

INTERIM REPORT

---

# JANUARY– JUNE 2016



Managing **cash** in society.



## April – June 2016

- Revenue SEK 4,147 million (3,944). Real growth 8 percent (6) and organic growth 6 percent (1).
- Operating income (EBITA)<sup>1)</sup> SEK 444 million (397) and operating margin 10,7 percent (10.1).
- Income before taxes SEK 398 million (320) and income after taxes SEK 286 million (236).
- Earnings per share before dilution and after dilution SEK 3.81 (3.14).
- Cash flow from operating activities SEK 513 million (206), equivalent to 116 percent (52) of operating income (EBITA).

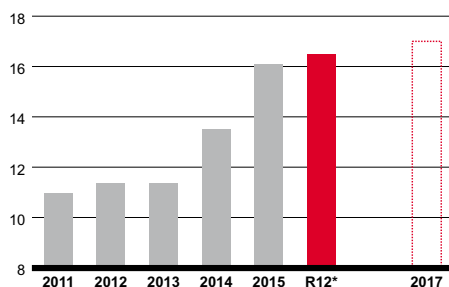
## January – June 2016

- Revenue SEK 8,179 million (7,786). Real growth 7 percent (11) and organic growth 6 percent (2).
- Operating income (EBITA)<sup>1)</sup> SEK 819 million (741) and operating margin 10.0 percent (9.5).
- Income before taxes SEK 725 million (601) and income after taxes SEK 525 million (442).
- Earnings per share before dilution and after dilution SEK 6.98 (5.87).
- Cash flow from operating activities SEK 609 million (501), equivalent to 74 percent (68) of operating income (EBITA).

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

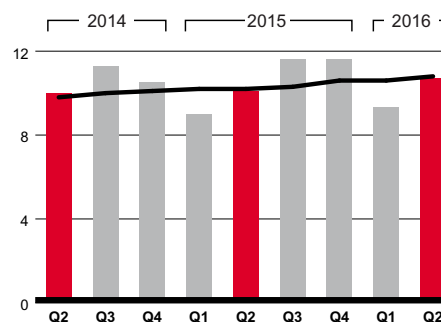
## Loomis' financial targets

**Revenue**  
SEK 17 billion by 2017



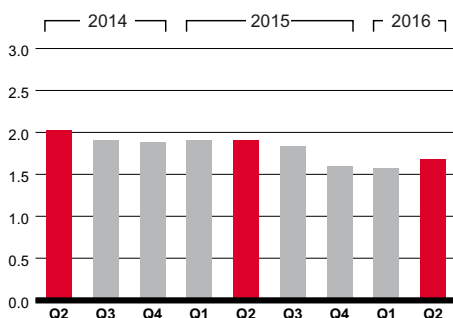
\*Refers to the period July 1, 2015–June 30, 2016

**Operating margin (EBITA), %**  
10–12%

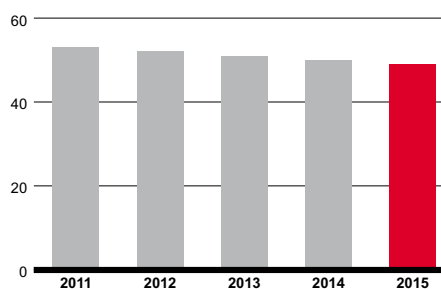


■ Operating margin (EBITA) per quarter  
— Operating margin (EBITA) rolling 12 months

**Net debt/EBITDA**  
Not exceeding 3.0



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



## Comments by the President and CEO

”

Organic growth and improved operating margins for all segments compared to the previous year.

”



It gives me great pleasure to present my first interim report as President and CEO of Loomis and to communicate that we had organic growth and improved operating margins for all segments compared to the same quarter the previous year.

Organic growth for the second quarter amounted to 6 percent (1), the highest organic growth for the Group as a whole since the listing on the stock exchange in 2008. The operating margin improved to 10.7 percent (10.1). Many factors have contributed to the positive development, including new cash-in-transit (CIT) and cash management services (CMS) contracts and a sustained focus on efficiency improvements. I would also like to highlight the continued success of SafePoint in the USA – a concept that contributes to both growth and margin improvement.

Organic growth in the USA, which amounted to 13 percent (5), is mainly driven by the implementation of the CMS contracts with Bank of America and by a sustained increase in the number of installed SafePoint units. At the end of the quarter there were around 17,200 installed units. Revenue for the quarter from SafePoint was just over 22 percent higher than in the corresponding period the previous year.

The operating margin in the USA is still moving in a positive direction, reaching 11.2 percent (10.2) for the quarter. It is extra gratifying that we are improving our operating margin while also seeing strong growth. Just as in the previous quarters, the main explanations for the higher profitability are the sustained increase in the share of revenue from CMS and the ongoing efficiency improvement measures.

The organic growth in Europe amounted to 1 percent (1). Similar to the first quarter this year, positive growth in Spain is continuing and Turkey and Argentina are the countries currently experiencing the fastest growth. The operating margin in Europe was 12.9 percent, an improvement of 0.7 percentage points compared to the second quarter the previous year. Several of our European markets are presenting improved operating margins and I would like to specifically mention the UK. As a result of service quality improvements implemented, we are seeing sustained improvement in our operating margin. We believe that there is still potential for further profitability improvement within our UK operations. The trend noted earlier of slightly falling volumes in the Nordic countries is continuing and action programs are currently in place to compensate for the lower volumes.

During the quarter a referendum was held in the UK and in it a majority of voters voted to exit the EU. Loomis' operations in the UK are almost exclusively local. At this time we are not seeing any

significant effect on our business, although we are of course following the development closely. In terms of our international service offering, increased uncertainty could lead to higher demand for cross-border transportation of precious metals and other valuables. We have concluded, however, that it is not possible at this point to calculate the potential impact on our business.

International Services had slightly increased revenue and an improved operating margin during the quarter. Organic growth for this segment during the quarter amounted to 6 percent and the operating margin was 5.5 percent (4.7). Higher volatility in the precious metals market during the quarter had a positive impact on business volumes. The growing uncertainty in the international markets has also resulted in higher demand for cross-border transportation of banknotes. The increase is most evident in Central Europe and the Middle East.

On July 1 we announced the divestment of our general cargo operations, which we took over as part of the acquisition of VIA MAT in 2014. The divested operations, which are not part of Loomis' core business and which were transferred on July 1, 2016, offer cross-border cargo services by air, sea, road and rail. The general cargo operations have been reported as part of Segment International Services. In 2015 revenue from general cargo services amounted to around SEK 500 million and the operating result was around SEK 9 million. The divestment enables us to increase our focus on the segment's core business.

On May 4, I assumed my new role as successor to Lars Blecko, who has now returned to his position as Regional President USA. I would like to thank him for the work he has done and for the warm welcome I received – both from Lars Blecko and the Group in general. I have spent my first weeks traveling around meeting employees and customers in our various markets. I have become even more convinced that Loomis' strong foundation will serve us well as we seize future business opportunities.

My task is to continue along the path of success my predecessors embarked upon and to deliver on the financial goals we have set for 2017. I believe that in the second half of 2017, we will be well positioned to present the next stage of Loomis' development. I am highly optimistic about the years ahead and about being part of the team as we realize the Group's potential – in both the long and short term.

**Patrik Andersson**  
*President and CEO*

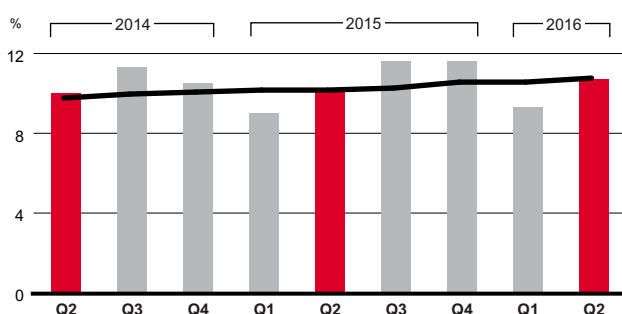
## The Group and the segments in brief

	2016	2015	2016	2015	2015	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
<b>Group total</b>						
Revenue	4,147	3,944	8,179	7,786	16,097	16,490
Real growth, %	8	6	7	11	7	6
Organic growth, %	6	1	6	2	2	4
Operating income (EBITA) <sup>1)</sup>	444	397	819	741	1,703	1,781
Operating margin, %	10.7	10.1	10.0	9.5	10.6	10.8
Earnings per share before dilution, SEK <sup>2)</sup>	3.81	3.14	6.98	5.87	14.21	15.32
Earnings per share after dilution, SEK	3.81	3.14	6.98	5.87	14.21	15.32
Cash flow from operating activities as % of operating income (EBITA)	116	52	74	68	74	77
<b>Segments</b>						
<b>Europe</b>						
Revenue	2,035	2,058	4,009	4,040	8,332	8,300
Real growth, %	2	3	3	4	4	3
Organic growth, %	1	1	1	1	1	1
Operating income (EBITA) <sup>1)</sup>	262	251	461	448	1,055	1,067
Operating margin, %	12.9	12.2	11.5	11.1	12.7	12.9
<b>USA</b>						
Revenue	1,774	1,566	3,531	3,082	6,428	6,876
Real growth, %	14	5	15	4	7	12
Organic growth, %	13	5	13	4	6	11
Operating income (EBITA) <sup>1)</sup>	199	160	396	317	692	771
Operating margin, %	11.2	10.2	11.2	10.3	10.8	11.2
<b>International Services</b>						
Revenue	348	340	666	705	1,419	1,380
Real growth, %	6	n/a	-2	n/a	n/a	-4
Organic growth, %	6	n/a	-2	n/a	n/a	-4
Operating income (EBITA) <sup>1)</sup>	19	16	35	38	87	84
Operating margin, %	5.5	4.7	5.3	5.4	6.1	6.1

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

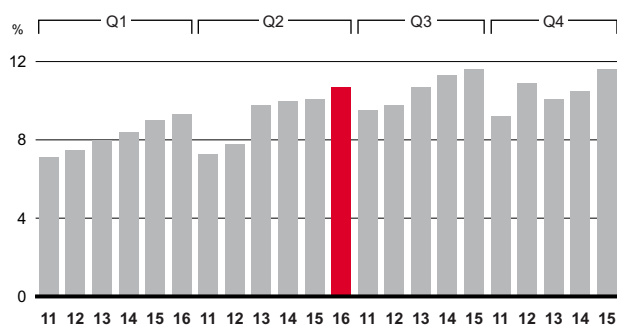
2) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is for the period 75,226,032. The number of Class B treasury shares was 53,797.

### Operating margin (EBITA)



■ Operating margin (EBITA) per quarter  
 — Operating margin (EBITA) rolling 12 months

### Operating margin (EBITA)



■ Operating margin (EBITA) per quarter

## Revenue and income

	2016	2015	2016	2015	2015	R 12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Revenue	4,147	3,944	8,179	7,786	16,097	16,490
Operating income (EBITA) <sup>1)</sup>	444	397	819	741	1,703	1,781
Operating income (EBIT)	424	352	779	660	1,575	1,693
Income before taxes	398	320	725	601	1,461	1,585
Net income for the period	286	236	525	442	1,069	1,152
<b>KEY RATIOS</b>						
Real growth, %	8	6	7	11	7	6
Organic growth, %	6	1	6	2	2	4
Operating margin, %	10.7	10.1	10.0	9.5	10.6	10.8
Tax rate, %	28	26	28	27	27	27
Earnings per share after dilution, SEK	3.81	3.14	6.98	5.87	14.21	15.32

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

### April – June 2016

Revenue for the second quarter amounted to SEK 4,147 million compared to SEK 3,944 million for the corresponding period the previous year. The organic growth, which was 6 percent (1), is mainly attributable to the cash management services (CMS) contracts that were implemented incrementally in the USA in 2015, higher SafePoint revenue and increased sales in a number of European countries. Real growth amounted to 8 percent (6) and includes revenue attributable to the acquisitions made in 2015 in the USA and the UK.

The operating income (EBITA) amounted to SEK 444 million (397) and the operating margin improved to 10.7 percent (10.1). At comparable exchange rates, the income improvement was around SEK 57 million. Strong organic growth in CMS and SafePoint in the USA, and ongoing efforts to improve efficiency, which continue to yield results in a number of countries, are the main explanations for the increased profitability.

The operating income (EBIT) for the quarter amounted to SEK 424 million (352), which includes amortization of acquisition-related intangible assets of SEK –16 million (–14) and acquisition-related costs of SEK –3 million (–30). The acquisition-related costs in the second quarter of the previous year were significantly higher than this quarter and related mainly to the cost of restructuring the Swiss transport and cash processing operations as a result of the acquisition of VIA MAT in 2014.

Income before tax of SEK 398 million (320) includes a net financial expense of SEK –26 million (–32).

The tax expense for the quarter amounted to SEK –112 million (–84), which represents a tax rate of 28 percent (26).

Earnings per share after dilution amounted to SEK 3.81 (3.14).

### January – June 2016

Revenue in the first half of the year amounted to SEK 8,179 million (7,786) and organic growth was 6 percent (2). The CMS contracts that were implemented incrementally in the USA in 2015, higher revenue from SafePoint and increased sales in a number of European countries are the main explanations for the organic growth. Real growth amounted to 7 percent (11) and includes revenue attributable to the acquisitions made in 2015 in the USA and the UK.

The operating income (EBITA) amounted to SEK 819 million (741) and the operating margin was 10.0 percent (9.5). At comparable exchange rates the income improvement was around SEK 98 million. The improved profitability is mainly explained by strong organic growth in CMS and SafePoint in the USA, and by the ongoing efforts to improve efficiency, which continue to yield results in a number of countries.

The operating income (EBIT) amounted to SEK 779 million (660), which includes amortization of acquisition-related intangible assets of SEK –32 million (–28) and acquisition-related costs of SEK –9 million (–53). The acquisition-related costs in the first half of 2015 were mainly related to the cost of restructuring the Swiss transport and cash processing operations as a result of the acquisition of VIA MAT in 2014.

Income before tax of SEK 725 million (601) includes a net financial expense of SEK –54 million (–59).

The tax expense for the first half of the year amounted to SEK –200 million (–160), which represents a tax rate of 28 percent (27).

Earnings per share after dilution amounted to SEK 6.98 (5.87).

## The segments

### LOOMIS EUROPE

	2016	2015	2016	2015	2015	R 12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Revenue	2,035	2,058	4,009	4,040	8,332	8,300
Real growth, %	2	3	3	4	4	3
Organic growth, %	1	1	1	1	1	1
Operating income (EBITA) <sup>1)</sup>	262	251	461	448	1,055	1,067
Operating margin, %	12.9	12.2	11.5	11.1	12.7	12.9

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 – Segment Europe

#### April – June 2016

Revenue for Segment Europe in the second quarter amounted to SEK 2,035 million (2,058) and organic growth was 1 percent (1). The organic growth is explained by positive growth in several countries – primarily Turkey and Argentina. The positive development in Spain, which began at the end of 2015, continued during the second quarter. Growth was partly offset by lower sales in the Nordic countries. Real growth, which amounted to 2 percent (3), includes revenue from the acquisition of Cardtronics' cash handling operations for retail customers in the UK implemented in 2015.

The operating income (EBITA) amounted to SEK 262 million (251) and the operating margin improved to 12.9 percent (12.2). Ongoing efforts to improve efficiency continued and profitability improvement was most evident during the quarter in southern Europe and the UK. The actions taken in the UK to handle the increased volumes in 2015 continued to yield results in the form of improved service quality and an improved operating margin. The increased volumes were the result of the above-mentioned acquisition as well as the contract signed with Tesco in 2014. The lower volumes in the Nordic countries have had a slightly negative effect on the operating margin. Action programs are currently in place to compensate for the lower volumes.

#### January – June 2016

Revenue for the first half of the year amounted to SEK 4,009 million compared to SEK 4,040 million for the corresponding period the previous year. The organic growth, which amounted to 1 percent (1), is explained by positive growth in several countries – primarily Turkey and Argentina. During the first half of the year, the positive development in Spain, which began at the end of 2015, continued. The growth was partially offset by lower sales in the Nordic countries. Real growth of 3 percent (4) includes revenue from the acquisition of Cardtronics' cash handling operations for retail customers in the UK implemented in 2015.

The operating income (EBITA) amounted to SEK 461 million (448) and the operating margin was 11.5 percent (11.1). The improvement is explained by sustained efforts to improve efficiency, which continue to yield results in several countries. Profitability improvement has been most evident in southern Europe and the UK. The actions taken in the UK to handle the increased volumes have been successful. The lower volumes in the Nordic countries have had a slightly negative effect on the operating margin.

## LOOMIS USA

	2016	2015	2016	2015	2015	R 12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Revenue	1,774	1,566	3,531	3,082	6,428	6,876
Real growth, %	14	5	15	4	7	12
Organic growth, %	13	5	13	4	6	11
Operating income (EBITA) <sup>1)</sup>	199	160	396	317	692	771
Operating margin, %	11.2	10.2	11.2	10.3	10.8	11.2

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 – Segment USA

#### April – June 2016

Revenue for Segment USA in the second quarter amounted to SEK 1,774 million (1,566) and organic growth was 13 percent (5). Revenue relating to the CMS contracts implemented incrementally in 2015 and increased revenue from SafePoint are the main explanations for the positive development. Organic growth was also impacted by revenue from the cash-in-transit (CIT) contract signed with State Employees' Credit Union in North Carolina earlier in the year. The real growth of 14 percent (5) includes revenue from the acquisition in 2015 of the Global Logistics' operations from Dunbar Armored Inc. Changes in fuel fees, which Loomis passes on to its customers, reduced the organic growth for the quarter by 1 percentage point, but did not significantly affect the operating income.

The operating income (EBITA) for the quarter was SEK 199 million (160) and the operating margin improved by 1 percentage point to 11.2 percent (10.2). Organic growth in combination with the sustained increase in the share of revenue from CMS and SafePoint as well as the ongoing efficiency improvements, which continue to yield results, are the main explanations for the positive development.

The share of revenue from CMS amounted to 34 percent (31) of the segment's total revenue.

#### January – June 2016

Revenue for Segment USA amounted to SEK 3,531 million compared to SEK 3,082 million for the corresponding period the previous year. The organic growth, which was 13 percent (4), is mainly explained by revenue relating to CMS contracts implemented incrementally in 2015, as well as increased revenue from SafePoint. Growth was also impacted by revenue from the CIT contract signed with State Employees' Credit Union in North Carolina in the first quarter. The real growth of 15 percent (4) includes revenue from the acquisition in 2015 of the Global Logistics' operations from Dunbar Armored Inc. Changes in fuel fees, which Loomis passes on to its customers, reduced the organic growth for the period by 1 percentage point, but did not significantly affect the operating income.

The operating income (EBITA) for the first half of the year was SEK 396 million (317) and the operating margin was 11.2 percent (10.3). The improvement is mainly explained by organic growth in combination with the sustained increase in the share of revenue from CMS and SafePoint and ongoing efforts to improve efficiency, which continue to yield results.

The share of revenue from CMS amounted to 34 percent (30) of the segment's total revenue.

## INTERNATIONAL SERVICES

	2016	2015	2016	2015	2015	R 12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Revenue	348	340	666	705	1,419	1,380
Real growth, %	6	n/a	–2	n/a	n/a	–4
Organic growth, %	6	n/a	–2	n/a	n/a	–4
Operating income (EBITA) <sup>1)</sup>	19	16	35	38	87	84
Operating margin, %	5.5	4.7	5.3	5.4	6.1	6.1

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

**Revenue and operating income – Segment International Services****April – June 2016**

Revenue for Segment International Services amounted to SEK 348 million (340) and both real growth and organic growth were 6 percent (n/a). Higher volatility in the precious metals market during the quarter had a positive impact on business volumes. The growing uncertainty in the international markets has also resulted in higher demand for international transport of banknotes. The increase was most evident in Central Europe and the Middle East. Growth was negatively affected by the fact that gold deliveries to India – one of the world's main importers of gold – remained low as a result of the higher import taxes for gold and jewelry introduced earlier in the year.

The operating income (EBITA) amounted to SEK 19 million (16) and the operating margin was 5.5 percent (4.7). Higher sales have had a positive effect on profitability.

**January – June 2016**

Revenue for Segment International Services for the first half of the year amounted to SEK 666 million, compared to SEK 705 million for the corresponding period the previous year and both real and organic growth was –2 percent (n/a). Demand for cross-border transportation of precious metals is largely determined by the volatility in the market. Volatility was low at the beginning of the year, but increased towards the latter part of the period, generating higher demand. The increase was most evident in Central Europe and the Middle East. Growth was negatively affected by low gold deliveries to India – one of the world's main importers of gold. Import taxes on gold and jewelry were raised during the year and this resulted in strikes in the first quarter among jewelers and gold traders. The strikes, which reduced gold deliveries to India, did not result in any change in the import taxes. The increased taxes have had a substantial negative impact on imported volumes of gold and jewelry to India. Growth for the segment was also impacted by low demand for transports to and from art exhibitions.

The operating income (EBITA) amounted to SEK 35 million (38) and the operating margin for the period was 5.3 percent (5.4). Slightly lower sales have had a negative effect on profitability.



# Cash flow

## STATEMENT OF CASH FLOWS

	2016	2015	2016	2015	2015	R 12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	
Operating income (EBITA) <sup>1)</sup>	444	397	819	741	1,703	1,781
Depreciation	269	266	540	524	1,061	1,078
Change in accounts receivable	–43	–141	–57	–122	–170	–105
Change in other working capital and other items	164	69	–155	–75	48	–32
<b>Cash flow from operating activities before investments</b>	<b>834</b>	<b>589</b>	<b>1,147</b>	<b>1,068</b>	<b>2,642</b>	<b>2,722</b>
Investments in fixed assets, net	–321	–383	–538	–567	–1,379	–1,349
<b>Cash flow from operating activities</b>	<b>513</b>	<b>206</b>	<b>609</b>	<b>501</b>	<b>1,264</b>	<b>1,373</b>
Financial items paid and received	–24	–26	–45	–57	–118	–107
Income tax paid	–118	–77	–170	–148	–341	–362
<b>Free cash flow</b>	<b>372</b>	<b>102</b>	<b>394</b>	<b>296</b>	<b>805</b>	<b>904</b>
Cash flow effect of items affecting comparability	0	–9	0	–10	–14	–5
Acquisition of operations <sup>2)</sup>	–2	–4	–3	–25	–279	–257
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	–3	–14	–10	–20	–52	–42
Dividend paid	–527	–451	–527	–451	–451	–527
Change in interest-bearing net debt excl. liquid funds	–59	–7	–16	–245	–258	–29
Issuance of bonds <sup>4)</sup>	–	–	–	–	549	549
Change in commercial papers issued and other long-term borrowing	250	519	200	669	–225	–694
<b>Cash flow for the period</b>	<b>31</b>	<b>136</b>	<b>38</b>	<b>213</b>	<b>74</b>	<b>–101</b>
Liquid funds at beginning of period	653	686	654	566	566	808
Exchange rate differences in liquid funds	17	–15	8	29	14	–7
Liquid funds at end of period	700	808	700	808	654	700
<b>KEY RATIOS</b>						
<i>Cash flow from operations as a % of operating income (EBITA)</i>	116	52	74	68	74	77
<i>Investments in relation to depreciation</i>	1.2	1.4	1.0	1.1	1.3	1.3
<i>Investments as a % of total revenue</i>	7.7	9.7	6.6	7.3	8.6	8.2

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 transaction costs.

3) Refers to acquisition-related restructuring and integration costs.

4) Bond issue according to Loomis' MTN program.

### Cash flow

#### April – June 2016

Cash flow from operating activities was SEK 513 million (206), equivalent to 116 percent (52) of operating income (EBITA).

Net investments in fixed assets amounted to SEK 321 million (383), which can be compared to depreciation of fixed assets of SEK 269 million (266). Investments of SEK 188 million (238) were made during the period in vehicles, safety equipment and SafePoint. Additional investments totaling SEK 80 million (104) were made in buildings, machinery and other equipment.

#### January – June 2016

Cash flow from operating activities was SEK 609 million (501), equivalent to 74 percent (68) of operating income (EBITA).

Similar to previous years, the effect on cash flow of the change in other working capital and other items was negative in the first half of the year. During this period large payments are normally due for items such as employee related expenses and insurance premiums etc. Positive effects on cash flow of changes in working capital normally occur during the latter part of the year.

Net investments in fixed assets amounted to SEK 538 million (567), which can be compared to depreciation of fixed assets of SEK 540 million (524). Investments of SEK 289 million (313) were made during the period in vehicles, safety equipment and SafePoint. In addition, investments totaling SEK 146 million (180) were made in buildings, machinery and similar equipment.

## Capital employed and financing

### CAPITAL EMPLOYED AND FINANCING

	2016	2015	2015
SEK m	Jun 30	Jun 30	Dec 31
Operating capital employed	4,526	4,145	4,352
Goodwill	5,459	5,232	5,437
Acquisition-related intangible assets	318	375	349
Other capital employed	146	213	130
<b>Capital employed</b>	<b>10,450</b>	<b>9,965</b>	<b>10,268</b>
<b>Net debt</b>	<b>4,817</b>	<b>4,811</b>	<b>4,425</b>
<b>Shareholders' equity</b>	<b>5,633</b>	<b>5,154</b>	<b>5,843</b>
<b>Key ratios</b>			
<i>Return on capital employed, %</i>	17	15	17
<i>Return on equity, %</i>	20	19	18
<i>Equity ratio, %</i>	39	36	41
<i>Net debt/EBITDA</i>	1.68	1.91	1.60

#### Capital employed

As of June 30, 2016, capital employed amounted to SEK 10,450 million (10,268 as of December 31, 2015). Return on capital employed amounted to 17 percent (17 as of December 31, 2015).

#### Equity and financing

As of June 30, shareholders' equity amounted to SEK 5,633 million (5,843 as of December 31, 2015). The return on shareholders' equity was 20 percent (18 on December 31, 2015) and the equity ratio was 39 percent (41 as of December 31, 2015). Shareholders' equity was positively affected by net income for the period, but negatively affected by dividends to shareholders and by actuarial revaluation of the pension liability.

Net debt amounted to SEK 4,817 million (4,425 as of December 31, 2015). The net debt/EBITDA ratio amounted to SEK 1.68 as of June 30, 2016 (1.60 as of December 31, 2015).

## Significant events and number of full-time employees

### Significant events during the period

The Annual General Meeting on May 2, 2016 voted in favor of the Board's proposal to introduce an Incentive Scheme (Incentive Scheme 2016). Similar to Incentive Scheme 2015, the proposed incentive scheme (Incentive Scheme 2016) involves two thirds of the variable remuneration being paid out in cash the year after it is earned. The remaining one third will be allotted to participants in the form of Class B shares at the beginning of 2018. The allotment of shares is contingent upon the employee still being employed by the Loomis Group on the last day of February 2018, 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 individual will retain the right to receive bonus shares. The principles for performance measurement 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 in connection with this Incentive Scheme. To enable Loomis to allot these shares, the AGM voted in favor of Loomis AB entering 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 350 key individuals within the Loomis Group to become shareholders in Loomis AB over time. This will increase employee commitment to Loomis' development for the benefit of all shareholders.

On May 4, 2016, Patrik Andersson assumed the position as President and CEO of Loomis.

### Significant events after the end of the reporting period

In July 2016 Loomis announced that it had entered into an agreement to divest the general cargo operations to Rhenus Alpina AG. Loomis took over these operations in connection with the acquisition of VIA MAT in 2014. The divested operations, which are not part of Loomis' core business and which were transferred on July 1, 2016, offer cross-border cargo services by air, sea, road and rail. Revenue from the divested operations amounted to CHF 57 million (equivalent to SEK 499 million) and operating result (EBITA) was CHF 1 million (equivalent to SEK 9 million) for the 2015 financial year. The general cargo operations have been reported in Segment International Services. A profit on sale before tax of around CHF 9 million will be recognized and reported as an item affecting comparability in the third quarter of 2016.

### Number of full-time employees

The average number of full-time employees for the rolling twelve-month period was 21,949 (21,665 for the full year 2015). Acquisitions executed as well as appointments made as a result of contracts secured have increased the number of employees. The ongoing cost-saving programs have primarily reduced the number of overtime hours and temporary employees, but has 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 could result in negative consequences if 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 so 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 it does not engage in operations other than the conventional control of subsidiaries and 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 losses on investments.

### Financial risks

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

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

### Factors of uncertainty

The economic trend in the first half of 2016 impacted certain geographic areas negatively and it cannot be ruled out that revenue and income may be impacted during the remainder of 2016.

Changes in general economic conditions can have various effects on the cash handling services market. These include the ratio of cash purchases to credit card purchases, changes in consumption levels, the risk of robbery and bad debt losses, as well as the staff turnover rate.

### Seasonal variations

Loomis' 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 these seasonal variations is that the need for cash handling services increases during the summer vacation period, July and August, and during the holiday season at the end of the year, i.e. in November and December.

## Parent Company

### SUMMARY STATEMENT OF INCOME

	2016	2015	2015
SEK m	Jan–Jun	Jan–Jun <sup>1)</sup>	Full year <sup>1)</sup>
Gross income	216	174	367
Operating income (EBIT)	138	97	199
Income after financial items	256	117	565
Net income for the period	243	152	699

### SUMMARY BALANCE SHEET

	2016	2015	2015
SEK m	Jun 30	Jun 30	Dec 31
Fixed assets	9,555	9,455	9,409
Current assets	904	979	1,037
<b>Total assets</b>	<b>10,459</b>	<b>10,434</b>	<b>10,446</b>
Shareholders' equity <sup>2)</sup>	4,618	4,355	4,902
Liabilities	5,841	6,079	5,544
<b>Total shareholders' equity and liabilities</b>	<b>10,459</b>	<b>10,434</b>	<b>10,446</b>

1) Comparatives have been restated as an effect of a change in accounting principle RFR 2, IAS 21. The effect from the restatement on net income for the period January–June 2015 is SEK –182 million and for the full year 2015 SEK –198 million. Total shareholders' equity was not affected by the changed accounting principle as it only involved a reclassification within non-restricted equity. For further information, please refer to the description of accounting principles in page 14.

2) The number of Class B treasury shares was 53,797.

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 half of the year was 21 (24).

The Parent Company's revenue mainly consists of license 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 loan liabilities to subsidiaries.

## Other significant events

Similar to several other companies in Spain, Loomis' Spanish subsidiary is being reviewed by the Spanish competition authority (CNMC). Loomis considers that it has acted in compliance with the laws in effect. An administrative review is under way and a decision from the CNMC is expected before the end of 2016. If the CNMC decides to fine Loomis, Loomis has the opportunity to appeal the ruling with the Spanish appeals court.

For critical estimates and assessments as well as contingent liabilities, please refer to pages 61 and 87 of the 2015 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 IFRS Interpretations Committee (formerly IFRIC).

This interim report has been prepared according to IAS 34 Interim Financial Reporting. The interim report is on pages 1–31 and pages 1–15 are thus an integrated part of this financial report. The most important accounting principles according to IFRS, which are the accounting standards used in the preparation of this six-month interim report are described in Note 2 on pages 54–60 of the 2015 Annual Report.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The Swedish Financial Reporting Board has amended the standard RFR 2 Accounting for Legal Entities. The amendment is related to IAS 21 and states that exchange rate differences arising on a monetary item that forms part of the Parent Company's net investment in a foreign subsidiary should be accounted for in the Parent Company's statement of income. Before the amendment went into effect, RFR 2 stated that these exchange rate differences should be accounted for in other comprehensive income, which was not in line with IAS 21, paragraph 32. The amendment applies to financial years beginning on January 1, 2016 or later. The amendment affects financial income and expenses in the Parent Company's statement of income. It also affects the translation reserve in the Parent Company's shareholders' equity, as exchange rate differences no longer will be accounted for on this line. The comparative year, 2015, has been restated in the Parent Company's financial statements to reflect this amendment. The amendment has no effect on the Group's financial statements where these exchange rate differences, as previously, are recorded in the translation reserve in equity.

The most important accounting principles applying to the Parent Company can be found in Note 36 on page 92 of the 2015 Annual Report.

## Outlook for 2016

The Company is not providing any forecast information for 2016.

The undersigned confirm that this interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position and results, and describes any significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, July 29, 2016

Alf Göransson  
*Chairman*

Ingrid Bonde  
*Board member*

Cecilia Daun Wennborg  
*Board member*

Jan Svensson  
*Board member*

Ulrik Svensson  
*Board member*

Patrik Andersson  
*President and CEO,  
board member*

Magnus Kinnunen  
*Board member,  
employee representative*

Lars Sjögren  
*Board member,  
employee representative*

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

## Financial reports in brief

### STATEMENT OF INCOME

	2016	2015	2016	2015	2015	2014	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
Revenue, continuing operations	4,088	3,794	8,054	7,190	15,391	12,345	16,255
Revenue, acquisitions	59	150	125	596	706	1,166	235
<b>Total revenue</b>	<b>4,147</b>	<b>3,944</b>	<b>8,179</b>	<b>7,786</b>	<b>16,097</b>	<b>13,510</b>	<b>16,490</b>
Production expenses	-3,121	-3,001	-6,209	-5,952	-12,163	-10,283	-12,420
<b>Gross income</b>	<b>1,026</b>	<b>943</b>	<b>1,970</b>	<b>1,834</b>	<b>3,934</b>	<b>3,227</b>	<b>4,070</b>
Selling and administration expenses	-582	-547	-1,151	-1,093	-2,231	-1,857	-2,289
<b>Operating income (EBITA)<sup>1)</sup></b>	<b>444</b>	<b>397</b>	<b>819</b>	<b>741</b>	<b>1,703</b>	<b>1,370</b>	<b>1,781</b>
Amortization of acquisition-related intangible assets	-16	-14	-32	-28	-62	-46	-65
Acquisition-related costs and revenue	-3	-30	-9 <sup>2)</sup>	-53 <sup>2)</sup>	-79	-19	-35
Items affecting comparability	-	-	-	-	12 <sup>3)</sup>	-	12 <sup>3)</sup>
<b>Operating income (EBIT)</b>	<b>424</b>	<b>352</b>	<b>779</b>	<b>660</b>	<b>1,575</b>	<b>1,306</b>	<b>1,693</b>
Net financial items	-26	-32	-54	-59	-114	-66	-109
<b>Income before taxes</b>	<b>398</b>	<b>320</b>	<b>725</b>	<b>601</b>	<b>1,461</b>	<b>1,240</b>	<b>1,585</b>
Income tax	-112	-84	-200	-160	-392	-330	-433
<b>Net income for the period<sup>4)</sup></b>	<b>286</b>	<b>236</b>	<b>525</b>	<b>442</b>	<b>1,069</b>	<b>910</b>	<b>1,152</b>
<b>KEY RATIOS</b>							
Real growth, %	8	6	7	11	7	14	6
Organic growth, %	6	1	6	2	2	3	4
Operating margin (EBITA), %	10.7	10.1	10.0	9.5	10.6	10.1	10.8
Tax rate, %	28	26	28	27	27	27	27
Earnings per share before dilution, SEK <sup>5)</sup>	3.81	3.14	6.98	5.87	14.21	12.10	15.32
Earnings per share after dilution, SEK	3.81	3.14	6.98	5.87	14.21	12.10	15.32

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–June 2016, refer to transaction costs of SEK -4 million (-1), restructuring costs of SEK -1 million (-36) and integration costs of SEK -4 million (-16). Transaction costs for the period January–June 2016 amount to SEK -4 million for acquisitions in progress, to SEK 0 million for completed acquisitions and to SEK 0 million for discontinued acquisitions.

3) Items affecting comparability of SEK 12 million refers to a reversal of part of the provision of SEK 59 million which was made in 2007 attributable to overtime compensation in Spain.

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

5) For further information please refer to page 22.

### STATEMENT OF COMPREHENSIVE INCOME

	2016	2015	2015	2014	R12
SEK m	Jan–Jun	Jan–Jun	Full year	Full year	
<b>Net income for the period</b>	525	442	1,069	910	1,152
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to the statement of income</b>					
Actuarial gains and losses after tax	-185	-64	46	-278	-75
<b>Items that may be reclassified to the statement of income</b>					
Exchange rate differences	2	516	507	831	-8
Hedging of net investments, net of tax	-18	-182	-198	-348	-34
<b>Other comprehensive income and expenses for the period, net after tax</b>	<b>-201</b>	<b>270</b>	<b>355</b>	<b>205</b>	<b>-116</b>
<b>Total comprehensive income for the period<sup>1)</sup></b>	<b>323</b>	<b>711</b>	<b>1,424</b>	<b>1,115</b>	<b>1,036</b>

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



## Financial reports in brief

## BALANCE SHEET

	2016	2015	2015	2014
SEK m	Jun 30	Jun 30	Dec 31	Dec 31
<b>ASSETS</b>				
<b>Fixed assets</b>				
Goodwill	5,459	5,232	5,437	4,897
Acquisition-related intangible assets	318	375	349	363
Other intangible assets	118	117	118	127
Tangible fixed assets	4,294	3,995	4,305	3,813
Non-interest-bearing financial fixed assets	559	596	572	601
Interest-bearing financial fixed assets <sup>1)</sup>	88	69	78	67
<b>Total fixed assets</b>	<b>10,836</b>	<b>10,385</b>	<b>10,860</b>	<b>9,868</b>
<b>Current assets</b>				
Non-interest-bearing current assets <sup>2)</sup>	2,987	2,886	2,816	2,568
Interest-bearing financial current assets <sup>1)</sup>	32	78	84	25
Liquid funds	700	808	654	566
<b>Total current assets</b>	<b>3,719</b>	<b>3,772</b>	<b>3,555</b>	<b>3,159</b>
<b>TOTAL ASSETS</b>	<b>14,555</b>	<b>14,157</b>	<b>14,415</b>	<b>13,027</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity<sup>3)</sup></b>	<b>5,633</b>	<b>5,154</b>	<b>5,843</b>	<b>4,907</b>
<b>Long-term liabilities</b>				
Interest-bearing long-term liabilities	5,499	5,057	5,168	4,140
Non-interest-bearing provisions	752	806	806	852
<b>Total long-term liabilities</b>	<b>6,251</b>	<b>5,863</b>	<b>5,974</b>	<b>4,992</b>
<b>Current liabilities</b>				
Tax liabilities	136	135	141	117
Non-interest-bearing current liabilities	2,397	2,295	2,384	2,273
Interest-bearing current liabilities	138	709	73	738
<b>Total current liabilities</b>	<b>2,672</b>	<b>3,140</b>	<b>2,598</b>	<b>3,128</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>14,555</b>	<b>14,157</b>	<b>14,415</b>	<b>13,027</b>
<b>KEY RATIOS</b>				
<i>Return of shareholders' equity, %</i>	20	19	18	19
<i>Return of capital employed, %</i>	17	15	17	15
<i>Equity ratio, %</i>	39	36	41	38
Net debt	4,817	4,811	4,425	4,219
Net debt/EBITDA	1.68	1.91	1.60	1.88

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) Funds in the cash processing operations are reported net in the item "Non-interest-bearing current assets". For more information, please refer to page 79 and Note 23 in the Annual report 2015.

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

## Financial reports in brief

## CHANGE IN SHAREHOLDERS' EQUITY

	2016	2015	2015	2014	R12
SEK m	Jan–Jun	Jan–Jun	Full year	Full year	
Opening balance	5,843	4,907	4,907	4,165	5,154
Actuarial gains and losses after tax	–185	–64	46	–278	–75
Exchange rate differences	2	516	507	831	–8
Hedging of net investments, net of tax	–18	–182	–198	–348	–34
<b>Total other comprehensive income</b>	<b>–201</b>	<b>270</b>	<b>355</b>	<b>205</b>	<b>–116</b>
Net income for the period	525	442	1,069	910	1,152
<b>Total comprehensive income</b>	<b>323</b>	<b>711</b>	<b>1,424</b>	<b>1,115</b>	<b>1,036</b>
Dividend paid to Parent Company's shareholders	–527	–451	–451	–376	–527
Share-related remuneration <sup>1)</sup>	–7	–14	0	4	7
Revaluation of option liability with non-controlling interests <sup>2)</sup>	–	–	–37	–	–37
<b>Closing balance<sup>3)</sup></b>	<b>5,633</b>	<b>5,154</b>	<b>5,843</b>	<b>4,907</b>	<b>5,633</b>

1) Including the repurchase of warrants.

2) Refers to Loomis Turkey.

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

## NUMBER OF SHARES AS OF JUNE 30, 2016

	Votes	No. of shares	No. of votes	Quota value	SEK m
Class A shares	10	3,428,520	34,285,200	5	17
Class B shares	1	71,851,309	71,851,309	5	359
<b>Total no. of shares</b>		<b>75,279,829</b>	<b>106,136,509</b>		<b>376</b>
Total Class B treasury shares	1	–53,797	–53,797		
<b>Total no. of outstanding shares</b>		<b>75,226,032</b>	<b>106,082,712</b>		

## CONTINGENT LIABILITIES

	2016	2015	2015	2014
SEK m	Jun 30	Jun 30	Dec 31	Dec 31
Securities and guarantees	2,896	2,444	2,617	2,353
Other contingent liabilities	14	14	13	9
<b>Total contingent liabilities</b>	<b>2,910</b>	<b>2,457</b>	<b>2,630</b>	<b>2,362</b>

## CONTINGENT LIABILITIES, PARENT COMPANY

	2016	2015	2015	2014
SEK m	Jun 30	Jun 30	Dec 31	Dec 31
Guarantee commitments banking facilities	1,565	826	1,196	738
Other contingent liabilities	1,163	1,151	1,173	1,194
<b>Total contingent liabilities</b>	<b>2,728</b>	<b>1,977</b>	<b>2,369</b>	<b>1,932</b>

## Financial reports in brief

## STATEMENT OF CASH FLOWS

	2016	2015	2016	2015	2015	2014	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
Income before taxes	398	320	725	601	1,461	1,240	1,585
Items not affecting cash flow, items affecting comparability and acquisition-related costs	288	293	579	577	1,119	929	1,121
Income tax paid	-118	-77	-170	-148	-341	-298	-362
Change in accounts receivable	-43	-141	-57	-122	-170	-40	-105
Change in other operating capital employed and other items	164	69	-155	-75	48	-12	-32
<b>Cash flow from operations</b>	<b>690</b>	<b>463</b>	<b>921</b>	<b>833</b>	<b>2,118</b>	<b>1,819</b>	<b>2,206</b>
<b>Cash flow from investment activities</b>	<b>-324</b>	<b>-387</b>	<b>-541</b>	<b>-593</b>	<b>-1,658</b>	<b>-2,569</b>	<b>-1,606</b>
<b>Cash flow from financing activities</b>	<b>-335</b>	<b>61</b>	<b>-343</b>	<b>-27</b>	<b>-386</b>	<b>946</b>	<b>-701</b>
<b>Cash flow for the period</b>	<b>31</b>	<b>136</b>	<b>38</b>	<b>213</b>	<b>74</b>	<b>196</b>	<b>-101</b>
Liquid funds at beginning of the period	653	686	654	566	566	333	808
Translation differences in liquid funds	17	-15	8	29	14	37	-7
Liquid funds at end of period	700	808	700	808	654	566	700

## STATEMENT OF CASH FLOWS, ADDITIONAL INFORMATION

	2016	2015	2016	2015	2015	2014	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
Operating income (EBITA) <sup>1)</sup>	444	397	819	741	1,703	1,370	1,781
Depreciation	269	266	540	524	1,061	875	1,078
Change in accounts receivable	-43	-141	-57	-122	-170	-40	-105
Change in other operating capital employed and other items	164	69	-155	-75	48	-12	-32
<b>Cash flow from operating activities before investments</b>	<b>834</b>	<b>589</b>	<b>1,147</b>	<b>1,068</b>	<b>2,642</b>	<b>2,194</b>	<b>2,722</b>
Investments in fixed assets, net	-321	-383	-538	-567	-1,379	-1,033	-1,349
<b>Cash flow from operating activities</b>	<b>513</b>	<b>206</b>	<b>609</b>	<b>501</b>	<b>1,264</b>	<b>1,161</b>	<b>1,373</b>
Financial items paid and received	-24	-26	-45	-57	-118	-61	-107
Income tax paid	-118	-77	-170	-148	-341	-298	-362
<b>Free cash flow</b>	<b>372</b>	<b>102</b>	<b>394</b>	<b>296</b>	<b>805</b>	<b>803</b>	<b>904</b>
Cash flow effect of items affecting comparability	0	-9	0	-10	-14	-8	-5
Acquisition of operations <sup>2)</sup>	-2	-4	-3	-25	-279	-1,536	-257
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	-3	-14	-10	-20	-52	-8	-42
Dividend paid	-527	-451	-527	-451	-451	-376	-527
Change in interest-bearing net debt excluding liquid funds	-59	-7	-16	-245	-258	-333	-29
Issuance of bonds <sup>4)</sup>	-	-	-	-	549	997	549
Change in commercial papers issued and other long-term borrowing	250	519	200	669	-225	658 <sup>5)</sup>	-694
<b>Cash flow for the period</b>	<b>31</b>	<b>136</b>	<b>38</b>	<b>213</b>	<b>74</b>	<b>196</b>	<b>-101</b>

## KEY RATIOS

<i>Cash flow from operating activities as % of operating income (EBITA)</i>	116	52	74	68	74	85	77
<i>Investments in relation to depreciation</i>	1.2	1.4	1.0	1.1	1.3	1.2	1.3
<i>Investments as a % of total revenue</i>	7.7	9.7	6.6	7.3	8.6	7.6	8.2

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 transaction costs.

3) Refers to acquisition-related restructuring and integration costs.

4) Bond issue according to Loomis' MTN program.

5) For the period this includes a loan from Nordic Investment Bank.

## Financial reports in brief

## SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe	USA	International Services	Other <sup>1)</sup>	Eliminations	Total
SEK m	Jan–Jun 2016	Jan–Jun 2016	Jan–Jun 2016	Jan–Jun 2016	Jan–Jun 2016	Jan–Jun 2016
Revenue, continuing operations	3,934	3,481	666	–	–26	8,054
Revenue, acquisitions	75	50	–	–	–	125
<b>Total revenue</b>	<b>4,009</b>	<b>3,531</b>	<b>666</b>	<b>–</b>	<b>–26</b>	<b>8,179</b>
Production expenses	–3,018	–2,665	–572	–	46	–6,209
<b>Gross income</b>	<b>990</b>	<b>866</b>	<b>94</b>	<b>–</b>	<b>20</b>	<b>1,970</b>
Selling and administrative expenses	–530	–470	–59	–72	–20	–1,151
<b>Operating income (EBITA)<sup>2)</sup></b>	<b>461</b>	<b>396</b>	<b>35</b>	<b>–72</b>	<b>–</b>	<b>819</b>
Amortization of acquisition-related intangible assets	–15	–7	–10	–	–	–32
Acquisition-related costs	–4	–1	–	–3	–	–9
<b>Operating income (EBIT)</b>	<b>442</b>	<b>387</b>	<b>25</b>	<b>–75</b>	<b>–</b>	<b>779</b>

1) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

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

## SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe	USA	International Services	Other <sup>1)</sup>	Eliminations	Total
SEK m	Jan–Jun 2015	Jan–Jun 2015	Jan–Jun 2015	Jan–Jun 2015	Jan–Jun 2015	Jan–Jun 2015
Revenue, continuing operations	3,884	3,082	251	–	–26	7,190
Revenue, acquisitions	157	–	454	–	–15	596
<b>Total revenue</b>	<b>4,040</b>	<b>3,082</b>	<b>705</b>	<b>–</b>	<b>–42</b>	<b>7,786</b>
Production expenses	–3,066	–2,352	–595	–	61	–5,952
<b>Gross income</b>	<b>974</b>	<b>730</b>	<b>110</b>	<b>–</b>	<b>20</b>	<b>1,834</b>
Selling and administrative expenses	–526	–413	–71	–62	–20	–1,093
<b>Operating income (EBITA)<sup>2)</sup></b>	<b>448</b>	<b>317</b>	<b>38</b>	<b>–62</b>	<b>–</b>	<b>741</b>
Amortization of acquisition-related intangible assets	–10	–8	–10	–1	–	–28
Acquisition-related costs	–49	0	–3	–1	–	–53
<b>Operating income (EBIT)</b>	<b>389</b>	<b>309</b>	<b>25</b>	<b>–63</b>	<b>–</b>	<b>660</b>

1) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

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

## Financial reports in brief

## SEGMENT OVERVIEW STATEMENT OF INCOME, ADDITIONAL INFORMATION

	2016	2015	2016	2015	2015	2014	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
<b>Europe</b>							
Revenue	2,035	2,058	4,009	4,040	8,332	7,706	8,300
Real growth, %	2	3	3	4	4	6	3
Organic growth, %	1	1	1	1	1	2	1
Operating income (EBITA) <sup>1)</sup>	262	251	461	448	1,055	944	1,067
Operating margin (EBITA), %	12.9	12.2	11.5	11.1	12.7	12.3	12.9
<b>USA</b>							
Revenue	1,774	1,566	3,531	3,082	6,428	4,933	6,876
Real growth, %	14	5	15	4	7	7	12
Organic growth, %	13	5	13	4	6	7	11
Operating income (EBITA) <sup>1)</sup>	199	160	396	317	692	488	771
Operating margin (EBITA), %	11.2	10.2	11.2	10.3	10.8	9.9	11.2
<b>International Services<sup>2)</sup></b>							
Revenue	348	340	666	705	1,419	918 <sup>4)</sup>	1,380
Real growth, %	6	n/a	–2	n/a	n/a	n/a	–4
Organic growth, %	6	n/a	–2	n/a	n/a	n/a	–4
Operating income (EBITA) <sup>1)</sup>	19	16	35	38	87	67 <sup>4)</sup>	84
Operating margin (EBITA), %	5.5	4.7	5.3	5.4	6.1	7.3	6.1
<b>Other<sup>3)</sup></b>							
Revenue	–	–	–	–	–	–	–
Operating income (EBITA) <sup>1)</sup>	–36	–30	–72	–62	–131	–129	–142
<b>Eliminations</b>							
Revenue	–10	–21	–26	–42	–82	–47	–66
Operating income (EBITA) <sup>1)</sup>	–	–	–	–	–	–	–
<b>Group total</b>							
Revenue	4,147	3,944	8,179	7,786	16,097	13,510	16,490
Real growth, %	8	6	7	11	7	14	6
Organic growth, %	6	1	6	2	2	3	4
Operating income (EBITA) <sup>1)</sup>	444	397	819	741	1,703	1,370	1,781
Operating margin (EBITA), %	10.7	10.1	10.0	9.5	10.6	10.1	10.8

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

2) International Services is a segment which was launched in connection with Loomis' acquisition of VIA MAT Holding AG. The acquisition was consolidated on May 5, 2014. In the past Loomis has only had very limited operations in this area and they were included in the European segment, but as of May 5, 2014, these operations are included in segment International Services.

3) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

4) For the period May 5, 2014 – December 31, 2014.

## Financial reports in brief

## ORGANIC AND REAL GROWTH

	2016	2015	2016	2015	2015	2014	R12
SEK m	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
Previous year's revenue	3,944	3,319	7,786	6,196	13,510	11,364	15,100
Divestments	–	–	–	–	–	–	–
<b>Previous year's revenue adjusted for divestments</b>	<b>3,944</b>	<b>3,319</b>	<b>7,786</b>	<b>6,196</b>	<b>13,510</b>	<b>11,364</b>	<b>15,100</b>
Organic growth	237	48	443	95	306	379	654
Acquired revenue	59	150	125	596	706	1,166	235
<b>Real growth</b>	<b>296</b>	<b>198</b>	<b>568</b>	<b>691</b>	<b>1,012</b>	<b>1,545</b>	<b>889</b>
Change in foreign currency	–93	427	–175	899	1,575	601	501
<b>Revenue for the period</b>	<b>4,147</b>	<b>3,944</b>	<b>8,179</b>	<b>7,786</b>	<b>16,097</b>	<b>13,510</b>	<b>16,490</b>

## KEY RATIOS

	2016	2015	2016	2015	2015	2014	R12
	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Full year	Full year	
Real growth, %	8	6	7	11	7	14	6
Organic growth, %	6	1	6	2	2	3	4
Total growth, %	5	19	5	26	19	19	9
Gross margin, %	24.7	23.9	24.1	23.6	24.4	23.9	24.7
Selling and administration expenses in % of total revenue	–14.0	–13.9	–14.1	–14.0	–13.9	–13.7	–13.9
Operating margin (EBITA), %	10.7	10.1	10.0	9.5	10.6	10.1	10.8
Tax rate, %	28	26	28	27	27	27	27
Net margin, %	6.9	6.0	6.4	5.7	6.6	6.7	7.0
Return of shareholders' equity, %	20	19	20	19	18	19	20
Return of capital employed, %	17	15	17	15	17	15	17
Equity ratio, %	39	36	39	36	41	38	39
Net debt (SEK m)	4,817	4,811	4,817	4,811	4,425	4,219	4,817
Net debt/EBITDA	1.68	1.91	1.68	1.91	1.60	1.88	1.68
Cash flow from operating activities as % of operating income (EBITA)	116	52	74	68	74	85	77
Investments in relation to depreciation	1.2	1.4	1.0	1.1	1.3	1.2	1.3
Investments as a % of total revenue	7.7	9.7	6.6	7.3	8.6	7.6	8.2
Earnings per share before dilution, SEK	3.81 <sup>1)</sup>	3.14 <sup>1)</sup>	6.98 <sup>1)</sup>	5.87 <sup>1)</sup>	14.21 <sup>1)</sup>	12.10 <sup>2)</sup>	15.32 <sup>1)</sup>
Earnings per share after dilution, SEK	3.81	3.14	6.98	5.87	14.21	12.10	15.32
Shareholders' equity per share after dilution, SEK	74.88	68.51	74.88	68.51	77.67	65.24	74.88
Cash flow from operations per share after dilution, SEK	9.17	6.15	12.25	11.07	28.15	24.18	29.33
Dividend per share, SEK	7.00	6.00	7.00	6.00	6.00	5.00	7.00
Number of outstanding shares (millions)	75.2	75.2	75.2	75.2	75.2	75.2	75.2
Average number of outstanding shares (millions)	75.2 <sup>1)</sup>	75.2 <sup>1)</sup>	75.2 <sup>1)</sup>	75.2 <sup>1)</sup>	75.2 <sup>1)</sup>	75.2 <sup>2)</sup>	75.2 <sup>1)</sup>

1) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,226,032. The number of treasury shares amount to 53,797.

2) The average number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,237,915. The number of treasury shares amount to 53,797 as of December 31, 2014.

## Financial reports in brief

## STATEMENT OF INCOME – BY QUARTER

SEK m	2016			2015			2014		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
Revenue, continuing operations	4,088	3,966	4,082	4,118	3,794	3,396	3,263	3,184	3,033
Revenue, acquisitions	59	66	62	49	150	446	451	416	285
<b>Total revenue</b>	<b>4,147</b>	<b>4,032</b>	<b>4,144</b>	<b>4,167</b>	<b>3,944</b>	<b>3,842</b>	<b>3,714</b>	<b>3,600</b>	<b>3,319</b>
Production expenses	-3,121	-3,087	-3,077	-3,134	-3,001	-2,952	-2,798	-2,708	-2,532
<b>Gross income</b>	<b>1,026</b>	<b>944</b>	<b>1,067</b>	<b>1,033</b>	<b>943</b>	<b>891</b>	<b>916</b>	<b>893</b>	<b>787</b>
Selling and administration expenses	-582	-569	-588	-550	-547	-546	-527	-487	-454
<b>Operating income (EBITA)<sup>1)</sup></b>	<b>444</b>	<b>376</b>	<b>479</b>	<b>483</b>	<b>397</b>	<b>345</b>	<b>389</b>	<b>406</b>	<b>333</b>
Amortization of acquisition-related intangible assets	-16	-16	-16	-17	-14	-14	-13	-13	-13
Acquisition-related costs and revenue <sup>2)</sup>	-3	-5	-18	-9	-30	-22	4	-9	-2
Items affecting comparability	-	-	-	12 <sup>3)</sup>	-	-	-	-	-
<b>Operating income (EBIT)</b>	<b>424</b>	<b>355</b>	<b>445</b>	<b>469</b>	<b>352</b>	<b>308</b>	<b>380</b>	<b>384</b>	<b>318</b>
Net financial items	-26	-28	-30	-24	-32	-27	-19	-18	-16
<b>Income before taxes</b>	<b>398</b>	<b>327</b>	<b>415</b>	<b>445</b>	<b>320</b>	<b>281</b>	<b>361</b>	<b>366</b>	<b>303</b>
Income tax	-112	-88	-116	-116	-84	-76	-102	-88	-81
<b>Net income for the period<sup>4)</sup></b>	<b>286</b>	<b>239</b>	<b>299</b>	<b>329</b>	<b>236</b>	<b>205</b>	<b>260</b>	<b>278</b>	<b>222</b>
<b>KEY RATIOS</b>									
Real growth, %	8	7	5	4	6	17	18	18	14
Organic growth, %	6	5	3	3	1	2	2	3	4
Operating margin (EBITA), %	10.7	9.3	11.6	11.6	10.1	9.0	10.5	11.3	10.0
Tax rate, %	28	27	28	26	26	27	28	24	27
Earnings per share after dilution (SEK)	3.81	3.17	3.97	4.37	3.14	2.73	3.45	3.70	2.95

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–June 2016, refer to transaction costs of SEK -4 million (-1), restructuring costs of SEK -1 million (-36) and integration costs of SEK -4 million (-16). Transaction costs for the period January–June 2016 amount to SEK -4 million for acquisitions in progress, to SEK 0 million for completed acquisitions and to SEK 0 million for discontinued acquisitions.

3) Items affecting comparability of SEK 12 million refers to a reversal of part of the provision of SEK 59 million which was made in 2007 attributable to overtime compensation in Spain.

4) Of the result for the period July – September 2014, SEK 0 million was attributable to holdings with a non-controlling interest and for the period April – June 2014, SEK 1 million was attributable to holdings with a non-controlling interest. For other periods the net income for the period is entirely attributable to the owners of the Parent Company.

## Financial reports in brief

## BALANCE SHEET – BY QUARTER

	2016			2015			2014		
SEK m	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
<b>ASSETS</b>									
<b>Fixed assets</b>									
Goodwill	5,459	5,286	5,437	5,439	5,232	5,386	4,897	4,679	4,288
Acquisition-related intangible assets	318	326	349	356	375	393	363	363	571
Other intangible assets	118	113	118	115	117	124	127	123	126
Tangible fixed assets	4,294	4,138	4,305	4,148	3,995	3,965	3,813	3,494	3,430
Non interest-bearing financial fixed assets	559	519	572	594	596	638	601	490	396
Interest-bearing financial fixed assets	88	77	78	69	69	69	67	94	104
<b>Total fixed assets</b>	<b>10,836</b>	<b>10,458</b>	<b>10,860</b>	<b>10,720</b>	<b>10,385</b>	<b>10,576</b>	<b>9,868</b>	<b>9,244</b>	<b>8,915</b>
<b>Current assets</b>									
Non interest-bearing current assets	2,987	2,906	2,816	2,962	2,886	2,850	2,568	2,568	2,527
Interest-bearing financial current assets	32	98	84	66	78	20	25	2	1
Liquid funds	700	653	654	621	808	686	566	529	507
<b>Total current assets</b>	<b>3,719</b>	<b>3,657</b>	<b>3,555</b>	<b>3,648</b>	<b>3,772</b>	<b>3,556</b>	<b>3,159</b>	<b>3,099</b>	<b>3,035</b>
<b>TOTAL ASSETS</b>	<b>14,555</b>	<b>14,115</b>	<b>14,415</b>	<b>14,368</b>	<b>14,157</b>	<b>14,132</b>	<b>13,027</b>	<b>12,342</b>	<b>11,950</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>									
<b>Shareholders' equity<sup>1)</sup></b>	<b>5,633</b>	<b>5,791</b>	<b>5,843</b>	<b>5,495</b>	<b>5,154</b>	<b>5,485</b>	<b>4,907</b>	<b>4,658</b>	<b>4,273</b>
<b>Long-term liabilities</b>									
Interest-bearing long-term liabilities	5,499	5,120	5,168	5,519	5,057	4,002	4,140	4,574	2,984
Non interest-bearing provisions	752	737	806	783	806	810	852	786	794
<b>Total long-term liabilities</b>	<b>6,251</b>	<b>5,857</b>	<b>5,974</b>	<b>6,302</b>	<b>5,863</b>	<b>4,811</b>	<b>4,992</b>	<b>5,360</b>	<b>3,779</b>
<b>Current liabilities</b>									
Tax liabilities	136	145	141	99	135	125	117	100	148
Non interest-bearing current liabilities	2,397	2,220	2,384	2,395	2,295	2,335	2,273	2,163	2,115
Interest-bearing current liabilities	138	103	73	78	709	1,375	738	61	1,636
<b>Total current liabilities</b>	<b>2,672</b>	<b>2,467</b>	<b>2,598</b>	<b>2,572</b>	<b>3,140</b>	<b>3,836</b>	<b>3,128</b>	<b>2,324</b>	<b>3,899</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>14,555</b>	<b>14,115</b>	<b>14,415</b>	<b>14,368</b>	<b>14,157</b>	<b>14,132</b>	<b>13,027</b>	<b>12,342</b>	<b>11,950</b>
<b>KEY RATIOS</b>									
<i>Return of shareholders' equity, %</i>	20	19	18	19	19	18	19	18	18
<i>Return of capital employed, %</i>	17	17	17	16	15	15	15	15	14
<i>Equity ratio, %</i>	39	41	41	38	36	39	38	38	36
Net debt	4,817	4,395	4,425	4,842	4,811	4,602	4,219	4,011	4,008
Net debt/EBITDA	1.68	1.57	1.60	1.83	1.91	1.91	1.88	1.90	2.02

1) Of the shareholders' equity as of June 30, 2014 and September 30, 2014, SEK 3 million was attributable to holdings with a non-controlling interest. For other periods the shareholders' equity is entirely attributable to the owners of the Parent Company.



## Financial reports in brief

## CASH FLOW – BY QUARTER

	2016		2015			2014			
SEK m	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
<b>Additional information</b>									
Operating income (EBITA) <sup>1)</sup>	444	376	479	483	397	345	389	406	333
Depreciation	269	271	264	273	266	259	231	227	217
Change in accounts receivable	–43	–14	53	–101	–141	19	61	–30	–26
Change in other operating capital employed and other items	164	–320	53	70	69	–144	128	27	70
<b>Cash flow from operating activities before investments</b>	<b>834</b>	<b>313</b>	<b>850</b>	<b>725</b>	<b>589</b>	<b>479</b>	<b>809</b>	<b>630</b>	<b>594</b>
Investments in fixed assets, net	–321	–217	–465	–346	–383	–184	–430	–245	–207
<b>Cash flow from operating activities</b>	<b>513</b>	<b>96</b>	<b>384</b>	<b>379</b>	<b>206</b>	<b>295</b>	<b>379</b>	<b>384</b>	<b>387</b>
Financial items paid and received	–24	–22	–39	–22	–26	–30	–15	–20	–9
Income tax paid	–118	–53	–80	–112	–77	–71	–94	–104	–68
<b>Free cash flow</b>	<b>372</b>	<b>22</b>	<b>265</b>	<b>245</b>	<b>102</b>	<b>193</b>	<b>270</b>	<b>261</b>	<b>309</b>
Cash flow effect of items affecting comparability	0	0	–2	–2	–9	–1	–2	–2	–2
Acquisition of operations <sup>2)</sup>	–2	–1	–15	–239	–4	–21	–3	–1	–1,530
Acquisition-related costs and revenue, paid and received <sup>3)</sup>	–3	–7	–20	–12	–14	–6	–4	–1	–2
Dividend paid	–527	–	–	–	–451	–	–	–	–376
Change in interest-bearing net debt excl. liquid funds	–59	43	14	–27	–7	–238	–1,796	–48	1,500
Issuance of bonds <sup>4)</sup>	–	–	549	–	–	–	997	–	–
Change in commercial papers issued and other long-term borrowing	250	–50	–745	–149	519	150	559 <sup>5)</sup>	–199	298
<b>Cash flow for the period</b>	<b>31</b>	<b>7</b>	<b>46</b>	<b>–185</b>	<b>136</b>	<b>77</b>	<b>21</b>	<b>9</b>	<b>196</b>
<b>KEY RATIOS</b>									
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	116	26	80	78	52	85	97	95	116
Investments in relation to depreciation	1.2	0.8	1.8	1.3	1.4	0.7	1.9	1.1	1.0
<i>Investments as a % of total revenue</i>	7.7	5.4	11.2	8.3	9.7	4.8	11.6	6.8	6.2

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 transaction costs.

3) Refers to acquisition-related restructuring and integration costs.

4) Bond issue according to Loomis' MTN program.

5) For the period this includes a loan from Nordic Investment Bank.

## Financial reports in brief

## SEGMENT OVERVIEW STATEMENT OF INCOME – BY QUARTER

SEK m	2016			2015			2014		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
<b>Europe</b>									
Revenue	2,035	1,974	2,113	2,179	2,058	1,983	2,017	2,022	1,913
Real growth, %	2	3	4	3	3	6	6	7	6
Organic growth, %	1	1	1	1	1	0	0	2	2
Operating income (EBITA) <sup>1)</sup>	262	199	295	312	251	198	264	294	226
Operating margin (EBITA), %	12.9	10.1	14.0	14.3	12.2	10.0	13.1	14.5	11.8
<b>USA</b>									
Revenue	1,774	1,757	1,708	1,637	1,566	1,516	1,349	1,267	1,194
Real growth, %	14	16	11	7	5	4	6	7	8
Organic growth, %	13	14	10	7	5	4	6	7	8
Operating income (EBITA) <sup>1)</sup>	199	197	200	175	160	156	133	123	125
Operating margin (EBITA), %	11.2	11.2	11.7	10.7	10.2	10.3	9.8	9.7	10.4
<b>International Services<sup>2)</sup></b>									
Revenue	348	318	342	372	340	365	364	330	224
Real growth, %	6	–9	–12	1	n/a	n/a	n/a	n/a	n/a
Organic growth, %	6	–9	–12	1	n/a	n/a	n/a	n/a	n/a
Operating income (EBITA) <sup>1)</sup>	19	16	23	26	16	22	35	19	14
Operating margin (EBITA), %	5.5	5.1	6.8	6.9	4.7	6.0	9.5	5.8	6.1
<b>Other<sup>3)</sup></b>									
Revenue	–	–	–	–	–	–	–	–	–
Operating income (EBITA) <sup>1)</sup>	–36	–36	–40	–30	–30	–31	–42	–29	–31
<b>Eliminations</b>									
Revenue	–10	–17	–19	–21	–21	–21	–16	–18	–12
Operating income (EBITA) <sup>1)</sup>	–	–	–	–	–	–	–	–	–
<b>Group total</b>									
Revenue	4,147	4,032	4,144	4,167	3,944	3,842	3,714	3,600	3,319
Real growth, %	8	7	5	4	6	17	18	18	14
Organic growth, %	6	5	3	3	1	2	2	3	4
Operating income (EBITA) <sup>1)</sup>	444	376	479	483	397	345	389	406	333
Operating margin (EBITA), %	10.7	9.3	11.6	11.6	10.1	9.0	10.5	11.3	10.0

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

2) International Services is a segment which was launched in connection with Loomis' acquisition of VIA MAT Holding AG. The acquisition was consolidated as of May 5, 2014. In the past Loomis has only had very limited operations in this area and they were included in the European segment, but as of May 5, 2014, these operations are included in segment International Services. Comparatives have not been restated for the segments due to the limited extent of international services provided prior to the VIA MAT acquisition.

3) Segment Other consists of the Parent Company's costs and certain other group-wide costs.

## Financial reports in brief

## SEGMENT OVERVIEW BALANCE SHEET – BY QUARTER

SEK m	2016		2015				2014		
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
<b>Europe</b>									
Assets	5,330	5,266	5,441	5,551	5,132	5,125	5,039	5,025	5,164
Liabilities	2,159	2,012	2,055	2,207	2,135	2,195	2,105	1,909	1,887
<b>USA</b>									
Assets	6,371	5,996	6,117	5,938	5,730	5,776	5,118	4,781	4,316
Liabilities	622	459	626	553	542	544	566	580	526
<b>International Services<sup>1)</sup></b>									
Assets	1,460	1,427	1,424	1,478	1,642	1,691	1,513	1,563	1,660
Liabilities	398	353	311	388	388	413	343	358	381
<b>Other<sup>2)</sup></b>									
Assets	1,394	1,426	1,433	1,401	1,653	1,540	1,357	973	810
Liabilities	5,743	5,500	5,580	5,725	5,938	5,495	5,106	4,837	4,884
Shareholder's equity <sup>3)</sup>	5,633	5,791	5,843	5,495	5,154	5,485	4,907	4,658	4,273
<b>Group total</b>									
Assets	14,555	14,115	14,415	14,368	14,157	14,132	13,027	12,342	11,950
Liabilities	8,922	8,324	8,572	8,873	9,003	8,647	8,120	7,684	7,678
Shareholder's equity <sup>3)</sup>	5,633	5,791	5,843	5,495	5,154	5,485	4,907	4,658	4,273

1) International Services is a segment which was launched in connection with Loomis' acquisition of VIA MAT Holding AG. The acquisition was consolidated as of May 5, 2014. In the past Loomis has only had very limited operations in this area and they were included in the European segment, but as of May 5, 2014, these operations are included in segment International Services. Comparatives have not been restated for the segments due to the limited extent of international services provided prior to the VIA MAT acquisition.

2) Other consists mainly of Group assets and liabilities that cannot be divided by segment.

3) Of the shareholders' equity as of June 30, 2014 and September 30, 2014, SEK 3 million was attributable to holdings with a non-controlling interest. For other periods the shareholders' equity is entirely attributable to the owners of the Parent Company.

## QUARTERLY DATA

SEK m	2016		2015				2014		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
<b>Cash flow</b>									
Operations	690	232	708	577	463	370	694	503	511
Investment activities	–324	–217	–480	–585	–387	–205	–433	–246	–1,737
Financing activities	–335	–7	–182	–176	61	–88	–240	–248	1,422
<b>Cash flow for the period</b>	<b>31</b>	<b>7</b>	<b>46</b>	<b>–185</b>	<b>136</b>	<b>77</b>	<b>21</b>	<b>9</b>	<b>196</b>
<b>Capital employed and financing</b>									
Operating capital employed	4,526	4,477	4,352	4,317	4,145	4,051	3,729	3,606	3,543
Goodwill	5,459	5,286	5,437	5,439	5,232	5,386	4,897	4,679	4,288
Acquisition-related intangible assets	318	326	349	356	375	393	363	363	571
Other capital employed	146	96	130	225	213	257	137	21	–121
<b>Capital employed</b>	<b>10,450</b>	<b>10,186</b>	<b>10,268</b>	<b>10,336</b>	<b>9,965</b>	<b>10,087</b>	<b>9,127</b>	<b>8,669</b>	<b>8,281</b>
<b>Net debt</b>	<b>4,817</b>	<b>4,395</b>	<b>4,425</b>	<b>4,842</b>	<b>4,811</b>	<b>4,602</b>	<b>4,219</b>	<b>4,011</b>	<b>4,008</b>
<b>Shareholders' equity<sup>1)</sup></b>	<b>5,633</b>	<b>5,791</b>	<b>5,843</b>	<b>5,495</b>	<b>5,154</b>	<b>5,485</b>	<b>4,907</b>	<b>4,658</b>	<b>4,273</b>
<b>Key ratios</b>									
Return of shareholders' equity, %	20	19	18	19	19	18	19	18	18
Return of capital employed, %	17	17	17	16	15	15	15	15	14
Equity ratio, %	39	41	41	38	36	39	38	38	36
Net debt/EBITDA	1.68	1.57	1.60	1.83	1.91	1.91	1.88	1.90	2.02

1) Of the shareholders' equity as of June 30, 2014 and September 30, 2014, SEK 3 million was attributable to holdings with a non-controlling interest. For other periods the shareholders' equity is entirely attributable to the owners of the Parent Company.

## Financial reports in brief

## KEY RATIOS – BY QUARTER

	2016			2015			2014		
	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun	Jan–Mar	Oct–Dec	Jul–Sep	Apr–Jun
<i>Real growth, %</i>	8	7	5	4	6	17	18	18	14
<i>Organic growth, %</i>	6	5	3	3	1	2	2	3	4
<i>Total growth, %</i>	5	5	12	16	19	34	27	24	17
<i>Gross margin, %</i>	24.7	23.4	25.7	24.8	23.9	23.2	24.7	24.8	23.7
<i>Selling and administration expenses in % of total revenue</i>	-14.0	-14.1	-14.2	-13.2	-13.9	-14.2	-14.2	-13.5	-13.7
<i>Operating margin (EBITA), %</i>	10.7	9.3	11.6	11.6	10.1	9.0	10.5	11.3	10.0
<i>Tax rate, %</i>	28	27	28	26	26	27	28	24	27
<i>Net margin, %</i>	6.9	5.9	7.2	7.9	6.0	5.3	7.0	7.7	6.7
<i>Return of shareholders' equity, %</i>	20	19	18	19	19	18	19	18	18
<i>Return of capital employed, %</i>	17	17	17	16	15	15	15	15	14
<i>Equity ratio, %</i>	39	41	41	38	36	39	38	38	36
<i>Net debt (SEK m)</i>	4,817	4,395	4,425	4,842	4,811	4,602	4,219	4,011	4,008
<i>Net debt/EBITDA</i>	1.68	1.57	1.60	1.83	1.91	1.91	1.88	1.90	2.02
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	116	26	80	78	52	85	97	95	116
<i>Investments in relation to depreciation</i>	1.2	0.8	1.8	1.3	1.4	0.7	1.9	1.1	1.0
<i>Investments as a % of total revenue</i>	7.7	5.4	11.2	8.3	9.7	4.8	11.6	6.8	6.2
<i>Earnings per share before dilution, SEK<sup>1)</sup></i>	3.81	3.17	3.97	4.37	3.14	2.73	3.45	3.70	2.95
<i>Earnings per share after dilution, SEK</i>	3.81	3.17	3.97	4.37	3.14	2.73	3.45	3.70	2.95
<i>Shareholders' equity per share after dilution, SEK</i>	74.88	76.98	77.67	73.04	68.51	72.92	65.24	61.92	56.80
<i>Cash flow from operations per share after dilution, SEK</i>	9.17	3.08	9.42	7.66	6.15	4.91	9.22	6.69	6.80
<i>Dividend per share, SEK</i>	7.00	–	–	–	6.00	–	–	–	5.00
<i>Number of outstanding shares (millions)</i>	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2	75.2
<i>Average number of outstanding shares (millions)<sup>1)</sup></i>	75,2	75,2	75,2	75,2	75,2	75,2	75,2	75,2	75,2

1) The number of outstanding shares, which constitutes the basis for calculation of earnings per share before dilution, is 75,226,032. The number of treasury shares amount to 53,797 shares.

## Definitions

### Use of key ratios not defined in IFRS

The Loomis Group's accounts are prepared in accordance with IFRS. See page 14 for more information on accounting principles. Only a few key ratios are defined in IFRS. As of the second quarter Loomis is applying the Alternative Performance Measures issued by ESMA (European Securities and Markets Authority). Briefly, an alternative key ratio is a financial measurement of historical or future earnings development, financial position or cash flow, not defined or specified in IFRS. To assist Group Management and other stakeholders in their analysis of the

Group's performance, Loomis is reporting certain key ratios not defined by IFRS. Group Management believes that this information will facilitate an analysis of the Group's performance. This data supplements the IFRS information and does not replace the key ratios defined in IFRS. Loomis' definitions of measurements not defined in IFRS may differ from definitions used by other companies. All of Loomis' definitions are included below. Key ratio calculations that cannot be checked against items in the statement of income and balance sheet can be found on page 22.

### 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:

Apr–Jun 2016:  $286/75,226,032 \times 1,000,000 = 3.81$

Apr–Jun 2015:  $236/75,226,032 \times 1,000,000 = 3.14$

Jan–Jun 2016:  $525/75,226,032 \times 1,000,000 = 6.98$

Jan–Jun 2015:  $442/75,226,032 \times 1,000,000 = 5.87$

### Earnings per share after dilution

Calculation for:

Apr–Jun 2016:  $286/75,226,032 \times 1,000,000 = 3.81$

Apr–Jun 2015:  $236/75,226,032 \times 1,000,000 = 3.14$

Jan–Jun 2016:  $525/75,226,032 \times 1,000,000 = 6.98$

Jan–Jun 2015:  $442/75,226,032 \times 1,000,000 = 5.87$

### 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 ratio, %

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 (July 2015 up to and including June 2016).

### n/a

Not applicable.

### 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**

Managing cash in society.

### **Financial targets**

- Revenue: SEK 17 billion by 2017.
- Operating margin (EBITA): 10–12 percent.
- Net debt/EBITDA: Not exceeding 3.0.
- Dividend: 40–60 percent of net income.

### **Operations**

Loomis offers secure and effective comprehensive solutions for the distribution, handling, storage and recycling of cash and other valuables. Loomis' customers are banks, retailers and other companies. Loomis operates through an international network of around 400 branches in more than 20 countries. Loomis employs around 23,000 people and had revenue in 2015 of SEK 16 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.

**Information meeting**

An information meeting will be held on July 29<sup>th</sup>, 2016 at 09:30 a.m. (CEST).  
This meeting will be held at Sveavägen 20, 2<sup>nd</sup> floor, Stockholm.

To listen to the meeting proceedings by telephone (and to participate in the question and answer session), please call:

UK: 08006940257 (FreeCall), 08444933800 (LocalCall) or +44 (0) 1452 555566 (International)  
USA: 18669669439 (FreeCall) or 16315107498 (LocalCall)  
Sweden: 0200890171 (FreeCall) or 08-50336434 (LocalCall)

Provide conference ID number: Loomis, 50648336.

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 published 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 August 12, 2016 at 12:30 p.m. CEST on number: UK: 08009531533 (FreeCall), 08443386600 (LocalCall) or +44 (0) 1452550000 (International), USA: 1 (866) 247-4222, Sweden: 08-50635742 (LocalCall).

Conference ID number: 50648336.

**Future reporting**

Interim report	January – September	November 4, 2016
Full-year report	January – December	February 1, 2017

**For further information**

Patrik Andersson, President and CEO +46 76 111 34 00, e-mail: [patrik.andersson@loomis.com](mailto:patrik.andersson@loomis.com)  
Anders Haker, CFO +46 70 810 85 59, e-mail: [anders.haker@loomis.com](mailto:anders.haker@loomis.com)

Questions can also be sent to: [ir@loomis.com](mailto:ir@loomis.com). Refer also to the Loomis website: [www.loomis.com](http://www.loomis.com)

This information is information that Loomis AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 8.00 a.m. CEST on July 29<sup>th</sup>, 2016.

