COOR

Interim report
January – March 2018

First quarter 2018

- Net sales increased by 15 per cent in the first quarter, to SEK **2,127** (1,857) million. Organic growth was 10 per cent, growth from acquisitions 4 per cent and foreign exchange effects 1 per cent.
- Adjusted EBITA was SEK **115** (123) million and the operating margin **5.4** (6.6) per cent.
- EBIT was SEK **57** (77) million and the profit after tax SEK **17** (55) million.
- Earnings per share were SEK **0.2** (0.6).
- Operating cash flow was SEK **-61** (65) million. The change was due to the fact that the quarterly period ended with several public holidays over Easter.
- Acquisitions of Elite Miljø in Denmark and OBOS Eiendomsdrift in Norway were concluded in the quarter.

GROUP EARNINGS SUMMARY*	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Net sales	2,127	1,857	7,993	7,722
Organic growth, %	10	3	7	6
Acquired growth, %	4	0	1	0
Adjusted EBITA	115	123	460	468
Adjusted EBITA-margin, %	5.4	6.6	5.8	6.1
EBIT	57	77	249	268
Income for the period	17	55	150	188
Operating cash flow	-61	65	366	492
Earnings per share, SEK	0.2	0.6	1.6	2.0

* The comparative figures for 2017 refer to continuing operations in the Group after the sale of the damage services business.

See page 23 for definitions and calculations of key performance indicators. Non-recurring items are presented in Note 3.

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CEO's comments

The year begins amid strong organic growth coupled with acquisitions

Coor has begun 2018 by posting strong organic growth in all Nordic countries. Organic growth in the first quarter was 10 per cent, acquired growth 4 per cent and total growth 15 per cent. Our margin was affected by new and renegotiated contracts, and by an unusually white winter.

Acquisitions add to organic growth

Coor's strong organic growth in the fourth quarter of 2017 continued into and accelerated in the first quarter of 2018. Coor reports organic growth of 10 per cent for the period and is growing in all Nordic countries. We are showing that Coor has the capacity to grow throughout the Nordic region and that we have the competitive strength to win the new contracts that are coming to market.

Activity in the Nordic facility management market in the first quarter remained good for small and medium-sized tenders, but was solid also for larger IFM processes. Novo Nordisk and Swedavia are two of the customers who concluded new contracts with Coor during the period.

A pillar of Coor's strategy is to build size, reach and density throughout the Nordic region. Geographic density of volumes enables us to deliver high-quality service and innovations cost-effectively, which in turn helps us to build long-term customer relationships and generate good profitability over time. With the aim of accelerating its growth in the Nordic region, Coor made two acquisitions in the first quarter – Elite Miljø in Denmark and OBOS Eiendomsdrift in Norway. Both are well managed companies which are completely in line with our priority for acquisitions in terms of service content, geography and value creation, and which offer obvious synergies. The integration of the companies and their operating activities is proceeding to plan.

Margins affected by new and renegotiated contracts

The volume of new contracts started during the period as well as renegotiated and initiated volumes from the second half of 2017 created headwind for our operating margin during the period. The first quarter of 2018 was marked by significant start-up activities in all Nordic countries, notably for Sokotel in Finland, Copenhagen Municipality in Denmark, the Confederation of Swedish Enterprise and Uppsala Science Park in Sweden, and the University of Bergen in Norway.

After the start-up of a new or renegotiated contract, it normally takes Coor six to 18 months to work through the new or restarted service delivery, identify concrete efficiency opportunities and implement measures to realise the efficiencies. One of the main reasons behind the reduced contract margin during start-up is that we always prioritise service quality and customer satisfaction at the expense of short-term margins. This priority has been crucial to building long-term customer relationships and thereby long-term profitability for Coor's business.

In the first quarter, the Nordic region also experienced the coldest and snowiest winter in over five years. The heavy snowfall and drawn-out winter had a negative impact on Coor's business. To be able to deliver on our commitments to our customers, we have performed additional snow clearing and gritting in many of our contracts in all Nordic countries. It proved difficult to deliver on such extensive commitments during a brief but intensive period while maintaining our profitability, and this hit our margins in all Nordic countries during the period. As spring has finally arrived in the Nordic region, we look forward to putting our snow shovels aside and focusing on more value-creating activities.

Stable cash conversion temporarily affected by holiday effects

A stable cash flow is a key priority for Coor that establishes a foundation for stable dividends to our owners over time. Coor's underlying cash flow remains strong but in the past quarter cash flow was reduced by the fact that March ended with several public holidays in connection with Easter. This meant that some large customer payments that would normally have been included in cash flow for the quarter were received only after the end of the period. The decrease compared with the first quarter of 2017 is entirely due to the holiday effect.

A favourable outlook

We are seeing strong interest and good demand in the market as well as interesting business opportunities throughout the Nordic region. We believe our prospects to achieve growth, profitability and cash flow in line with our targets over time are good.

Stockholm, 26 April 2018

Mikael Stöhr
President and CEO, Coor

Group performance

Net sales and operating profit

CONSOLIDATED (SEK m)	Jan - Mar 2018	2017
Net sales	2,127	1,857
Organic growth, %	*10*	*3*
Acquired growth, %	*4*	*0*
Adjusted EBITA	115	123
Adjusted EBITA-margin, %	5.4	6.6
EBIT	57	77
EBIT-margin, %	2.7	4.1
Number of employees (FTE)	8,292	6,274

In 2017, the Norwegian damage services business was reported as discontinued operations and is therefore not included in net sales or operating profit in comparative figures for past periods. This affected the consolidated financial statements and Norway but had no impact on Coor's other countries of operation. The sale of the damage services business was completed on 1 November 2017.

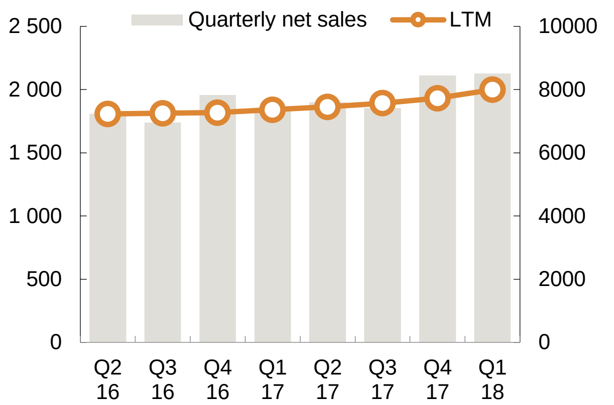
First quarter (January – March)

Organic growth for the period was 10 per cent, fuelled by robust growth in all countries. The two acquisitions that were completed during the period added a further 4 percentage points to growth.

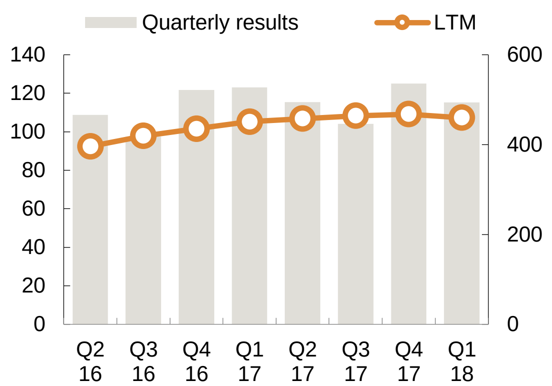
The operating profit (adjusted EBITA) decreased by 6 per cent year on year, which meant that the operating margin for the period shrank to 5.4 (6.6) per cent. The reduced margin was mainly due to preparations for and the start-up of a number of new and renegotiated contracts. In addition to this normal effect from changes in the contract portfolio, the operating margin for the period was also hit by extensive snow clearing work, especially in Denmark, where this had relatively large temporary impact on earnings.

EBIT was SEK 57 (77) million. The decrease is due to the reduced operating profit as well as an increase in items affecting comparability, mainly as a result of acquisition costs and restructuring costs related primarily to the acquisitions.

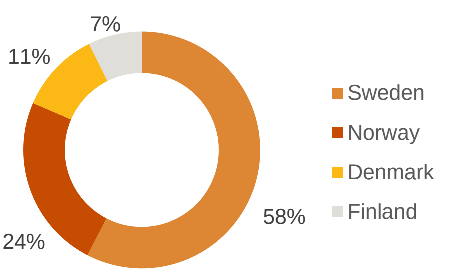
NET SALES (SEK M)



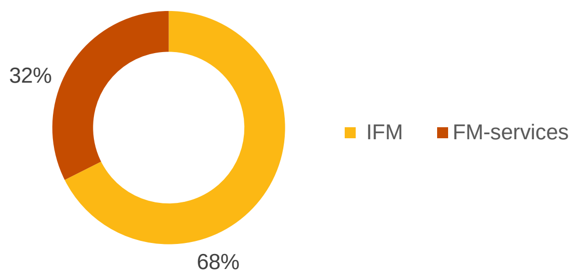
ADJUSTED EBITA (SEK M)



NET SALES BY COUNTRY LTM, Q1 2018



NET SALES BY CONTRACT TYPE LTM, Q1 2018



Financial net and profit after tax

FINANCIAL NET	Jan - Mar	
(SEK m)	2018	2017
Net interest	-7	-8
Borrowing costs	-1	-1
Other	-1	-2
Total excl exchange rate differences	**-10**	**-10**
Exchange rate differences	-23	5
Total	**-33**	**-5**

The net financial expense for the first quarter of 2018 increased by SEK 28 million on the first quarter of 2017 as a result of negative translation differences. These were due to the revaluation of loans in foreign currency at higher year-end closing rates for NOK and EUR at the end of the period compared with year-end. In 2017, these translation differences were positive. The net interest expense and other financial expenses were largely flat compared with the year-before period.

The tax expense for the period was SEK -7 (-16) million, which represents 28 (22) per cent of earnings before tax. The change compared with the previous year is mainly due to the fact that certain costs related to the two acquisitions are not deductible. The profit after tax was SEK 17 (55) million.

Cash flow

Operating cash flow for the first quarter was SEK -61 (65) million. Due to seasonal variations, the first and third quarters are normally the weakest for the Group. As a rule, the first quarter is affected by an increase in accrued project income as well as a certain calendar effect due to February being a shorter month. On top of the normal seasonal variation, cash flow was also sharply reduced by the fact that the period ended with several public holidays in connection with Easter. This meant that some large customer payments that would normally be included in cash flow for the quarter were received only after the end of the period. The decrease compared with the first quarter of 2017 is entirely due to this holiday effect.

Operating cash flow varies from one quarter to the next. The key parameter is therefore the rolling twelve-month change in working capital. Over the past twelve-month period, working capital increased by SEK 15 million, which is a deterioration compared with the full year 2017. This is entirely due to the above-mentioned holiday effect and does not reflect the underlying trend in working capital, which remains stable and in line with previous quarters.

The most important external KPI for cash flow is cash conversion, which is defined as the ratio of a simplified measure of operating cash flow to adjusted EBITDA. Cash conversion for the past twelve months was 80 (103) per cent.

CASH CONVERSION		
(SEK m)	Rolling 12 mth.	Full year 2017
Adjusted EBITDA	512	517
Change in net working capital	-15	89
Net investments	-85	-75
Cash flow for calculation of cash conversion	**412**	**531**
Cash conversion, %	**80**	**103**

Financial position

NET DEBT	Mar 31	Mar 31	Dec 31
(SEK m)	2018	2017	2017
Liabilities to credit institutions	1,399	1,391	1,394
Other	12	13	13
	1,411	**1,404**	**1,408**
Cash and cash equivalents	-293	-633	-709
Net debt	**1,119**	**771**	**699**
Leverage	2.2	1.6	1.4
Equity	2,539	2,776	2,464
Equity/assets ratio, %	40	46	40

Consolidated net debt was SEK 1,119 (771) million at the end of the period. The increase compared with the previous year is mainly due to a decrease in cash of around SEK 340 million as a consequence of the completed acquisitions.

The leverage, defined as net debt to adjusted EBITDA, was 2.2 (1.6) at the end of the period, which is well below the Group's target of a leverage below 3.0. The figure is higher than in the previous year, mainly due to the acquisitions that were made during the period.

Equity at the end of the period was SEK 2,539 (2,776) million and the equity/assets ratio was 40 (46) per cent.

Cash and cash equivalents at the end of the period were SEK 293 (633) million. At the same date, the Group had undrawn credit lines of SEK 390 (286) million.

Significant events in the first quarter

- On 9 January 2018, Coor announced that the company had concluded an agreement to acquire the Norwegian property services provider OBOS Eiendomsdrift AS. The company has 45 employees and around SEK 70 million in annual sales. In connection with the acquisition, Coor signed a strategic partnership agreement with the seller, the OBOS group. The acquisition was completed on 1 February 2018.
- On 10 January 2018, Coor announced that it had signed an agreement to acquire the Danish cleaning services firm Elite Miljø A/S. Elite Miljø has around SEK 700 million in annual sales and about 2,000 employees. The acquisition will increase Coor's geographic coverage, create significant potential synergies and add to Coor's skills base in key cleaning segments. The acquisition was completed on 23 February 2018.

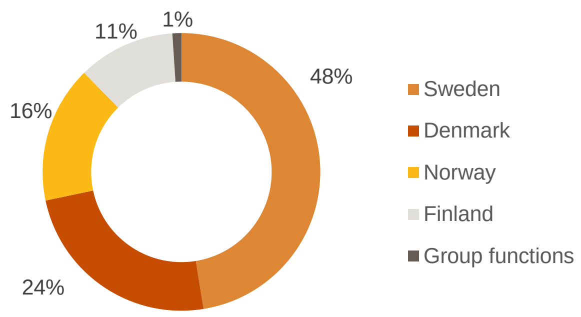
Significant events after the end of the period

No significant events have taken place after the end of the period.

Organisation and employees

At the end of the period, the Group had 9,991 (6,839) employees, or 8,292 (6,274) on a full-time equivalent basis. The increased workforce is primarily explained by the two acquisitions that were made in the first quarter but is also due to the initiation of new contracts and expansion of existing contracts.

NUMBER OF EMPLOYEES (FULL-TIME EMPLOYEE EQUIVALENTS), 31 MARCH 2018



Operations by country

Sweden

SWEDEN (SEK m)	Jan - Mar 2018	2017
Net sales	1,178	1,101
Organic growth, %	*7*	*5*
Adjusted EBITA	123	124
Adjusted EBITA-margin, %	10.4	11.3
Number of employees (FTE)	3,934	3,528

First quarter (January – March)

The Swedish business continued to generate good sales growth in the first quarter. As in the preceding quarters, growth was driven by increased volumes from new small and medium-sized contracts, the commissioning of the new buildings at the Karolinska University Hospital in Solna and the ABB contract. Variable project volumes also continued to expand, partly due to extensive snow clearing work during the period.

The operating profit (adjusted EBITA) for the period remained largely unchanged at SEK 123 million while the operating margin decreased, to 10.4 (11.3) per cent. A high growth rate normally has a negative short-term impact on the margin, as new contract volumes initially have lower margins. Coor's Swedish business also extended a number of large contracts in the second half of 2017, and as these renegotiated contracts are now restarted there is a similar short-term impact on the margin as for new volumes. Profitability was also hit by a negative mix effect during the period, mainly as a result of the snow clearing work, which is difficult to plan and is performed almost entirely by subcontractors and therefore has very low margins.

Norway

NORWAY (SEK m)	Jan - Mar 2018	2017
Net sales	517	456
Organic growth, %	*13*	*-2*
Adjusted EBITA	32	33
Adjusted EBITA-margin, %	6.2	7.2
Number of employees (FTE)	1,323	1,132

First quarter (January – March)

In the first quarter, organic growth in the Norwegian business was as high as 13 per cent. The acquisition of OBOS Eiendomsdrift, which was completed in early February, added a further 3 percentage points to growth for the period.

Organic growth is being driven by new small and medium-sized contracts that were concluded last year, including the Norwegian part of the ABB contract, under which services started to be delivered during the period. In addition, variable project volumes have also increased in some contracts.

The quarterly operating profit (adjusted EBITA) in Norway was largely flat, with an operating margin of 6.2 (7.2) per cent. The negative impact on the margin of a contractual price adjustment and a number of contract extensions in 2017 has not yet been fully offset. The margin was also affected by the short-term impact of the start-up of new contracts, in particular a major new cleaning contract with the University of Bergen. During the period, bad weather in the North Sea also led to increased costs in our offshore business.

Denmark

DENMARK	Jan - Mar	
(SEK m)	2018	2017
Net sales	274	180
Organic growth, %	*10*	*7*
Adjusted EBITA	2	7
Adjusted EBITA-margin, %	0.6	4.1
Number of employees (FTE)	2,010	742

First quarter (January – March)

The Danish business grew by a massive 52 per cent year on year, largely as a result of the completion of the acquisition of Elite Miljø. The acquisition was finalised on 23 February and added 35 percentage points to growth for the period.

Organic growth was 10 per cent, driven by the new small and medium-sized contracts that were signed in the previous year, and by variable volumes, which also in Denmark were partly due to snow clearing.

The quarterly operating profit (adjusted EBITA) in the Danish business was SEK 2 million and the operating margin 0.6 (4.1) per cent. Snow clearing had a significant negative impact in Denmark, where the threshold for when snow clearing is initiated is lower than in the other countries and where this service is included in the subscription in some contracts. This led to extensive snow clearing work in a couple of major contracts where Coor is not compensated for increased costs. The preparations for and start-up of the large and complex contract with Copenhagen Municipality also generated significant costs. The provision of services under the contract began on 1 March and volumes have been limited so far. The realisation of cost synergies from the acquisition of Elite Miljø was initiated as planned in March but had no impact on the operating profit (adjusted EBITA) for the period. The operating profit in the acquired business is in line with plan.

The number of employees at the end of the period was up sharply on the previous year as a result of the acquisition of Elite Miljø.

Finland

FINLAND	Jan - Mar	
(SEK m)	2018	2017
Net sales	159	122
Organic growth, %	*25*	*2*
Adjusted EBITA	-2	-1
Adjusted EBITA-margin, %	-1.0	-0.8
Number of employees (FTE)	938	794

First quarter (January – March)

In the first quarter, Finland generated organic growth of as much as 25 per cent as a result of the ABB contract, the new major cleaning contract with Sokotel and a number of new smaller contracts. Finland also had high variable volumes, a significant share of which referred to snow clearing.

The Finnish business incurred a small operating loss in the first quarter while the operating margin was in line with last year. Unlike in the Group as a whole, the first quarter is seasonally relatively weak in the Finnish business. In the short term, the margin improvement achieved in Finland over the past year is being offset by the start-up of the Sokotel contract and by a negative mix effect from snow clearing.

Significant risks and uncertainties

The Group's significant risks and uncertainties comprise **strategic risks** tied to changes in market and economic conditions as well as sustainability, and **operational risks** related to customer contracts. The Group is also exposed to different types of **financial risks**, including currency, interest rate and liquidity risk. A detailed description of the Group's risks is provided in the annual report, which is available on the company's website. No further significant risks are deemed to have arisen since the publication of the 2017 annual report.

Acquisitions and sales

The acquisition of the Norwegian property services company OBOS Eiendomsdrift AS was completed on 1 February 2018 and the acquisition of the Danish cleaning services company Elite Miljø A/S was completed on 23 February. For more information, see Note 4.

Parent company

The Group's parent company, Coor Service Management Holding AB, provides management services to its wholly owned subsidiary Coor Service Management Group AB. The parent company also manages shares in subsidiaries.

Earnings after tax in the parent company were SEK -41 (-13) million, total assets at 31 March were SEK 7,895 (7,946) million and equity was SEK 5,526 (5,664) million.

Related party transactions

No transactions between Coor and related parties with a material impact on the company's financial position and results took place during the period.

Ownership structure

The shares of Coor Service Management Holding AB were listed on Nasdaq Stockholm on 16 June 2015. At the end of the period, the three largest shareholders were Fidelity, Nordea Fonder and the Second Swedish National Pension Fund (AP2).

COOR'S 15 LARGEST SHAREHOLDERS MARCH 31, 2018 [1)]

Shareholder	Number of shares and votes	Shares and votes, %
Fidelity	8,278,402	8.6
Nordea Fonder	7,037,594	7.3
AP2	5,884,628	6.1
Swedbank Robur Fonder	5,175,454	5.4
Didner & Gerge Fonder	4,953,073	5.2
Crux Asset Management Limited	4,692,816	4.9
Taiga Fund Management AS	4,114,457	4.3
Capital Group	3,797,729	4.0
AFA Försäkring	3,585,256	3.7
SEB-Stiftelsen	3,450,000	3.6
BMO Global Asset Management	3,354,635	3.5
Aviva	2,660,426	2.8
Aktie-Ansvar Fonder	1,461,104	1.5
Schroders	1,123,724	1.2
Danske Invest Fonder	1,047,543	1.1
Total 15 largest shareholders	**60,616,841**	**63.3**
Other shareholders	35,195,181	36.7
Total	**95,812,022**	**100.0**

[1)] Source: Monitor by Modular Finance AB. Compiled and adapted data from Euroclear, Morningstar, the Swedish Financial Supervisory Authority and other sources.

The report for the period has not been reviewed by the company's auditors.

Stockholm, 26 April 2018

On behalf of the Board of Directors of Coor Service Management Holding AB

Mikael Stöhr
President and CEO

For more information

For questions concerning the financial report, please contact CFO and Director of Investor Relations Olof Stålnacke (+46 10 559 59 20).

For questions concerning the operations or the company, please contact Mikael Stöhr, President and CEO, (+46 10 559 59 35) or Magdalena Öhrn, Director of Communications (+46 10 559 55 19).

IR Coordinator: Sara Marin (+46 10 559 59 51).

More information is also available on our website: www.coor.com

Invitation to a press and analyst presentation

On 26 April, at 14:00 CET, the company's President and CFO will give a briefing on developme nts in the first quarte r in a webcast. To participate in the webcast, please register in advance using the following link: http://event.on24.com//wcc/r/1646619-1/9F99462C1D4FE2A6EC6079ECDBE6924D. To listen by telephone, dial +46856642697 (Sweden), +4723500254 (Norway), +4535445576 (Denmark), +358981710493 (Finland) or +44 2030089810 (UK).

The briefing material and a recording of the webcast will be published on the company's website, www.coor.com, under Investors/Reports and presentations, after the briefing.

Financial calendar

Interim Report	January – June 2018	18 July 2018
Interim Report	January – September 2018	24 October 2018
Interim Report	January – December 2018	21 February 2019
Interim Report	January – March 2019	May 2019

This constitutes information which Coor Service Management Holding AB is required to publish under the EU's Market Abuse Regulation. The information was submitted for publication through the above contact person on 26 April 2018, at 1:00 p.m. CET.

Coor is a leading provider of facility management services in the Nordic countries, focusing on integrated and complex service undertakings (IFM). Coor offers specialist expertise in workplace services (soft FM), property services (hard FM) and strategic advisory services for development of customers' service activities. Coor creates value by executing, leading, developing and streamlining its customers' service activities, ensuring that they provide optimal support to the core business over time. Coor's customer base includes many large and small companies and public-sector organisations across the Nordic region, including ABB, AB Volvo, Aibel, Det Norske Veritas, E.ON, Ericsson, EY, NCC, Politiet (Danish Police), Saab, Sandvik, SAS, Statoil, Telia Company, the Swedish Transport Administration, Vasakronan and Volvo Cars.

Coor was founded in 1998 and was listed on the Stockholm Nasdaq exchange in 2015. Coor takes responsibility for the operations it conducts, in relation to its customers, employees and shareholders, as well as for its wider impact on society and the environment. Read more at www.coor.com

CONSOLIDATED INCOME STATEMENT	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Continuing operations				
Net sales	2,127	1,857	7,993	7,722
Cost of services sold	-1,917	-1,650	-7,162	-6,896
Gross income	**210**	**206**	**831**	**827**
Selling and administrative expenses	-153	-130	-582	-558
Operating profit	**57**	**77**	**249**	**268**
Net financial income/expense	-33	-5	-52	-24
Profit before tax	**24**	**71**	**197**	**244**
Income tax expense	-7	-16	-47	-56
Income for the period, continuing operations	**17**	**55**	**150**	**188**
Discontinued operations				
Income for the period	0	-3	-145	-148
Income for the period, total	**17**	**52**	**6**	**40**
Operating profit	**57**	**77**	**249**	**268**
Amortisation and impairment of goodwill, customer contracts and trademarks	40	42	168	170
Items affecting comparability *(note 3)*	18	5	43	29
Adjusted EBITA	**115**	**123**	**460**	**468**
Earnings per share, SEK [1)]				
Continuing operations	0.2	0.6	1.6	2.0
Discontinued operations	0.0	0.0	-1.5	-1.5
Earnings per share, total	**0.2**	**0.5**	**0.1**	**0.4**

1) There are no dilutive effects for any of the periods.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Income for the period	**17**	**52**	**6**	**40**
Items that may be subsequently reclassified to profit or loss				
Currency translation differences	58	-10	45	-23
Other comprehensive income for the period	**58**	**-10**	**45**	**-23**
Total comprehensive income for the period	**75**	**42**	**50**	**17**

The interim information on pages 10–23 is an integral part of this financial report.

CONSOLIDATED BALANCE SHEET	Mar 31		Dec 31
(SEK m)	2018	2017	2017
Assets			
Intangible assets			
Goodwill	2,982	2,774	2,693
Customer contracts	793	852	723
Other intangible assets	121	108	116
Property, plant and equipment	118	75	85
Financial assets			
Deferred tax receivable	225	244	226
Other financial assets	13	12	12
Total non-current assets	**4,252**	**4,065**	**3,856**
Current assets			
Accounts receivable	1,294	1,004	1,159
Tax receivables	0	0	8
Other current assets, interest-bearing	1	4	1
Other current assets, non-interest-bearing	477	372	403
Cash and cash equivalents	293	633	709
Total current assets	**2,065**	**2,013**	**2,280**
Total assets	**6,318**	**6,078**	**6,136**

	Mar 31		Dec 31
	2018	2017	2017
Equity and liabilities			
Equity	**2,539**	**2,776**	**2,464**
Liabilities			
Non-current liabilities			
Borrowings	1,403	1,397	1,399
Deferred tax liability	45	28	24
Provisions for pensions	20	18	19
Other non-interest bearing liabilities	4	7	2
Total non-current liabilities	**1,472**	**1,449**	**1,444**
Current liabilities			
Interest-bearing liabilities	2	5	3
Current tax liabilities	30	25	30
Accounts payable	914	674	944
Other current liabilities	1,357	1,144	1,249
Short-term provisions	4	5	3
Total current liabilities	**2,307**	**1,853**	**2,228**
Total equity and liabilities	**6,318**	**6,078**	**6,136**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Jan - Mar		Full year
(SEK m)	2018	2017	2017
Opening balance at beginning of period	**2,464**	**2,734**	**2,734**
Income for the period	17	52	40
Other comprehensive income for the period	58	-10	-23
Transactions with shareholders	0	0	-287
Closing balance at end of period	**2,539**	**2,776**	**2,464**

There are no non-controlling interests, as the parent company owns all shares of all subsidiaries.

CONSOLIDATED CASH FLOW STATEMENT	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Continuing operations				
Operating profit	**57**	**77**	**249**	**268**
Adjustment for non-cash items	55	49	214	208
Finance net	-9	-9	-36	-36
Income tax paid	-15	-9	-42	-36
Cash flow before changes in working capital	**88**	**107**	**385**	**404**
Change in working capital	-153	-49	-15	89
Cash flow from operating activities	**-65**	**58**	**369**	**493**
Net investments	-19	-12	-81	-74
Acquisition of subsidiaries *(note 4)*	-337	0	-337	0
Cash flow from investing activities	**-357**	**-12**	**-418**	**-74**
Change in borrowings	-22	0	-10	11
Dividend	0	0	-287	-287
Net lease commitments	0	-1	-1	-2
Cash flow from financing activities	**-22**	**-1**	**-299**	**-278**
Cash flow from continuing operations	**-444**	**46**	**-348**	**142**
Cash flow from discontinued operations	**0**	**-13**	**-10**	**-23**
Total cash flow for the period	**-444**	**33**	**-358**	**119**
Cash and cash equivalents at beginning of period	709	603	633	603
Exchange gains on cash and cash equivalents	28	-4	18	-13
Cash and cash equivalents at end of period	**293**	**633**	**293**	**709**

CONSOLIDATED OPERATING CASH FLOW	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Continuing operations				
EBIT	57	77	249	268
Depreciation and amortisation	55	54	220	219
Net investments	-19	-12	-81	-74
Change in working capital	-153	-49	-15	89
Adjustment for non-cash items	0	-5	-7	-11
Operating cash flow	**-61**	**65**	**366**	**492**
Adjustment for items affecting comparability	18	5	43	29
Other	-3	4	2	10
Cash flow for calculation of cash conversion	**-45**	**74**	**412**	**531**
Cash conversion, %	**-35**	**55**	**80**	**103**

GEOGRAPHICAL SEGMENTS	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Net sales				
Sweden	**1,178**	**1,101**	**4,604**	**4,527**
Total sales	*1,208*	*1,132*	*4,732*	*4,657*
Internal sales	*-30*	*-32*	*-128*	*-130*
Norway	**517**	**456**	**1,912**	**1,851**
Total sales	*519*	*458*	*1,922*	*1,861*
Internal sales	*-2*	*-2*	*-10*	*-10*
Finland	**159**	**122**	**588**	**550**
Total sales	*159*	*122*	*588*	*550*
Internal sales	*0*	*0*	*0*	*0*
Denmark	**274**	**180**	**893**	**799**
Total sales	*274*	*181*	*896*	*802*
Internal sales	*0*	*-1*	*-3*	*-3*
Group functions/other	**-1**	**-2**	**-3**	**-5**
Total	**2,127**	**1,857**	**7,993**	**7,722**
Adjusted EBITA				
Sweden	123	124	455	456
Norway	32	33	122	123
Finland	-2	-1	16	16
Denmark	2	7	32	37
Group functions/other	-40	-40	-165	-165
Total	**115**	**123**	**460**	**468**
Adjusted EBITA is reconciled to profit before tax as follows:				
Amortisation and impairment of goodwill, customer contracts and trademarks	-40	-42	-168	-170
Items affecting comparability *(note 3)*	-18	-5	-43	-29
Net financial income/expense	-33	-5	-52	-24
Profit before tax	**24**	**71**	**197**	**244**

	Jan - Mar		Rolling	Full year
Adjusted EBITA margin, %	2018	2017	12 mth.	2017
Sweden	10.4	11.3	9.9	10.1
Norway	6.2	7.2	6.4	6.6
Finland	-1.0	-0.8	2.7	3.0
Denmark	0.6	4.1	3.5	4.7
Group functions/other	-	-	-	-
Total	**5.4**	**6.6**	**5.8**	**6.1**

NET SALES BY TYPE OF CONTRACT	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Net sales				
IFM	1,383	1,281	5,402	5,300
FM - services	745	576	2,591	2,423
Total	**2,127**	**1,857**	**7,993**	**7,722**

QUARTERLY DATA (SEK m)	2018	2017				2016		
GEOGRAPHICAL SEGMENTS	I	IV	III	II	I	IV	III	II
Net sales, external								
Sweden	1,178	1,228	1,084	1,114	1,101	1,117	1,002	1,078
Norway	517	498	439	458	456	509	448	447
Finland	159	153	138	137	122	136	118	117
Denmark	274	234	193	192	180	196	175	167
Group functions/other	-1	-1	-1	-2	-2	-2	-2	0
Total	**2,127**	**2,112**	**1,853**	**1,900**	**1,857**	**1,956**	**1,740**	**1,808**
Adjusted EBITA								
Sweden	123	123	95	114	124	113	82	110
Norway	32	33	27	30	33	41	33	28
Finland	-2	6	10	2	-1	4	7	1
Denmark	2	15	10	5	7	9	9	4
Group functions/other	-40	-52	-37	-36	-40	-46	-34	-35
Total	**115**	**125**	**104**	**115**	**123**	**122**	**97**	**109**
Adjusted EBITA-margin, %								
Sweden	10.4	10.1	8.7	10.2	11.3	10.1	8.2	10.2
Norway	6.2	6.5	6.1	6.6	7.2	8.1	7.3	6.4
Finland	-1.0	3.9	7.1	1.2	-0.8	2.9	5.6	0.6
Denmark	0.6	6.2	5.2	2.7	4.1	4.7	5.4	2.5
Group functions/other	-	-	-	-	-	-	-	-
Total	**5.4**	**5.9**	**5.6**	**6.1**	**6.6**	**6.2**	**5.6**	**6.0**

QUARTERLY DATA (SEK m)	2018	2017				2016		
TYPE OF CONTRACT	I	IV	III	II	I	IV	III	II
Net sales, external								
IFM	1,383	1,423	1,279	1,317	1,281	1,363	1,199	1,238
FM-services	745	689	575	583	576	594	541	570
Total	**2,127**	**2,112**	**1,853**	**1,900**	**1,857**	**1,956**	**1,740**	**1,808**

PARENT COMPANY INCOME STATEMENT	Jan - Mar		Full year
(SEK m)	2018	2017	2017
Net sales	**1**	**1**	**7**
Selling and administrative expenses	-5	-6	-33
Operating profit	**-4**	**-5**	**-26**
Net financial income/expense	**-37**	**-7**	**-33**
Group contribution	0	0	290
Income before tax	**-41**	**-13**	**230**
Income tax expense	0	0	-51
Income for the period	**-41**	**-13**	**179**

PARENT COMPANY BALANCE SHEET	Mar 31		Dec 31
(SEK m)	2018	2017	2017
Assets			
Shares in subsidiaries	7,789	7,789	7,789
Deferred tax asset	104	156	104
Other financial assets	1	1	1
Total non-current assets	**7,894**	**7,945**	**7,894**
Receivables from Group companies*	0	0	292
Other trading assets	1	1	1
Cash and cash equivalents*	0	0	0
Total current assets	**1**	**1**	**293**
Total assets	**7,895**	**7,946**	**8,187**

	Mar 31		Dec 31
	2018	2017	2017
Equity and liabilities			
Shareholders' equity	**5,526**	**5,664**	**5,568**
Liabilities			
Borrowings	1,399	1,391	1,394
Provisions for pensions	2	2	2
Total non-current liabilities	**1,401**	**1,393**	**1,396**
Liabilities to Group companies*	955	878	1,209
Accounts payable	1	1	0
Other current liabilities	12	11	14
Total current liabilities	**968**	**890**	**1,223**
Total liabilities	**2,368**	**2,282**	**2,619**
Total equity and liabilities	**7,895**	**7,946**	**8,187**

** The company is part of the Group wide cash pool with the subsidiary Coor Service Management Group AB as master account holder. The balance in the Group cash pool is accounted for as a current receivable or liability to Group companies.*

Key performance indicators

KEY PERFORMANCE INDICATORS Continuing operations (SEK m)	Jan - Mar 2018	 2017	Rolling 12 mth.	Full year 2017
Net sales	2,127	1,857	7,993	7,722
Net sales growth, %	14.6	5.1	8.6	6.2
of which organic growth, %	*10.1*	*2.8*	*7.4*	*5.6*
of which acquired growth, %	*4.1*	*0.0*	*1.0*	*0.0*
of which FX effect, %	*0.4*	*2.3*	*0.2*	*0.6*
Operating profit (EBIT)	57	77	249	268
EBIT margin, %	2.7	4.1	3.1	3.5
EBITA	97	118	417	438
EBITA margin, %	4.6	6.4	5.2	5.7
Adjusted EBITA	115	123	460	468
Adjusted EBITA margin, %	5.4	6.6	5.8	6.1
Adjusted EBITDA	130	135	512	517
Adjusted EBITDA margin, %	6.1	7.3	6.4	6.7
Adjusted net profit	57	97	318	358
Net working capital	-500	-501	-500	-630
Net working capital / Net sales, %	-6.3	-6.8	-6.3	-8.2
Operating cash flow	-61	65	366	492
Cash conversion, %	-35	55	80	103
Net debt	1,119	771	1,119	699
Leverage	2.2	1.6	2.2	1.4
Equity/assets ratio, %	40	46	40	40

DATA PER SHARE	Jan - Mar 2018	 2017	Rolling 12 mth.	Full year 2017
Share price at end of period	66.9	53.8	66.9	62.5
No. of shares at end of period	95,812,022	95,812,022	95,812,022	95,812,022
No. of ordinary shares (weighted average)	95,812,022	95,812,022	95,812,022	95,812,022
Earnings per share, continuing operations (SEK) [1)]	0.18	0.58	1.57	1.96
Earnings per share, discontinued operations (SEK) [1)]	0.00	-0.03	-1.51	-1.54
Earnings per share, total (SEK) [1)]	**0.18**	**0.55**	**0.06**	**0.42**
Shareholders’ equity per share, SEK	26.50	28.97	26.50	25.71

[1)] *There was no dilutive effect in the periods.*

Notes

Note 1 – Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in the Group's annual report for 2017 with the exception of the new standards and interpretations which became effective on 1 January 2018.

New accounting principles for 2018
IFRS 15 Revenue from Contracts with Customers and *IFRS 9 Financial Instruments* came into effect on 1 January 2018.

IFRS 15 Revenue from Contracts with Customers: IFRS 15 introduces a new principle-based model for revenue recognition. A five-stage model is introduced, under which revenue should be recognised when a customer receives control over the sold good or service and is able to use or obtains a benefit from the good or service. The Group's principal source of revenue is services in which control is transferred to the customer in connection with delivery. Based on the analysis of the standard, it is considered that there are no significant differences compared with the previously applied accounting principles, which means that the standard will not have any impact on the consolidated financial statements, other than the expanded disclosure requirements in IFRS 15.

IFRS 9 Financial Instruments: IFRS 9 introduces new rules for the classification and measurement of financial instruments, impairment of financial instruments and hedge accounting. The analysis of the standard shows that it will have no impact on the consolidated financial statements.

The parent company financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

Due to rounding, some totals in this interim report may differ from the sum of individual items.

Note 2 – Financial Instruments

The carrying amounts and fair values for borrowing, which is included in the category financial liabilities at amortised cost, are as follows:

	Carrying amount			Fair value		
	Mar 31		Dec 31	Mar 31		Dec 31
(SEK m)	2018	2017	2017	2018	2017	2017
Finance lease liabilities	5	9	6	5	9	6
Liabilities to credit institutions	1,399	1,391	1,394	1,399	1,391	1,394
Other non-current liabilities	2	1	2	2	1	2
Total	**1,406**	**1,402**	**1,402**	**1,406**	**1,402**	**1,402**

The existing credit margin in the Group's financing agreements is deemed to be consistent with market terms, and the carrying amount therefore approximates fair value. The Group considers that the liabilities have been measured in accordance with Level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs.

Note 3 – Items affecting comparability

Items affecting comparability are excluded from the measure of operating profit, adjusted EBITA, which the Group regards as the most relevant metric. The following table specifies the items affecting comparability that had an impact on earnings during the period.

ITEMS AFFECTING COMPARABILITY	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Integration	-5	-2	-22	-20
Restructuring	-8	0	-12	-4
Acquisition related expenses	-6	0	-12	-6
Other	0	-2	3	1
Total	**-18**	**-5**	**-43**	**-29**

Note 4 – Acquisitions

On 1 February 2018, Coor completed the acquisition of OBOS Eiendomsdrift AS, a Norwegian property services company. The company employs 45 staff and has annual sales of around SEK 70 million. In connection with the acquisition, Coor signed a strategic partnership agreement with the seller, the OBOS group.

On 23 February 2018, Coor completed the acquisition of the Danish cleaning services firm Elite Miljø A/S. Elite Miljø has annual sales of about SEK 700 million and around 2,000 employees. The acquisition will increase Coor's geographic coverage, create significant potential synergies and add to Coor's skills base in key cleaning segments.

Information on the consideration paid, acquired net assets and goodwill is presented in the table below.

The total transaction cost for the acquisitions is SEK 6 million and mainly refers to costs for lawyers and financial advisors. These costs are recognised in selling and administrative expenses in the income statement and are included in operating activities in the cash flow statement.

The assets, liabilities and cash flow which have been recognised as a result of the acquisitions are the following:

(SEKm)	OBOS Eiendomsdrift AS	Elite Miljø A/S	Total
Purchase price			
Total consideration	**47**	**335**	**382**
The assets acquired and liabilities assumed that have been recognised as a result of the acquisitions are the following			
Property, plant and equipment	4	20	23
Intangible assets – customer contracts	0	101	101
Intangible assets – trademarks	0	6	6
Other financial assets	0	1	1
Cash and cash equivalents	11	34	45
Accounts receivable and other current receivables	7	134	141
Deferred tax liability	0	-22	-22
Accounts payable and other current liabilities	-17	-145	-162
Acquired identifiable net assets	**5**	**128**	**133**
Goodwill	42	207	249
Total acquired net assets	**47**	**335**	**382**
Cash flow attributable to acquisitions for the period			
Consideration paid	47	335	382
Cash in acquired businesses	-11	-34	-45
Net outflow, cash and cash equivalents	**36**	**301**	**337**

In connection with the acquisition of Elite Miljø, customer contracts and trademarks with a total value of SEK 107 million were identified. The goodwill of SEK 207 million which arose from the acquisition of Elite Miljø is primarily attributable to the employees' skills in the cleaning segment and to increased profitability in the form of synergies from the acquisition.

The acquisition of OBOS Eiendomsdrift gave rise to goodwill of SEK 42 million, which is mainly attributable to the employee´s skills within property service as well as the synergies which Coor expects to result from the acquisition.

No portion of the recognised goodwill is expected to be tax-deductible.

Income and earnings in acquired businesses
The acquired businesses added income of SEK 78 million and increased the consolidated net profit by SEK 1 million for the period 1 January to 31 March 2018.

If the acquisitions had taken place on 1 January 2018, the companies would have added income of SEK 212 million and increased the net profit by SEK 2 million based on pro forma income and earnings as at 31 March 2018. These amounts have been calculated by using the subsidiaries' earnings adjusted for differences in accounting principles between the Group and subsidiary, and the additional depreciation and amortisation charge that would have arisen if the fair value adjustment for intangible assets had been applied from 1 January 2018, along with the related tax effects.

Note 5 – Pledged assets and contingent liabilities

Group

PLEDGED ASSETS	Mar 31		Dec 31
(SEK m)	2018	2017	2017
Bank guarantees	141	106	103
Total	**141**	**106**	**103**

CONTINGENT LIABILITIES	Mar 31		Dec 31
(SEK m)	2018	2017	2017
Performance bonds	170	206	154
Total	**170**	**206**	**154**

Parent company
The parent company has provided a parent company guarantee as well as a bank guarantee of SEK 106 million to a major customer to ensure delivery of the contracted services. There are no other pledged assets or contingent liabilities in the parent company.

Purpose of the selected key performance indicators

To give its investors and other stakeholders clearer information about the Group's operations and its underlying success factors, Coor has chosen to provide information about a number of key performance indicators. The purpose of these indicators is explained in the following. See page 23 for definitions of terms and the calculation of key performance indicators.

Growth

The Group deems that organic growth best reflects the underlying growth of the business, as this measure excludes the effect of acquisitions and fluctuations in exchange rates.

Earnings and profitability

To reflect the performance and profitability of the underlying business more accurately, the Group has defined key performance indicators in which earnings have been adjusted for items affecting comparability and for amortisation and impairment of goodwill, customer contracts and trademarks. The Group considers that adjusted EBITA is the measure of operating profit which most clearly reflects the underlying profitability. It is also based on this measure of earnings that the Group's segments are followed up and evaluated internally.

The adjusted net profit measure of earnings excludes the non-cash items amortisation and impairment of goodwill, customer contracts and trademarks from consolidated net profit and is used as a basis for deciding on dividends to the shareholders.

Cash flow and working capital

The Group continuously monitors operating cash flow, which includes the operating profit (excluding non-cash items), net investments and changes in working capital. The Group has chosen to exclude cash flow related to financial transactions and income taxes from this measure in order to provide a clearer picture of the cash flow generated by the operations.

The Group's objective is to maintain a cash conversion ratio of at least 90 per cent on a rolling 12-month basis. To ensure that the measure provides a true and fair picture over time, the Group calculates cash conversion using measures of operating profit and operating cash flow which exclude items affecting comparability.

To achieve the defined target for cash conversion, it is important to minimise working capital and maintain a negative working capital. The Group therefore continuously monitors the size of working capital relative to net sales.

Net debt and leverage

To ensure that the Group has an appropriate funding structure at all times and is able to fulfil its financial obligations under its loan agreement, it is relevant to analyse net debt and leverage (defined as net debt divided by adjusted EBITDA). The Group's objective is to maintain a leverage of less than 3.0 times.

Reconciliation of key performance indicators

The following table shows a reconciliation between the calculated KPIs and the income statement and balance sheet.

RECONCILIATION OF ADJUSTED KEY PERFORMANCE INDICATORS	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Operating profit (EBIT)	**57**	**77**	**249**	**268**
Amortisation and impairment of customer contracts and trademarks	40	42	168	170
EBITA	**97**	**118**	**417**	**438**
Items affecting comparability *(note 3)*	18	5	43	29
Adjusted EBITA	**115**	**123**	**460**	**468**
Depreciation	15	12	53	50
Adjusted EBITDA	**130**	**135**	**512**	**517**
Income from continuing operations	**17**	**55**	**150**	**188**
Amortisation and impairment of customer contracts and trademarks	40	42	168	170
Adjusted net profit	**57**	**97**	**318**	**358**

SPECIFICATION OF NET WORKING CAPITAL	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Accounts receivable	1,294	1,004	1,294	1,159
Other current assets, non-interest-bearing	477	372	477	403
Accounts payable	-914	-674	-914	-944
Other current liabilities, non-interest-bearing	-1,357	-1,144	-1,357	-1,249
Adjustment for accrued financial expenses	0	0	0	0
Adjustment for net working capital in discontinued operations	0	-59	0	0
Net working capital	**-500**	**-501**	**-500**	**-630**

SPECIFICATION OF NET DEBT	Jan - Mar		Rolling	Full year
(SEK m)	2018	2017	12 mth.	2017
Borrowings	1,403	1,397	1,403	1,399
Provisions for pensions	20	18	20	19
Interest-bearing current liabilities	2	5	2	3
Cash and cash equivalents	-293	-633	-293	-709
Other financial non-current assets, interest-bearing	-13	-12	-13	-12
Other current assets, interest-bearing	-1	-4	-1	-1
Other items	0	0	0	0
Net debt	**1,119**	**771**	**1,119**	**699**

See page 13 for a reconciliation of operating cash flow and cash conversion.

Definitions

Cost of services sold Costs which are directly related to the performance of the invoiced services, depreciation of property, plant and equipment, and amortisation of goodwill, customer contracts and trademarks.

Items affecting comparability Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

EBITA Operating profit before amortisation of goodwill, customer contracts and trademarks.

Adjusted EBITA Operating profit before amortisation of goodwill, customer contracts and trademarks, excluding items affecting comparability.

Adjusted EBITDA Operating profit before depreciation of all property, plant and equipment and amortisation of all intangible assets, excluding items affecting comparability.

Adjusted net profit Profit after tax excluding amortisation of goodwill, customer contracts and trademarks.

Operating cash flow Cash flow from operating activities excluding interest paid/received and income tax paid but including net investments in property, plant and equipment and intangible assets.

Working capital Non-interest-bearing current assets less non-interest-bearing current liabilities at the balance sheet date.

Net investments Investments in property, plant and equipment and intangible assets less consideration received on sale of property, plant and equipment and intangible assets.

Calculation of key performance indicators

Net sales growth Change in net sales for the period as a percentage of net sales for the same period in the previous year.

Organic growth Change in net sales for the period as a percentage of net sales for the same period in the previous year excluding acquisitions and foreign exchange effects.

EBITA margin EBITA as a percentage of net sales.

Adjusted EBITA margin Adjusted EBITA as a percentage of net sales.

Adjusted EBITDA margin Adjusted EBITDA as a percentage of net sales.

Working capital/net sales Working capital at the balance sheet date as a percentage of net sales (rolling 12 months).

Net debt Non-current and current interest-bearing assets less non-current and current interest-bearing liabilities at the balance sheet date.

Earnings per share Profit for the period attributable to shareholders of the parent company divided by average number of ordinary shares.

Equity per share Equity at the end of the period attributable to shareholders of the parent company divided by the number of shares at the end of the period.

Equity/assets ratio Consolidated equity and reserves attributable to shareholders of the parent company at the balance sheet date as a percentage of total assets at the balance sheet date.

Cash conversion Adjusted EBITDA less net investments and adjusted for changes in working capital as a percentage of adjusted EBITDA.

Leverage Net interest-bearing debt at the balance sheet date divided by adjusted EBITDA (rolling 12 months).