

INTERIM REPORT

January – March 2014

Managing **cash** in society.



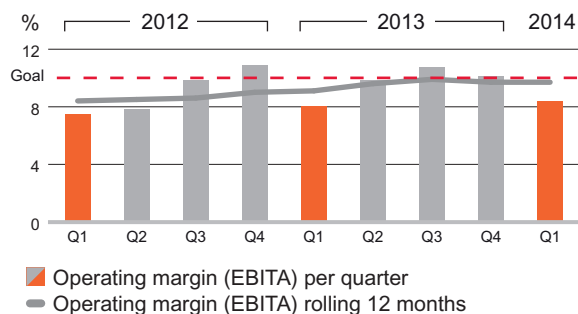
## January – March 2014

- Revenue SEK 2,877 million (2,706). Real growth 4 percent (–1) and organic growth 4 percent (–2).
- Operating income (EBITA)<sup>1)</sup> SEK 242 million (218) and operating margin 8.4 percent (8.0).
- Income before taxes SEK 210 million (234) and income after taxes SEK 151 million (165).
- Earnings per share before dilution SEK 2.00 (2.24) and SEK 2.00 (2.19) after dilution.
- Cash flow from operating activities SEK 11 million (57), equivalent to 5 percent (26) of operating income (EBITA).

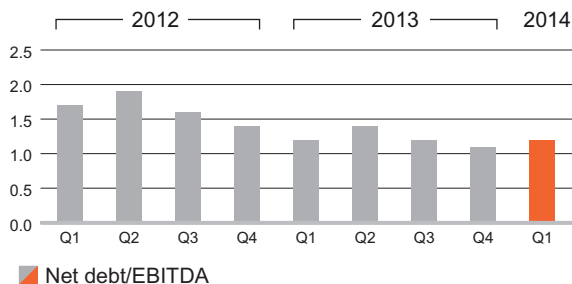
1) Earnings before interest, taxes and amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

## Financial goals

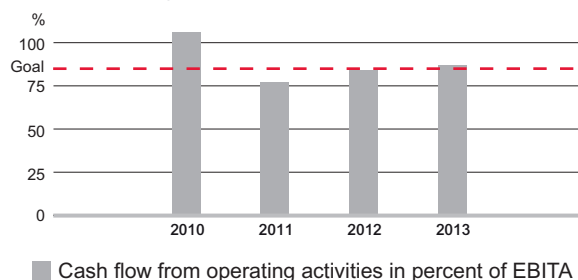
### Operating margin (EBITA) 10 percent by 2014, at the latest



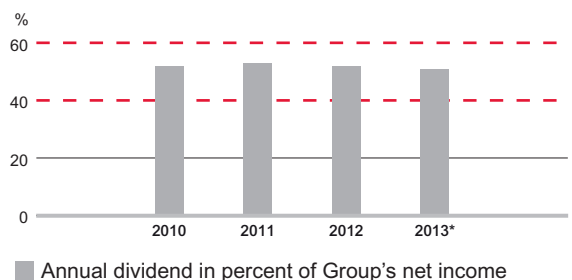
### Net debt/EBITDA Not exceeding 2.5



### Cash flow from operating activities in percent of EBITA > 85 % per year



### Annual dividend 40–60 % of the Group's net income



\*Dividend proposal for the 2014 Annual General Meeting.

# Comments by the President and CEO



**The improvement in operating income confirms my conviction that we will reach our most important financial goal, an operating margin of 10 percent for the full year 2014.**



I am happy to announce that the growth we saw at the end of 2013 has continued into 2014 and that our operating income continues to improve. Our organic growth for the first quarter of 2014 was 4 percent (–2) and our operating margin was 8.4 percent (8.0). The improvement in operating income confirms my conviction that we will reach our most important financial goal, an operating margin of 10 percent for the full year 2014. This margin goal which we set at the end of 2010 excludes the recently announced acquisition of VIA MAT.

The Group's operating income (EBITA) amounted to SEK 242 million (218). The improvement is mainly attributable to an increase in the proportion of cash management services (CMS), the successful implementation of the contracts that were signed in 2013, and our continuous focus on improving efficiency in our operations.

Operations in Europe grew organically by 3 percent (–3). The growth came mainly from new contracts such as the previously announced DNB contract in Norway. Operating income (EBITA) amounted to SEK 160 million (148) and the operating margin was 9.1 percent (9.0). Most of the countries in Europe had improved profitability, although the increased cost of risk had a negative impact on earnings in Sweden. The long-term trend for the Group's total cost of risk remains positive even though earnings for an individual quarter may be affected by the cost of risk to a greater or lesser extent.

Organic growth in the USA amounted to 5 percent (0), the highest growth figure for the segment since the Company was listed on the stock exchange in December 2008. The growth is mainly explained by the successful implementation of the major cash management services assignment that was announced in 2013 and by increased revenue from Loomis SafePoint®. The operating income (EBITA) amounted to SEK 108 million (93) and the operating margin was 9.6 percent (8.7). The margin improvement was mainly the result of an increased proportion of revenues from cash management services and the ongoing efficiency improvements which continue to yield results.

## **Strategic acquisition after the end of the quarter**

On April 4, 2014 we announced the acquisition of the Swiss VIA MAT Group, one of the world's leading international valuables logistics companies. This is the largest acquisition for Loomis since the listing on the stock exchange. It expands our service offering which, up to now, has consisted of Cash In Transit (CIT) and Cash Management Services (CMS), to now also include International Services. International Services consist of cross border transportation of cash and precious metals, storage of valuables and general logistics solutions. The acquisition also makes Loomis the market leader in cash handling in the Swiss market.

The acquisition gives Loomis a strong offering in international services, an area in which we have so far only had a limited offering. It also creates a platform for continued growth and we are now working intensely on integration planning. VIA MAT currently has an operating margin of around 6 percent, which is lower than Loomis' margin in existing operations. However, we believe that over time there is good potential to achieve margins in line with those in the rest of the Group.

In summary, our business developed well during the quarter, both in terms of growth and operating margin. It is also gratifying that we can now, through the VIA MAT acquisition expand our service offering to our customers. The acquisition will help us strengthen our position as one of the world's leading cash handling companies and I look forward to working with VIA MAT's management team and other employees on a successful integration and on further developing our new segment, International Services.

## **Jarl Dahlfors**

President and CEO

# The Group and the segments in brief

	2014	2013	2013	R12
SEK m	Jan–Mar	Jan–Mar	Full year	
<b>Group total</b>				
Revenue	2,877	2,706	11,364	11,535
Real growth, %	4	-1	2	3
Organic growth, %	4	-2	2	3
Operating income (EBITA) <sup>1)</sup>	242	218	1,099	1,124
Operating margin, %	8.4	8.0	9.7	9.7
Earnings per share before dilution, SEK	2.00 <sup>2)</sup>	2.24 <sup>3)</sup>	9.83 <sup>4)</sup>	9.59 <sup>5)</sup>
Earnings per share after dilution, SEK	2.00	2.19	9.78	9.59
Cash flow from operating activities as a % of operating income (EBITA)	5	26	87	81
<b>Segment</b>				
<b>Europe</b>				
Revenue	1,753	1,641	7,005	7,116
Real growth, %	4	-1	2	3
Organic growth, %	3	-3	2	3
Operating income (EBITA) <sup>1)</sup>	160	148	794	806
Operating margin, %	9.1	9.0	11.3	11.3
<b>USA</b>				
Revenue	1,124	1,065	4,359	4,419
Real growth, %	5	0	2	3
Organic growth, %	5	0	2	3
Operating income (EBITA) <sup>1)</sup>	108	93	414	429
Operating margin, %	9.6	8.7	9.5	9.7

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue, and Items affecting comparability.

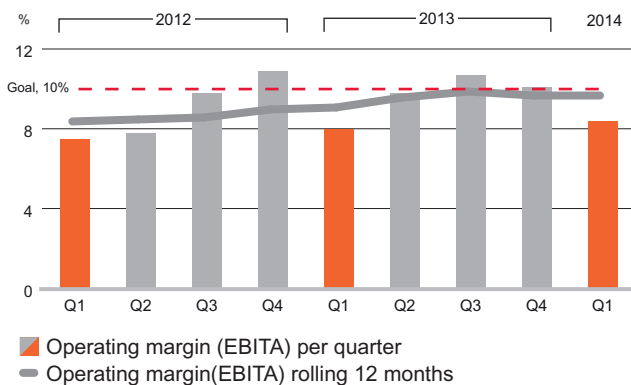
2) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,273,755.

3) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,548,751, which includes 117,813 shares that were held as treasury shares as of March 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

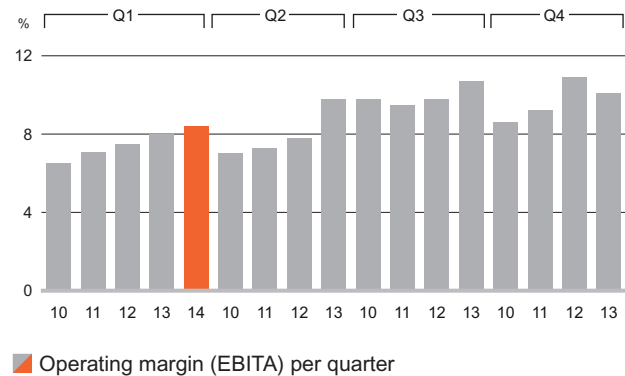
4) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 74,838,476 which includes 121,863 shares that were held as treasury shares as of December 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

5) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,266,277

## Operating margin (EBITA)



## Operating margin (EBITA)



# Revenue and income

	2014	2013	2013	R 12
SEK m	Jan–Mar	Jan–Mar	Full year	
Revenue	2,877	2,706	11,364	11,535
Operating income (EBITA) <sup>1)</sup>	242	218	1,099	1,124
Operating income (EBIT)	223	247	1,085	1,061
Income before taxes	210	234	1,038	1,014
Net income for the period	151	165	736	721
<b>KEY RATIOS</b>				
Real growth, %	4	–1	2	3
Organic growth, %	4	–2	2	3
Operating margin, %	8.4	8.0	9.7	9.7
Tax rate, %	28	29	29	29
Earnings per share after dilution, SEK	2.00	2.19	9.78	9.59

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and Items affecting comparability.

## January – March 2014

Revenue for the first quarter amounted to SEK 2,877 million (2,706) and both real growth and organic growth amounted to 4 percent (–1 and –2 respectively). The growth is mainly explained by the new contracts that went into effect in Europe and the USA in 2013.

Operating income (EBITA) amounted to SEK 242 million (218) and the operating margin was 8.4 percent (8.0). At comparable exchange rates the improvement was SEK 17 million. The improved profitability is mainly explained by strong organic growth within Cash Management Services (CMS) as well as by the continuous efforts to improve efficiency which continue to yield results.

The operating income (EBIT) for the quarter amounted to SEK 223 million (247) and includes acquisition-related costs of SEK –12 million (36). The acquisition-related costs are mainly transaction costs relating to the acquisition of VIA MAT. The acquisition-related item reported in the first quarter of 2013 included a repayment installment of SEK 41 million of the purchase price for Pendum's cash handling operations.

Income before taxes of SEK 210 million (234) includes a net financial expense of SEK –13 million (–13).

The tax expense for the quarter amounted to SEK 59 million (69) and represents a tax rate of 28 percent (29).

Earnings per share after dilution amounted to SEK 2.00 (2.19). Adjusted for the repayment installment of SEK 41 million of the purchase price for Pendum's cash handling operations, the earnings per share after dilution amounted to SEK 1.86 for the first quarter of 2013.

# The segments

## LOOMIS EUROPE

	2014	2013	2013	R 12
SEK m	Jan–Mar	Jan–Mar	Full year	
Revenue	1,753	1,641	7,005	7,116
Real growth %	4	–1	2	3
Organic growth, %	3	–3	2	3
Operating income (EBITA) <sup>1)</sup>	160	148	794	806
Operating margin, %	9.1	9.0	11.3	11.3

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and Items affecting comparability.

## LOOMIS USA

	2014	2013	2013	R 12
SEK m	Jan–Mar	Jan–Mar	Full year	
Revenue	1,124	1,065	4,359	4,419
Real growth %	5	0	2	3
Organic growth, %	5	0	2	3
Operating income (EBITA) <sup>1)</sup>	108	93	414	429
Operating margin, %	9.6	8.7	9.5	9.7

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and Items affecting comparability.

### Revenue and operating income – Europe

#### January – March 2014

Revenue for the period amounted to SEK 1,753 million (1,641). The organic growth of 3 percent (–3) is mainly explained by increased revenue from the contract with DNB in Norway which went into effect in the third quarter of 2013. The real growth of 4 percent (–1) includes revenue attributable to the acquisition that took place in Slovakia in December 2013.

Operating income (EBITA) amounted to SEK 160 million (148) and the operating margin was 9.1 percent (9.0). The contract with DNB which is now integrated has had a positive impact on operating income and several of the European operations have enjoyed positive earnings growth due to the continuous and group-wide efforts to improve efficiency. The positive earnings growth was partially offset by an increased cost of risk in Sweden.

### Revenue and operating income – USA

#### January – March 2014

Revenue in the USA amounted to SEK 1,124 million (1,065) and both real growth and organic growth amounted to 5 percent (0 and 0 respectively). The growth is mainly explained by revenue from the CMS contract signed in 2013 with one of the biggest banks in the USA as well as increased revenue from Loomis SafePoint®.

Operating income (EBITA) for the quarter amounted to SEK 108 million (93) and the operating margin was 9.6 percent (8.7). The positive development is mainly explained by a continuing increase in the proportion of revenue from CMS as well as continuous efforts to improve efficiency, which continue to yield results. The proportion of revenue from CMS amounted to 27 percent (26) of the segment's total revenue for the quarter.



# Cash flow

## STATEMENT OF CASH FLOWS

	2014	2013	2013	R 12
SEK m	Jan–Mar	Jan–Mar	Full year	
Operating income (EBITA) <sup>1)</sup>	242	218	1,099	1,124
Depreciation	201	186	758	773
Change in accounts receivable	–45	–5	6	–34
Change in other operating capital employed and other items	–236	–256	–186	–166
<b>Cash flow from operating activities before investments</b>	<b>162</b>	<b>143</b>	<b>1,677</b>	<b>1,696</b>
Investments in fixed assets, net	–150	–86	–720	–785
<b>Cash flow from operating activities</b>	<b>11</b>	<b>57</b>	<b>957</b>	<b>911</b>
Financial items paid and received	–17	–15	–49	–50
Income tax paid	–32	–31	–319	–319
<b>Free cash flow</b>	<b>–37</b>	<b>11</b>	<b>590</b>	<b>542</b>
Cash flow effect of items affecting comparability	–1	–0	–7	–8
Acquisition of operations <sup>2)</sup>	–2	–2	–29	–30
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	–2	41	40	–2
Dividend paid	–	–	–338	–338
Repayment of leasing liabilities	–11	–9	–40	–41
Change in interest-bearing net debt excl. liquid funds	22	201	–512	–691
Change in commercial paper issued	–	–	248	248
<b>Cash flow for the period</b>	<b>–31</b>	<b>242</b>	<b>–48</b>	<b>–320</b>
Liquid funds at beginning of the period	333	380	380	620
Translation differences in liquid funds	–1	–3	1	3
Liquid funds at end of the period	302	620	333	302
<b>KEY RATIOS</b>				
<i>Cash flow from operations as a % of operating income (EBITA)</i>	5	26	87	81
<i>Investments in relation to depreciation</i>	0.7	0.5	1.0	1.0
<i>Investments as a % of total revenue</i>	5.2	3.2	6.3	6.8

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and Items affecting comparability.

2) Acquisition of operations includes the cash flow effect of acquisition-related costs.

3) Refers to acquisition-related restructuring and integration costs. During the first quarter of 2013 a repayment installment of the purchase price for Pendum's cash handling operations was received in the amount of SEK 41 million.

### Cash flow

#### January – March 2014

Cash flow from operating activities of SEK 11 million (57) corresponded to 5 percent (26) of operating income (EBITA). Like the previous year, the cash flow effect of the change in other operating capital employed and other items was negative in the first quarter. This item is subject to seasonal variations and, over the past few years, the effects on cash flow of the changes in operating working capital during the latter part of the year have been positive. Increased investments compared to the same period the previous year, as well as higher accounts receivable due to increased revenue, are the main explanations for the lower cash flow.

Net investments in fixed assets during the period amounted to SEK 150 million (86), which can be compared to depreciation of fixed assets of SEK 201 million (186). During the period, SEK 64 million (37) was invested in vehicles and security equipment, which are the two main categories of recurring investments.

# Capital employed and financing

## CAPITAL EMPLOYED AND FINANCING

	2014	2013	2013	2012
MSEK	31 Mar	31 Mar	31 Dec	31 Dec
Operating capital employed	3,057	2,685	2,834	2,631
Goodwill	3,344	3,291	3,346	3,317
Acquisition-related intangible assets	119	144	126	153
Other operating capital	–26	–87	–16	–31
<b>Capital employed</b>	<b>6,494</b>	<b>6,033</b>	<b>6,290</b>	<b>6,070</b>
<b>Net debt</b>	<b>2,197</b>	<b>2,153</b>	<b>2,125</b>	<b>2,475</b>
<b>Shareholders' equity</b>	<b>4,297</b>	<b>3,880</b>	<b>4,165</b>	<b>3,595</b>
<b>Key ratios</b>				
<i>Return of shareholders' equity, %</i>	17	17	17	17
<i>Return of capital employed, %</i>	17	18	18	18
<i>Equity ratio, %</i>	46	43	45	40
<i>Net debt/EBITDA</i>	1.16	1.23	1.14	1.43

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and Items affecting comparability.

### Capital employed

Capital employed amounted to SEK 6,494 million (6,290 as of December 31, 2013). Return on capital employed amounted to 17 percent (17 as of December 31, 2013).

### Shareholders' equity and financing

Shareholders' equity amounted to SEK 4,297 million (4,165 as of December 31, 2013). The return on shareholders' equity was 17 percent (18 as of December 31, 2013) and the equity ratio was 46 percent (45 as of December 31, 2013).

Net debt amounted to SEK 2,197 million (2,125 as of December 31, 2013) and the net debt/EBITDA amounted to 1.16 (1.14 as of December 31, 2013).



# Significant events and number of full-time employees

## Significant events during the period

The Board of Directors has decided to propose that a resolution be passed at the 2014 Annual General Meeting regarding an incentive scheme (Incentive Scheme 2014). Similar to Incentive Scheme 2013, the proposed scheme will involve two thirds of the variable remuneration being paid out in cash after the year it is earned. The remaining one third will be in the form of Class B shares in Loomis AB which will be allotted to the participants at the beginning of 2016. The allotment of shares is contingent upon the employee still being employed by the Loomis Group on the last day of February 2016, other than in cases where the employee has left his/her position due to retirement, death or a long-term illness, in which case the employee will retain the right to receive bonus shares. The principles for performance measuring and other general principles that already apply to existing incentive schemes will continue to apply. Loomis AB will not issue any new shares or similar instruments as a result of this Incentive Scheme. To enable Loomis to allot these shares, it is proposed that Loomis AB will enter into a share swap agreement with a third party under which the third party will acquire the Loomis shares in its own name and transfer them to the Incentive Scheme participants. The Incentive Scheme will enable around 300 key individuals within the Group to be shareholders in Loomis AB over time, which will increase employee commitment to Loomis' development for the benefit of all shareholders.

## Significant events after the end of the reporting period

In April 2014 it was announced that Loomis had signed an agreement on the acquisition of all of the shares in the Swiss group VIA MAT Holding AG ("VIA MAT"). The enterprise value is approximately CHF 200 million, corresponding to approximately SEK 1,450 million.

The acquisition enables Loomis to expand its service offering beyond the existing service offering, Cash In Transit and Cash Management Services, to include International Services as well. The acquisition also makes Loomis the market leader in cash handling in the Swiss market.

The VIA MAT Group has approximately 1,000 employees and operations in Asia, Europe, the Middle East, South America and the USA. The acquisition will give Loomis access to several new geographies and add new growth opportunities. The expected annual revenue will be approximately CHF 290 million, of which approximately CHF 240 million will come from International Services and approximately CHF 50 million from domestic cash handling operations in Switzerland.

The acquisition is expected to have a marginally positive impact on Loomis' earnings per share for 2014.

The operations were taken over on May 5, 2014 and will be consolidated into Loomis as of the same date.

A preliminary acquisition analysis will be issued in the interim report for January-June 2014.

In May 2014 Loomis AB signed a five year loan, a Multi-Currency Revolving Credit Facility, of USD 100 million. The facility will be used for refinancing an existing facility which matures in 2014 and for general business purposes.

## Number of full-time employees

The average number of full-time employees for the rolling twelve-month period was 19,576 (19,442 for the full year 2013). The acquisition which took place in 2013 as well as the contracts secured have resulted in an increase in the number of employees. The ongoing cost-saving programs have, however, primarily reduced the number of overtime hours and temporary employees, but have also reduced the number of regular employees.

# Risks and uncertainties

## Operational risks

Operational risks are risks associated with the day-to-day operations and the services offered by the Company to its customers. These risks can result in negative consequences when the services performed do not meet the established requirements and result in loss of or damage to property or personal injury.

Loomis' strategy for operational risk management is based on two fundamental principles:

- No loss of life
- Balance between profitability and risk of theft and robbery

Although the risk of robbery is unavoidable in cash handling, Loomis continually strives to minimize this risk. The most vulnerable situations are at the roadside, in the vehicles and during cash processing.

Loomis' operations are insured meaning that the maximum cost of each theft or robbery incident is limited to the deductible amount.

The Parent Company, Loomis AB, is deemed not to have any significant operational risks as the Company does not engage in operations other than the conventional control of subsidiaries and the management of certain Group matters.

The major risks deemed to apply to the Parent Company relate to fluctuations in exchange rates, particularly as regards USD and EUR, increased interest rates and the risk of possible impairment of assets.

## Financial risk

In its operations, Loomis is exposed to risk associated with financial instruments, such as liquid funds, accounts receivable, accounts payable and loans. The risks related to these instruments are primarily:

- Interest rate risks associated with liquid funds and loans
- Exchange rate risks associated with transactions and translation of shareholder's equity
- Financing risks relating to the Company's capital requirements
- Liquidity risks associated with short-term solvency
- Credit risks attributable to financial and commercial activities
- Capital risks attributable to the capital structure
- Price risks associated with changes in raw material prices (primarily fuel)

## Factors of uncertainty

The economic trend in the first quarter of 2014 impacted certain geographic areas negatively, and it cannot be ruled out that revenue and income may be impacted during the remainder of 2014. Changes in general economic conditions can have various effects on the market for cash handling services, such as changes in consumption levels, the ratio of cash purchases to credit card purchases, the risk of robbery and bad debt losses as well as the staff turnover rate.

Additional factors of uncertainty for 2014 are risks associated with the acquisition and the integration of VIA MAT.

## Seasonal variations

The Company's earnings fluctuate across the seasons and this should be taken into consideration when making assessments on the basis of interim financial information. The main reason for the seasonal variations is that the need for cash handling services increases during the summer vacation period, July – August, and during the holiday season at the end of the year, i.e. November – December.

# Parent Company

## SUMMARY STATEMENT OF INCOME

	2014	2013	2013
SEK m	Jan–Mar	Jan–Mar	Full year
Gross profit	75	74	292
Operating income (EBIT)	42	48	154
Income after financial items	66	56	609
Net income for the period	56	44	494

## SUMMARY BALANCE SHEET

	2014	2013	2013
SEK m	31 Mar	31 Mar	31 Dec
Fixed assets	7,441	7,324	7,426
Current assets	694	827	541
<b>Total assets</b>	<b>8,135</b>	<b>8,151</b>	<b>7,967</b>
Shareholders' equity	4,894	4,707	4,832
Liabilities	3,241	3,444	3,134
<b>Total shareholders' equity and liabilities</b>	<b>8,135</b>	<b>8,151</b>	<b>7,967</b>

1) As of March 31, 2014 there were 53,797 Class B treasury shares.

2) As of March 31, 2013 there were 117,813 Class B treasury shares held for subsequent allotment to employees in accordance with Incentive Scheme 2012.

3) As of December 31, 2013 there were 121,863 Class B treasury shares held for subsequent allotment to employees in accordance with Incentive Scheme 2012.

The Parent Company does not engage in any operating activities. It is only involved in Group management and support functions. The average number of full-time employees at the head office during the first quarter 2014 was 19 (17).

The Parent Company's revenue mainly comes from franchise fees and other revenue from subsidiaries.

The Parent Company's fixed assets consist mainly of shares in subsidiaries and loan receivables from subsidiaries. The liabilities are mainly external liabilities and liabilities to subsidiaries.

## Other significant events

For critical estimates and assessments as well as contingent liabilities, please refer to pages 54 and 85 of the 2013 Annual Report. As there have been no other significant changes to the events described in the Annual Report, no further comments have been made on these matters in this interim report.

## Accounting principles

The Group's financial reports are prepared in accordance with the International Financial Reporting Standards (IAS/IFRS, as adopted by the European Union) issued by the International Accounting Standards Board and statements issued by the International Financial Reporting Interpretations Committee (IFRIC).

This interim report has been prepared according to IAS 34 Interim Financial Reporting. The most important accounting principles according to IFRS, which are the accounting standards used in the preparation of this interim report, are described in Note 2 on pages 47–53 of the 2013 Annual Report.

The Parent Company's financial reports have been prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities. The most important accounting principles with respect to the Parent Company can be found in Note 36 on page 91 of the 2013 Annual Report.

## Outlook for 2014

The Company is not providing any forecast information for 2014.

Stockholm, May 6, 2014

Jarl Dahlfors  
*President and CEO*

This report has not been subject to a review by the Company's auditors.

# Financial reports in brief

## STATEMENT OF INCOME

	2014	2013	2013	2012	R12
SEK m	Jan–Mar	Jan–Mar	Full year	Full year	
Revenue, continuing operations	2,864	2,668	11,321	10,983	11,516
Revenue, acquisitions	13	38	43	376	19
<b>Total revenue</b>	<b>2,877</b>	<b>2,706</b>	<b>11,364</b>	<b>11,360</b>	<b>11,535</b>
Production expenses	–2,245	–2,111	–8,730	–8,781	–8,865
<b>Gross income</b>	<b>632</b>	<b>595</b>	<b>2,634</b>	<b>2,579</b>	<b>2,670</b>
Selling and administration expenses	–390	–378	–1,534	–1,560	–1,547
<b>Operating income (EBITA)<sup>1)</sup></b>	<b>242</b>	<b>218</b>	<b>1,099</b>	<b>1,019</b>	<b>1,124</b>
Amortization of acquisition-related intangible assets	–7	–7	–28	–28	–28
Acquisition-related costs and revenue <sup>2)</sup>	–12	36	28	–18	–20
Items affecting comparability	–	–	–14 <sup>3)</sup>	16 <sup>4)</sup>	–14
<b>Operating income (EBIT)</b>	<b>223</b>	<b>247</b>	<b>1,085</b>	<b>988</b>	<b>1,061</b>
Net financial items	–13	–13	–47	–56	–47
<b>Income before taxes</b>	<b>210</b>	<b>234</b>	<b>1,038</b>	<b>932</b>	<b>1,014</b>
Income tax	–59	–69	–302	–282	–293
<b>Net income for the period<sup>5)</sup></b>	<b>151</b>	<b>165</b>	<b>736</b>	<b>650</b>	<b>721</b>
<b>KEY RATIOS</b>					
Real growth, %	4	–1	2	3	3
Organic growth, %	4	–2	2	0	3
Operating margin (EBITA), %	8.4	8.0	9.7	9.0	9.7
Tax rate, %	28	29	29	30	29
Earnings per share before dilution, SEK <sup>6)</sup>	2.00	2.24	9.83	8.90	9.59
Earnings per share after dilution, SEK	2.00	2.19	9.78	8.60	9.59

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

2) Acquisition-related costs and revenue for the period January - March 2014, refer to transaction costs of SEK –9 million (–5), restructuring costs of SEK –2 million (0) and integration costs of SEK –1 million (0) as well as a repayment installment of the purchase price attributable to the cash handling operations of Pendum in the amount of SEK 0 million (41). Transaction costs for the period January - March 2014 amount to SEK –9 million for acquisitions in progress, to SEK 0 million for completed acquisitions and to SEK 0 million for discontinued acquisitions.

3) Items affecting comparability, SEK –14 million is to a large extent attributable to a write-down of book values in an operation within the European segment.

4) Items affecting comparability refers to a reversal of part of the provision of SEK 59 million which was made in 2007, attributable to overtime compensation in Spain. In total, SEK 25 million has been reversed.

5) Net income for the period is entirely attributable to the owners of the Parent Company.

6) For further information please refer to page 14.

## STATEMENT OF COMPREHENSIVE INCOME

	2014	2013	2013	2012	R12
SEK m	Jan–Mar	Jan–Mar	Full year	Full year	
<b>Net income for the period</b>	<b>151</b>	<b>165</b>	<b>736</b>	<b>650</b>	<b>721</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to the statement of income</b>					
Actuarial gains and losses after tax	–12	10	–9	–34	–31
<b>Items that may be reclassified to the statement of income</b>					
Exchange rate differences	–5	–39	17	–144	51
Cash flow hedges	–	–	–	3	–
Other revaluation <sup>2)</sup>	–	–	–	–	–
<b>Other comprehensive income and expenses for the period, net after tax</b>	<b>–17</b>	<b>–29</b>	<b>8</b>	<b>–175</b>	<b>20</b>
<b>Total comprehensive income for the period<sup>1)</sup></b>	<b>134</b>	<b>136</b>	<b>744</b>	<b>474</b>	<b>741</b>

1) Comprehensive income for the period is entirely attributable to the owners of the Parent Company.

2) Relates to revaluation of a contingent consideration for the acquisition of Pendum's cash handling operations. A repayment installment of SEK 33 million was received in Q4 2012 and has been recycled to the statement of income, and an additional repayment installment of SEK 41 million was received in Q1 2013 and has been recycled to the statement of income, which is why the impact on other comprehensive income is nil. Negotiations have been concluded and no further repayments will be received.

## Financial reports in brief

## BALANCE SHEET

	2014	2013	2013	2012
SEK m	Mar 31	Mar 31	Dec 31	Dec 31
<b>ASSETS</b>				
<b>Fixed assets</b>				
Goodwill	3,344	3,291	3,346	3,317
Acquisition-related intangible assets	119	144	126	153
Other intangible assets	92	88	93	93
Tangible fixed assets	2,933	2,711	2,972	2,865
Non-interest-bearing financial fixed assets <sup>2)</sup>	391	374	447	414
Interest-bearing financial fixed assets <sup>1) 2)</sup>	61	67	61	66
<b>Total fixed assets</b>	<b>6,940</b>	<b>6,674</b>	<b>7,045</b>	<b>6,907</b>
<b>Current assets</b>				
Non-interest-bearing current assets <sup>3)</sup>	2,062	1,765	1,879	1,689
Interest-bearing financial current assets <sup>1)</sup>	0	1	10	10
Liquid funds	302	620	333	380
<b>Total current assets</b>	<b>2,364</b>	<b>2,386</b>	<b>2,222</b>	<b>2,079</b>
<b>TOTAL ASSETS</b>	<b>9,304</b>	<b>9,060</b>	<b>9,267</b>	<b>8,986</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity<sup>4)</sup></b>	<b>4,297</b>	<b>3,880</b>	<b>4,165</b>	<b>3,595</b>
<b>Long-term liabilities</b>				
Interest-bearing long-term liabilities <sup>2)</sup>	1,858	2,457	1,849	2,883
Non-interest-bearing provisions <sup>2)</sup>	584	639	674	663
<b>Total long-term liabilities</b>	<b>2,442</b>	<b>3,096</b>	<b>2,523</b>	<b>3,547</b>
<b>Current liabilities</b>				
Tax liabilities	96	86	80	74
Non-interest-bearing current liabilities	1,767	1,615	1,819	1,722
Interest-bearing current liabilities	702	383	680	48
<b>Total current liabilities</b>	<b>2,565</b>	<b>2,084</b>	<b>2,579</b>	<b>1,845</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>9,304</b>	<b>9,060</b>	<b>9,267</b>	<b>8,986</b>
<b>KEY RATIOS</b>				
Return of shareholders' equity, %	17	18	18	18
Return of capital employed, %	17	17	17	17
Equity ratio, %	46	43	45	40
Net debt	2,197	2,153	2,125	2,475
Net debt/EBITDA	1.16	1.23	1.14	1.43

1) As of the balance sheet date and in the comparative information, all derivatives are measured at fair value based on market data in accordance with IFRS.

2) As of the beginning of the 2013 financial year the defined benefit pension obligation is included in net debt. To reflect this change the comparative figures have been adjusted.

3) Funds in the cash processing operations are reported net in the item "Non-interest-bearing current assets". For more information, please refer to pages 52-53 and Note 23 in the Annual report 2013.

4) Shareholders' equity in its entirety is attributable to the owners of the Parent Company.

## CHANGE IN SHAREHOLDERS' EQUITY

	2014	2013	2013	2012	R12
SEK m	Jan–Mar	Jan–Mar	Full year	Full year	
Opening balance	4,165	3,595	3,595	3,397	3,880
Actuarial gains and losses after tax	–12	10	–9	–34	–31
Exchange rate differences	–5	–39	17	–144	51
Cash flow hedges	–	–	–	3	–
<b>Total other comprehensive income</b>	<b>–17</b>	<b>–29</b>	<b>8</b>	<b>–175</b>	<b>20</b>
Net income for the period	151	165	736	650	721
<b>Total comprehensive income</b>	<b>134</b>	<b>136</b>	<b>744</b>	<b>474</b>	<b>741</b>
Dividend paid to Parent Company's shareholders	–	–	–338	–273	–338
Share-related remuneration <sup>1)</sup>	–2	–10	0	–4	9
New share issue related to warrants	–	160	164	–	4
Other revaluation <sup>2)</sup>	–	–	–	–	–
<b>Closing balance</b>	<b>4,297</b>	<b>3,880</b>	<b>4,165</b>	<b>3,595</b>	<b>4,297</b>

1) Including the repurchase of warrants.

2) Relates to a revaluation of a contingent consideration for the acquisition of Pendum's cash handling operations. A repayment installment of SEK 33 million was received in Q4 2012 and has been recycled to the statement of income, and an additional repayment installment of SEK 41 million was received in Q1 2013 and has been recycled to the statement of income, which is why the impact on other comprehensive income is nil. No further repayments relating to Pendum will be received.

## Financial reports in brief

## STATEMENT OF CASH FLOWS

	2014	2013	2013	2012	R12
SEK m	Jan–Mar	Jan–Mar	Full year	Full year	
Income before taxes	210	234	1,038	932	1,014
Items not affecting cash flow, items affecting comparability and acquisition-related costs	213	154	762	687	822
Income tax paid	–32	–31	–319	–252	–319
Change in accounts receivable	–45	–5	6	54	–34
Change in other operating capital employed and other items	–236	–256	–186	–182	–166
<b>Cash flow from operations</b>	<b>110</b>	<b>96</b>	<b>1,302</b>	<b>1,239</b>	<b>1,316</b>
<b>Cash flow from investment activities</b>	<b>–153</b>	<b>–47</b>	<b>–709</b>	<b>–1,003</b>	<b>–815</b>
<b>Cash flow from financing activities</b>	<b>12</b>	<b>192</b>	<b>–641</b>	<b>–261</b>	<b>–822</b>
<b>Cash flow for the period</b>	<b>–31</b>	<b>242</b>	<b>–48</b>	<b>–24</b>	<b>–320</b>
Liquid funds at beginning of the period	333	380	380	413	620
Translation differences in liquid funds	–1	–3	1	–8	3
Liquid funds at end of period	302	620	333	380	302

## STATEMENT OF CASH FLOWS, ADDITIONAL INFORMATION

	2014	2013	2013	2012	R12
SEK m	Jan–Mar	Jan–Mar	Full year	Full year	
Operating income (EBITA) <sup>1)</sup>	242	218	1,099	1,019	1,124
Depreciation	201	186	758	717	773
Change in accounts receivable	–45	–5	6	54	–34
Change in other operating capital employed and other items	–236	–256	–186	–182	–166
<b>Cash flow from operating activities before investments</b>	<b>162</b>	<b>143</b>	<b>1,677</b>	<b>1,607</b>	<b>1,696</b>
Investments in fixed assets, net	–150	–86	–720	–747	–785
<b>Cash flow from operating activities</b>	<b>11</b>	<b>57</b>	<b>957</b>	<b>860</b>	<b>911</b>
Financial items paid and received	–17	–15	–49	–63	–50
Income tax paid	–32	–31	–319	–252	–319
<b>Free cash flow</b>	<b>–37</b>	<b>11</b>	<b>590</b>	<b>545</b>	<b>542</b>
Cash flow effect of items affecting comparability	–1	–0	–7	–10	–8
Acquisition of operations <sup>2)</sup>	–2	–2	–29	–289	–30
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	–2	41	40	–10	–2
Dividend paid	–	–	–338	–273	–338
Repayments of leasing liabilities	–11	–9	–40	–21	–41
Change in interest-bearing net debt excluding liquid funds	22	201	–512	34	–691
Change in commercial paper issued	–	–	248	–	248
<b>Cash flow for the period</b>	<b>–31</b>	<b>242</b>	<b>–48</b>	<b>–24</b>	<b>–320</b>
<b>KEY RATIOS</b>					
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	5	26	87	84	81
<i>Investments in relation to depreciation</i>	0.7	0.5	1.0	1.0	1.0
<i>Investments as a % of total revenue</i>	5.2	3.2	6.3	6.6	6.8

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

2) Acquisition of operations includes the cash flow effect of acquisition-related costs.

3) Refers to acquisition-related restructuring and integration costs. During the first quarter of 2013 and the fourth quarter of 2012 repayment installments of the purchase price for Pen-dum's cash handling operations were received in the amounts of SEK 41 million and SEK 33 million respectively.



## Financial reports in brief

## SEGMENT OVERVIEW STATEMENT OF INCOME

SEK m	2014	2013	2013	2012	R12
	Jan–Mar	Jan–Mar	Full year	Full year	
<b>Europe</b>					
Revenue	1,753	1,641	7,005	6,955	7,116
Real growth, %	4	-1	2	2	3
Organic growth, %	3	-3	2	0	3
Operating income (EBITA) <sup>1)</sup>	160	148	794	736	806
Operating margin (EBITA), %	9.1	9.0	11.3	10.6	11.3
<b>USA</b>					
Revenue	1,124	1,065	4,359	4,405	4,419
Real growth, %	5	0	2	5	3
Organic growth, %	5	0	2	0	3
Operating income (EBITA) <sup>1)</sup>	108	93	414	400	429
Operating margin (EBITA), %	9.6	8.7	9.5	9.1	9.7
<b>Other<sup>2)</sup></b>					
Revenue	–	–	–	–	–
Operating income (EBITA) <sup>1)</sup>	-26	-23	-109	-117	-112
<b>Group total</b>					
Revenue	2,877	2,706	11,364	11,360	11,535
Real growth, %	4	-1	2	3	3
Organic growth, %	4	-2	2	0	3
Operating income (EBITA) <sup>1)</sup>	242	218	1,099	1,019	1,124
Operating margin (EBITA), %	8.4	8.0	9.7	9.0	9.7

## KEY RATIOS

	2014	2013	2013	2012	R12
	Jan–Mar	Jan–Mar	Full year	Full year	
Real growth, %	4	-1	2	3	3
Organic growth, %	4	-2	2	0	3
Total growth, %	6	-4	0	4	3
Gross margin, %	22.0	22.0	23.2	22.7	23.1
Selling and administration expenses in % of total revenue	-13.6	-14.0	-13.5	-13.7	-13.4
Operating margin (EBITA), %	8.4	8.0	9.7	9.0	9.7
Tax rate, %	28	29	29	30	29
Net margin, %	5.2	6.1	6.5	5.7	6.3
Return of shareholders' equity, %	17	18	18	18	17
Return of capital employed, %	17	17	17	17	17
Equity ratio, %	46	43	45	40	46
Net debt (SEK m)	2,197	2,153	2,125	2,475	2,197
Net debt/EBITDA	1.16	1.23	1.14	1.43	1.16
Cash flow from operating activities as % of operating income (EBITA)	5	26	87	84	81
Investments in relation to depreciation	0.7	0.5	1.0	1.0	1.0
Investments as a % of total revenue	5.2	3.2	6.3	6.6	6.8
Earnings per share before dilution, SEK	2.00 <sup>1)</sup>	2.24 <sup>2)</sup>	9.83 <sup>3)</sup>	8.90 <sup>4)</sup>	9.59 <sup>5)</sup>
Earnings per share after dilution, SEK	2.00	2.19	9.78	8.60	9.59
Shareholders' equity per share after dilution, SEK	57.12	51.54	55.32	47.57	57.12
Cash flow from operating activities per share after dilution, SEK	1.47	1.28	17.29	16.40	17.50
Dividend per share, SEK	–	–	4.50	3.75	4.50
Number of outstanding shares (millions)	75.2	75.2	75.3	73.0	75.2
Average number of outstanding shares (millions)	75.3 <sup>1)</sup>	73.5 <sup>2)</sup>	74.8 <sup>3)</sup>	73.0 <sup>4)</sup>	75.3 <sup>5)</sup>

1) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,273,755.

2) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,548,751, which includes 117,813 shares that were held as treasury shares as of March 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

3) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 74,838,476, which includes 121,863 shares that were held as treasury shares as of December 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

4) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,011,780, which includes 132,318 shares that were held as treasury shares as of December 31, 2012. The treasury shares were for Loomis' Incentive Scheme 2011 and have, in accordance with agreements, been allotted to employees.

5) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,266,277.

## Financial reports in brief

## STATEMENT OF INCOME – BY QUARTER

SEK m	2014		2013				2012			
	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	
Revenue, continuing operations	2,864	2,923	2,897	2,832	2,668	2,798	2,734	2,787	2,665	
Revenue, acquisitions	13	5	–	–	38	55	53	111	158	
<b>Total revenue</b>	<b>2,877</b>	<b>2,928</b>	<b>2,897</b>	<b>2,832</b>	<b>2,706</b>	<b>2,852</b>	<b>2,788</b>	<b>2,898</b>	<b>2,822</b>	
Production expenses	–2,245	–2,238	–2,209	–2,172	–2,111	–2,150	–2,131	–2,278	–2,222	
<b>Gross income</b>	<b>632</b>	<b>690</b>	<b>688</b>	<b>660</b>	<b>595</b>	<b>702</b>	<b>657</b>	<b>620</b>	<b>600</b>	
Selling and administration expenses	–390	–395	–378	–384	–378	–393	–384	–395	–388	
<b>Operating income (EBITA)<sup>1)</sup></b>	<b>242</b>	<b>295</b>	<b>311</b>	<b>276</b>	<b>218</b>	<b>310</b>	<b>272</b>	<b>225</b>	<b>212</b>	
Amortization of acquisition-related intangible assets	–7	–7	–7	–7	–7	–7	–8	–7	–6	
Acquisition-related costs and revenue <sup>2)</sup>	–12	–2	–0	–7	36	30	–14	–30	–5	
Items affecting comparability	–	–	–	–14 <sup>3)</sup>	–	–	–	16 <sup>4)</sup>	–	
<b>Operating income (EBIT)</b>	<b>223</b>	<b>286</b>	<b>303</b>	<b>248</b>	<b>247</b>	<b>333</b>	<b>251</b>	<b>204</b>	<b>201</b>	
Net financial items	–13	–12	–9	–13	–13	–11	–18	–16	–11	
<b>Income before taxes</b>	<b>210</b>	<b>274</b>	<b>294</b>	<b>236</b>	<b>234</b>	<b>321</b>	<b>234</b>	<b>188</b>	<b>190</b>	
Income tax	–59	–77	–87	–69	–69	–99	–70	–56	–57	
<b>Net income for the period<sup>5)</sup></b>	<b>151</b>	<b>197</b>	<b>207</b>	<b>166</b>	<b>165</b>	<b>222</b>	<b>164</b>	<b>131</b>	<b>133</b>	
<b>KEY RATIOS</b>										
Real growth, %	4	3	4	2	–1	2	0	3	9	
Gross margin, %	4	3	4	2	–2	0	–2	–1	3	
Operating margin (EBITA), %	8.4	10.1	10.7	9.8	8.0	10.9	9.8	7.8	7.5	
Tax rate, %	28	28	29	29	29	31	30	30	30	
Earnings per share before dilution (SEK)	2.00	2.62	2.76	2.21	2.19	2.93	2.17	1.74	1.76	

1) Earnings Before Interest, Tax, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

2) Acquisition-related costs and revenue for the period January - March 2014, refer to transaction costs of SEK –9 million (–5), restructuring costs of SEK –2 million (0) and integration costs of SEK –1 million (0) as well as a repayment installment of the purchase price attributable to the cash handling operations of Pendum in the amount of SEK 0 million (41). Transaction costs for the period January - March 2014 amount to SEK –9 million for acquisitions in progress, to SEK 0 million for completed acquisitions and to SEK 0 million for discontinued acquisitions.

3) Items affecting comparability, SEK –14 million is to a large extent attributable to a write-down of book values in an operation within the European segment.

4) Items affecting comparability refers to a reversal of part of the provision of SEK 59 million which was made in 2007, attributable to overtime compensation in Spain. In total, SEK 25 million has been reversed.

5) Net income for the period is entirely attributable to the owners of the Parent Company.

## Financial reports in brief

## BALANCE SHEET – BY QUARTER

	2014		2013			2012			
SEK m	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31
<b>ASSETS</b>									
<b>Fixed assets</b>									
Goodwill	3,344	3,346	3,296	3,414	3,291	3,317	3,310	3,505	3,360
Acquisition-related intangible assets	119	126	131	142	144	153	159	172	163
Other intangible assets	92	93	90	91	88	93	86	77	87
Tangible fixed assets	2,933	2,972	2,779	2,807	2,711	2,865	2,822	2,919	2,891
Non interest-bearing financial fixed assets <sup>1)</sup>	391	447	399	352	374	414	409	463	440
Interest-bearing financial fixed assets <sup>1)</sup>	61	61	71	86	67	66	65	63	143
<b>Total fixed assets</b>	<b>6,940</b>	<b>7,045</b>	<b>6,766</b>	<b>6,892</b>	<b>6,674</b>	<b>6,907</b>	<b>6,850</b>	<b>7,198</b>	<b>7,084</b>
<b>Current assets</b>									
Non interest-bearing current assets	2,062	1,879	1,846	1,889	1,765	1,689	1,849	2,006	1,965
Interest-bearing financial current assets	0	10	19	3	1	10	17	3	7
Liquid funds	302	333	388	243	620	380	264	211	298
<b>Total current assets</b>	<b>2,364</b>	<b>2,222</b>	<b>2,253</b>	<b>2,135</b>	<b>2,386</b>	<b>2,079</b>	<b>2,130</b>	<b>2,220</b>	<b>2,270</b>
<b>TOTAL ASSETS</b>	<b>9,304</b>	<b>9,267</b>	<b>9,020</b>	<b>9,027</b>	<b>9,060</b>	<b>8,986</b>	<b>8,980</b>	<b>9,417</b>	<b>9,354</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>									
<b>Shareholders' equity<sup>2)</sup></b>	<b>4,297</b>	<b>4,165</b>	<b>3,914</b>	<b>3,837</b>	<b>3,880</b>	<b>3,595</b>	<b>3,371</b>	<b>3,341</b>	<b>3,446</b>
<b>Long-term liabilities</b>									
Interest-bearing long-term liabilities <sup>1)</sup>	1,858	1,849	2,042	2,088	2,457	2,883	3,035	3,461	3,016
Non interest-bearing provisions <sup>1)</sup>	584	674	590	598	639	663	621	605	611
<b>Total long-term liabilities</b>	<b>2,442</b>	<b>2,523</b>	<b>2,632</b>	<b>2,686</b>	<b>3,096</b>	<b>3,547</b>	<b>3,655</b>	<b>4,067</b>	<b>3,626</b>
<b>Current liabilities</b>									
Tax liabilities	96	80	88	89	86	74	214	176	192
Non interest-bearing current liabilities	1,767	1,819	1,708	1,696	1,615	1,722	1,710	1,782	1,920
Interest-bearing current liabilities	702	680	677	719	383	48	29	52	169
<b>Total current liabilities</b>	<b>2,565</b>	<b>2,579</b>	<b>2,473</b>	<b>2,503</b>	<b>2,084</b>	<b>1,845</b>	<b>1,954</b>	<b>2,010</b>	<b>2,281</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>9,304</b>	<b>9,267</b>	<b>9,020</b>	<b>9,027</b>	<b>9,060</b>	<b>8,986</b>	<b>8,980</b>	<b>9,417</b>	<b>9,354</b>
<b>KEY RATIOS</b>									
Return of shareholders' equity, %	17	18	19	19	18	18	18	18	16
Return of capital employed, %	17	17	18	17	17	17	16	15	15
Equity ratio, %	46	45	43	43	43	40	38	35	37
Net debt	2,197	2,125	2,241	2,475	2,153	2,475	2,717	3,237	2,737
Net debt/EBITDA	1.16	1.14	1.21	1.37	1.23	1.43	1.62	1.94	1.70

1) As of the beginning of the 2013 financial year the defined benefit pension obligation is included in net debt. To reflect this change the comparative figures have been adjusted.

2) Shareholders' equity is entirely attributable to the owners of the Parent Company.

## Financial reports in brief

## CASH FLOW – BY QUARTER

	2014		2013		2012				
SEK m	Jan–Mar	Okt – Dec	Jul–Sep	Apr–Jun	Jan–Mar	Okt – Dec	Jul–Sep	Apr–Jun	Jan–Mar
<b>Additional information</b>									
Operating income (EBITA) <sup>1)</sup>	242	295	311	276	218	310	272	225	212
Depreciation	201	195	190	187	186	179	181	183	173
Change in accounts receivable	–45	42	32	–63	–5	51	16	34	–47
Change in other operating capital employed and other items	–236	51	17	3	–256	–5	116	–174	–120
<b>Cash flow from operating activities before investments</b>	<b>162</b>	<b>582</b>	<b>549</b>	<b>403</b>	<b>143</b>	<b>534</b>	<b>585</b>	<b>269</b>	<b>219</b>
Investments in fixed assets, net	–150	–262	–181	–192	–86	–222	–223	–142	–161
<b>Cash flow from operating activities</b>	<b>11</b>	<b>321</b>	<b>368</b>	<b>211</b>	<b>57</b>	<b>313</b>	<b>362</b>	<b>127</b>	<b>58</b>
Financial items paid and received	–17	–12	–11	–10	–15	–11	–26	–8	–18
Income tax paid	–32	–69	–131	–88	–31	–70	–9	–97	–76
<b>Free cash flow</b>	<b>–37</b>	<b>239</b>	<b>227</b>	<b>112</b>	<b>11</b>	<b>232</b>	<b>328</b>	<b>22</b>	<b>–36</b>
Cash flow effect of items affecting comparability	–1	–4	–1	–1	–0	–0	–3	–7	–0
Acquisition of operations <sup>2)</sup>	–2	–19	–3	–5	–2	–3	–7	–76	–203
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	–2	–	–0	–1	41	29	–9	–29	–1
Dividend paid	–	–	–	–338	–	–	–	–273	–
Repayments of leasing liabilities	–11	–16	–6	–9	–9	–0	–7	–5	–9
Change in interest-bearing net debt excl. liquid funds	22	–259	–63	–142	201	–142	–237	274	139
<b>Cash flow for the period</b>	<b>–31</b>	<b>–60</b>	<b>154</b>	<b>–385</b>	<b>242</b>	<b>116</b>	<b>64</b>	<b>–94</b>	<b>–110</b>
<b>KEY RATIOS</b>									
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	5	109	119	76	26	101	133	56	27
Investments in relation to depreciation	0.7	1.3	1.0	1.0	0.5	1.2	1.2	0.8	0.9
<i>Investments as a % of total revenue</i>	5.2	8.9	6.2	6.8	3.2	7.8	8.0	4.9	5.7

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

2) Acquisition of operations includes the cash flow effect of acquisition-related costs.

3) Refers to acquisition-related restructuring and integration costs. During the first quarter of 2013 and the fourth quarter of 2012 repayment installments of the purchase price for Pen-dum's cash handling operations were received in the amounts of SEK 41 million and SEK 33 million respectively.

## SEGMENT OVERVIEW STATEMENT OF INCOME – BY QUARTER

	2014		2013		2012				
SEK m	Jan–Mar	Okt – Dec	Jul–Sep	Apr–Jun	Jan–Mar	Okt – Dec	Jul–Sep	Apr–Jun	Jan–Mar
<b>Europe</b>									
Revenue	1,753	1,831	1,800	1,733	1,641	1,762	1,710	1,764	1,720
<i>Real growth, %</i>	4	3	4	2	–1	2	0	2	5
<i>Organic growth, %</i>	3	3	4	2	–3	0	–2	–2	3
Operating income (EBITA) <sup>1)</sup>	160	219	246	181	148	219	206	158	152
<i>Operating margin (EBITA), %</i>	9.1	12.0	13.7	10.4	9.0	12.4	12.1	9.0	8.8
<b>USA</b>									
Revenue	1,124	1,097	1,098	1,099	1,065	1,091	1,077	1,134	1,102
<i>Real growth, %</i>	5	2	4	2	0	1	–1	3	18
<i>Organic growth, %</i>	5	2	4	2	0	0	–2	–1	3
Operating income (EBITA) <sup>1)</sup>	108	107	87	127	93	125	92	95	88
<i>Operating margin (EBITA), %</i>	9.6	9.8	7.9	11.6	8.7	11.5	8.5	8.4	8.0
<b>Other<sup>2)</sup></b>									
Revenue	–	–	–	–	–	–	–	–	–
Operating income (EBITA) <sup>1)</sup>	–26	–32	–22	–31	–23	–34	–26	–28	–28
<b>Group total</b>									
Revenue	2,877	2,928	2,897	2,832	2,706	2,852	2,788	2,898	2,822
<i>Real growth, %</i>	4	3	4	2	–1	2	0	3	9
<i>Organic growth, %</i>	4	3	4	2	–2	0	–2	–1	3
Operating income (EBITA) <sup>1)</sup>	242	295	311	276	218	310	272	225	212
<i>Operating margin (EBITA), %</i>	8.4	10.1	10.7	9.8	8.0	10.9	9.8	7.8	7.5

1) Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue, and Items affecting comparability.

2) The category Other consists of the Parent Company's costs and certain other group-wide costs.

## Financial reports in brief

## SEGMENT OVERVIEW BALANCE SHEET – BY QUARTER

	2014		2013			2012			
SEK m	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31
<b>Europe</b>									
Assets	4,466	4,399	4,229	4,177	3,974	4,107	4,077	4,302	4,328
Liabilities	1,560	1,588	1,517	1,491	1,372	1,553	1,496	1,583	1,653
<b>USA</b>									
Assets	4,163	4,089	4,031	4,231	4,095	4,052	4,066	4,314	4,105
Liabilities	472	527	555	540	540	596	598	608	601
<b>Other</b>									
Assets	675	779	759	619	990	827	838	802	921
Liabilities	2,975	2,988	3,033	3,159	3,268	3,242	3,515	3,886	3,653
Shareholder's equity	4,297	4,165	3,914	3,837	3,880	3,595	3,371	3,341	3,446
<b>Group total</b>									
Assets	9,304	9,267	9,020	9,027	9,060	8,986	8,980	9,417	9,354
Liabilities	5,007	5,103	5,105	5,190	5,180	5,391	5,609	6,076	5,908
Shareholder's equity	4,297	4,165	3,914	3,837	3,880	3,595	3,371	3,341	3,446

## QUARTERLY DATA

	2014		2013			2012			
SEK m	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar
<b>Cash flow</b>									
Operations	110	496	407	302	96	450	538	128	123
Investment activities	–153	–281	–184	–197	–47	–192	–230	–218	–363
Financing activities	12	–275	–69	–490	192	–142	–244	–4	130
<b>Cash flow for the period</b>	<b>–31</b>	<b>–60</b>	<b>154</b>	<b>–385</b>	<b>242</b>	<b>116</b>	<b>64</b>	<b>–94</b>	<b>–110</b>
<b>Capital employed and financing</b>									
Operating capital employed	3,057	2,834	2,743	2,818	2,685	2,631	2,618	2,868	2,712
Goodwill	3,344	3,346	3,296	3,414	3,291	3,317	3,310	3,505	3,360
Acquisition-related intangible assets	119	126	131	142	144	153	159	172	163
Other capital employed	–26	–16	–14	–62	–87	–31	2	33	–52
<b>Capital employed</b>	<b>6,494</b>	<b>6,290</b>	<b>6,156</b>	<b>6,312</b>	<b>6,033</b>	<b>6,070</b>	<b>6,089</b>	<b>6,578</b>	<b>6,184</b>
<b>Net debt</b>	<b>2,197</b>	<b>2,125</b>	<b>2,241</b>	<b>2,475</b>	<b>2,153</b>	<b>2,475</b>	<b>2,717</b>	<b>3,237</b>	<b>2,737</b>
<b>Shareholders' equity</b>	<b>4,297</b>	<b>4,165</b>	<b>3,914</b>	<b>3,837</b>	<b>3,880</b>	<b>3,595</b>	<b>3,371</b>	<b>3,341</b>	<b>3,446</b>
<b>Key ratios</b>									
Return of shareholders' equity, %	17	18	19	19	18	18	18	18	16
Return of capital employed, %	17	17	18	17	17	17	16	15	15
Equity ratio, %	46	45	43	43	43	40	38	35	37
Net debt/EBITDA	1.16	1.14	1.21	1.37	1.23	1.43	1.62	1.94	1.70

## Financial reports in brief

## KEY RATIOS – BY QUARTER

SEK m	2014		2013		2012				
	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar
Real growth, %	4	3	4	2	–1	2	0	3	9
Organic growth, %	4	3	4	2	–2	0	–2	–1	3
Total growth, %	6	3	4	–2	–4	–1	–3	8	12
Gross margin, %	22.0	23.6	23.8	23.3	22.0	24.6	23.6	21.4	21.3
Selling and administration expenses in % of total revenue	–13.6	–13.5	–13.0	–13.5	–14.0	–13.8	–13.8	–13.6	–13.7
Operating margin (EBITA), %	8.4	10.1	10.7	9.8	8.0	10.9	9.8	7.8	7.5
Tax rate, %	28	28	29	29	29	31	30	30	30
Net margin, %	5.2	6.7	7.2	5.9	6.1	7.8	5.9	4.5	4.7
Return of shareholders' equity, %	17	18	19	19	18	18	18	18	16
Return of capital employed, %	17	17	18	17	17	17	16	15	15
Equity ratio, %	46	45	43	43	43	40	38	35	37
Net debt (SEK m)	2,197	2,125	2,241	2,475	2,153	2,475	2,717	3,237	2,737
Net debt/EBITDA	1.16	1.14	1.21	1.37	1.23	1.43	1.62	1.94	1.70
Cash flow from operating activities as % of operating income (EBITA)	5	109	119	76	26	101	133	56	27
Investments in relation to depreciation	0.7	1.3	1.0	1.0	0.5	1.2	1.2	0.8	0.9
Investments as a % of total revenue	5.2	8.9	6.2	6.8	3.2	7.8	8.0	4.9	5.7
Earnings per share before dilution, SEK	2.00 <sup>1)</sup>	2.62 <sup>2)</sup>	2.76 <sup>3)</sup>	2.21 <sup>4)</sup>	2.24 <sup>5)</sup>	3.04 <sup>6)</sup>	2.24 <sup>7)</sup>	1.80 <sup>8)</sup>	1.82 <sup>9)</sup>
Earnings per share after dilution, SEK	2.00	2.62	2.76	2.21	2.19	2.93	2.17	1.74	1.76
Shareholders' equity per share after dilution, SEK	57.12	55.32	52.00	50.97	51.54	47.57	44.62	45.21	45.61
Cash flow from operating activities per share after dilution, SEK	1.47	6.60	5.40	4.02	1.28	5.95	7.12	1.70	1.63
Dividend per share, SEK	–	–	–	4.50	–	–	–	3.75	–
Number of outstanding shares (millions)	75.2	75.3	75.3	75.2	75.2	73.0	73.0	73.0	73.0
Average number of outstanding shares (millions)	75.3 <sup>1)</sup>	75.3 <sup>2)</sup>	75.3 <sup>3)</sup>	75.2 <sup>4)</sup>	73.5 <sup>5)</sup>	73.0 <sup>6)</sup>	73.0 <sup>7)</sup>	73.0 <sup>8)</sup>	73.0 <sup>9)</sup>

1) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,273,755.

2) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,279,829, which includes 121,863 shares that were held as treasury shares as of December 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

3) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,278,357, which includes 121,863 shares that were held as treasury shares as of September 30, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

4) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,231,259, which includes 121,863 shares that were held as treasury shares as of June 30, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

5) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,548,751, which includes 117,813 shares that were held as treasury shares as of March 31, 2013. The treasury shares were for Loomis' Incentive Scheme 2012 and have, in accordance with agreements, been allotted to employees.

6) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,011,780, which includes 132,318 shares that were held as treasury shares as of December 31, 2012. The treasury shares were for Loomis' Incentive Scheme 2011 and have, in accordance with agreements, been allotted to employees.

7) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,011,780, which includes 132,318 shares that were held as treasury shares as of September 30, 2012. The treasury shares were for Loomis' Incentive Scheme 2011 and have, in accordance with agreements, been allotted to employees.

8) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,011,780, which includes 132,318 shares that were held as treasury shares as of June 30, 2012. The treasury shares were for Loomis' Incentive Scheme 2011 and have, in accordance with agreements, been allotted to employees.

9) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 73,011,780, which includes 111,113 shares that were held as treasury shares as of March 31, 2012. The treasury shares were for Loomis' Incentive Scheme 2011 and have, in accordance with agreements, been allotted to employees.

# Definitions

## Gross margin, %

Gross income as a percentage of total revenue.

## Operating income (EBITA)

Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

## Operating margin (EBITA), %

Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability, as a percentage of revenue.

## Operating income (EBITDA)

Earnings Before Interest, Taxes, Depreciation, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.

## Operating income (EBIT)

Earnings Before Interest and Tax.

## Real growth, %

Increase in revenue for the period, adjusted for changes in exchange rates, as a percentage of the previous year's revenue.

## Organic growth, %

Increase in revenue for the period, adjusted for acquisition/divestitures and changes in exchange rates, as a percentage of the previous year's revenue adjusted for divestitures.

## Total growth, %

Increase in revenue for the period as a percentage of the previous year's revenue.

## Net margin, %

Net income for the period after tax as a percentage of total revenue.

## Earnings per share before dilution

Net income for the period in relation to the average number of outstanding shares during the period. The average number of outstanding shares included until March 21, 2014, treasury shares for Loomis Incentive Scheme 2012.

Calculation for:

Jan–Mar 2014:  $151/75,273,755 \times 1,000,000 = 2.00$

Jan–Mar 2013:  $165/73,548,751 \times 1,000,000 = 2.24$

## Earnings per share after dilution

Calculation for:

Jan–Mar 2014:  $151/75,226,032 \times 1,000,000 = 2.00$

Jan–Mar 2013:  $165/75,288,003 \times 1,000,000 = 2.19$

## Cash flow from operations per share

Cash flow for the period from operations in relation to the number of shares after dilution.

## Investments in relation to depreciation

Investments in fixed assets, net, for the period, in relation to depreciation.

## Investments as a % of total revenue

Investments in fixed assets, net, for the period, as a percentage of total revenue.

## Shareholders' equity per share

Shareholders' equity in relation to the number of shares after dilution.

## Cash flow from operating activities as % of operating income (EBITA)

Cash flow for the period before financial items, income tax, items affecting comparability, acquisitions and divestitures of operations and financing activities, as a percentage of operating income (EBITA).

## Return on equity, %

Net income for the period (rolling 12 months) as a percentage of the closing balance of shareholders' equity.

## Return on capital employed, %

Operating income (EBITA) (rolling 12 months) as a percentage of the closing balance of capital employed.

## Equity ration, %

Shareholders' equity as a percentage of total assets.

## Net debt

Interest-bearing liabilities less interest-bearing assets and liquid funds.

## R12

Rolling 12-months period (April 2013 up to and including March 2014).

## Other

Amounts in tables and other combined amounts have been rounded off on an individual basis. Minor differences due to this rounding-off, may, therefore, appear in the totals.



# Loomis in brief

## **Vision**

Loomis' vision is to be the undisputed specialist at managing cash in society.

## **Business concept**

Loomis' business concept is to create the most efficient flow of cash in society.

## **Strategies and Operational goals**

### **Strategies**

#### *Cost effectiveness*

- Price – Price increase percentages to exceed wage increase percentages.
- Branch – 85 percent of the branches to be profitable.
- Risk – The cost of risk management to be below 4 percent of revenue.

#### *Expansion*

- Be number 1 or 2 in every market where Loomis operates.
- Controlled, acquisition-based expansion into new countries.
- Stronger market position in existing countries.

#### *Product mix*

- At least 30 percent of revenue to come from Cash Management Services.

### **Operational goals**

- Good profitability and sustainable growth.



**20,000**  
employees



**400**  
branches



**16**  
countries

Loomis offers safe and effective comprehensive solutions for the distribution, handling and recycling of cash for banks, retailers and other commercial companies via an international network of almost 400 branches in 16 countries. The Group has 20,000 employees and annual revenue of SEK 11 billion. Loomis is a Mid-Cap listed company on the NASDAQ OMX Stockholm.

### **Information meeting**

An information meeting will be held on May 7, 2014 09:30 a.m. (CEST). This meeting will be held at Sveavägen 20, 2nd floor, Stockholm.

To listen to the meeting proceedings by telephone (and to participate in the question and answer session), please register in advance by using the following link: <https://eventreg2.conferencing.com/webportal3/reg.html?Acc=007175&Conf=215811> and follow the instructions, or by calling +46 (0)8 505 201 14 or +44 (0)207 1620 177 or +1 334 323 6203.

The meeting can also be viewed online at [www.loomis.com/investors/reports&presentations](http://www.loomis.com/investors/reports&presentations)

A recording of the webcast will be available at [www.loomis.com/investors/reports&presentations](http://www.loomis.com/investors/reports&presentations) after the information meeting, and a telephone recording of the meeting will be available until midnight on May 21, 2014 on telephone number +46(0)8 505 203 33, +44 (0)20 7031 4064 and + 1 954 334 0342, access code 943988.

### **Future reporting and meetings**

Interim report	January – June	July 31, 2014
Interim report	January – September	November 6, 2014

Loomis' Annual General Meeting will be held on Tuesday, May 6, 2014 in Stockholm.

### **For further information**

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Loomis AB discloses information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. This information was submitted for publication on Tuesday, May 6, 2014 at 3.00 p.m. (CET).

