

Interim report October-December 2016

Q4



Humana is a leading Nordic private 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. 16,000 employees who all work with a shared vision – Everyone is entitled to a good life. The company had annual revenue of SEK 6,362 M in 2016. Humana is a growth company with a focus on quality and customer satisfaction. Humana is since 2016 listed on Nasdaq Stockholm. The company's headquarters are located in Stockholm, Sweden. Read more about Humana on www.humana.se or <http://corporate.humana.se>.

Contact Humana AB:

Tel: +46-8-599 299 00

Visiting address: Warfvinges väg 39, 112 51 Stockholm

Web: www.humana.se

Email: info@humana.se

VAT number: 556760-8475

"Humana – the leading private idea-driven care company"



Humana

A full year well-aligned with Humana's objectives

Fourth quarter: October-December 2016

- **Operating revenue** amounted to SEK 1,681 M (1,521 incl. capital gain of SEK 62 M), an increase of 11% or SEK 160 M.
- **Operating profit** was SEK 73 M (78). Operating profit adjusted for one-offs was SEK 73 M (60), equivalent to an operating margin of 4.3% (3.9).
- **Net profit after tax for the period** was SEK 34 M (47).
- **Earnings per share for the period** before and after dilution were SEK 0.65 (0.56).
- **Operating cash flow** was SEK -247 M (197). The change is primarily attributable to changed payment terms in Personal Assistance and increased investments.

Full year: January-December 2016

- **Operating revenue** amounted to SEK 6,362 M (5,655 including a capital gain of SEK 62 M), an increase of 13% or SEK 707 M.
- **Operating profit** was SEK 329 M (312), an increase of SEK 17 M. Operating profit adjusted for IPO expenses amounted to SEK 369 M (340 adjusted for items affecting comparability of net SEK -27 M), an adjusted operating margin of 5.8% (6.0).
- **Net profit after tax for the year** was SEK 170 M (114).
- **Earnings per share for the year** before and after dilution were SEK 2.87 M (0.61).
- **Operating cash flow** was SEK -134 M (390). The change is primarily attributable to changed payment terms in Personal Assistance and increased investments.

Events during the fourth quarter

- **Försäkringskassan transitions from paying in advance to paying in arrears**
Försäkringskassan initiated payment in arrears instead of the previous payment in advance as of 1 October 2016. The negative impact on working capital in the fourth quarter was approximately SEK 300 M. The previous estimate of a total impact of SEK 200–300 M remains unchanged.

Significant events after the end of the period

- **The Board proposes a dividend of SEK 0.50 per share to be distributed for 2016**
The Board proposes that a dividend of SEK 0.50 per share is to be paid for 2016. The remaining profit for the year is to be carried forward.

Revenue and profit

SEK M	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec	%
	2016	2015		2016	2015	
Net revenue	1 681	1 459	15%	6 362	5 593	14%
Other revenue	0	62	-100%	0	62	-100%
Operation revenue	1 681	1 521	11%	6 362	5 655	13%
Operating profit	73	78	-6%	329	312	5%
Adjusted Operating profit	73	60	21%	369	340	9%
Net profit for the period	34	47	-28%	170	114	49%
Operating cash flow	-247	197	-225%	-134	389	-134%



A weaker finish to a good full year

“The 2016 results are well in line with our long-term objective, which is satisfying. Developments in the fourth quarter are on track when it comes to the Personal Assistance, Elderly Care and Other Nordics business areas, while the results for Individual & Family did not meet our expectations.”

For Humana, 2016 was an exciting and eventful year. The Company achieved several significant milestones during the year, with the IPO and significant expansion into Finland as most central. In 2016 Humana went from being a Swedish care provider with a presence in Norway to a



leading Nordic care company with a focus on operations under own management. During the year we opened many new units, increased our specialisation and our geographical presence, and made no less than seven acquisitions. We made additional investments in quality at all levels of our care operations. Part of the work involved developing a common quality management system for monitoring and controlling the various units and business areas across the Nordics. In addition to our ongoing quality efforts, we worked on consolidating the acquisitions carried out in 2015 and 2016, streamlining operations in Personal Assistance to the extent possible to compensate for the challenges facing the industry and ensuring the continued expansion of elderly housing under our own management in the Elderly Care business area.

The year has also brought challenges. The political debate at the national level in Sweden with proposals for far-reaching restrictions on profit, even if they are not supported by a majority in the riksdag, would in practice become a restriction of free enterprise. Future investments and initiatives necessary to ensure the long-term development of Swedish care and healthcare is at stake, while the need and desire to engage private companies in municipalities and counties has never been greater.

In its first year as a listed company Humana reports growth of 13%, which is above the Company's long-term target. Operating profit, adjusted for IPO expenses, increased by 9%, representing an operating margin of 5.8%, also in line with the Company's target. If we look at developments in the concluding fourth quarter, I am on the whole satisfied with Personal Assistance, Elderly Care and Other Nordics, while I confess to being somewhat disappointed in the Individual & Family outcome.

We are pleased that the results of the mitigation programme in Personal Assistance has gone very well, that our refocus and initiatives in elderly housing under our own management in Elderly Care helped improve earnings and that Other Nordics, both the original

business and acquired units, reported a strong increase compared with previous year. It is satisfying to note that the acquisition of KOA Group in Norway and our establishment in Finland continues to exceed expectations. We continue to see Norway and Finland as very attractive growth markets. The ongoing care and healthcare reform in Finland, the SOTE reform, means in practice a strong political commitment to private companies, which also is encouraging for our future growth ambition.

Individual & Family, supported by strong organic expansion and acquisitions, increased revenues by an amazing 16% during the year and 5% in the fourth quarter. I note that the substantial growth has had a negative impact on profitability. To take advantage of attractive growth opportunities, the strategy has been to prioritise growth over profitability in the short term. Profitability was affected by start-up costs, reorganisation of several units, slightly lower capacity utilisation and step investments for handling larger volumes. The focus going forward will be on consolidating and increasing the pace of integration of acquisitions to achieve greater efficiency. Through the years, Humana has built up good knowledge and experience in running this type of change project.

Humana was well prepared for the challenges that the personal assistance industry faced last year. We currently have a position of strength in personal assistance that we can use to play an active role in the ongoing market consolidation. It was satisfactory to see that the number of customers stabilised at the end of the year, despite a shrinking market.

I would like to summarise an eventful year by presenting a few numbers. In March, we welcomed more than 20,000 new shareholders to Humana, during the year we strengthened our expertise with over 1,000 amazing new employees, which brings us up to about 16,000 employees in the Group, together we have helped over 9,000 customers and we grew 13% to reach a total operating income that exceeded SEK 6 billion. It is appropriate to be somewhat proud of what we have achieved together.

Stockholm, 23 February 2017

Rasmus Nerman, President and CEO
Humana AB

**Operating revenue by business area**

SEK M	Oct-Dec 2016	Oct-Dec 2015	%	Jan-Dec 2016	Jan-Dec 2015	%
Individual & Family	560	535	5%	2 214	1 902	16%
Personal Assistance	651	673	-3%	2 645	2 689	-2%
Elderly Care	147	148	-1%	580	585	-1%
Other Nordics	322	103	213%	924	416	122%
Total operating revenue	1 681	1 459	15%	6 362	5 593	14%

Organic growth by business area ¹⁾

%	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Individual & Family	-2,5%	12,5%	4,4%	2,3%
Personal Assistance	-3,2%	1,5%	-1,6%	3,1%
Elderly Care ^{2) 3)}	-0,8%	-10,5%	-1,0%	-11,2%
Other Nordics	31,1%	3,0%	10,1%	n/a
Total organic growth, group currency	-0,2%	3,6%	1,3%	0,8%
Other Nordics, local currency	27,4%	7,2%	7,0%	n/a
Total organic growth, constant currency rate	-0,5%	3,9%	1,1%	0,8%

Operating profit per business area

SEK M	Oct-Dec 2016	Oct-Dec 2015	%	Jan-Dec 2016	Jan-Dec 2015	%
Individual & Family	34	51	-33%	211	221	-5%
Personal Assistance	34	45	-25%	151	182	-17%
Elderly Care ⁴⁾	-2	-51	n/a	-6	-58	n/a
Other Nordics ⁵⁾	23	3	740%	89	-13	n/a
Central costs/other ⁶⁾	-16	30	-154%	-115	-20	n/a
Total Operating profit	73	78	-6%	329	312	5%

Operating profit margins by business area

%	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Individual & Family	6,1%	9,5%	9,5%	11,6%
Personal Assistance	5,2%	6,7%	5,7%	6,8%
Elderly Care ⁴⁾	-1,5%	-34,2%	-1,1%	-9,8%
Other Nordics ⁵⁾	7,3%	2,7%	9,6%	-3,2%
Total Operating profit margin	4,3%	5,3%	5,2%	5,6%

1) Like-for-like growth for companies that Humana owned in the preceding comparison period.

2) Organic growth in 2015 was affected negatively by termination of construction contracts in Laholm, full-year effect SEK -79 M.

3) Organic growth in 2016 was affected negatively by divested home care units, full-year effect SEK 59 M.

4) Operating profit in the fourth quarter was affected by a goodwill write-down of SEK 36 M regarding the home care business.

5) Operating profit in the second quarter of 2015 was impacted by a capital loss of SEK 32 M from the sale of Villa Skaar AS.

6) Operating profit in 2016 includes SEK 40 M in IPO expenses and SEK 16 M in acquisition costs. A capital gain from an estate sale and leaseback of SEK 62 M, financing consultancy costs of SEK 15 M and acquisition costs of SEK 4 M are included in 2015.



Group performance

Revenue

Operating revenue in the fourth quarter increased 11% to SEK 1,681 M (1,521 incl. SEK 62 M in capital gains and 13 M in discontinued operations), an increase of SEK 222 M, in line with Humana's target of annual growth of 8-10%. Our own managed operations accounted for 95% of revenue. Acquired operations (companies that were not owned during the whole previous comparative period) contributed SEK 226 M to revenue in the quarter. Organic revenue decreased by 0.5%. The decrease is explained mainly by reorganisations of units and weaker capacity utilisation in Individual & Family.

For the full year 2016, operating revenue increased by 13% to SEK 6,362 M (5,655 including SEK 62 M in capital gains and SEK 79 M in divested units), which is above the growth target. Acquired companies contributed SEK 720 M to the increase in operating revenue. Organically, i.e. excluding acquisitions, revenue increased by SEK 69 M. The increase in organic growth was 1.1%.

Profit

Operating profit for the fourth quarter decreased compared to the previous year, amounting to SEK 73 M (78 including SEK 18 M in positive items affecting comparability). Adjusted operating profit amounted to SEK 73 M (60), corresponding to an adjusted operating margin of 4.3% (3.9). Acquisitions contributed SEK 21 million to operating profit. Profits were negatively affected by increased costs for higher social security contributions for young people of SEK 10 M and higher property rental costs due to the sale and leaseback transaction in 2015 amounting to SEK 5 M (1). Profit before tax was in line with the equivalent period last year at SEK 48 M (50). Profit after tax for the period amounted to SEK 34 M (47). Profit per ordinary share for the period before and after dilution amounted to SEK 0.65 (0.56).

Full year 2016 operating profit was SEK 329 M (312 incl. items affecting comparability of positive net SEK -27 M). Adjusted operating profit amounted to SEK 369 M (340), corresponding to an adjusted operating margin of 5.8% (6.0). Acquired companies contributed SEK 91 M to EBIT. Profit for the year was negatively affected by higher social security contributions for young people of SEK 51 M as well as acquisition costs of SEK 16 M (4) and higher property rental costs due to sale and leaseback of SEK 18 M (1). Costs of SEK 40 M for the IPO were charged against profit (items affecting comparability last year was net SEK -27 M, see table below). Profit after tax for the year amounted to SEK 170 M (114). Profit per ordinary share for the year before and after dilution amounted to SEK 2.87 (0.61).

Operating profit, items affecting comparability and adjusted operating profit

	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
SEK M				
Operating profit	73	78	329	312
Capital gains from sales of properties	-	62	-	62
Cost in conjunction with CEO succession	-	-6	-	-6
Goodwill impairment in home care	-	-36	-	-36
Consulting fees for refinancing	-	-2	-	-15
Capital loss on the sale of Villa Skaar	-	-	-	-32
Cost for IPO	-	-	-40	-
Net effect	0	18	-40	-27
Adjusted operating profit	73	60	369	340

**Events during the quarter****Försäkringskassan transitions from paying in advance to paying in arrears**

Försäkringskassan initiated payment in arrears instead of the previous payment in advance as of 1 October 2016. The impact on working capital in the fourth quarter was approximately SEK 300 M. The previous estimate of a total impact of SEK 200–300 M remains unchanged.

Acquisition of two small businesses

Humana acquired Platea AB (Individual & Family) in November and Pienryhmäkoti Puolenhehtaarin Metsä Oy (Other Nordics) in December.

Events during the year**Acquisition of Kvæfjord Opplevelse og Avlastning AS (KOA Group) and Arjessa Oy**

In the second quarter, Humana acquired Kvæfjord Opplevelse og Avlastning AS (KOA Group) in Norway and Arjessa Oy in Finland. The acquisition of KOA expanded Humana's operations in Norway. The purchase of Arjessa means an expansion into Finland and is an important milestone in Humana's ambition to become the leading care company in the Nordics.

Amended pay and fixed wage increase in personal assistance in Sweden

The increase in pay for personal assistants in Sweden was fixed at 2.2%. The proposed increase in compensation is SEK 3 to SEK 291 per hour, equivalent to a 1% raise.

Acquisition of four small businesses in the Individual & Family business area

Humana acquired Nygårds Vård Gotland AB in April, and Kilen Akut Behandlingshem AB and FUGA omsorg AB in September. Humana also acquired Platea AB in November.

Reorganisation of LSS operations

To focus and strengthen opportunities for future quality development and growth, special services housing operations that were previously under the Elderly Care business area were reorganised and placed under the Individual & Family business area.

Events after year-end

Humana's Board proposes the AGM 2017 that a dividend of SEK 0.50 per share is to be distributed for 2016

Acquisition of Skellefteå Stöd och Behandling AB

In January, Humana acquired Skellefteå Stöd och Behandling AB (Individual & Family).

Establishment of elderly housing under own management in Staffanstorp in 2018

Humana intends to open its third elderly housing unit under own management in 2018.



Business area performance

Individual & Family

Revenue grew 5% in the quarter to SEK 560 M (535). Organic decline was 2.5%. Full year revenue increased by 16% to SEK 2,214 M (1,902), of which organic growth was 4.4%. Growth for the full year is mainly explained by more units compared to the same quarter last year. The weaker growth rate in the fourth quarter was due to a slightly lower capacity utilisation and an ongoing reorganisation of some units. The reorganisation entails a conversion of previous transit and migration units into more specialised treatment units. Acquisitions contributed SEK 39 M to revenue in the quarter and SEK 230 M in 2016.

Operating profit declined to SEK 34 M (51), corresponding to an operating margin of 6.1% (9.5) in the quarter. Acquisitions contributed SEK 6 M to profits. The margin decline is explained by lower capacity utilisation, increased rental costs since properties previously owned are now leased, reorganisation costs, increased costs for social security fees for young people and costs for integrating acquisitions. Operating profit for the year amounted to SEK 211 M (221), a decrease of SEK 10 M. Acquisitions contributed SEK 35 M to operating profit for the year.

In the fourth quarter, Humana acquired a small company, Platea AB.

Personal Assistance

Revenue decreased by 3% to SEK 651 M (673) in the fourth quarter and decreased 2% during the year. An increase in the state reimbursement level of 1.4% compared with the previous year influenced revenues. The number of customers and the number of assistance hours has declined though, both in the quarter and during the year. The market for personal assistance reported a 3% reduction in the number of people eligible for assistance for the year. More restrictive assessments by Försäkringskassan reduced the rate of increase in the number of assistance hours and the number of customers.

Operating profit was SEK 34 M (45), a 25% decrease, corresponding to an operating margin of 5.2% (6.7) in the quarter. The ongoing mitigation programme has helped to compensate for the impact of increased social security contributions for young people of SEK 7 M in the quarter and for the fact that the payroll expense increase exceeded the increase in the state reimbursement level. Operating profit for the full year decreased by 17% to SEK 151 M (182). The decrease is attributable to factors such as fewer assistance hours, that the payroll expense increase exceeded the increase in the state reimbursement level and the costs of social security contributions for young people have increased. The cost increase due

to higher social security contributions for young people amounted to SEK 39 M for the year.

Elderly Care

Revenue from the elderly care segment amounted to SEK 147 M (148 incl. SEK 13 M in divested operations) in the fourth quarter. Full year revenue was SEK 580 M (585 including SEK 59 M in divested operations). Revenues for the quarter and the year were affected positively by the elderly housing unit under our own management in Gävle. During the first quarter, three home services units were divested, which contributed SEK 59 M to revenues in 2015.

Operating profit was SEK -2 M (-15 if adjusting for goodwill write-down within the home care operation amounting to SEK 36 M) for the quarter. Profit increased because of internal improvement measures, divested home care services and our establishment in Gävle. The full year however was negatively impacted by start-up costs for the elderly housing unit and increased social security costs for young people. Operating profit for the full year was SEK -6 M (-22 if excluding goodwill write-down the result for 2015).

During the first quarter Humana signed an agreement with Attendo for the transfer of three home care service units in Stockholm. The units' revenue and operating profit for 2015 amounted to SEK 59 M and SEK -7 M, respectively. Construction on two of our own elderly housing units is ongoing and the units are planned to open in 2017. Humana also signed an agreement for an elderly housing unit under own management in Staffanstorps. The housing unit is scheduled to open in 2018.

Other Nordics

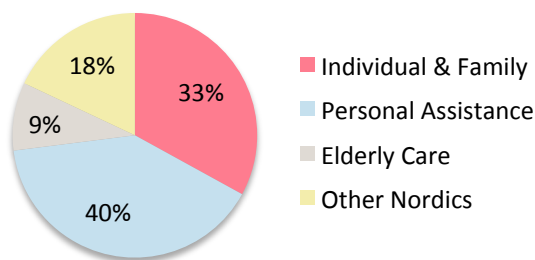
Revenue from Finland and Norway amounted to SEK 322 M (103) in the fourth quarter, an increase of 213%. Organically, at a constant currency exchange rate, revenue increased by 27%. The growth is due to opening of new units, high occupancy rates and good customer growth in personal assistance. Acquisitions contributed SEK 187 M to revenue in the quarter. The acquisitions of the KOA Group and Arjessa contributed to revenue in full for the quarter but for seven months of the full year. For the year, revenue amounted to SEK 924 M (416), an increase of SEK 508 M, of which acquisitions contributed SEK 409 M. The sale of Villa Skaar in Norway in 2015 affects the revenue comparison between the years. Villa Skaar contributed SEK 20 M in 2015.

Operating profit for the fourth quarter amounted to SEK 23 M (3), an operating margin of 7.3% (2.7). Acquisitions contributed SEK 15 M to earnings. For the full year, operating profit increased to SEK 89 M (-13 incl. capital loss of SEK 32 M for Villa Skaar), of which acquisitions contributed SEK 55 M.

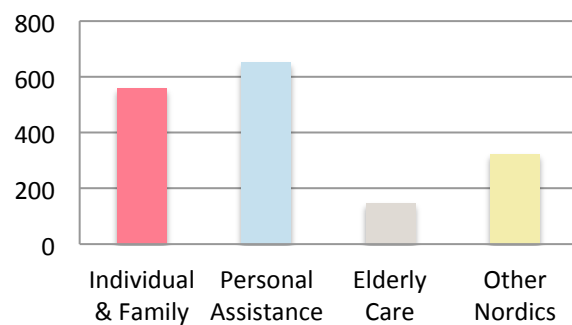
In the second quarter, Humana acquired Arjessa, a leading individual and family care provider in Finland. The company's revenue for 2015 amounted to SEK 299 M and operating profit before goodwill amortisation was SEK 29 M.

Humana also acquired the KOA Group (Kvæfjord Opplevelse og Avlastning AS). KOA is one of the largest providers of individual and family care and special services housing (HOT) in Norway. In 2015, revenue in the KOA Group amounted to SEK 203 M and operating profit was SEK 30 M.

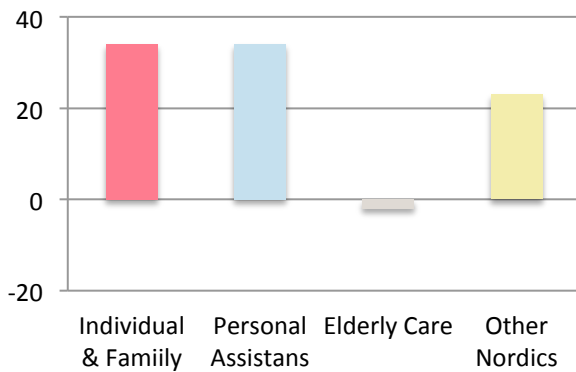
Share of total revenue Q4 2016 (%)



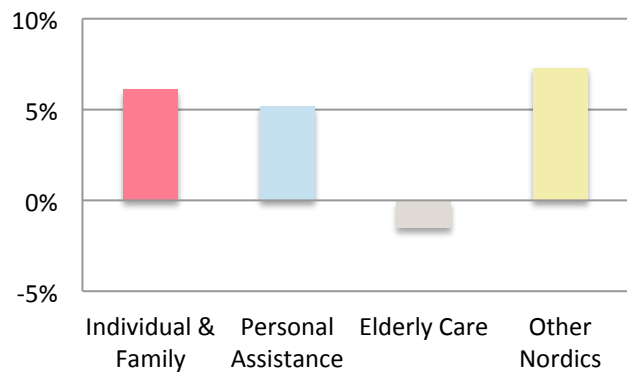
Revenue per segment Q4 2016 (SEK M)



EBIT Q4 2016 (SEK M)



EBIT margin Q4 2016





Financial position

Financing

On 8 March 2016, Humana entered a new five-year loan agreement with DNB and SEB. The loan agreement, amounting to SEK 2,200 M is divided into three parts: a loan of SEK 250 M with an annual amortisation of SEK 50 M, a loan of SEK 1,150 M without amortisation and a credit facility of SEK 800 M, which was utilised during the quarter. The annual rate of interest on the credit facilities amounts to around 2%, of which the majority have variable interest rates. The loan agreement is conditional on two covenants: net debt/EBITDA and interest coverage.

Consolidated equity at the end of 2016 amounted to SEK 1,726 M (1,093 on 31 December 2015). The IPO strengthened equity with a new share issue of SEK 450 M. Humana's interest-bearing net debt in relation to EBITDA at the end of the year stood at 3.9 times (3.0), which is above the company's debt target. The increase for the quarter is mainly due to Försäkringskassan's decision to introduce payment in arrears as opposed to the previous payment in advance arrangement in Personal Assistance, implemented on 1 October 2016 and which increased the working capital requirement during the fourth quarter by some SEK 300 M. The goal is for interest-bearing net debt over time to not exceed a factor of 3.0 EBITDA.

Financial position

SEK M	Dec 31 2016	Dec 31 2015
Non-current interest-bearing liabilities	1 405	1 550
Current interest-bearing liabilities	687	125
Cash and cash equivalents	-465	-501
Interest-bearing net debt	1 628	1 174
Equity/assets ratio, %	34.8%	28.5%
Interest-bearing net debt/EBITDA 12 months times	3.9x	3.0x

Cash flow and capital expenditures

The change in working capital during the year was SEK -372 M (38). Working capital was negatively affected by the introduction of payment in arrears in Personal Assistance, amounting to about SEK 300 M, and an increase in trade receivables. The comparison with last year is also affected by the fact that operations with payment in arrears grew faster than Personal Assistance, which still had a payment in advance model. Cash flow from operating activities was SEK 8 M (405) and was charged with listing costs and acquisition costs of SEK 40 M and SEK 16 M respectively. Adjusted for these costs, cash flow from operating activities was SEK 64 M. Settlement of earn-out payments related to acquisitions from previous years amounted to SEK -19 M. Acquisitions had a net negative impact on cash flow of SEK -474 M (-141). Investments in property, plant and equipment amounted to SEK -142 M (-42). Cash flow from financing activities was SEK 733 M (-93). Humana issued shares in connection with the IPO that raised SEK 442 M in net proceeds. Amortisation of the previous loan facility amounted to SEK -1,678 M (-1,732). Cash flow for the year was SEK -44 M (258).

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 December 2016 was 10,091 (9,231). The increase compared with last year is mainly attributable to completed acquisitions and expansion.

Shares, share capital and shareholders

The number of shares in Humana AB at the end of December 2016 amounted to 53,140,064 shares with a quotient value of SEK 0.022, corresponding to share capital of SEK 1,180,879. The number of shareholders at the end of December 2016 was 4,190. The five largest shareholders were Air Syndication SCA (Argan), Zirkona AB (Per Granath), Bodenholm Master, Zeres Public Market Fund and SEB Investment Management.

Marketplace

Humana AB shares have been traded on the Nasdaq Stockholm Main Market since 22 March 2016. 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 for the Company's senior executives and one for 187 other Humana employees, which was implemented in early 2017. The purpose of the incentive programme is to encourage a broad shareholding among Humana employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed Humana's financial targets. The programmes include a warrant programme and a share savings programme.

The option scheme involves eight senior executives with a total of 1,440,420 warrants entitling the holder to subscribe for the same number of new Humana shares. The market value amounts to approx. SEK 5.5 M. and if the maximum amount is subscribed for, dilution will amount to 2.6% of the total number of Humana shares. The warrants were issued in three series with different maturities.

The share savings programme involves 187 employees at Humana. The participants in the programme have acquired Humana shares at the stock exchange's market price. Those who retain their savings shares over the programme's three-year period will receive matching shares for each savings share acquired at the end of those three years. At full allotment, the total number of shares amounts to a maximum of 106,000 shares, corresponding to 0.2 percent of the total number of outstanding shares in the company.

Annual General Meeting 2017

Humana's 2017 Annual General Meeting will be held on 18 May at 15:00 at IHM Business School, Warfvinges väg 39 in Stockholm. The annual report for 2016 is expected to be available in early April and will be posted on Humana's website <http://corporate.humana.se>

Dividend

The Board's proposal to the 2017 AGM is that a dividend of SEK 0.50 per share is to be distributed for 2016. The remaining profit for the year is to be carried forward.

Related-party transactions

The Group's key persons consist of the Board of Directors, executive management and president – 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., which is represented on the Board by Lloyd Perry and Wojciech Goc. 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 2015 Annual Report, pages 50-53 and in Note 20.

The main business-related risks and uncertainties that could affect the Group's performance in 2017 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 uses business intelligence to promptly identify changes in the external operating environment and can thereby 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

Profit for year was SEK 54 M (0). The Parent Company's equity/assets ratio was 43.6% (59.8% on 31 December 2015).

This information is such 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 person set out below, at 08:00 CET on 23 February 2017.

Stockholm, 23 February 2017

Rasmus Nerman

President and CEO

For further information, please contact:

Rasmus Nerman, President and CEO

Tel.: +46-70-828 18 60

Ulf Bonnevier, CFO

Tel.: +46-70-164 73 17

Cecilia Lannebo, Head of IR

Tel.: +46 722 208 277

Financial calendar 2017

Interim report Jan.-Mar. 2017 18 May 2017

AGM 18 May 2017

Interim report Jan-Jun. 2017 18 Aug. 2017

Interim report Jan-Sep. 2017 16 Nov. 2017

Consolidated income statement

SEK M	Note	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net revenue		1 681	1 459	6 362	5 593
Other revenue		0	62	0	62
Operating revenue	3	1 681	1 521	6 362	5 655
Other external costs		-272	-234	-963	-794
Personnel costs		-1 320	-1 157	-4 964	-4 430
Depreciation		-15	-11	-50	-46
Impairment of goodwill		0	-36	0	-36
Other operating costs		-1	-4	-57	-37
Operating costs		-1 608	-1 443	-6 033	-5 342
Operating profit		73	78	329	312
Financial revenue		1	1	11	1
Financial costs		-32	-34	-140	-172
Unrealised changes in value of derivatives		6	5	27	7
Profit before tax		48	50	228	149
Income tax		-14	-3	-58	-35
Net profit for the period		34	47	170	114
Of which, attributable to:					
Owners of the Parent Company		34	47	170	114
Net profit for the period		34	47	170	114
Earnings per ordinary share, SEK, before dilution	5	0.65	0.56	2.87	0.61
Earnings per ordinary share, SEK, after dilution	5	0.65	0.56	2.87	0.61
Average number of ordinary shares, thousands		53 140	45 882	51 514	45 882

Consolidated statement of comprehensive income

SEK M	Note	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net profit		34	47	170	114
Other comprehensive income					
Items that have been/can be reclassified to profit/loss					
Exchange rate differences on translation of foreign operation		-6	-4	15	-7
Comprehensive income for the period		28	44	185	107
Of which, attributable to:					
Owners of the Parent Company		28	44	185	107

Consolidated balance sheet in summary

SEK M	Note	Dec 31 2016	Dec 31 2015
Assets			
Non-current assets			
Goodwill	4	3 089	2 584
Other intangible assets		13	9
Property, plant and equipment		405	200
Financial assets		6	4
Total non-current assets		3 514	2 797
Current assets			
Trade receivables		523	440
Other current receivables		459	100
Cash and cash equivalents		465	501
Total current assets		1 446	1 040
TOTAL ASSETS		4 960	3 838
Equity and liabilities			
Equity			
Share capital		1	1
Additional paid-in capital		1 091	642
Retained earnings		634	450
Equity attributable to owners of the parent company		1 726	1 093
Non-current liabilities			
Interest-bearing liabilities		1 405	1 550
Deferred tax liabilities		78	66
Total non-current liabilities		1 484	1 616
Current liabilities			
Interest-bearing liabilities		687	125
Trade payables		103	79
Other current liabilities		960	925
Total current liabilities		1 750	1 129
TOTAL EQUITY AND LIABILITIES		4 960	3 838

Consolidated statement of changes in equity in summary

SEK M	Share Capital	Additional paid-in capital	Translation reserve	Retained earnings	Total equity
Opening balance, 1 January 2015	1	642	0	343	986
Comprehensive income for the period					
Profit for the period	-	-	-	114	114
Other comprehensive income for the period	-	-	-7	-	-7
Total comprehensive income for the period	-	-	-7	114	107
Closing balance, 31 Dec 2015	1	642	-7	457	1 093
Opening balance, 1 January 2016	1	642	-7	457	1 093
Comprehensive income for the period					
Profit for the period	-	-	-	170	170
Other comprehensive income for the period	-	-	15	-	15
Total comprehensive income for the period	-	-	15	170	185
Transactions with Company owners					
New share issue	0	450	-	-	450
IPO expenses	-	-8	-	-	-8
Tax on IPO expenses	-	2	-	-	2
New share option issue	-	5	-	-	5
Total transactions with Company owners	0	448	-	-	448
Closing balance, 31 Dec 2016	1	1 091	8	626	1 726

Consolidated statement of cash flows in summary

SEK M	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Profit before tax	48	50	228	149
Adjustment for:				
Depreciation and impairment	15	47	50	82
Financial items, net	25	28	101	163
Other non-cash items	0	-27	0	-27
Cash flow from operating activities before changes in working capital	88	98	379	367
Changes in working capital	-278	99	-372	38
Cash flow from operating activities	-190	197	8	405
Financial items, net	-20	-30	-99	-100
Income tax paid	-7	-8	-70	-31
Cash flow from operating activities, net	-217	160	-161	274
Acquisition of operations, net cash impact	-19	-84	-474	-141
Sales of operations, net cash impact	0	250	0	261
Investments in other non-current assets, net	-57	-27	-142	-42
Cash flow from investing activities	-76	139	-616	78
Proceeds from new borrowings	350	38	1 969	1 639
Repayment of borrowings	0	-13	-1 678	-1 732
New share issue	0	0	442	0
Cash flow from financing activities	350	25	733	-93
Cash flow for the period	57	324	-44	258
Cash and cash equivalents at start of period	395	179	501	244
Cash flow for the period	57	324	-44	258
Exchange rate difference in cash/cash equivalents	13	-2	8	-2
Cash and cash equivalents at end of period	465	501	465	501

Key ratios

	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Operating revenue	1 681	1 521	6 362	5 655
EBIT, %	4,3%	5,1%	5,2%	5,5%
Interest-bearing net debt, SEK M	1 628	1 174	1 628	1 174
Return on capital employed, %	2,0%	2,8%	8,9%	11,3%
Equity/assets ratio, %	34,8%	28,5%	34,8%	28,5%
Operating cash flow	-247	197	-134	389
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,9x	3,0x	3,9x	3,0x
Average number full-time employees Individual & Family	2 563	2 270	2 528	2 115
Average number full-time employees Personal Assistance	4 997	5 243	5 198	5 313
Average number full-time employees Elderly Care	1 246	1 294	1 248	1 319
Average number full-time employees Other Nordic	1 289	424	920	393
Average number full-time employees Central functions	21	15	19	14
Total average number full-time employees	10 116	9 246	9 912	9 154
Number of full-time employees on the closing date	10 091	9 231	10 091	9 231
Average number of customers Individual & Family	2 115	2 025	2 165	1 861
Average number of customers Personal Assistance	1 883	1 956	1 904	1 952
Average number of customers Elderly Care	3 068	3 281	3 006	3 248
Average number of customers Other Nordic	2 134	209	1 286	202
Total average number of customers	9 199	7 471	8 361	7 262
Average number of common shares on the closing date, 000s	53 140	45 882	51 514	45 882
Equity per common share, SEK	32	6	34	6

Parent company

Income statement in summary

SEK M	Jan-Dec 2016	Jan-Dec 2015
Operating revenue	5	7
Operating costs	-54	-12
Operating profit	-48	-5
Group contribution	155	45
Interest revenue from group companies	0	0
Interest cost	-36	-46
Profit after financial items	70	-6
Change untaxed reserves	-1	7
Tax	-15	0
Net profit for the period	54	0

Balance sheet in summary

SEK M	Dec 31 2016	Dec 31 2015
Non-current assets	1 623	1 623
Current assets	1 890	98
TOTAL ASSETS	3 513	1 722
Equity	1 532	1 030
Untaxed reserves	171	170
Non-current Interest-bearing liabilities	1 354	470
Other current liabilities	456	52
TOTAL EQUITY AND LIABILITIES	3 513	1 722
Pledged assets	1 623	1 623
Contingent liabilities	None	None

Notes

Note 1 Accounting policies

This year-end 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 year-end report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act – Interim Reports. For the Group, the same accounting policies and bases of calculation have been used as in the annual report for 2015 which was prepared in accordance with International Financial Reporting Standards as endorsed by the EU, and interpretations of these. No changes have been made in the Group's accounting policies.

Note 2 Estimations and assessments

Preparation of financial statements in accordance with IFRS 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. Estimations and assumptions are reviewed on a regular basis. Changed estimations are reported prospectively. The critical assessments made by company management that have a material impact on the financial statements and that may entail a material adjustment in the future are related primarily to impairment testing of goodwill and in the preparation of purchase price allocation calculations.

Impairment testing of goodwill

Goodwill is tested annually to determine if there is any need to recognise impairment. Such impairment testing is conducted for calculations that are based on management's assumptions about the rate of growth, profit margin, investment need and the discount rate. Other estimations may result in another outcome and another financial position.

Preparation of purchase price allocation calculations

In connection with acquisitions of subsidiaries or operations, an assessment is made of the fair value of assets and liabilities associated with the acquisition. The value of these assets and liabilities is calculated using various valuation techniques. Other assessments than those made by management may result in another future position. For example, a higher share of goodwill would give rise to an asset item that is not subject to regular amortisation, but rather to annual impairment testing.

Note 3 Operating segments

Humana reports according to the following business segments:

- **Individual & Family:** Provides care and treatment for children, youths and adults by offering various forms of living solutions, family homes, outpatient care and other support. Treatment is concentrated to psychiatry and psychosocial change work but also services for people with functional disabilities through home-care services in accordance with the Act on System of Choice in the Public Sector (LOV). (See Change in segment reporting below.)
- **Personal Assistance:** Personal assistance services that Humana performs in Sweden. The services include support and service for people with functional disabilities.
- **Elderly Care:** Services in elderly care. This includes operating responsibility for subcontracted nursing homes for elderly persons as well as performance of the same services under own management. (See Change in segment reporting below.)
- **Other Nordics:** Humana's operations in Norway and Finland. Care and treatment for children and youths by offering various forms of living solutions, family homes, outpatient care and other support. Treatment is concentrated to psychiatry and psychosocial change work. Operations in Norway also include personal assistance (BPA) and special services housing (HOT).
- **Change in segment reporting:** Humana in the third quarter of 2016 concentrated its special services housing operations (operations governed by the Act Concerning Support and Service for Persons with Certain Functional Impairments) under the Individual & Family business area. Revenues from LSS operations that will be transferred from the Elderly Care to the Individual & Family business area amounted to SEK 152 M in 2015 and operating profit amounted to SEK 4 M. For more information, see the press release dated 28 September 2016.

SEK M	Individual & Family		Personal Assistance		Elderly Care		Other Nordic		Other 1)		Total	
	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net revenue – External revenue	2 214	1 902	2 645	2 689	580	585	924	416	0	0	6 362	5 593
Other operating revenue	0	0	0	0	0	0	0	0	0	62	0	62
Operating revenue	2 214	1 902	2 645	2 689	580	585	924	416	0	62	6 362	5 655
Profit before depreciation, amortisation and other operating costs	238	251	153	188	-1	-17	103	24	-57	-14	436	431
Depreciation	-26	-29	-3	-5	-6	-5	-13	-5	-2	-3	-50	-46
Impairment of goodwill	0	0	0	0	0	-36	0	0	0	0	0	-36
Other operating costs	0	-1	0	0	0	0	0	-33	-56	-4	-57	-37
Operating profit	211	221	151	182	-6	-58	89	-13	-115	-20	329	312

1) Operating profit Sep 2016 has been affected by IPO cost of SEK 40 M and SEK 16 M in acquisition cost. 2015 include net result from sale lease back of real estate of SEK 62 M, financing advisory cost of SEK 15 M and SEK 4 M in acquisition cost.

Note 4 Acquisitions of operations

Goodwill

SEK M	31 Dec 2016	31 Dec 2015
Opening balance, 1 January	2 584	2 565
Acquisitions of subsidiaries	463	120
Sales of subsidiaries	0	-44
Impairment of goodwill	0	-36
Exchange rate differences	42	-21
Closing balance, end of period	3 089	2 584

Acquisitions in 2017

In January 2017, Humana acquired Skellefteå Stöd & Behandling AB. The acquisition means that Humana strengthens its presence in individual and family care in Norrland. Skellefteå Stöd & Behandling runs supportive housing unit Fyren and residential care home Lotsen. The target group is boys ages 14–18 with psychosocial and neuropsychiatric problems (ADHD). The company had sales of approximately SEK 12 M in 2016.

Acquisitions in 2016

Humana completed seven acquisitions during 2016. The acquisitions will help Humana expand into Finland, strengthen its geographic position in Norway and expand its specialisation in individual and family care.

- Nygårds Vård Gotland AB (Individual & Family), in April 2016
- Kvæfjord Opplevelse og Avlastning AS (Other Nordics), in May 2016
- Arjessa Oy (Other Nordics), in May 2016
- Kilen Akut Behandlingshem AB (Individual & Family), in September 2016
- FUGA omsorg AB (Individual & Family), in September 2016
- Platea AB (Individual & Family), in November 2016
- Pienryhmäkoti Puolenhehtaarin Metsä Oy (Other Nordics), in December 2016

Net assets in acquired companies as per the acquisition date

SEK M	Arjessa	KOA *	Other *	Total
Non-current assets	48	40	13	100
Trade receivables and other receivables	58	44	9	112
Cash and cash equivalents	23	42	13	78
Interest-bearing liabilities	-38	-9	-5	-52
Trade payables and other operating liabilities	-74	-58	-10	-142
Deferred tax liability	0	0	-1	-1
Net identifiable assets and liabilities	17	60	19	95
Goodwill	255	166	41	463
Consideration paid				
Cash and cash equivalents	270	205	57	532
Contingent earn-out payments	1	18	4	23
Total consideration paid	271	223	61	555
Impact on cash and cash equivalents				
Cash consideration paid	270	205	57	532
Cash and cash equivalents in acquired units	-23	-42	-13	-78
Total impact on cash and cash equivalents	247	163	44	454
Settlement of payments attributable to acquisitions in previous years	-	-	19	19
Exchange rate differences	-1	-3	0	-3
Total impact on cash and cash equivalents	246	160	63	470
Impact on revenue and profit 2016				
Operating revenue	227	195	20	442
Operating profit	18	33	2	53
Net profit impact earn-out payment			-1	-1

*The acquisition analyses are preliminary since the final settlements have not been determined.

In April 2016 Humana acquired 100% of the shares in Nygårds Vård Gotland AB. The acquisition will strengthen Humana's geographic position and specialisation in the Individual & Family business area. Revenue in Nygårds Vård Gotland AB, which provides accommodation for adults with mental disabilities, amounted to SEK 12 M in 2015.

Humana acquired 100% of the shares in Kvæfjord Opplevelse og Avlastning AS (KOA Group) in May 2016. The acquisition of the KOA Group strengthened Humana's position as one of the largest providers of individual and family care and special services housing (HOT) in Norway. In 2015, revenue in the KOA Group amounted to SEK 203 M and operating profit was SEK 30 M. The preliminary purchase price amounts to SEK 223 M, which includes an estimated SEK 18 M earn-out payment based on 2016 earnings. The acquisition was included in Humana's accounts as of June 2016.

Humana also acquired 100% of the shares in Arjessa Oy in May 2016. The acquisition means an expansion into the Finnish care market for Humana. Arjessa's revenue for 2015 amounted to SEK 299 M and operating profit before goodwill amortisation was SEK 29 M. The purchase price amounted to SEK 271 M. The acquisition was included in Humana's accounts as of June 2016.

In September 2016 Humana acquired 100% of the shares in Kilen Akut Behandlingshem AB. The acquisition strengthened Humana's specialisation in the Individual & Family business area. Operations are focused on young people with severe behavioural disorders in combination with comprehensive psychosocial problems. Revenues in Kilen Akut Behandlingshem AB amounted to SEK 9 M in 2015.

Humana also acquired 100% of the shares in Fuga omsorg AB in September 2016. The acquisition strengthened Humana's specialisation in the Individual & Family business area. Fuga omsorg AB provides development-oriented daily activities for individuals who have learning disabilities, autism or Asperger syndrome. Revenues in Fuga omsorg AB amounted to SEK 9 M in 2015.

Humana also acquired 100% of the shares in Platea AB in November 2016. Platea runs individual and family care operations such as residential care homes for younger children (ages 0–12) and their families in Värmland. The acquisition strengthened Humana's specialisation in the Individual & Family business area. Revenues in Platea AB amounted to SEK 39 M annually.

Humana also acquired 100% of the shares in Pienryhmäkoti Puolenhehtaarin Metsä Oy (PPM) in Finland (Other Nordics) in December 2016. PPM provides psychosocial care and treatment for children and young people in Uusimaa in Finland. The acquisition strengthened Humana's specialisation in the Individual & Family business area. PPM's revenues amounted to SEK 16 M in 2016.

If the seven acquisitions had been completed as per 1 January 2016, Humana estimates that consolidated revenue would have totalled SEK 6,723 M (SEK 361 M higher) and operating profit would have been SEK 374 M (SEK 46 M higher) and profit for the year after tax would have been SEK 202 M (SEK 32 M higher).

Goodwill

The goodwill resulting from the acquisitions relates to employee expertise in treatment methods, establishment of market position, the underlying profitability of the acquired units and the synergies expected to arise when the units are integrated with the rest of the Group. No part of the goodwill that arose in 2016 is tax deductible.

Acquisition costs

Acquisition costs amounted to SEK 16 M (4). The costs consist primarily of compensation to consultants and lawyers for financial and legal advice in connection with acquisitions. The costs are recognised as other operating expenses in the income statement.

Receivables acquired

No bad debts were acquired in 2016.

Acquisitions in 2015

Humana carried out seven acquisitions of operations in 2015, in which 100% of the shares were acquired. The acquisitions have contributed to a strengthening of Humana's position and knowledge, mainly through continued specialisation in the Individual & Family business area.

- Dedicare Assistanse AS (Norway), in April 2015
- AB Salbohed Gruppboende (Individual & Family), in July 2015
- Orana Vård och Omsorg Holding AB (Individual & Family), in July 2015
- Oasen HVB & Skola AB (Individual & Family), in September 2015
- Ramlösa Social Utveckling AB (Individual & Family), in October 2015
- Off.Clinic AB (Individual & Family), in November 3 2015
- Familjestödsgruppen i Stockholm AB (Individual & Family), in December 2015

For more information regarding these acquisitions, refer to the Annual Report for 2015 and the Company's website.

Note 5 Earnings per share

SEK M	Note	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Net profit for the period		34	47	170	114
Less return on preference shares		-	-22	-22	-86
Profit for the period after return on preference shares		34	26	148	28
Average number of common shares, thousands		53 140	45 882	51 514	45 882
Earnings per common share, SEK, before dilution		0,65	0,56	2,87	0,61
Earnings per common share, SEK, after dilution		0,65	0,56	2,87	0,61

In connection with the IPO in the first quarter of 2016 preference shares were converted into ordinary shares. The return on the preference shares, which was deducted from the period's profit attributable to the ordinary shareholders, was therefore calculated at the conversion date of 22 March 2016.

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

		Initially identified at fair value	Trade and other receivables	Other liabilities	Total	Fair value	Level 1	Level 2	Level 3
31 December 2016	SEK M								
Financial liabilities at fair value									
	Interest-rate swaps for hedging*	10	-	-	10	10	-	10	-
	Earn-out payments	28	-	-	28	28	-	-	28
Financial liabilities not measured at fair value									
	Bank loans	-	-	2 006	2 006	2 006	-	-	-
	Finance lease liability	-	-	76	76	76	-	-	-

		Initially identified at fair value	Trade and other receivables	Other liabilities	Total	Fair value	Level 1	Level 2	Level 3
31 December 2015	SEK M								
Financial assets at fair value									
	Interest-rate swaps for hedging	38	-	-	38	38	-	38	-
	Earn-out payments	26	-	-	26	26	-	-	26
Financial assets not measured at fair value									
	Bank loans	-	-	1 602	1 602	1 602	-	-	-
	Finance lease liability	-	-	73	73	73	-	-	-

* 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	31 Dec 2016	31 Dec 2015
Opening balance, 1 January	26	6
Total recognised gains and losses: reported as adjustment of earn-out payments in profit for the year	0	0
Cost of acquisitions	20	26
Settled during the period	-19	-6
Closing balance, end of period	28	26

Note 7a 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 over the entire 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

Operating profit before interest and tax.

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.

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 interest 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 7b 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.

	Oct-Dec 2016	Oct-Dec 2015	Jan-Dec 2016	Jan-Dec 2015
Adjusted operating profit				
Operating profit	73	78	329	312
Impairment of goodwill Humana Hemtjänst	-	36	-	36
IPO costs	-	-	40	-
Other non-recurring items	0	-54	0	-9
Adjusted operating profit	73	60	369	340
Adjusted EBITDA				
Operating profit	73	78	329	312
Depreciation	15	11	50	46
Impairment of goodwill Humana Hemtjänst	-	36	-	36
IPO costs	-	-	40	-
Other non-recurring items	0	-54	0	-9
Adjusted EBITDA	88	72	419	386
Organic revenue growth				
Revenue, base	1 431	1 351	5 481	5 022
Revenue, organic growth	-4	50	69	43
Total organic growth	-0,2%	3,6%	1,3%	0,8%
Operating cash flow				
Operating profit	73	78	329	312
Depreciation	15	11	50	46
Impairment of goodwill Humana Hemtjänst	-	36	-	36
Changes in working capital	-278	99	-372	38
Investments in other non-current assets, net	-57	-27	-142	-42
Operating cash flow	-247	198	-134	390

	Dec 31 2016	Dec 31 2015
Interest-bearing net debt, SEK M		
Non-current interest-bearing liabilities	1 405	1 550
Current interest-bearing liabilities	687	125
Cash and cash equivalents	-465	-501
Interest-bearing net debt	1 628	1 174
Adjusted EBITDA 12 month	419	386
Interest-bearing net debt/Adjusted EBITDA 12 months, times	3,9x	3,0x
Return on capital employed, %		
TOTAL ASSETS	4 960	3 838
Deferred tax liabilities	-78	-66
Trade payables	-103	-79
Other current liabilities	-960	-925
Capital employed	3 818	2 768
Operating profit	329	312
Financial revenue	11	1
Total	341	313
Return on capital employed, %	8,9%	11,3%
Equity/assets ratio, %		
Equity attributable to owners of the parent company	1 726	1 093
TOTAL ASSETS	4 960	3 838
Equity/assets ratio, %	34,8%	28,5%

Note 7c 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.

Working capital

Total current assets minus total current liabilities.