August 2018.*

## Conference call

A conference call will be held 17 August, 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 2018/2019

Interim report Jul-Sep 2018	16 Nov 2018
Interim report Oct-Dec 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



The Board of Directors and President certify that the half-year 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, 17 August 2018

**Per Bätelson**  
*Chairman of the Board*

**Per Granath**  
*Board member*

**Monica Lingegård**  
*Board member*

**Ulrika Östlund**  
*Board member*

**Helen Fasth Gillstedt**  
*Board member*

**Kirsi Komi**  
*Board member*

**Lloyd Perry**  
*Board member*

**Rasmus Nerman**  
*President and CEO*

## Consolidated income statement

SEK M	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
Net revenue		1 685	1 663	3 333	3 312	6 563	6 542
Other revenue		11	15	11	15	11	14
<b>Operating revenue</b>	3	<b>1 696</b>	<b>1 678</b>	<b>3 344</b>	<b>3 326</b>	<b>6 574</b>	<b>6 556</b>
Other external costs		-265	-258	-528	-514	-1 030	-1 016
Personnel costs		-1 333	-1 331	-2 621	-2 643	-5 123	-5 145
Depreciation		-16	-15	-31	-29	-62	-60
Other operating costs		-5	0	-5	-1	-24	-19
<b>Operating costs</b>		<b>-1 619</b>	<b>-1 604</b>	<b>-3 185</b>	<b>-3 187</b>	<b>-6 239</b>	<b>-6 241</b>
<b>Operating profit</b>		<b>78</b>	<b>74</b>	<b>159</b>	<b>140</b>	<b>335</b>	<b>316</b>
Financial revenue		0	0	0	2	3	5
Financial costs		-17	-18	-41	-41	-79	-79
Unrealised changes in value of derivatives		1	2	1	9	1	9
<b>Profit before tax</b>		<b>61</b>	<b>58</b>	<b>119</b>	<b>109</b>	<b>260</b>	<b>250</b>
Income tax		-14	-9	-27	-20	-63	-57
<b>Net profit for the period</b>		<b>47</b>	<b>48</b>	<b>92</b>	<b>89</b>	<b>197</b>	<b>194</b>
<b>Of which, attributable to:</b>							
Owners of the Parent Company		47	48	92	89	197	194
<b>Net profit for the period</b>		<b>47</b>	<b>48</b>	<b>92</b>	<b>89</b>	<b>197</b>	<b>194</b>
Earnings per ordinary share, SEK, before dilution	5	0.88	0.91	1.73	1.26	3.71	3.64
Earnings per ordinary share, SEK, after dilution	5	0.88	0.91	1.73	1.26	3.71	3.64
Average number of ordinary shares, thousands		53 140	53 140	53 140	53 140	53 140	53 140

## Consolidated statement of other comprehensive income

SEK M	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
<b>Net profit</b>		<b>47</b>	<b>48</b>	<b>92</b>	<b>89</b>	<b>197</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	-27	0	-27	0
Exchange rate differences on translation of foreign operation		21	0	69	-3	70	-4
<b>Net profit and other comprehensive income for the period</b>		<b>59</b>	<b>48</b>	<b>134</b>	<b>86</b>	<b>240</b>	<b>190</b>
<b>Of which, attributable to:</b>							
Owners of the Parent Company		59	48	134	86	240	190

## Consolidated balance sheet in summary

SEK M	Note	30 Jun 2018	30 Jun 2017	31 Dec 2017
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill	4	3 170	3 080	3 104
Other intangible assets		10	12	10
Property, plant and equipment		452	371	413
Financial assets		15	8	8
<b>Total non-current assets</b>		<b>3 647</b>	<b>3 471</b>	<b>3 535</b>
<b>Current assets</b>				
Trade receivables and other receivables		845	861	842
Other current receivables		144	174	99
Cash and cash equivalents		507	468	584
Assets held for sale	8	-	43	-
<b>Total current assets</b>		<b>1 497</b>	<b>1 545</b>	<b>1 525</b>
<b>TOTAL ASSETS</b>		<b>5 144</b>	<b>5 016</b>	<b>5 060</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		1	1	1
Additional paid-in capital		1 093	1 091	1 091
Retained earnings		899	694	799
<b>Equity attributable to owners of the parent company</b>		<b>1 994</b>	<b>1 785</b>	<b>1 891</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities		1 286	1 350	1 345
Deferred tax liabilities		78	82	73
<b>Total non-current liabilities</b>		<b>1 364</b>	<b>1 432</b>	<b>1 417</b>
<b>Current liabilities</b>				
Interest-bearing liabilities		639	680	680
Trade payables		97	85	93
Other current liabilities		1 051	997	979
Liabilities directly associated with the assets held for sale	8	-	38	-
<b>Total current liabilities</b>		<b>1 786</b>	<b>1 799</b>	<b>1 752</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5 144</b>	<b>5 016</b>	<b>5 060</b>

## Consolidated statement of changes in equity

SEK M	Share capital	Additional paid-in capital	Translation reserve	Retained earnings	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>Comprehensive income for the period</b>					
Profit for the period	-	-	-	89	89
Other comprehensive income for the period	-	-	-3	-	-3
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-3</b>	<b>89</b>	<b>86</b>
<b>Closing balance, 30 June 2017</b>	<b>1</b>	<b>1 091</b>	<b>-2</b>	<b>695</b>	<b>1 785</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>Comprehensive income for the period</b>					
Profit for the period	-	-	-	92	92
Other comprehensive income for the period	-	-	42	-	42
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>92</b>	<b>134</b>
<b>Transactions with Company owners</b>					
Dividend	-	-	-	-32	-32
Share savings plan	-	1	-	-	1
<b>Total transactions with Company owners</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-32</b>	<b>-31</b>
<b>Closing balance, 30 June 2018</b>	<b>1</b>	<b>1 093</b>	<b>46</b>	<b>853</b>	<b>1 994</b>

## Consolidated statement of cash flows in summary

SEK M	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
<b>Profit before tax</b>	<b>61</b>	<b>58</b>	<b>119</b>	<b>109</b>	<b>260</b>	<b>250</b>
<b>Adjustment for:</b>						
Depreciation	16	15	31	29	62	60
Financial items, net	17	17	40	30	75	65
<b>Cash flow from operating activities before changes in working capital</b>	<b>94</b>	<b>89</b>	<b>190</b>	<b>169</b>	<b>397</b>	<b>376</b>
Changes in working capital	87	-19	-26	-76	9	-40
<b>Cash flow from operating activities</b>	<b>180</b>	<b>70</b>	<b>164</b>	<b>93</b>	<b>406</b>	<b>335</b>
Financial items, net	-23	-21	-27	-39	-52	-64
Income tax paid	-9	-29	-18	-39	-8	-30
<b>Cash flow from operating activities, net</b>	<b>148</b>	<b>20</b>	<b>120</b>	<b>16</b>	<b>346</b>	<b>242</b>
Acquisition of subsidiaries, net cash impact	-22	0	-22	-16	-48	-42
Sales of subsidiaries, net cash impact	4	132	4	132	5	133
Investments in other non-current assets, net	-37	-26	-51	-65	-137	-151
<b>Cash flow from investing activities</b>	<b>-54</b>	<b>106</b>	<b>-69</b>	<b>51</b>	<b>-180</b>	<b>-60</b>
Proceeds from new borrowings	144	0	144	7	144	7
Repayment of borrowings	-200	0	-251	-56	-251	-56
Dividend	-32	-27	-32	-27	-32	-27
<b>Cash flow from financing activities</b>	<b>-88</b>	<b>-27</b>	<b>-139</b>	<b>-75</b>	<b>-139</b>	<b>-75</b>
<b>Cash flow for the period</b>	<b>6</b>	<b>99</b>	<b>-88</b>	<b>-9</b>	<b>26</b>	<b>106</b>
<b>Cash and cash equivalents at start of period</b>	<b>497</b>	<b>359</b>	<b>584</b>	<b>465</b>	<b>468</b>	<b>465</b>
Exchange rate difference in cash/cash equivalents	5	10	11	13	12	13
<b>Cash and cash equivalents at end of period</b>	<b>507</b>	<b>468</b>	<b>507</b>	<b>468</b>	<b>507</b>	<b>584</b>



## Key ratios

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
Operating revenue	1 696	1 678	3 344	3 326	6 574	6 556
EBIT, %	4,6%	4,4%	4,8%	4,2%	5,1%	4,8%
Interest-bearing net debt, SEK M	1 417	1 561	1 417	1 561	1 417	1 440
Return on capital employed, %	2,0%	1,9%	4,1%	3,7%	8,6%	8,2%
Equity/assets ratio, %	38,8%	35,6%	38,8%	35,6%	38,8%	37,4%
Operating cash flow	143	45	113	28	269	184
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,4x	3,8x	3,4x	3,8x	3,4x	3,8x
Average number full-time employees Individual & Family	2 382	2 500	2 415	2 513	2 415	2 483
Average number full-time employees Personal Assistance	5 024	5 034	5 085	4 996	5 085	5 097
Average number full-time employees Elderly Care	799	1 174	809	1 204	809	1 028
Average number full-time employees Other Nordic	1 496	1 347	1 441	1 327	1 441	1 372
Average number full-time employees Central functions	22	23	23	23	23	23
Total average number full-time employees	9 723	10 079	9 773	10 063	9 773	10 003
Number of full-time employees on the closing date	9 981	10 055	9 981	10 055	9 981	9 503
Average number of customers Individual & Family	1 984	2 092	1 997	2 122	2 002	2 064
Average number of customers Personal Assistance	1 827	1 880	1 831	1 878	1 842	1 866
Average number of customers Elderly Care	662	2 586	668	2 653	953	1 946
Average number of customers Other Nordic	3 017	2 429	2 956	2 282	2 778	2 441
Total average number of customers	7 491	8 987	7 453	8 935	7 575	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	38	34	38	34	38	36

## Parent company

### Income statement in summary

SEK M	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
Operating revenue	3	3	6	5
Operating costs	-8	-11	-16	-19
<b>Operating profit</b>	<b>-6</b>	<b>-9</b>	<b>-10</b>	<b>-13</b>
Group contribution	0	0	150	150
Interest revenue from group companies	0	0	0	0
Interest cost	-33	-19	-60	-46
<b>Profit after financial items</b>	<b>-38</b>	<b>-28</b>	<b>80</b>	<b>90</b>
Change untaxed reserves	0	0	-8	-8
Tax	8	6	-16	-18
<b>Net profit for the period</b>	<b>-30</b>	<b>-22</b>	<b>56</b>	<b>64</b>

### Balance sheet in summary

SEK M	30 Jun 2018	30 Jun 2017	31 Dec 2017
Non-current assets	1 626	1 623	1 625
Current assets	2 074	1 786	1 905
<b>TOTAL ASSETS</b>	<b>3 700</b>	<b>3 409</b>	<b>3 530</b>
Equity	1 510	1 484	1 571
Untaxed reserves	179	171	179
Non-current Interest-bearing liabilities	1 246	1 297	1 296
Other current liabilities	765	457	485
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 700</b>	<b>3 409</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.



## Note 3a Operating segments

SEK M	Individual & Family		Personal Assistance		Elderly Care		Other Nordic		Other 1)		Total	
	Jan-Jun 2018	Jan-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Jun 2018	Jan-Jun 2017
Net revenue –												
External revenue	1 106	1 123	1 312	1 301	217	302	698	587	0	0	3 333	3 312
Other operating revenue	0	0	0	0	0	0	0	0	11	15	11	15
<b>Operating revenue</b>	<b>1 106</b>	<b>1 123</b>	<b>1 312</b>	<b>1 301</b>	<b>217</b>	<b>302</b>	<b>698</b>	<b>587</b>	<b>11</b>	<b>15</b>	<b>3 344</b>	<b>3 326</b>
<b>Profit before depreciation, amortisation and other operating costs</b>	<b>102</b>	<b>92</b>	<b>61</b>	<b>66</b>	<b>3</b>	<b>-5</b>	<b>58</b>	<b>38</b>	<b>-28</b>	<b>-22</b>	<b>196</b>	<b>169</b>
Depreciation	-15	-14	-1	-1	-3	-3	-11	-10	-1	-1	-31	-29
Other operating costs	0	0	0	0	0	0	-1	0	-5	-1	-5	-1
<b>Operating profit</b>	<b>87</b>	<b>77</b>	<b>60</b>	<b>65</b>	<b>0</b>	<b>-8</b>	<b>46</b>	<b>29</b>	<b>-34</b>	<b>-23</b>	<b>159</b>	<b>140</b>

1) A capital gain on the sale of property (sale-and-leaseback) of SEK 15 M is included in 2017. 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.

## Note 3b Revenue per country

SEK M	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017
Sweden	1 333	1 384	2 646	2 740
Finland	166	123	325	234
Norway	198	171	373	353
<b>Total operating revenue</b>	<b>1 696</b>	<b>1 678</b>	<b>3 344</b>	<b>3 326</b>

## Note 4a Goodwill

SEK M	30 Jun 2018	30 Jun 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	10	9	31
Adjustment of acquisition analysis	-	-	-3
Sales of subsidiaries	-1	-	-
Exchange rate differences	58	-18	-13
<b>Closing balance, end of period</b>	<b>3 170</b>	<b>3 080</b>	<b>3 104</b>

## Note 4 Acquisition of operations

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

SEK M	Smaller acquisitions* and other, total.
Non-current assets	4
Trade receivables and other receivables	1
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>3</b>
<b>Goodwill</b>	<b>10</b>
<b>Consideration paid</b>	
Cash and cash equivalents	7
Contingent earn-out payments	0
<b>Total consideration paid</b>	<b>7</b>
<b>Impact on cash and cash equivalents</b>	
Cash consideration paid	7
Cash and cash equivalents in acquired units	0
<b>Total impact on cash and cash equivalents</b>	<b>7</b>
Settlement of payments attributable to acquisitions in previous years	15
<b>Total impact on cash and cash equivalents</b>	<b>22</b>
<b>Impact on revenue and profit 2018</b>	
Operating revenue	0
Operating profit	0
Net profit impact earn-out payment	4

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

### Acquisitions in 2018

During the first half of the year, Humana made a minor acquisition in Finland. The acquisition helped Humana strengthen its operations in psychosocial change management for children and adolescents in Pori in western Finland. After the end of the quarter, Humana acquired Västgöta Assistans, a small personal assistance business.

- Luotsimaja Oy (Other Nordics) in June 2018
- Västgöta Assistans (Personal Assistance) in July 2018

### 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.

## Note 5 Earnings per share

SEK M	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
<b>Net profit for the period attributable to owners of the parent company</b>	47	48	92	89	197	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	0,88	0,91	1,73	1,26	3,71	3,64
Earnings per ordinary share, SEK, after dilution	0,88	0,91	1,73	1,26	3,71	3,64

## Note 6a Fair value of financial instruments and level of valuation hierarchy

30 June, 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*	1	1	1	-	1	-
Earn-out payments	9	9	9	-	-	9

30 June, 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*	2	2	2	-	2	-
Earn-out payments	22	22	22	-	-	22

\* Fair value is based on the brokers' quotations. Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

### 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



## Note 6b Reconciliation of opening and closing balances for financial instruments measured at level 3, earn-out payments

SEK M	30 Jun 2018	31 Dec 2017
<b>Opening balance, 1 January</b>	<b>27</b>	<b>27</b>
Total recognised gains and losses:		
Recognised in adjustment of earn-out payments in profit for the year	-9	0
Cost of acquisitions	4	0
Settled during the period	-13	0
<b>Closing balance, end of period</b>	<b>9</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 June 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.

During the period 1 January to 30 June 2018, the Group had loans of EUR 25 M and loans of NOK 200 M for which hedge accounting is applied. The related translation difference of negative SEK 34 M before tax is consequently recognised in the consolidated statement of other comprehensive income.

## Note 7 Incentive programmes

As of 30 June 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 are 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 June 2018 amounts to 65,000, which corresponds to a maximum allocation of 89,000 shares.

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

## Note 8 Disposal group hold for sale

SEK M	30 Jun 2018	30 Jun 2017
Property, plant and equipment	-	1
Trade receivables	-	34
Other current receivables	-	8
<b>Total assets</b>	-	<b>43</b>
Trade payables	-	-4
Other current liabilities	-	-34
<b>Total liabilities attributable to assets held for sale</b>	-	<b>-38</b>
<b>Net</b>	-	<b>4</b>

## Note 9a Financial definitions

### **Adjusted EBIT**

Operating profit adjusted for items affecting comparability.

### **Average equity**

Average equity attributable to owners of the Parent Company per quarter, based on opening and closing balance per quarter.

### **Average number of customers**

Average number of customers during the period.

### **Average number of ordinary shares**

Average of number of shares outstanding on a daily basis after redemptions and repurchases.

### **Average number of full-time employees**

Average number of full-time employees in the reporting period.

### **Capital employed**

Total assets less non-interest-bearing liabilities.

### **Earnings per ordinary share for the period**

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.

### **EBIT margin (%)**

EBIT divided by operating revenue multiplied by 100.

### **EBITDA**

Operating profit before depreciation, amortisation and impairment losses.

### **Equity per ordinary share**

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.

### **Equity/assets ratio (%)**

Equity including non-controlling interests divided by total assets, multiplied by 100.

### **Interest-bearing net debt**

Borrowings excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.

### **Interest-bearing net debt/EBITDA**

Interest-bearing net debt divided by EBITDA.

### **Items affecting comparability**

Non-recurring items that are not expected to return, which complicate the comparability between two given periods.

### **Operating cash flow**

Operating profit including changes in depreciation/amortisation and impairment, working capital and investments in other non-current assets (net).

### **Operating profit**

Profit before financial items and tax.

### **Organic growth**

Like-for-like growth for companies in the respective segments that Humana owned in the preceding comparative period.

### **Return on capital employed, ROCE (%)**

Operating profit plus net financial income divided by capital employed, multiplied by 100.



## Note 9b 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.

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jul-Jun 2017/18	Jan-Dec 2017
<b>Adjusted operating profit</b>						
Operating profit	78	74	159	140	335	316
Loss on disposal of Home Care	-	-	-	-	14	14
Capital gains on sale of properties	-	-15	-	-15	-	-14
<b>Adjusted operating profit</b>	<b>78</b>	<b>60</b>	<b>159</b>	<b>125</b>	<b>350</b>	<b>316</b>
<b>Adjusted EBITDA</b>						
Operating profit	78	74	159	140	335	316
Depreciation	16	15	31	29	62	60
Loss on disposal of Home Care	-	-	-	-	14	14
Capital gains on sale of properties	-	-15	-	-15	-	-14
<b>Adjusted EBITDA</b>	<b>94</b>	<b>74</b>	<b>190</b>	<b>154</b>	<b>412</b>	<b>376</b>
<b>Organic revenue growth</b>						
Revenue, base	1 595	1 477	3 177	2 944	6 352	5 647
Revenue, organic growth	55	-12	83	-35	-50	-76
<b>Total organic growth, constant currency rate</b>	<b>3,4%</b>	<b>-0,8%</b>	<b>2,6%</b>	<b>-1,2%</b>	<b>-0,8%</b>	<b>-1,3%</b>
<b>Operating cash flow</b>						
Operating profit	78	74	159	140	335	316
Depreciation	16	15	31	29	62	60
Changes in working capital	87	-19	-26	-76	9	-40
Investments in other non-current assets, net	-37	-26	-51	-65	-137	-151
<b>Operating cash flow</b>	<b>143</b>	<b>44</b>	<b>113</b>	<b>28</b>	<b>269</b>	<b>184</b>
	<b>30 Jun 2018</b>	<b>30 Jun 2017</b>				<b>31 Dec 2017</b>
<b>Interest-bearing net debt, SEK M</b>						
Non-current interest-bearing liabilities	1 286	1 350				1 345
Current interest-bearing liabilities	639	680				680
Cash and cash equivalents	-507	-468				-584
<b>Interest-bearing net debt</b>	<b>1 417</b>	<b>1 561</b>				<b>1 440</b>
<b>Adjusted EBITDA 12 month</b>	<b>412</b>	<b>414</b>				<b>376</b>
<b>Interest-bearing net debt/Adjusted EBITDA 12 months, times</b>	<b>3,4x</b>	<b>3,8x</b>				<b>3,8x</b>
<b>Return on capital employed, %</b>						
TOTAL ASSETS	5 144	5 016				5 060
Deferred tax liabilities	-78	-82				-73
Trade payables	-97	-85				-93
Other current liabilities	-1 051	-997				-979
<b>Capital employed</b>	<b>3 918</b>	<b>3 852</b>				<b>3 915</b>
Operating profit	159	140				316
Financial revenue	0	2				5
<b>Total</b>	<b>159</b>	<b>141</b>				<b>320</b>
<b>Return on capital employed, %</b>	<b>4,1%</b>	<b>3,7%</b>				<b>8,2%</b>
<b>Equity/assets ratio, %</b>						
Equity attributable to owners of the parent company	1 994	1 785				1 891
TOTAL ASSETS	5 144	5 016				5 060
<b>Equity/assets ratio, %</b>	<b>38,8%</b>	<b>35,6%</b>				<b>37,4%</b>

## Note 9c Intent

### **Return on capital employed**

Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the type of financing.

### **Adjusted operating profit and adjusted EBITDA**

Operating profit 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.

### **Operating cash flow**

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.

### **Interest-bearing net debt**

Net debt is used to easily illustrate and assess the Group's ability to meet financial commitments.

### **Interest-bearing net debt/EBITDA**

Indicates consolidated debt in relation to EBITDA. Used to illustrate the Group's ability to meet financial commitments.

### **Equity/assets ratio**

Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.