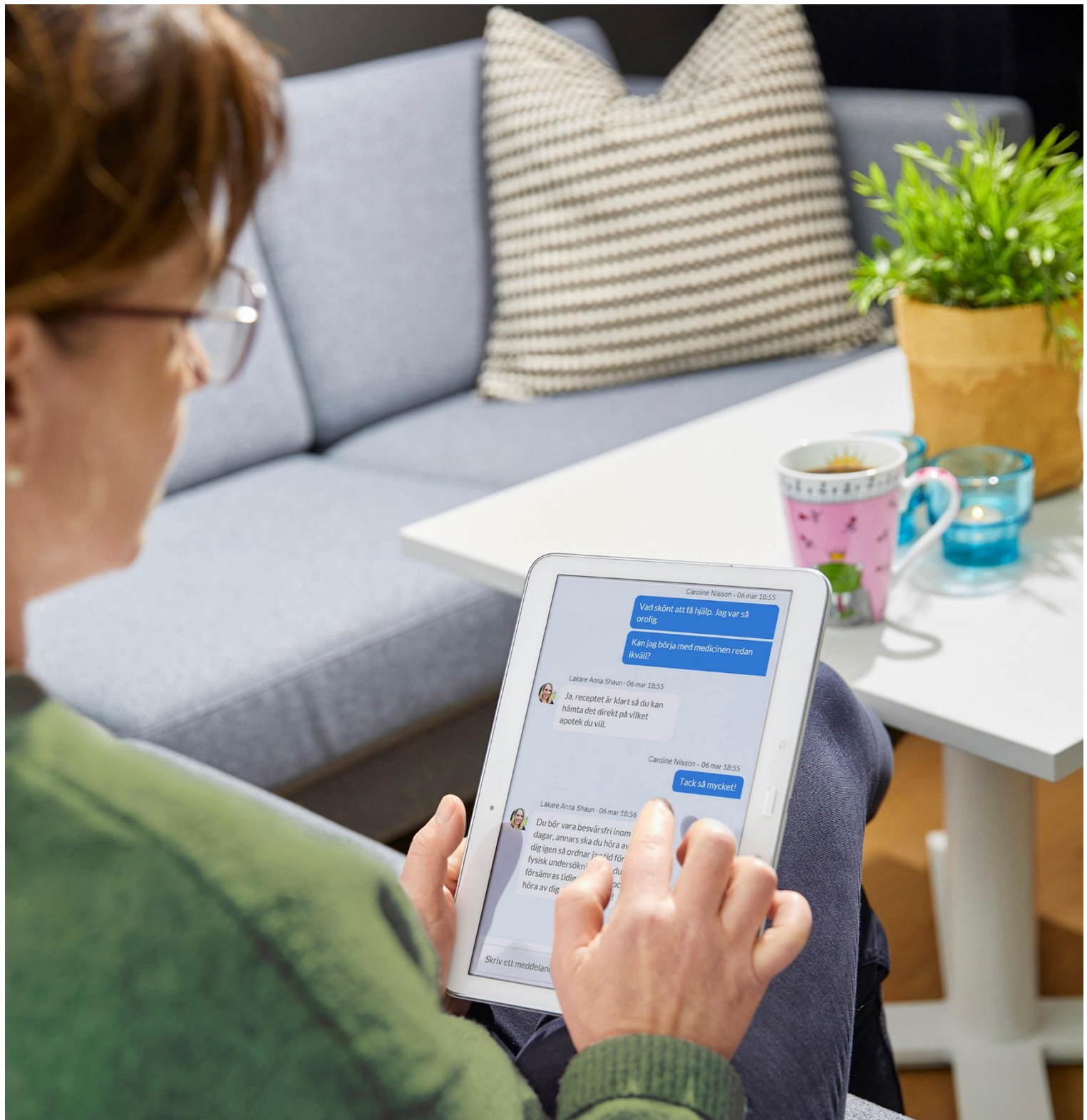




## Capio AB (publ)

### Interim report Jan – Jun 2018



*Improving healthcare*

## April – June 2018

- Net sales MSEK 4,179 (3,881). Organic sales growth 1.6% (0.5) and total sales growth 7.7% (8.6)
- EBITDA<sup>1</sup> MSEK 262 (256) and margin 6.3% (6.6). EBITDA increased by 2.3%
- EBITA<sup>1</sup> MSEK 138 (142) and margin 3.3% (3.7). EBITA decreased by 2.8%
- Operating result (EBIT) MSEK 123 (108) and margin 2.9% (2.8). EBIT increased by 13.9%
- Profit for the period<sup>2</sup> MSEK 75 (70). Earnings per share after dilution<sup>2</sup> SEK 0.53 (0.50)

## January – June 2018

- Net sales MSEK 8,335 (7,795). Organic sales growth 1.4% (1.9) and total sales growth 6.9% (8.6)
- EBITDA<sup>1</sup> MSEK 593 (598) and margin 7.1% (7.7). EBITDA decreased by 0.8%
- EBITA<sup>1</sup> MSEK 349 (374) and margin 4.2% (4.8). EBITA decreased by 6.7%
- Operating result (EBIT) MSEK 299 (317) and margin 3.6% (4.1). EBIT decreased by 5.7%
- Profit for the period<sup>2</sup> MSEK 199 (222). Earnings per share after dilution<sup>2</sup> SEK 1.41 (1.57)

## CEO COMMENT:

# “Nordic and France continue the good performance. Enhanced focus on digitalization and specialization.”

The second quarter confirmed the good development in Nordic and France.

Nordic reached an 18% EBITA increase in Q2 and for the first half of the year, levelling out calendar effects, the increase was 10%. This included MSEK 20 of additional costs for digitalization in Capio Go and Capio Proximity Care and adjusted for this the EBITA increase for the first six months was 20%.

Despite fewer working days in both Q1 and Q2, France reached the same EBITA result in Q2 and H1 as last year, now demonstrating its ability to compensate for price decreases. During the second half of the year this trend is expected to grow stronger.

The poor development in Germany continued, but the implementation of the action program started as planned during Q2. In order to permanently change Germany's ability to, ahead of competition, adopt to Modern Medicine and Rapid Recovery, we are making extensive changes in both organization and staffing.

## Focusing on the Nordics

### Increasing specialization

Over a number of years, Capio has increased the focus on specialization in order to deliver higher quality with good productivity. Capio S:t Göran has become a flagship for Capio in highly efficient acute hospital care and has successfully shifted out elective (planned) volumes to specialist clinics in the Stockholm area, becoming even more focused on the acute specialties. By expanding our offer in more standardized specialist care, we have been able to support the public healthcare with high quality care also outside of the complex

and expensive acute hospitals. Examples of these specialties are **orthopedics, healthcare for the elderly both at home and as inpatients, ophthalmology and psychiatry**. This specialization is set to continue as a consequence of the overall healthcare development, including more patients waiting in queues, and will continue to benefit Capio's performance.

We are now planning for a closer coordination of our three businesses in Sweden, Norway and Denmark. These countries have similar healthcare systems, all providing good quality healthcare once you are in the system, but are struggling with productivity – resulting in long waiting times for patients. During the second half of 2018, we are preparing a closer cooperation on know-how exchange, streamlining of our offerings both from a medical perspective and operational efficiency, closer procurement cooperation and joint IT based tools, supporting good service to patients and efficient processes. The step-wise implementation of this Nordic cooperation based on specialization will start in Q1 2019.

The Nordic markets provide good opportunities for continued solid organic growth by continued specialization and high preparedness for digitalization. In addition there are substantial growth opportunities through further consolidation in healthcare through mergers and acquisitions.

In order to fully take advantage of the Nordic opportunities, the Board has over the past year evaluated the structure and geographical presence of Capio. As Capio during spring has been approached by potential buyers of our non-Nordic operations, the Board is now running a structured process on possible divestments of the operations in France and Germany.

<sup>1</sup> Refer to page 34 for definitions of EBITDA and EBITA. <sup>2</sup> Profit for the period refers to profit attributable to parent company shareholders. Refer to note 2 for calculation of EPS (before and after dilution).

This is a translation of the original Swedish interim report. In the event of difference between the English translation and the Swedish original, the Swedish interim report shall prevail.

## “Nordic and France continue the good performance. Enhanced focus on digitalization and specialization.”

### The acquisition of Legevisitten strengthens Capio's offering to elderly patients

Expanding healthcare for elderly patients and preparing for care choice in Stockholm and later on in other parts of the Nordics is a priority for Capio. The ageing population and the shortcomings in coordinating care for complex conditions create opportunities to offer a better and safer combination of care at home and as inpatient in a specialist acute geriatric hospital or with mobile medical resources.

Legevisitten not only contributes substantial volumes to Capio's healthcare offering for elderly patients, but also strong management experience and capacity to develop tomorrow's offering further for differentiated and better care for the elderly.

### Capio Go and Capio Proximity Care

#### Speeding up digitalization

During the past year, we have put a strong focus on the Swedish primary care and the digitalization of healthcare, and digital consultations by Capio Go have been made available to Capio's listed primary care patients. The service, built on dynamic algorithms with questions answered digitally by patients, assisting the medical staff and not just being a video call, is now fully up and running. In June we started to charge for the consultations according to the present regulations in the Swedish counties.

Capio's combination of digital and physical healthcare constitutes a unique patient offering and will transform healthcare provision in Sweden and the Nordics both in terms of availability for patients and staff productivity. To further strengthen our digi-physical platform we have recently made two acquisitions in Sweden, which have brought Capio's total number of primary care centers up to more than 100 and the number of Swedes listed at a Capio center is now close to 900,000. This means we have a recurring base of listed patients of about 9% of the Swedish population as our platform for digital and physical services.

Digital consultations by Capio Go is the **first wave** of digitalization. In the **second wave** we use the full algorithm of 100,000 dynamic questions to also prepare the physical visits in the care centers ("Better visits"). This tool for medical staff will facilitate an even better quality outcome of the consultation and also support productivity. The **third wave** of digitalization is to offer patients with chronic conditions a digital channel to Capio for continuous communication and feedback without always having to pay a visit to the physical care center.

All these three initiatives are there to make quality of healthcare even better and to improve availability to the primary care center for those, often elderly persons, who need the physical contact and consultation. The Capio promise is to offer **first line care without waiting**. We will be able to live up to this promise as the different services go live. Beside the improved quality from our medical staff using digital support, the most important effect for care seekers from digitalization is dramatically increased availability both through the digital service itself and by off-loading the physical care centers less complicated consultations.

Eliminating queues in combination with our ability to provide both digital and physical care increases the attractiveness of the care center and would lead to faster growth of the recurring listing base. In the future, this is also the most important financial effect for Capio. On-listing will add extra volumes with low marginal costs.

### The good trend continues in France

Capio France has now learnt to proactively achieve productivity improvements. Despite four fewer working days during H1 2018, Capio France has treated 3% more patients with 3% shorter lengths of stay and 1% less staff. These trends accelerated during the second quarter and clearly demonstrate productivity improvements to compensate for the 2018 price reduction of 1.2%.

### Restructuring in Germany

The shortfall in Germany during the quarter is due to too long patient stays in hospitals and additional doctor turnover, resulting in lower capacity and net sales. The long stays are explained by lacking commitment to Modern Medicine from some doctors. In addition, the reduction of temporary staff upon the return of ordinary staff after the flu season was slow, resulting in too high staff costs. During Q2, we have taken actions to address these issues and speed up implementation of Rapid Recovery. This has led to a more extensive restructuring than originally planned, and in the general hospitals we have changed two of the hospital managers and are in the process of changing a number of senior doctors. These restructuring measures are impacting Q2 and will have further impact in Q3.

★

For the rest of the year, we expect continued good performance for Nordic and France and we will put strong effort into improving the German development. In addition, Capio will speed up the pace of development with strong management attention to support digitalization, specialization and further consolidation.

My successor, Attila Vegh will take office on October 1, 2018, and will continue the job implementing Capio's strategy for the benefit of patients, funders, employees and shareholders.

#### Thomas Berglund

President and CEO



# The Group and the segments in brief

## Capio Group

|                                                     | APR - JUN    |              |             | JAN - JUN    |              |              | FULL YEAR     |               |
|-----------------------------------------------------|--------------|--------------|-------------|--------------|--------------|--------------|---------------|---------------|
|                                                     | 2018         | 2017         | Change, %   | 2018         | 2017         | Change, %    | RTM           | 2017          |
| <b>Net sales</b>                                    | <b>4,179</b> | <b>3,881</b> | <b>7.7</b>  | <b>8,335</b> | <b>7,795</b> | <b>6.9</b>   | <b>15,867</b> | <b>15,327</b> |
| Total sales growth, %                               | 7.7          | 8.6          |             | 6.9          | 8.6          |              | 8.0           | 8.9           |
| Organic sales growth, %                             | 1.6          | 0.5          |             | 1.4          | 1.9          |              | 2.1           | 2.4           |
| <b>EBITDA</b>                                       | <b>262</b>   | <b>256</b>   | <b>2.3</b>  | <b>593</b>   | <b>598</b>   | <b>-0.8</b>  | <b>1,109</b>  | <b>1,114</b>  |
| Margin, %                                           | 6.3          | 6.6          |             | 7.1          | 7.7          |              | 7.0           | 7.3           |
| <b>EBITA</b>                                        | <b>138</b>   | <b>142</b>   | <b>-2.8</b> | <b>349</b>   | <b>374</b>   | <b>-6.7</b>  | <b>634</b>    | <b>659</b>    |
| Margin, %                                           | 3.3          | 3.7          |             | 4.2          | 4.8          |              | 4.0           | 4.3           |
| <b>Operating result (EBIT)</b>                      | <b>123</b>   | <b>108</b>   | <b>13.9</b> | <b>299</b>   | <b>317</b>   | <b>-5.7</b>  | <b>522</b>    | <b>540</b>    |
| Operating margin (EBIT), %                          | 2.9          | 2.8          |             | 3.6          | 4.1          |              | 3.3           | 3.5           |
| <b>Profit for the period<sup>1</sup></b>            | <b>75</b>    | <b>70</b>    | <b>7.1</b>  | <b>199</b>   | <b>222</b>   | <b>-10.4</b> | <b>347</b>    | <b>370</b>    |
| Earnings per share after dilution, SEK <sup>2</sup> | 0.53         | 0.50         |             | 1.41         | 1.57         |              | 2.46          | 2.62          |
| <b>Net capital expenditure</b>                      | <b>-94</b>   | <b>-85</b>   |             | <b>-208</b>  | <b>-152</b>  |              | <b>-533</b>   | <b>-477</b>   |
| In % of net sales                                   | 2.2          | 2.2          |             | 2.5          | 1.9          |              | 3.4           | 3.1           |
| <b>Net debt</b>                                     | <b>3,910</b> | <b>3,563</b> |             | <b>3,910</b> | <b>3,563</b> |              | <b>3,910</b>  | <b>3,691</b>  |
| Financial leverage                                  | 3.5          | 3.3          |             | 3.5          | 3.3          |              | 3.5           | 3.3           |

## Segments

### Capio Nordic

|                                | APR - JUN    |              |             | JAN - JUN    |              |             | FULL YEAR    |              |
|--------------------------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
|                                | 2018         | 2017         | Change, %   | 2018         | 2017         | Change, %   | RTM          | 2017         |
| <b>Net sales</b>               | <b>2,410</b> | <b>2,211</b> | <b>9.0</b>  | <b>4,719</b> | <b>4,364</b> | <b>8.1</b>  | <b>9,050</b> | <b>8,695</b> |
| Total sales growth, %          | 9.0          | 13.4         |             | 8.1          | 13.2         |             | 11.8         | 14.6         |
| Organic sales growth, %        | 3.4          | 2.4          |             | 2.9          | 3.6          |             | 3.8          | 4.1          |
| <b>EBITDA</b>                  | <b>163</b>   | <b>142</b>   | <b>14.8</b> | <b>325</b>   | <b>294</b>   | <b>10.5</b> | <b>663</b>   | <b>632</b>   |
| Margin, %                      | 6.8          | 6.4          |             | 6.9          | 6.7          |             | 7.3          | 7.3          |
| <b>EBITA</b>                   | <b>114</b>   | <b>97</b>    | <b>17.5</b> | <b>227</b>   | <b>206</b>   | <b>10.2</b> | <b>480</b>   | <b>459</b>   |
| Margin, %                      | 4.7          | 4.4          |             | 4.8          | 4.7          |             | 5.3          | 5.3          |
| <b>Operating result (EBIT)</b> | <b>133</b>   | <b>86</b>    | <b>54.7</b> | <b>229</b>   | <b>169</b>   | <b>35.5</b> | <b>422</b>   | <b>362</b>   |
| Operating margin (EBIT), %     | 5.5          | 3.9          |             | 4.9          | 3.9          |             | 4.7          | 4.2          |
| <b>Net capital expenditure</b> | <b>-39</b>   | <b>-31</b>   |             | <b>-72</b>   | <b>-68</b>   |             | <b>-184</b>  | <b>-180</b>  |
| In % of net sales              | 1.6          | 1.4          |             | 1.5          | 1.6          |             | 2.0          | 2.1          |

### Capio France

|                                | APR - JUN    |              |             | JAN - JUN    |              |             | FULL YEAR    |              |
|--------------------------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
|                                | 2018         | 2017         | Change, %   | 2018         | 2017         | Change, %   | RTM          | 2017         |
| <b>Net sales</b>               | <b>1,468</b> | <b>1,379</b> | <b>6.5</b>  | <b>2,980</b> | <b>2,813</b> | <b>5.9</b>  | <b>5,602</b> | <b>5,435</b> |
| Total sales growth, %          | 6.5          | 3.2          |             | 5.9          | 3.3          |             | 3.7          | 2.3          |
| Organic sales growth, %        | 0.0          | -1.1         |             | 0.4          | -0.2         |             | 0.7          | 0.4          |
| <b>EBITDA</b>                  | <b>128</b>   | <b>124</b>   | <b>3.2</b>  | <b>302</b>   | <b>294</b>   | <b>2.7</b>  | <b>479</b>   | <b>471</b>   |
| Margin, %                      | 8.7          | 9.0          |             | 10.1         | 10.5         |             | 8.6          | 8.7          |
| <b>EBITA</b>                   | <b>64</b>    | <b>64</b>    | <b>0.0</b>  | <b>176</b>   | <b>175</b>   | <b>0.6</b>  | <b>227</b>   | <b>226</b>   |
| Margin, %                      | 4.3          | 4.6          |             | 5.9          | 6.2          |             | 4.1          | 4.2          |
| <b>Operating result (EBIT)</b> | <b>50</b>    | <b>54</b>    | <b>-7.4</b> | <b>152</b>   | <b>158</b>   | <b>-3.8</b> | <b>210</b>   | <b>216</b>   |
| Operating margin (EBIT), %     | 3.4          | 3.9          |             | 5.1          | 5.6          |             | 3.7          | 4.0          |
| <b>Net capital expenditure</b> | <b>-45</b>   | <b>-39</b>   |             | <b>-111</b>  | <b>-63</b>   |             | <b>-289</b>  | <b>-241</b>  |
| In % of net sales              | 3.1          | 2.8          |             | 3.7          | 2.2          |             | 5.2          | 4.4          |

### Capio Germany

|                                | APR - JUN  |            |               | JAN - JUN  |            |               | FULL YEAR    |              |
|--------------------------------|------------|------------|---------------|------------|------------|---------------|--------------|--------------|
|                                | 2018       | 2017       | Change, %     | 2018       | 2017       | Change, %     | RTM          | 2017         |
| <b>Net sales</b>               | <b>301</b> | <b>291</b> | <b>3.4</b>    | <b>636</b> | <b>618</b> | <b>2.9</b>    | <b>1,215</b> | <b>1,197</b> |
| Total sales growth, %          | 3.4        | 1.4        |               | 2.9        | 3.2        |               | 2.0          | 2.1          |
| Organic sales growth, %        | -3.6       | -4.6       |               | -4.7       | 0.2        |               | -2.5         | 0.0          |
| <b>EBITDA</b>                  | <b>-2</b>  | <b>12</b>  | <b>-116.7</b> | <b>18</b>  | <b>57</b>  | <b>-68.4</b>  | <b>59</b>    | <b>98</b>    |
| Margin, %                      | -0.7       | 4.1        |               | 2.8        | 9.2        |               | 4.9          | 8.2          |
| <b>EBITA</b>                   | <b>-11</b> | <b>4</b>   | <b>-375.0</b> | <b>1</b>   | <b>43</b>  | <b>-97.7</b>  | <b>26</b>    | <b>68</b>    |
| Margin, %                      | -3.7       | 1.4        |               | 0.1        | 7.0        |               | 2.1          | 5.7          |
| <b>Operating result (EBIT)</b> | <b>-32</b> | <b>-8</b>  | <b>-300.0</b> | <b>-25</b> | <b>42</b>  | <b>-159.5</b> | <b>-10</b>   | <b>57</b>    |
| Operating margin (EBIT), %     | -10.7      | -2.7       |               | -3.9       | 6.8        |               | -0.8         | 4.8          |
| <b>Net capital expenditure</b> | <b>-8</b>  | <b>-14</b> |               | <b>-22</b> | <b>-18</b> |               | <b>-47</b>   | <b>-43</b>   |
| In % of net sales              | 2.7        | 4.8        |               | 3.5        | 2.9        |               | 3.9          | 3.6          |

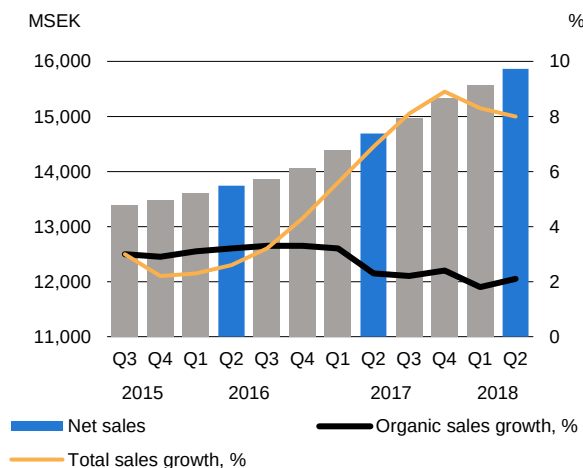
All numbers in MSEK, if not else stated.

<sup>1</sup> Profit attributable to parent company shareholders.

<sup>2</sup> Refer to note 2 for calculation of earnings per share (before and after dilution).

# Financial targets and development

## Quarterly development 2015-2018 (RTM)



## Net sales and sales growth

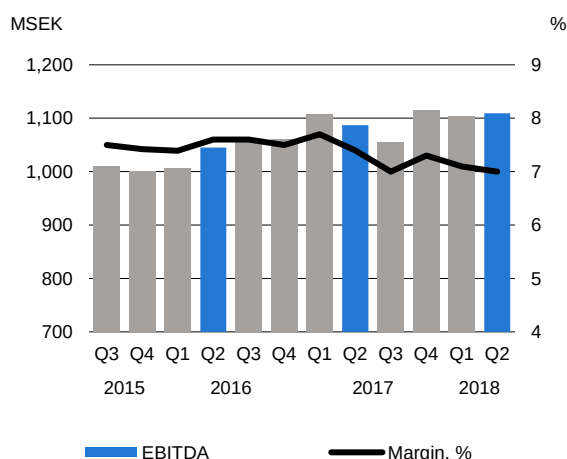
### Target

- The target is to grow organically at least in line with the market and add acquisition growth at least at a similar rate over time

### Development in 2018

- Total sales growth 6.9% and organic sales growth 1.4% (Jan-Jun 2018)
- Organic sales growth was in line with market growth in Nordic and France. The organic sales growth in Germany was lower than the German market growth following low inpatient volumes
- Acquisitions made contributed to total sales growth but the pace declined in H1 2018 as the largest acquisition 2017 was included from January 2017

## Quarterly development 2015-2018 (RTM)



## EBITDA and margin

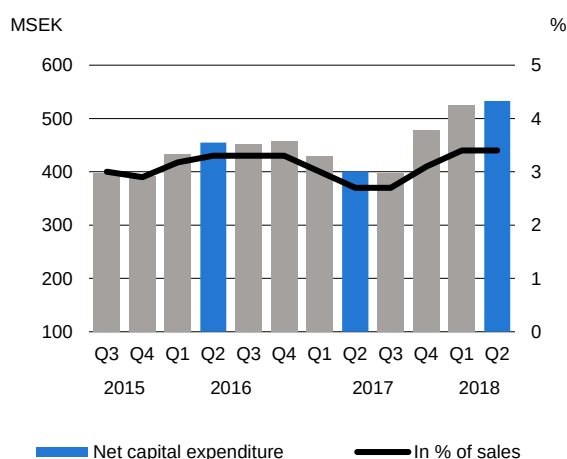
### Target

- The target is to grow EBITDA at a higher rate than sales growth through increased productivity and operational leverage

### Development in 2018

- EBITDA decreased by 0.8% (Jan-Jun 2018)
- Operational leverage in H1 2018 was negative given the development in Germany and four fewer working days in France in 2018 compared with 2017
- Positive contribution from the acquired businesses, in line with expectations

## Quarterly development 2015-2018 (RTM)



## Net capital expenditure and in % of net sales

### Target

- The target with present business mix is to keep net capex around 3% of net sales per year including Modern Medicine and expansion related capex

### Development in 2018

- Net capital expenditures in % of net sales was 3.4% (RTM June 2018), which was slightly above the target impacted by phasing of projects in France and Germany

## Digitalizing healthcare

**Capio Go** was launched in May 2017 and during its first year, the digital doctor consultation service has been rolled out to Capio's primary care centers in Sweden. Capio's online service is integrated in the physical medical offering, providing a complete and secure patient journey with access to laboratory and other diagnostic services as well as physical visits at one of Capio's primary care centers. Presently, the offering includes a complete digital consultation for 25 symptoms, which will be expanded by four new symptoms every quarter. **Capio Proximity Care** has started to implement the same technology to prepare physical visits at a primary care center – Better Visits, enabling more precise diagnosing and more efficient use of the time spent with patients.

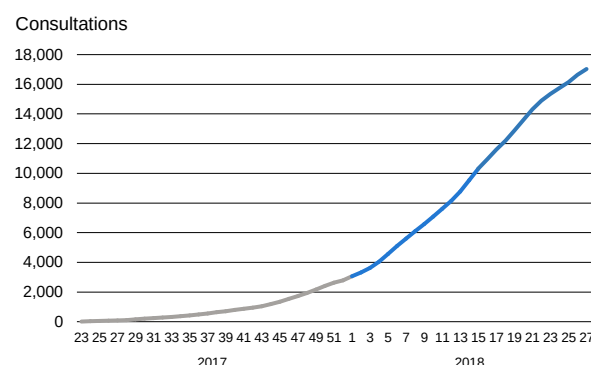
From June 1, 2018, Capio Go's remuneration for digital doctor consultations is SEK 570 per visit, of which SEK 250 is patient fee. During H1 2018, Capio has invested MSEK 20 more in digitalization compared to the same period 2017 to reach the current position. We are now ready to speed up investments in marketing to considerably increase patient awareness of Capio Go and direct offers to patients. Marketing activities are targeting both the recurring patient base of listed patients as well as the entire Swedish population and will be launched on a bigger scale during Q3 2018.

The total number of primary care visits is growing in line with the population growth (c. 1% p.a.) with some 43 million physical primary care visits (to all staff categories) expected to be performed in 2018. Digital doctor consultations in Swedish primary care are currently growing at a rate of +100% p.a., driven by increased availability and follow-up visits. Digital doctor consultations are estimated at 1.5% of total physical doctor consultations in 2018. Capio's current penetration of digital doctor consultations is 3-4% of our total listed patient base in primary care. We have set a first target to reach a 10% penetration among our own listed patients. Independent market research indicates that in five years from now up to 25% of all consultations in Sweden could be digital. This will include visits to other staff categories than doctors, like nurses, mid-wives, physiotherapists, psychologists etc.

With Capio's combined digital and physical platform, we are well positioned to capture this rapidly growing market. Capio Go and Capio Proximity Care will work in close cooperation to manage the entire patient journey. The ramp up of digital visits by Capio Go is expected to convert patient visits from the existing listing base at lower cost and attract new, non-listed patient's visits to Capio Go. This is estimated to increase the number of listed patients (recurring volume) within Capio Proximity Care as a result of attractive offerings and well-targeted marketing activities. Patient conversion to digital visits will also increase availability to the physical primary care centers and drive staff productivity.

To streamline the digital patient interface even further, providing self-service tools and easy access to patient data, Capio is also developing new IT tools. These will enable implementation of user friendly applications and reduce the administrative work of medical staff and support clinical decisions, improving staff productivity and medical quality.

**Number of consultations online (RTM, on a weekly basis)**



The number of digital visits will from now on be presented on a weekly rolling twelve month basis to reflect the dynamics of the growing operations and to level out impacts from seasonality of patient visits. In the Q1 report the going rate of 40,000 visits/year was calculated on a weekly basis and was impacted by flu, colds and other seasonal diseases. The corresponding rate at the release of this report, published during the more "healthy" summer period, was about 25,000 visits/year. The rate is expected to continue to grow in H2 2018.

## Measuring Modern Medicine

### Development of Average length of stay (AVLOS)<sup>1</sup>

|                                | APR - JUN |      |      | JAN - JUN |      |      | FULL YEAR |      |      |      |      |      |      |
|--------------------------------|-----------|------|------|-----------|------|------|-----------|------|------|------|------|------|------|
| AVLOS by segment, Days         | 2018      | %    | 2017 | 2018      | %    | 2017 | RTM       | 2017 | %    | 2016 | %    | 2015 | %    |
| Capio Nordic                   | 3.85      | -3.3 | 3.98 | 3.96      | 0.0  | 3.96 | 3.93      | 3.93 | -2.0 | 4.01 | -2.7 | 4.12 | -1.0 |
| Capio Nordic excl. geriatrics  | 2.80      | -2.1 | 2.86 | 2.87      | 0.7  | 2.85 | 2.83      | 2.82 | -0.4 | 2.83 | -3.4 | 2.93 | -2.7 |
| Capio France                   | 4.24      | -4.7 | 4.45 | 4.29      | -3.2 | 4.43 | 4.35      | 4.42 | -1.1 | 4.47 | -3.0 | 4.61 | -2.9 |
| Capio France excl. geriatrics  | 4.18      | -3.7 | 4.34 | 4.22      | -2.5 | 4.33 | 4.26      | 4.32 | -2.5 | 4.43 | -3.7 | 4.60 | -3.2 |
| Capio Germany                  | 4.68      | 0.2  | 4.67 | 4.50      | -0.4 | 4.52 | 4.55      | 4.56 | 0.4  | 4.54 | -1.5 | 4.61 | -4.4 |
| Capio Germany excl. geriatrics | 4.01      | -1.5 | 4.07 | 3.92      | -1.3 | 3.97 | 3.96      | 3.99 | -1.2 | 4.04 | -3.1 | 4.17 | -6.1 |
| Capio Group                    | 4.20      | -3.7 | 4.36 | 4.24      | -2.1 | 4.33 | 4.27      | 4.32 | -1.1 | 4.37 | -2.7 | 4.49 | -3.0 |
| Capio Group excl. geriatrics   | 3.81      | -3.5 | 3.95 | 3.85      | -2.3 | 3.94 | 3.88      | 3.92 | -2.2 | 4.01 | -3.4 | 4.15 | -4.2 |

<sup>1</sup> Refer to page 34 for definition.

AVLOS was shortened in the quarter despite impacts from higher case mix in all segments. AVLOS in Nordic was impacted by a higher case mix for emergency patients. The Group's strategic focus on Modern Medicine giving Rapid Recovery, and Modern Management reduced AVLOS by

3.7% despite the higher case mix. Adjusted for geriatrics, the AVLOS reduction for the Group was 3.5%. Considering the higher case mix, in addition to the increase from geriatrics, the AVLOS development was well in line with the historical downward trend.

## Group development

### Capio Group

|                                                     | APR – JUN      |                |             | JAN – JUN      |                |              | FULL YEAR      |                |
|-----------------------------------------------------|----------------|----------------|-------------|----------------|----------------|--------------|----------------|----------------|
|                                                     | 2018           | 2017           | Change, %   | 2018           | 2017           | Change, %    | RTM            | 2017           |
| <b>KPI; Production, productivity and resources</b>  |                |                |             |                |                |              |                |                |
| Number of outpatients                               | 1,282.1        | 1,231.0        | 4.2         | 2,541.9        | 2,430.6        | 4.6          | 4,976.6        | 4,865.3        |
| Number of inpatients                                | 55.6           | 55.8           | -0.4        | 115.0          | 116.8          | -1.5         | 222.5          | 224.3          |
| <b>Number of patients, kNumber</b>                  | <b>1,337.7</b> | <b>1,286.8</b> | <b>4.0</b>  | <b>2,656.9</b> | <b>2,547.4</b> | <b>4.3</b>   | <b>5,199.1</b> | <b>5,089.6</b> |
| <b>AVLOS, Days</b>                                  | <b>4.20</b>    | <b>4.36</b>    | <b>-3.7</b> | <b>4.24</b>    | <b>4.33</b>    | <b>-2.1</b>  | <b>4.27</b>    | <b>4.32</b>    |
| <b>Number of employees (FTE)</b>                    | <b>13,369</b>  | <b>13,017</b>  | <b>2.7</b>  | <b>13,451</b>  | <b>13,119</b>  | <b>2.5</b>   | <b>13,481</b>  | <b>13,314</b>  |
| <b>Income statement</b>                             |                |                |             |                |                |              |                |                |
| Net sales outpatients                               | 2,200          | 2,025          | 8.6         | 4,336          | 4,007          | 8.2          | 8,309          | 7,980          |
| Net sales inpatients                                | 1,719          | 1,609          | 6.8         | 3,487          | 3,291          | 6.0          | 6,583          | 6,387          |
| Net sales other                                     | 260            | 247            | 5.3         | 512            | 497            | 3.0          | 975            | 960            |
| <b>Net sales</b>                                    | <b>4,179</b>   | <b>3,881</b>   | <b>7.7</b>  | <b>8,335</b>   | <b>7,795</b>   | <b>6.9</b>   | <b>15,867</b>  | <b>15,327</b>  |
| Total sales growth, %                               | 7.7            | 8.6            |             | 6.9            | 8.6            |              | 8.0            | 8.9            |
| Organic sales growth, %                             | 1.6            | 0.5            |             | 1.4            | 1.9            |              | 2.1            | 2.4            |
| <b>EBITDA</b>                                       | <b>262</b>     | <b>256</b>     | <b>2.3</b>  | <b>593</b>     | <b>598</b>     | <b>-0.8</b>  | <b>1,109</b>   | <b>1,114</b>   |
| Margin, %                                           | 6.3            | 6.6            |             | 7.1            | 7.7            |              | 7.0            | 7.3            |
| <b>EBITA</b>                                        | <b>138</b>     | <b>142</b>     | <b>-2.8</b> | <b>349</b>     | <b>374</b>     | <b>-6.7</b>  | <b>634</b>     | <b>659</b>     |
| Margin, %                                           | 3.3            | 3.7            |             | 4.2            | 4.8            |              | 4.0            | 4.3            |
| <b>Profit for the period<sup>1</sup></b>            | <b>75</b>      | <b>70</b>      | <b>7.1</b>  | <b>199</b>     | <b>222</b>     | <b>-10.4</b> | <b>347</b>     | <b>370</b>     |
| Earnings per share after dilution, SEK <sup>2</sup> | 0.53           | 0.50           |             | 1.41           | 1.57           |              | 2.46           | 2.62           |

#### April – June 2018

Organic sales growth was driven by volume growth and a higher case mix, and supported by a positive calendar effect on a net basis (+2 days vs. Q2 2017 in Nordic and Germany and -3 days in France). Price growth was limited, but improved to last year mainly following a lower price pressure in France and part of the Swedish specialist care operations. Outpatient volume growth was positive in all segments, while inpatient volume growth in the Nordic segment could not compensate for lower volumes in Germany and France. Acquisitions and changes in exchange rates impacted total sales growth positively. At comparable exchange rates total sales growth was 4.3% (6.2).

The result development was positively impacted by Nordic and France, partly following improvements from the actions initiated during H2 2017, and supported by effects from the group procurement project. The development in Germany was negatively impacted by lower volumes and increased costs following additional doctor turnover.

The operating result (EBIT) included amortization on surplus values of MSEK -28 (-27) and restructuring and other non-recurring items and acquisition related costs of MSEK 13 (-7). Restructuring and other non-recurring items were related to the ongoing projects in France, an initiated restructuring program in Germany, and an adjustment of the expected purchase price for the remaining shares in an acquisition in the Nordic segment.

The profit for the period included net financial items of MSEK -35 (-25) and income tax of MSEK -13 (-13). Net financial items were impacted by the higher net debt and the extended and expanded group credit facility compared to last year. The effective income tax rate was 15% (16%). The Swedish Parliament has decided to reduce the Swedish corporate tax rate from 22% to 21.4% from 2019 and to 20.6% from 2021. Deferred tax liabilities and assets have been recalculated with the new corporate tax rates and had a positive effect on the tax expense in Q2 by MSEK 7.

Earnings per share (EPS) after dilution was SEK 0.53 (0.50), positively impacted by the higher operating result.

#### January – June 2018

Organic sales growth was driven by volume growth and a higher case mix, while calendar effects impacted the development in France (-4 days vs. H1 2017). Price growth was limited, but improved to last year mainly following a lower price pressure in France and part of the Swedish operations. Price growth was also impacted by a reimbursement from the French government related to 2017 of around MSEK +10 and a lower price on parts of the specialist activity in Germany (MSEK -9). Outpatient volume growth was positive in all segments, while inpatient volume growth in the Nordic segment could not compensate for lower volumes in Germany and France. Acquisitions and changes in exchange rates impacted total sales growth positively. At comparable exchange rates total sales growth was 4.1% (6.8).

The result development was positively impacted by the Nordic segment, which continued its solid improvement, and the French segment, which improved despite fewer working days in 2018. The result development was positively impacted by the actions initiated during H2 2017 and supported by effects from the group procurement project, which are now becoming visible in the result. Investments in the digitalization of healthcare continued and the result impact of the new digital services was MSEK -20 vs. H1 2017. The development in Germany was weak following a widespread flu outbreak in Q1 (estimated impact of MSEK -20 and MSEK -15 on net sales and result respectively) and a high doctor turnover, impacting volumes and costs negatively in H1.

The operating result (EBIT) included amortization on surplus values of MSEK -54 (-52) and restructuring and other non-recurring items and acquisition related costs of MSEK 4 (-5). Restructuring and other non-recurring items were related to the ongoing projects in France, an initiated restructuring program in Germany, and an adjustment of the expected purchase price for the remaining shares in a Nordic acquisition. Acquisition related costs were below last year considering lower acquisition activity.

The profit for the period included net financial items of MSEK -63 (-48) and income tax of MSEK -36 (-46). Net financial items were impacted by the higher net debt and the extended and expanded group credit facility compared to last year. The effective income tax rate was 15% (17%).

Earnings per share (EPS) after dilution was SEK 1.41 (1.57). The development was impacted by the lower result.

<sup>1</sup> Attributable to parent company shareholders.

<sup>2</sup> Refer to note 2 for calculation of earnings per share (before and after dilution).

## Development in the segments



### Capio Nordic

|                                                    | APR – JUN      |                |             | JAN – JUN      |                |             | FULL YEAR      |                |
|----------------------------------------------------|----------------|----------------|-------------|----------------|----------------|-------------|----------------|----------------|
|                                                    | 2018           | 2017           | Change, %   | 2018           | 2017           | Change, %   | RTM            | 2017           |
| <b>KPI; Production, productivity and resources</b> |                |                |             |                |                |             |                |                |
| Number of outpatients                              | 1,059.2        | 1,016.3        | 4.2         | 2,092.1        | 2,002.4        | 4.5         | 4,110.1        | 4,020.4        |
| Number of inpatients                               | 15.6           | 14.3           | 9.1         | 30.7           | 29.0           | 5.9         | 58.5           | 56.8           |
| <b>Number of patients, kNumber</b>                 | <b>1,074.8</b> | <b>1,030.6</b> | <b>4.3</b>  | <b>2,122.8</b> | <b>2,031.4</b> | <b>4.5</b>  | <b>4,168.6</b> | <b>4,077.2</b> |
| <b>AVLOS, Days</b>                                 | <b>3.85</b>    | <b>3.98</b>    | <b>-3.3</b> | <b>3.96</b>    | <b>3.96</b>    | <b>0.0</b>  | <b>3.93</b>    | <b>3.93</b>    |
| <b>Number of employees (FTE)</b>                   | <b>6,667</b>   | <b>6,327</b>   | <b>5.4</b>  | <b>6,742</b>   | <b>6,380</b>   | <b>5.7</b>  | <b>6,737</b>   | <b>6,556</b>   |
| <b>Income statement</b>                            |                |                |             |                |                |             |                |                |
| Net sales outpatients                              | 1,674          | 1,546          | 8.3         | 3,268          | 3,049          | 7.2         | 6,339          | 6,120          |
| Net sales inpatients                               | 685            | 613            | 11.7        | 1,357          | 1,218          | 11.4        | 2,538          | 2,399          |
| Net sales other                                    | 51             | 52             | -1.9        | 94             | 97             | -3.1        | 173            | 176            |
| <b>Net sales</b>                                   | <b>2,410</b>   | <b>2,211</b>   | <b>9.0</b>  | <b>4,719</b>   | <b>4,364</b>   | <b>8.1</b>  | <b>9,050</b>   | <b>8,695</b>   |
| Total sales growth, %                              | 9.0            | 13.4           |             | 8.1            | 13.2           |             | 11.8           | 14.6           |
| Organic sales growth, %                            | 3.4            | 2.4            |             | 2.9            | 3.6            |             | 3.8            | 4.1            |
| <b>EBITDA</b>                                      | <b>163</b>     | <b>142</b>     | <b>14.8</b> | <b>325</b>     | <b>294</b>     | <b>10.5</b> | <b>663</b>     | <b>632</b>     |
| Margin, %                                          | 6.8            | 6.4            |             | 6.9            | 6.7            |             | 7.3            | 7.3            |
| <b>EBITA</b>                                       | <b>114</b>     | <b>97</b>      | <b>17.5</b> | <b>227</b>     | <b>206</b>     | <b>10.2</b> | <b>480</b>     | <b>459</b>     |
| Margin, %                                          | 4.7            | 4.4            |             | 4.8            | 4.7            |             | 5.3            | 5.3            |
| <b>Cash flow</b>                                   |                |                |             |                |                |             |                |                |
| <b>Net capital expenditure</b>                     | <b>-39</b>     | <b>-31</b>     |             | <b>-72</b>     | <b>-68</b>     |             | <b>-184</b>    | <b>-180</b>    |
| In % of net sales                                  | 1.6            | 1.4            |             | 1.5            | 1.6            |             | 2.0            | 2.1            |

#### Capio Nordic April – June 2018

Organic sales growth was mainly driven by volume growth in the emergency and primary care in Sweden and a positive calendar effect (+2 days) due to timing of Easter. The emergency care operation was positively impacted by increased patient flows and a higher case mix. The growth was negatively impacted by a temporary decline in public volumes in the Danish operation. The number of patient visits and total sales growth was positively impacted by acquisitions. At comparable exchange rates total sales growth was 8.3% (12.9).

The solid result improvement continued, supported by an improved performance in most business areas. Acquired businesses continued to contribute to the result in line with expectations. The investments in the digitalization of healthcare continued and the result impact related to the new digital services amounted to MSEK -10 in Capio Go and Capio Proximity Care compared to Q2 2017. From June 1, Capio Go is reimbursed for digital doctor consultations with SEK 570/visit on a net basis. Refer to page 6 for more information.

Despite a higher case mix, AVLOS decreased in line with the historical trend. The number of FTEs increased mainly due to the acquisitions.

Net capital expenditure (net capex) mainly comprised maintenance capex.

#### Capio Nordic January – June 2018

Organic sales growth was mainly driven by volume growth within the emergency and orthopedics operations as well as primary care in Sweden. The emergency operation was positively impacted by an increased patient flow and a higher case mix. The number of patient visits and total sales growth was positively impacted by acquisitions. At comparable exchange rates total sales growth was 7.8% (12.6).

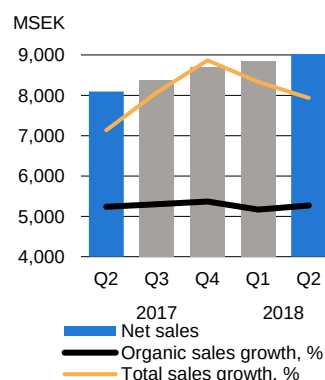
The solid result improvement continued, mainly by an improved performance in the Swedish primary care operation, the emergency operation in Stockholm and parts of the specialist care activities. Acquired businesses continued to contribute to the result in line with expectations. The investments in the digitalization of healthcare continued and during the first six months the result impact of the new digital services was MSEK -20 in Capio Go and Capio Proximity Care compared to the same period 2017.

AVLOS was impacted by a significantly higher case mix in the emergency and geriatrics businesses. The number of FTEs increased mainly due to the acquisitions.

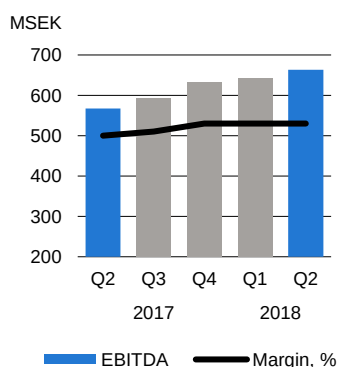
Net capital expenditure (net capex) mainly comprised maintenance capex and was in line with last year.

#### Quarterly development from the second quarter 2017 to the second quarter 2018

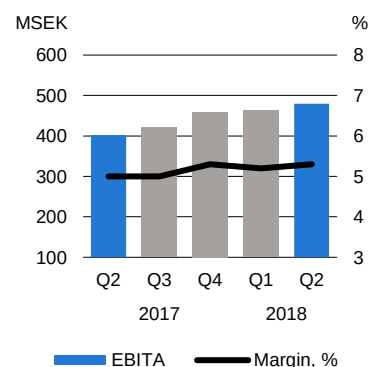
##### Net sales and sales growth (RTM)



##### EBITDA and margin (RTM)



##### EBITA and margin (RTM)





## Development in the segments (cont.)

### Capio France

|                                                    | APR – JUN    |              |             | JAN – JUN    |              |             | FULL YEAR    |              |
|----------------------------------------------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
|                                                    | 2018         | 2017         | Change, %   | 2018         | 2017         | Change, %   | RTM          | 2017         |
| <b>KPI; Production, productivity and resources</b> |              |              |             |              |              |             |              |              |
| Number of outpatients                              | 167.3        | 160.9        | 4.0         | 337.0        | 323.4        | 4.2         | 644.9        | 631.3        |
| Number of inpatients                               | 32.8         | 33.5         | -2.1        | 68.1         | 69.7         | -2.3        | 132.3        | 133.9        |
| <b>Number of patients, kNumber</b>                 | <b>200.1</b> | <b>194.4</b> | <b>2.9</b>  | <b>405.1</b> | <b>393.1</b> | <b>3.1</b>  | <b>777.2</b> | <b>765.2</b> |
| <b>AVLOS, Days</b>                                 | <b>4.24</b>  | <b>4.45</b>  | <b>-4.7</b> | <b>4.29</b>  | <b>4.43</b>  | <b>-3.2</b> | <b>4.35</b>  | <b>4.42</b>  |
| <b>Number of employees (FTE)</b>                   | <b>5,417</b> | <b>5,470</b> | <b>-1.0</b> | <b>5,432</b> | <b>5,481</b> | <b>-0.9</b> | <b>5,465</b> | <b>5,490</b> |
| <b>Income statement</b>                            |              |              |             |              |              |             |              |              |
| Net sales outpatients                              | 470          | 428          | 9.8         | 954          | 872          | 9.4         | 1,753        | 1,671        |
| Net sales inpatients                               | 796          | 760          | 4.7         | 1,624        | 1,558        | 4.2         | 3,072        | 3,006        |
| Net sales other                                    | 202          | 191          | 5.8         | 402          | 383          | 5.0         | 777          | 758          |
| <b>Net sales</b>                                   | <b>1,468</b> | <b>1,379</b> | <b>6.5</b>  | <b>2,980</b> | <b>2,813</b> | <b>5.9</b>  | <b>5,602</b> | <b>5,435</b> |
| Total sales growth, %                              | 6.5          | 3.2          |             | 5.9          | 3.3          |             | 3.7          | 2.3          |
| Organic sales growth, %                            | 0.0          | -1.1         |             | 0.4          | -0.2         |             | 0.7          | 0.4          |
| <b>EBITDA</b>                                      | <b>128</b>   | <b>124</b>   | <b>3.2</b>  | <b>302</b>   | <b>294</b>   | <b>2.7</b>  | <b>479</b>   | <b>471</b>   |
| Margin, %                                          | 8.7          | 9.0          |             | 10.1         | 10.5         |             | 8.6          | 8.7          |
| <b>EBITA</b>                                       | <b>64</b>    | <b>64</b>    | <b>0.0</b>  | <b>176</b>   | <b>175</b>   | <b>0.6</b>  | <b>227</b>   | <b>226</b>   |
| Margin, %                                          | 4.3          | 4.6          |             | 5.9          | 6.2          |             | 4.1          | 4.2          |
| <b>Cash flow</b>                                   |              |              |             |              |              |             |              |              |
| <b>Net capital expenditure</b>                     | <b>-45</b>   | <b>-39</b>   |             | <b>-111</b>  | <b>-63</b>   |             | <b>-289</b>  | <b>-241</b>  |
| In % of net sales                                  | 3.1          | 2.8          |             | 3.7          | 2.2          |             | 5.2          | 4.4          |

#### Capio France April – June 2018

Despite three fewer working days in the quarter compared to last year the organic sales growth was zero, positively impacted by a total patient growth in all seven regions. The shift from in- to outpatient treatments continued which, in addition to the fewer working days, impacted the growth of inpatient visits negatively. The 2018 price reduction impacted net sales negatively, but the price pressure eased slightly compared to last year. At comparable exchange rates total sales growth was -0.2% (-1.1).

The result development in Q2 was positively impacted by the staff and cost reduction program initiated in H2 2017 and by effects from the group procurement project now visible in the result, which balanced the negative impact from the fewer working days. The development was negatively impacted by some strikes (MSEK -5) and positively impacted by changes in exchange rates. The number of FTEs was reduced by 1.3% compared to the full year 2017, which was well in line with the plan considering development of new businesses.

Net capital expenditure (net capex) mainly comprised maintenance capex and was above last year due to timing of expansion projects.

#### Capio France January – June 2018

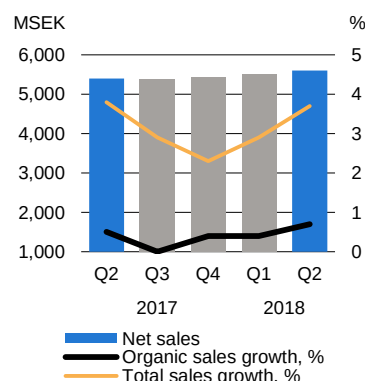
Despite four fewer working days compared to last year, the organic sales growth was slightly positive, driven by a total patient growth in all seven regions. The price effect was MSEK -4 as the negative price impact from the general price reductions was mitigated by the reimbursement related to 2017 of around MSEK +10 reported in Q1. At comparable exchange rates total sales growth was 0.2% (0.2).

The result development was supported by an improved performance of the big five hospitals following the change from a geographical to a specialized organization. The development was also positively impacted by the staff and cost reduction program initiated in H2 2017 and effects from the group procurement program. The result development was positively impacted by changes in exchange rates while the fewer number of working days impacted negatively. The number of FTEs was reduced by 1.1% compared to the full year 2017, which was well in line with the plan considering development of new businesses.

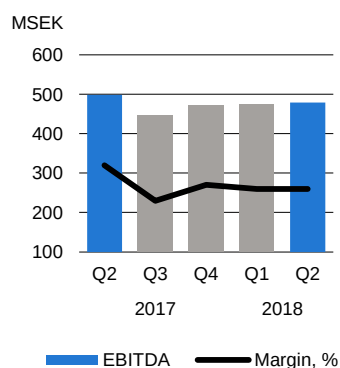
Net capital expenditure (net capex) mainly comprised maintenance capex and was above last year due to timing of expansion projects.

### Quarterly development from the second quarter 2017 to the second quarter 2018

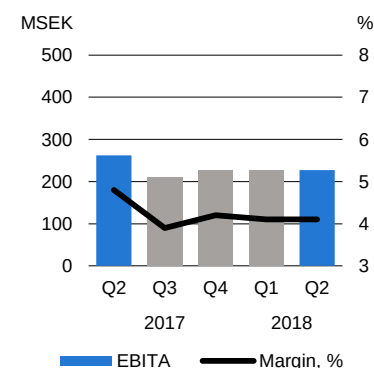
#### Net sales and sales growth (RTM)



#### EBITDA and margin (RTM)



#### EBITA and margin (RTM)





## Development in the segments (cont.)

### Capio Germany

|                                                    | APR – JUN    |              |               | JAN – JUN    |              |              | FULL YEAR    |              |
|----------------------------------------------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|
|                                                    | 2018         | 2017         | Change, %     | 2018         | 2017         | Change, %    | RTM          | 2017         |
| <b>KPI; Production, productivity and resources</b> |              |              |               |              |              |              |              |              |
| Number of outpatients                              | 55.7         | 53.8         | 3.5           | 112.9        | 104.8        | 7.7          | 221.7        | 213.6        |
| Number of inpatients                               | 7.1          | 7.9          | -10.1         | 16.1         | 18.0         | -10.6        | 31.7         | 33.6         |
| <b>Number of patients, kNumber</b>                 | <b>62.8</b>  | <b>61.7</b>  | <b>1.8</b>    | <b>129.0</b> | <b>122.8</b> | <b>5.0</b>   | <b>253.4</b> | <b>247.2</b> |
| <b>AVLOS, Days</b>                                 | <b>4.68</b>  | <b>4.67</b>  | <b>0.2</b>    | <b>4.50</b>  | <b>4.52</b>  | <b>-0.4</b>  | <b>4.55</b>  | <b>4.56</b>  |
| <b>Number of employees (FTE)</b>                   | <b>1,242</b> | <b>1,175</b> | <b>5.7</b>    | <b>1,234</b> | <b>1,211</b> | <b>1.9</b>   | <b>1,236</b> | <b>1,224</b> |
| <b>Income statement</b>                            |              |              |               |              |              |              |              |              |
| Net sales outpatients                              | 56           | 52           | 7.7           | 114          | 87           | 31.0         | 216          | 189          |
| Net sales inpatients                               | 238          | 236          | 0.8           | 506          | 515          | -1.7         | 973          | 982          |
| Net sales other                                    | 7            | 3            | 133.3         | 16           | 16           | 0.0          | 26           | 26           |
| <b>Net sales</b>                                   | <b>301</b>   | <b>291</b>   | <b>3.4</b>    | <b>636</b>   | <b>618</b>   | <b>2.9</b>   | <b>1,215</b> | <b>1,197</b> |
| Total sales growth, %                              | 3.4          | 1.4          |               | 2.9          | 3.2          |              | 2.0          | 2.1          |
| Organic sales growth, %                            | -3.6         | -4.6         |               | -4.7         | 0.2          |              | -2.5         | 0.0          |
| <b>EBITDA</b>                                      | <b>-2</b>    | <b>12</b>    | <b>-116.7</b> | <b>18</b>    | <b>57</b>    | <b>-68.4</b> | <b>59</b>    | <b>98</b>    |
| Margin, %                                          | -0.7         | 4.1          |               | 2.8          | 9.2          |              | 4.9          | 8.2          |
| <b>EBITA</b>                                       | <b>-11</b>   | <b>4</b>     | <b>-375.0</b> | <b>1</b>     | <b>43</b>    | <b>-97.7</b> | <b>26</b>    | <b>68</b>    |
| Margin, %                                          | -3.7         | 1.4          |               | 0.1          | 7.0          |              | 2.1          | 5.7          |
| <b>Cash flow</b>                                   |              |              |               |              |              |              |              |              |
| <b>Net capital expenditure</b>                     | <b>-8</b>    | <b>-14</b>   |               | <b>-22</b>   | <b>-18</b>   |              | <b>-47</b>   | <b>-43</b>   |
| In % of net sales                                  | 2.7          | 4.8          |               | 3.5          | 2.9          |              | 3.9          | 3.6          |

#### Capio Germany April – June 2018

Organic sales growth was negatively impacted by significantly lower inpatient volumes and a lower price on parts of the specialist care activity (MSEK -4). Inpatient volumes were negatively impacted by a restructuring of doctors in the general hospitals, decreasing the number of referrals and reducing productivity. Volumes were expected to recover during the quarter, but the improvement was further delayed due to additional doctor turnover. The negative development was partly mitigated by the timing of Easter (+2 days). At comparable exchange rates total sales growth was -3.4% (-3.2).

Result and margin were negatively impacted by lower inpatient volumes and prices as well as by increased costs for temporary staff and lower productivity following the doctor turnover. In addition, the reduction of temporary staff after the flu season was slow, giving too high staff costs. AVLOS was negatively impacted by the staff situation and a higher case mix. As planned, we started actions during the quarter to speed up implementation of Rapid Recovery with shorter lengths of stay resulting in increasing productivity. The increase of FTEs was mainly related to the eye surgery business in Bremen and too high temporary staff.

Restructuring measures impacted by MSEK-15 below the EBITA result, refer to the Jan-Jun column for more information.

Net capex was related to maintenance.

#### Capio Germany January – June 2018

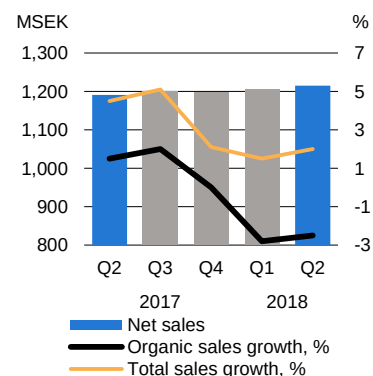
Organic sales growth was negatively impacted by significantly lower inpatient volumes following a lack of doctors in some general hospitals, and a lower price on parts of the specialist care activity (MSEK -9). Also, the flu outbreak hit very hard in Q1 2018 (estimated impact of MSEK -20). At comparable exchange rates total sales growth was -2.7% (-0.1).

Result and margin were negatively impacted by the lower inpatient volumes and prices as well as by increased costs for temporary staff and recruitment following the doctor turnover. The result impact from the flu is estimated to approximately MSEK -15. During Q2, an extensive restructuring program to drive Modern Medicine was initiated in the general hospitals. Two of the hospital managers have been changed and we are in the process of changing a number of doctors in order to get full commitment to Modern Medicine. In the specialist vein surgery business, we are successful in moving treatments from in- to outpatient care and are partly compensating for the price reduction from January 1, 2018. As a consequence of the transfer from in- to outpatient care we are evaluating to divest one small vein surgery clinic. The restructuring measures impacted Q2 and will also impact Q3.

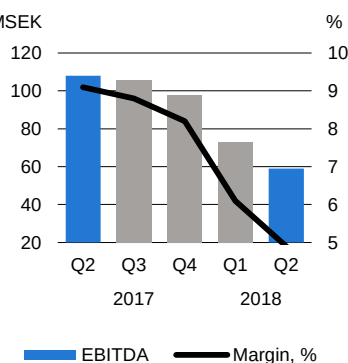
Net capex was mainly related to maintenance and the finalization of a refurbishment project in a general hospital.

#### Quarterly development from the second quarter 2017 to the second quarter 2018

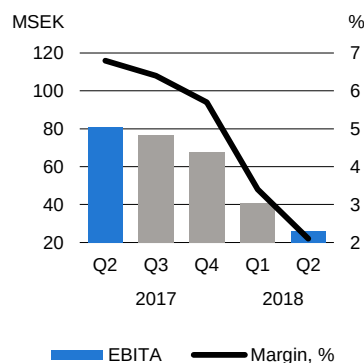
##### Net sales and sales growth (RTM)



##### EBITDA and margin (RTM)



##### EBITA and margin (RTM)



## Cash flow

| Capio Group                                               | APR - JUN |        | JAN - JUN |        | FULL YEAR |        |
|-----------------------------------------------------------|-----------|--------|-----------|--------|-----------|--------|
|                                                           | 2018      | 2017   | 2018      | 2017   | RTM       | 2017   |
| Net debt opening                                          | -3,745    | -3,255 | -3,691    | -2,872 | -3,563    | -2,872 |
| EBITA                                                     | 138       | 142    | 349       | 374    | 634       | 659    |
| Capital expenditure                                       | -104      | -85    | -220      | -163   | -582      | -525   |
| Divestments of fixed assets                               | 10        | 0      | 12        | 11     | 49        | 48     |
| Net capital expenditure                                   | -94       | -85    | -208      | -152   | -533      | -477   |
| In % of net sales                                         | 2.2       | 2.2    | 2.5       | 1.9    | 3.4       | 3.1    |
| Add-back depreciation                                     | 124       | 114    | 244       | 224    | 475       | 455    |
| Net investments                                           | 30        | 29     | 36        | 72     | -58       | -22    |
| Change in net customer receivables                        | 1         | -54    | -156      | -140   | -137      | -121   |
| Other changes in operating capital employed               | -19       | 10     | 56        | -34    | 18        | -72    |
| Operating cash flow                                       | 150       | 127    | 285       | 272    | 457       | 444    |
| Cash conversion, %                                        | 108.7     | 89.4   | 81.7      | 72.7   | 72.1      | 67.4   |
| Income taxes paid                                         | 0         | -31    | -22       | -37    | -77       | -92    |
| Free cash flow before financial items                     | 150       | 96     | 263       | 235    | 380       | 352    |
| Cash conversion, %                                        | 108.7     | 67.6   | 75.4      | 62.8   | 59.9      | 53.4   |
| Net financial items paid                                  | -29       | -21    | -51       | -46    | -99       | -94    |
| Free cash flow after financial items                      | 121       | 75     | 212       | 189    | 281       | 258    |
| Cash conversion, %                                        | 87.7      | 52.8   | 60.7      | 50.5   | 44.3      | 39.2   |
| Acquisitions and divestments of operations                | -84       | -182   | -93       | -680   | -198      | -785   |
| Received/paid restructuring and other non-recurring items | -16       | -14    | -37       | -8     | -47       | -18    |
| Shareholder transactions                                  | -136      | -128   | -136      | -128   | -137      | -129   |
| Net cash flow                                             | -115      | -249   | -54       | -627   | -101      | -674   |
| Cash conversion, %                                        | -83.3     | -175.4 | -15.5     | -167.6 | -15.9     | -102.3 |
| Other items                                               | -50       | -59    | -165      | -64    | -246      | -145   |
| Net debt closing                                          | -3,910    | -3,563 | -3,910    | -3,563 | -3,910    | -3,691 |

### Cash flow April – June 2018

Capex increased to last year following timing effects and some expansion projects in France supporting business growth. Divestments were related to a vacated real estate in France. Depreciation increased to last year, impacted by higher capex, recent acquisitions and changes in exchange rates. Changes in net customer receivables were impacted by timing effects related to the change of tariffs in France during March 2018 (approximately MSEK 80 of less advances in Q1, payment received in Q2). Changes in other operating capital employed were impacted by timing effects. Net financial items paid increased due to a higher net debt.

The outflow from acquisitions was mainly related to the acquisition of Novakliniken (Nordic). Received/paid restructuring and other non-recurring items were mainly related to the ongoing projects in France and Germany combined with settlement of items from prior periods. During the quarter, the dividend for 2017 was paid with MSEK -134 (MSEK -127).

Other items affecting net debt were mainly related to changes in exchange rates.

### Cash flow January – June 2018

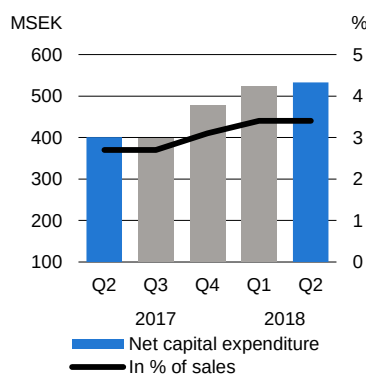
Capex increased to last year following timing effects of maintenance capex and some expansion projects in France and Germany supporting business growth. Depreciation increased to last year, impacted by higher capex, recent acquisitions and changes in exchange rates. The change in net customer receivables was mainly impacted by a higher activity and a slightly higher DSO. Changes in other operating capital employed were impacted by timing effects. The increase in net financial items paid was related to a higher net debt.

The outflow from acquisitions was mainly related to the acquisition of Novakliniken (Nordic) and outpatient authorizations in Germany. Received/paid restructuring and other non-recurring items were mainly related to the ongoing projects in France and Germany combined with settlement of items from prior periods. Shareholder transactions mainly comprised the dividend paid.

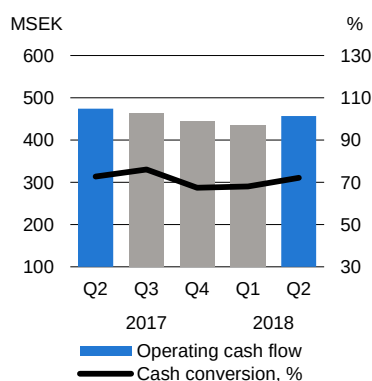
Other items affecting net debt were mainly related to changes in exchange rates.

### Quarterly development from the second quarter 2017 to the second quarter 2018

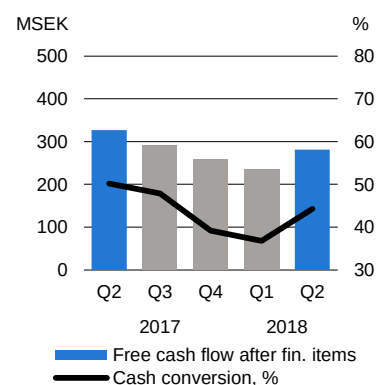
Net capex and in % of net sales (RTM)



Operating CF and cash conversion (RTM)



Free CF after fin. items and cash conv. (RTM)



## Capital employed and financing

| Capio Group                                | 2018         | 2017         |              |
|--------------------------------------------|--------------|--------------|--------------|
|                                            | 30 Jun       | 31 Dec       | 30 Jun       |
| Operating fixed assets (excl. real estate) | 1,683        | 1,640        | 1,450        |
| Net customer receivables                   | 1,693        | 1,474        | 1,491        |
| Other operating assets and liabilities     | -2,283       | -2,106       | -2,052       |
| <b>Operating capital employed 1</b>        | <b>1,093</b> | <b>1,008</b> | <b>889</b>   |
| <i>In % of net sales</i>                   | 6.9          | 6.6          | 6.1          |
| Operating real estate                      | 824          | 771          | 780          |
| <b>Operating capital employed 2</b>        | <b>1,917</b> | <b>1,779</b> | <b>1,669</b> |
| <i>In % of net sales</i>                   | 12.1         | 11.6         | 11.4         |
| Other capital employed                     | 7,956        | 7,668        | 7,481        |
| <b>Capital employed</b>                    | <b>9,873</b> | <b>9,447</b> | <b>9,150</b> |
| <i>Return on capital employed, %</i>       | 6.4          | 7.0          | 7.1          |
| Net debt                                   | 3,910        | 3,691        | 3,563        |
| <i>Financial leverage</i>                  | 3.5          | 3.3          | 3.3          |
| Equity                                     | 5,963        | 5,756        | 5,587        |
| <b>Total financing</b>                     | <b>9,873</b> | <b>9,447</b> | <b>9,150</b> |

### Capital employed as of June 30, 2018

The increase in operating fixed assets compared with December 31, 2017 was mainly related to changes in exchange rates. The increase in net customer receivables was mainly due to higher activity in June 2018 compared with December 2017 and a slightly higher DSO. The change in other operating assets and liabilities was mainly due to seasonal and timing effects combined with changes in exchange rates. The increase of operating real estate was mainly impacted by changes in exchange rates and a refurbishment project in one of the German hospitals.

Compared with December 31, 2017, other capital employed was mainly impacted by changes of acquisition related surplus values and exchange rates. The return on capital employed was 6.4% (7.0 as of December 31, 2017) and was negatively impacted by effects from acquisitions (not included twelve months in the RTM EBITA).

### Financing as of June 30, 2018

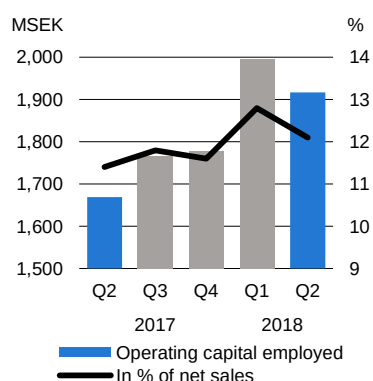
The net debt increase compared with December 31, 2017, was mainly due to changes in exchange rates (impact of MSEK -143) and the net effect from acquisitions and divestments (MSEK -93). The visible financial leverage increased from 3.3x at year-end 2017 to 3.5x at June 30, 2018, mainly impacted by the higher net debt. The recently announced acquisition of Legevisitten will temporarily increase the visible financial leverage to approximately 3.7x, but some deleveraging is expected during Q4 2018 due to the seasonally stronger cash flow.

During Q1 2018 an amendment and extension of the Group's MEUR 235 revolving credit facility (RCF) was completed, see page 14 for more information.

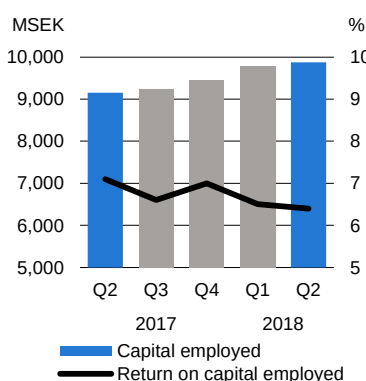
The financing facility of the Group contains two financial covenants; one covenant with a maximum financial leverage and one covenant with a minimum interest cover. As of June 30, 2018 Capio was in compliance with and had satisfactory headroom under both covenants.

### Quarterly development from the second quarter 2017 to the second quarter 2018

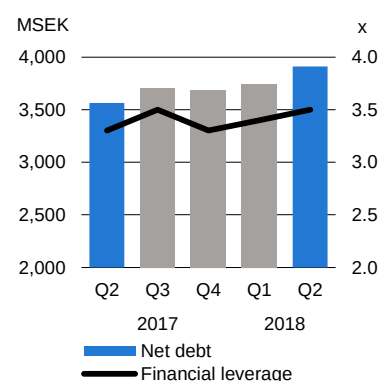
#### Operating capital employed and in % of net sales



#### Capital employed and ROCE



#### Net debt and financial leverage



## Significant events during the period

### Capio confirm talks about possible structural changes

On June 25, 2018, Capio announced that there are ongoing discussions relating to possible divestments of its non-Nordic operations. Capio continuously evaluates different alternatives to drive growth and create shareholder value, and when Capio was approached by potential buyers Capio's Board of Directors saw it logical to evaluate these approaches. The Board believes that a repositioning of Capio towards the Nordic markets has the potential to enhance the ability to deliver Capio's strategic focus on specialization and digitalization. As of June 30, 2018, no decisions about potential structural changes had been made.

### Attila Vegh was appointed new CEO

On June 21, 2018 Capio announced that the Board of Directors has appointed Attila Vegh as new President and CEO of Capio. He is currently CEO of Penta Hospitals International, the leading hospital chain in Central and Eastern Europe. Attila Vegh will take on his new position from October 1, 2018, and Thomas Berglund will stay in position until then. It was in February 2018 that Thomas Berglund informed the Board of Directors that he had a wish to leave his position after more than ten years with Capio.

### Loss of two outsourcing contracts in Stockholm

As announced on April 11, 2018, the Stockholm County Council (SCC) has resolved to award the contract to run acute geriatric activities at Dalen's hospital in Stockholm and the contract to run specialized addiction treatment in SCC (today Capio Maria) respectively to other healthcare providers when the current contract periods end. The current acute geriatric contract expires on October 31, 2018 while the contract for specialized addiction treatment ends on December 31, 2018. Capio appealed against the decision to award the specialized addiction treatment in SCC to another healthcare provider but the appeal was rejected and the contract with the new healthcare provider has now been signed.

The loss of the contracts is expected to impact the Group's financial development in 2019 negatively with combined annual net sales of around MSEK 470 and EBITA

of around MSEK 40. The loss of the contracts will not significantly impact the Group in 2018.

Over time, the share of contracts in % of total net sales has decreased and the trend is towards more free healthcare choice where the patient is free to choose healthcare provider based on quality and availability.

Capio Sweden's current contract portfolio has the following maturity structure (net sales, MSEK)<sup>1</sup>:

| 2018             | 2019 | 2020 | 2021-2025 | 2026               | 2027 |
|------------------|------|------|-----------|--------------------|------|
| 600 <sup>2</sup> | 200  | 300  | 250       | 2,050 <sup>3</sup> | 50   |

<sup>1</sup> Rounded to even fifties and incl. extension options.

<sup>2</sup> Incl. Capio Geriatrics Dalen and Capio Maria with combined net sales of MSEK 470.

<sup>3</sup> Mainly Capio S:t Göran with final maturity in 2026 (incl. extension option).

Over the next five years, the market potential for new contracts in Sweden is estimated to around MSEK 1,250, of which submitted bids and ongoing tenders are around MSEK 350 and the potential for new contracts during 2019-2022 is MSEK 900 (source: Capio market studies).

In addition, the SCC has resolved to introduce free healthcare choice according to the act (2008:962) on System of choice (Sw: Lag om *valfrihetssystem*, LOV) for geriatric out and inpatient care – Care Choice Geriatrics for healthcare providers with own facilities – from May 1, 2019. This will complement Capio's remaining advanced homecare and palliative care operations at Dalen's hospital, which are not part of the lost contract, and the acute geriatric, advanced homecare, and palliative care activities at Nacka hospital.

Based on our experience in providing healthcare for elderly patients and to increase our preparedness for the free healthcare choice introduction, Capio will further specialize its offering within these specialties, including new concepts and strengthening of care chains to attract patients. For example, Capio is currently developing a facility project, establishing a brand new specialized hospital North West of Stockholm with a combined offering for elderly patients.

In 2017, SCC's cost for geriatric care was around MSEK 2,000 (source: Hälso- och sjukvårdsförvaltningen i SLLs Årsredovisning 2017).

## Other events during the period

### Capio awarded contract to run psychiatric care in Stockholm

In June 2018, it was announced that Capio had been awarded a new contract to run psychiatric out and inpatient specialist care in Stockholm, Sweden. The new contract is a four year contract, valid from January 1, 2019, with annual net sales of about MSEK 40. The contract is not expected to significantly impact the Group's earnings in 2018.

### Tariffs for healthcare reimbursement in France 2018

On February 26, 2018 the French government announced that tariffs to reimburse healthcare were being decreased by 1.2% from March 1, 2018, compared to 2017 tariff levels. The price reduction was slightly better than Capio's expectations for the French market for 2018 and significantly lower than the price reductions in 2015-2017 of 2.1-2.5% per year. The new prices are valid until February 28, 2019.

## Other events during the period (cont.)

In March, the French government announced that they would retrospectively reimburse an additional part of the volume component of the 2017 price reduction due to updated statistics about healthcare expenditures in France in 2017. This was paid as a one-off payment during April – June 2018. The positive result impact for Capio of around MEUR 1 was recognized in the January – March 2018 result. In addition, the French president Macron stated in a TV interview in April that there will be no more savings on hospitals in the coming four years (source: [rnc.bfmtv.com](http://rnc.bfmtv.com)).

### **Acquisition of Swedish primary care group Novakliniken**

As announced on February 26, 2018, Capio has acquired 100% of Novakliniken with operations in the southeastern parts of Skåne, Sweden. Enterprise value was MSEK 88 and the acquisition was closed on April 3, 2018. Novakliniken operates eight primary care centers and two branches, and provides some occupational health and dental services. 2017 net sales were MSEK 245. The acquisition of Novakliniken complements and strengthens Capio's presence and healthcare offering in Skåne. The acquisition is not expected to significantly impact the Group's earnings in 2018.

### **Amendment and extension of Revolving Credit Facility**

As announced on January 17, 2018, Capio has completed an amendment and extension of its MEUR 235 revolving credit facility (RCF), which is part of the total Group financing facility of MEUR 500. The agreement includes a 2.5 year extension as well as an increase of the RCF of MEUR 108. All other terms have remained unchanged. The agreement will not significantly impact the Group's financial items in 2018.

### **Capio awarded contract to run specialist care in Motala**

In January 2018, it was announced that Capio had been awarded a new contract to run the orthopedic, general surgery and anesthesia operations at the hospital in Motala, Sweden. The resolution was appealed by a competitor and in April the court ruled in favor of the competitor. Capio and Region Östergötland appealed to reverse the decision and in June the administrative court of appeal in Jönköping granted leave to appeal, why the case is still open.

## Significant events after the period

### **Rejection of public cash offer from Ramsay Générale de Santé**

Ramsay Générale de Santé (RGdS) has on July 13 announced a public offer to the shareholders in Capio to sell all of their shares to RGdS at a price of SEK 48.50 per share. As announced in a press release on the same day, Capio's Board of Directors has unanimously decided to reject the Offer of SEK 48.50 per share, representing a premium of approximately 16 per cent to the closing price of SEK 41.80 per share on Nasdaq Stockholm on 12 July 2018. The Board believes the Offer does not adequately reflect the fundamental value of Capio and believes that a possible repositioning of Capio towards the Nordic markets has the potential to significantly enhance the ability to deliver Capio's strategic focus and drive shareholder value.

### **Acquisition of Swedish healthcare group Legevisitten**

As announced on July 11, 2018, Capio has signed an agreement to acquire 100% of Legevisitten with specialist and primary care activities in Sweden. The acquisition increases

Capio's capacity within geriatrics and related services for the elderly patients in the Stockholm area and strengthens Capio's position facing the geriatric free healthcare choice introduction in Stockholm in 2019. The acquisition also adds about 82,000 listed patients to Capio's base of recurring primary care patients, which further supports Capio's digital offering with digital consultations and a broad network of physical primary care units. In 2017, Legevisitten's net sales were MSEK 613, of which 90% was related to free healthcare choice and 10% to tendered contracts. Enterprise value is MSEK 365 and the acquisition is expected to be closed and included in Capio from September 1, 2018. The acquisition is subject to approval by the county councils of Stockholm and Värmland as well as unconditional approval from the Competition Authority. Synergy effects, mainly on the administrative side by utilizing more shared services and procurement, are expected to be realized from 2019 with full impact in 2020. The acquisition of Legevisitten is expected to be accretive on an earnings per share basis from 2019.

## Risks and uncertainties

### **Political, operational and financial risks**

The Group is exposed, through its international operations, to a variety of risks that may give rise to fluctuation in profit/loss, other comprehensive income and cash flow. Key areas of risk encompass political, operational and financial risks. Various policies govern the management of key risks. Refer to the Capio Annual Report 2017 for a further description of risks and risk management.

### **Seasonal variations**

The Group's net sales and operating result fluctuate across the year, mainly due to lower elective (planned) activity during the summer period and lower activity during the holiday season at the end of the year. Operations are also impacted by e.g. Easter holiday and bank holidays, whichever could occur in different months/quarters in different years. The Group's cash flow is normally stronger in the second half of the year, impacted by some seasonal effects including improvements in working capital. The above factors should be taken into consideration when making assessments on the basis of interim financial information.

# Condensed financial reports

## Condensed statement of comprehensive income – Capio Group

|                                                                                                     | APR - JUN  |            | JAN - JUN    |              | FULL YEAR    |              |
|-----------------------------------------------------------------------------------------------------|------------|------------|--------------|--------------|--------------|--------------|
|                                                                                                     | 2018       | 2017       | 2018         | 2017         | RTM          | 2017         |
| Net sales                                                                                           | 4,179      | 3,881      | 8,335        | 7,795        | 15,867       | 15,327       |
| Direct costs                                                                                        | -3,520     | -3,262     | -6,953       | -6,463       | -13,253      | -12,763      |
| <b>Gross result</b>                                                                                 | <b>659</b> | <b>619</b> | <b>1,382</b> | <b>1,332</b> | <b>2,614</b> | <b>2,564</b> |
| Administrative expenses                                                                             | -521       | -477       | -1,033       | -958         | -1,980       | -1,905       |
| <b>EBITA</b>                                                                                        | <b>138</b> | <b>142</b> | <b>349</b>   | <b>374</b>   | <b>634</b>   | <b>659</b>   |
| Amortization on surplus values                                                                      | -28        | -27        | -54          | -52          | -109         | -107         |
| Restructuring and other non-recurring items and acquisition related costs                           | 13         | -7         | 4            | -5           | -3           | -12          |
| <b>Operating result (EBIT)</b>                                                                      | <b>123</b> | <b>108</b> | <b>299</b>   | <b>317</b>   | <b>522</b>   | <b>540</b>   |
| Net interest                                                                                        | -24        | -19        | -45          | -38          | -85          | -78          |
| Other financial items                                                                               | -11        | -6         | -18          | -10          | -32          | -24          |
| <b>Profit after financial items</b>                                                                 | <b>88</b>  | <b>83</b>  | <b>236</b>   | <b>269</b>   | <b>405</b>   | <b>438</b>   |
| Income tax                                                                                          | -13        | -13        | -36          | -46          | -56          | -66          |
| <b>Profit for the period</b>                                                                        | <b>75</b>  | <b>70</b>  | <b>200</b>   | <b>223</b>   | <b>349</b>   | <b>372</b>   |
| <b>EBITDA</b>                                                                                       | <b>262</b> | <b>256</b> | <b>593</b>   | <b>598</b>   | <b>1,109</b> | <b>1,114</b> |
| <b>Other comprehensive income that will be reclassified into profit/loss:</b>                       |            |            |              |              |              |              |
| Hedge effect in foreign investment                                                                  | 13         | -9         | 33           | -13          | 30           | -16          |
| Translation differences                                                                             | 36         | 54         | 186          | 48           | 254          | 116          |
| <b>Other comprehensive income that will be reclassified into profit/loss, net of income tax</b>     | <b>49</b>  | <b>45</b>  | <b>219</b>   | <b>35</b>    | <b>284</b>   | <b>100</b>   |
| <b>Other comprehensive income that will not be reclassified into profit/loss:</b>                   |            |            |              |              |              |              |
| Revaluation of defined benefit plans                                                                | -77        | -27        | -95          | -12          | -149         | -66          |
| Income taxes related to other comprehensive income                                                  | 15         | 5          | 19           | 2            | 30           | 13           |
| <b>Other comprehensive income that will not be reclassified into profit/loss, net of income tax</b> | <b>-62</b> | <b>-22</b> | <b>-76</b>   | <b>-10</b>   | <b>-119</b>  | <b>-53</b>   |
| <b>Total comprehensive income for the period, net of income tax</b>                                 | <b>62</b>  | <b>93</b>  | <b>343</b>   | <b>248</b>   | <b>514</b>   | <b>419</b>   |
| <b>Profit attributable to:</b>                                                                      |            |            |              |              |              |              |
| Parent Company shareholders                                                                         | 75         | 70         | 199          | 222          | 347          | 370          |
| Non-controlling interest                                                                            | 0          | 0          | 1            | 1            | 2            | 2            |
| <b>Total comprehensive income attributable to:</b>                                                  | <b>75</b>  | <b>70</b>  | <b>200</b>   | <b>223</b>   | <b>349</b>   | <b>372</b>   |
| Parent Company shareholders                                                                         | 63         | 93         | 343          | 248          | 513          | 418          |
| Non-controlling interest                                                                            | -1         | 0          | 0            | 0            | 1            | 1            |
|                                                                                                     | <b>62</b>  | <b>93</b>  | <b>343</b>   | <b>248</b>   | <b>514</b>   | <b>419</b>   |
| <b>Earnings per share<sup>1</sup>:</b>                                                              |            |            |              |              |              |              |
| Earnings per share before dilution, SEK                                                             | 0.53       | 0.50       | 1.41         | 1.57         | 2.46         | 2.62         |
| Earnings per share after dilution, SEK                                                              | 0.53       | 0.50       | 1.41         | 1.57         | 2.46         | 2.62         |

<sup>1</sup> Refer to note 2 for calculation of earnings per share (before and after dilution).

# Condensed financial reports (cont.)

## Condensed balance sheet – Capio Group

|                                                               | 2018          | 2017          |               |
|---------------------------------------------------------------|---------------|---------------|---------------|
|                                                               | 30 Jun        | 31 Dec        | 30 Jun        |
| Intangible assets                                             | 8,601         | 8,210         | 8,033         |
| Tangible fixed assets                                         | 2,537         | 2,465         | 2,333         |
| Financial fixed assets                                        | 762           | 712           | 700           |
| <b>Total fixed assets</b>                                     | <b>11,900</b> | <b>11,387</b> | <b>11,066</b> |
| Inventories                                                   | 282           | 267           | 253           |
| Accounts receivables - trade                                  | 920           | 889           | 810           |
| Short-term investments and interest-bearing receivables       | 2             | 2             | 2             |
| Cash and cash equivalents                                     | 467           | 283           | 347           |
| Other current assets                                          | 1,419         | 1,219         | 1,322         |
| <b>Total current assets</b>                                   | <b>3,090</b>  | <b>2,660</b>  | <b>2,734</b>  |
| <b>Total assets</b>                                           | <b>14,990</b> | <b>14,047</b> | <b>13,800</b> |
| Equity attributable to Parent Company shareholders            | 5,938         | 5,731         | 5,561         |
| Equity attributable to non-controlling interest               | 25            | 25            | 26            |
| <b>Total equity</b>                                           | <b>5,963</b>  | <b>5,756</b>  | <b>5,587</b>  |
| Provisions for employee benefits                              | 459           | 376           | 354           |
| Deferred income tax liabilities                               | 622           | 608           | 664           |
| Long-term liabilities, interest-bearing                       | 3,302         | 3,203         | 3,178         |
| Long-term liabilities and provisions, non-interest-bearing    | 343           | 367           | 341           |
| <b>Total long-term liabilities and provisions</b>             | <b>4,726</b>  | <b>4,554</b>  | <b>4,537</b>  |
| Current liabilities, interest-bearing                         | 1,140         | 832           | 792           |
| Accounts payable – trade                                      | 737           | 852           | 630           |
| Current income tax liabilities                                | 11            | 2             | 39            |
| Accrued expenses and prepaid income                           | 1,918         | 1,586         | 1,736         |
| Other current liabilities                                     | 495           | 465           | 479           |
| <b>Total current liabilities</b>                              | <b>4,301</b>  | <b>3,737</b>  | <b>3,676</b>  |
| <b>Total liabilities, provisions and shareholders' equity</b> | <b>14,990</b> | <b>14,047</b> | <b>13,800</b> |

# Condensed financial reports (cont.)

## Condensed statement of cash flow – Capio Group

|                                                                              | APR - JUN   |             | JAN - JUN   |             | FULL YEAR   |               |
|------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|---------------|
|                                                                              | 2018        | 2017        | 2018        | 2017        | RTM         | 2017          |
| Operating result (EBIT)                                                      | 123         | 108         | 299         | 317         | 522         | 540           |
| Reversal of depreciations/amortizations and impairments                      | 155         | 144         | 302         | 280         | 589         | 567           |
| Items not affecting cash flow <sup>1</sup>                                   | 0           | 3           | 0           | -17         | 2           | -15           |
| Interest received and paid                                                   | -28         | -21         | -61         | -46         | -109        | -94           |
| Taxes paid                                                                   | 0           | -31         | -22         | -37         | -77         | -92           |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>250</b>  | <b>203</b>  | <b>518</b>  | <b>497</b>  | <b>927</b>  | <b>906</b>    |
| Change in net working capital                                                | -40         | -50         | -123        | -184        | -89         | -150          |
| <b>Cash flow from operating activities</b>                                   | <b>210</b>  | <b>153</b>  | <b>395</b>  | <b>313</b>  | <b>838</b>  | <b>756</b>    |
| Acquisition of operations                                                    | -69         | -167        | -76         | -655        | -124        | -703          |
| Divestment of operations                                                     | -           | 2           | -           | 29          | 4           | 33            |
| Payment to non-controlling interest                                          | -2          | -3          | -2          | -6          | -4          | -8            |
| Acquisition/divestment of financial fixed assets                             | -           | 0           | -           | -13         | -49         | -62           |
| Investments in tangible and intangible fixed assets                          | -104        | -85         | -220        | -163        | -582        | -525          |
| Divestments of tangible fixed assets                                         | 10          | 1           | 12          | 43          | 17          | 48            |
| <b>Cash flow from investment activities</b>                                  | <b>-165</b> | <b>-252</b> | <b>-286</b> | <b>-765</b> | <b>-738</b> | <b>-1,217</b> |
| Increase/decrease in external loans                                          | 137         | 449         | 307         | 700         | 344         | 737           |
| Amortizations                                                                | -55         | -54         | -97         | -98         | -192        | -193          |
| Dividend                                                                     | -134        | -127        | -134        | -127        | -134        | -127          |
| <b>Cash flow from financing activities</b>                                   | <b>-52</b>  | <b>268</b>  | <b>76</b>   | <b>475</b>  | <b>18</b>   | <b>417</b>    |
| <b>Cash flow from operations</b>                                             | <b>-7</b>   | <b>169</b>  | <b>185</b>  | <b>23</b>   | <b>118</b>  | <b>-44</b>    |
| Currency differences in cash and cash equivalents                            | -1          | 2           | -1          | 3           | 2           | 6             |
| <b>Change in cash and cash equivalents</b>                                   | <b>-8</b>   | <b>171</b>  | <b>184</b>  | <b>26</b>   | <b>120</b>  | <b>-38</b>    |
| <b>Opening balance, cash and cash equivalents</b>                            | <b>475</b>  | <b>176</b>  | <b>283</b>  | <b>321</b>  | <b>347</b>  | <b>321</b>    |
| <b>Closing balance, cash and cash equivalents</b>                            | <b>467</b>  | <b>347</b>  | <b>467</b>  | <b>347</b>  | <b>467</b>  | <b>283</b>    |

<sup>1</sup> Related to capital gains.

# Condensed financial reports (cont.)

## Changes in shareholders' equity – Capió Group

|                                             | Share capital | Other contributed capital | Other reserves | Translation reserve | Retained earnings | Non-controlling interest | Shareholders' equity |
|---------------------------------------------|---------------|---------------------------|----------------|---------------------|-------------------|--------------------------|----------------------|
| <b>Opening balance at January 1, 2017</b>   | 72            | 710                       | -147           | 379                 | 4,429             | 29                       | 5,472                |
| Reclassification <sup>1</sup>               |               | 8                         | 147            |                     | -155              |                          |                      |
| Profit for the year                         |               |                           |                |                     | 222               | 1                        | 223                  |
| Other comprehensive income                  |               |                           |                | 36                  | -10               | -1                       | 25                   |
| <b>Total comprehensive income</b>           | -             | -                         | -              | 36                  | 212               | 0                        | 248                  |
| Dividend                                    |               |                           |                |                     | -127              |                          | -127                 |
| Dividend to non-controlling interest        |               |                           |                |                     | -2                |                          | -2                   |
| Change in non-controlling interest          |               |                           |                |                     | -1                | -3                       | -4                   |
| <b>Total transactions with shareholders</b> | -             | -                         | -              | -                   | -130              | -3                       | -133                 |
| <b>Closing balance at June 30, 2017</b>     | 72            | 718                       | -              | 415                 | 4,356             | 26                       | 5,587                |

|                                             | Share capital | Other contributed capital | Other reserves | Translation reserve | Retained earnings | Non-controlling interest | Shareholders' equity |
|---------------------------------------------|---------------|---------------------------|----------------|---------------------|-------------------|--------------------------|----------------------|
| <b>Opening balance at January 1, 2017</b>   | 72            | 710                       | -147           | 379                 | 4,429             | 29                       | 5,472                |
| Reclassification <sup>1</sup>               |               | 8                         | 147            |                     | -155              |                          |                      |
| Profit for the year                         |               |                           |                |                     | 370               | 2                        | 372                  |
| Other comprehensive income                  |               |                           |                | 101                 | -53               | -1                       | 47                   |
| <b>Total comprehensive income</b>           | -             | -                         | -              | 101                 | 317               | 1                        | 419                  |
| Dividend                                    |               |                           |                |                     | -127              |                          | -127                 |
| Dividend to non-controlling interest        |               |                           |                |                     | -2                | -1                       | -3                   |
| Change in non-controlling interest          |               |                           |                |                     | -1                | -4                       | -5                   |
| <b>Total transactions with shareholders</b> | -             | -                         | -              | -                   | -130              | -5                       | -135                 |
| <b>Closing balance at December 31, 2017</b> | 72            | 718                       | -              | 480                 | 4,461             | 25                       | 5,756                |

|                                             | Share capital | Other contributed capital | Other reserves | Translation reserve | Retained earnings | Non-controlling interest | Shareholders' equity |
|---------------------------------------------|---------------|---------------------------|----------------|---------------------|-------------------|--------------------------|----------------------|
| <b>Opening balance at January 1, 2018</b>   | 72            | 718                       | -              | 480                 | 4,461             | 25                       | 5,756                |
| Profit for the year                         |               |                           |                |                     | 199               | 1                        | 200                  |
| Other comprehensive income                  |               |                           |                | 220                 | -76               | -1                       | 143                  |
| <b>Total comprehensive income</b>           | -             | -                         | -              | 220                 | 123               | 0                        | 343                  |
| Dividend                                    |               |                           |                |                     | -134              |                          | -134                 |
| Dividend to non-controlling interest        |               |                           |                |                     | -2                |                          | -2                   |
| <b>Total transactions with shareholders</b> | -             | -                         | -              | -                   | -136              | -                        | -136                 |
| <b>Closing balance at June 30, 2018</b>     | 72            | 718                       | -              | 700                 | 4,448             | 25                       | 5,963                |

<sup>1</sup> Reclassification is mainly related to historical actuarial gains and losses from defined benefit plans.

# Parent Company

## Condensed statement of comprehensive income – Parent Company

|                                                                     | APR - JUN |           | JAN - JUN  |            | FULL YEAR  |
|---------------------------------------------------------------------|-----------|-----------|------------|------------|------------|
|                                                                     | 2018      | 2017      | 2018       | 2017       | 2017       |
| Net sales                                                           | 8         | 8         | 16         | 15         | 26         |
| <b>Gross result</b>                                                 | <b>8</b>  | <b>8</b>  | <b>16</b>  | <b>15</b>  | <b>26</b>  |
| Administrative expenses                                             | -12       | -12       | -23        | -22        | -43        |
| <b>Operating profit/loss</b>                                        | <b>-4</b> | <b>-4</b> | <b>-7</b>  | <b>-7</b>  | <b>-17</b> |
| Financial items                                                     | -2        | -3        | -5         | -5         | 138        |
| <b>Profit/loss after financial items</b>                            | <b>-6</b> | <b>-7</b> | <b>-12</b> | <b>-12</b> | <b>121</b> |
| Income tax                                                          | 0         | -         | 0          | -          | 0          |
| <b>Profit/loss for the period</b>                                   | <b>-6</b> | <b>-7</b> | <b>-12</b> | <b>-12</b> | <b>121</b> |
| Other comprehensive income                                          | -         | -         | -          | -          | -          |
| <b>Total comprehensive income for the period, net of income tax</b> | <b>-6</b> | <b>-7</b> | <b>-12</b> | <b>-12</b> | <b>121</b> |

## Condensed balance sheet – Parent Company

|                                     | 2018         | 2017         |              |
|-------------------------------------|--------------|--------------|--------------|
|                                     | 30 Jun       | 31 Dec       | 30 Jun       |
| Fixed assets                        | 4,071        | 4,074        | 4,025        |
| Current assets                      | 721          | 854          | 773          |
| <b>Total assets</b>                 | <b>4,792</b> | <b>4,928</b> | <b>4,798</b> |
| Equity                              | 4,615        | 4,762        | 4,629        |
| Liabilities                         | 177          | 166          | 169          |
| <b>Total equity and liabilities</b> | <b>4,792</b> | <b>4,928</b> | <b>4,798</b> |

The Group's Parent Company, Capió AB (publ), is not involved in any operating activities. It only provides group management functions.

### April – June 2018

The Parent Company's net sales and gross result in the quarter derive from management fees charged to subsidiaries. The administrative expenses in the quarter were mainly related to personnel costs.

Financial items in the quarter were related to interest costs for the convertible debenture loans issued during the third quarter in 2016. The financial items for the full year 2017 included a group contribution received (MSEK 148) and interest costs for the convertible debenture loans.

### January – June 2018

The Parent Company's net sales and gross result during the first six months derive from management fees charged to subsidiaries. The administrative expenses in the quarter were mainly related to personnel costs.

Financial items were related to interest costs for the convertible debenture loans issued during the third quarter in 2016. The financial items for the full year 2017 included a group contribution received (MSEK 148) and interest costs for the convertible debenture loans.

### As of June 30, 2018

The Parent Company's fixed assets as of June 30, 2018 amounted to MSEK 4,071 (4,074 as of December 31, 2017) and mainly comprised shares in subsidiaries. Current assets as of June 30, 2018 amounted to MSEK 721 (854 as of December 31, 2017) and mainly comprised of cash and cash equivalents. The change in current assets compared to December 31, 2017 was mainly explained by the reduction of cash and cash equivalents due to the payment of dividend to shareholders during the second quarter 2018 (MSEK -134).

Shareholders' equity as of June 30, 2018 amounted to MSEK 4,615 (4,762 as of December 31, 2017). The decrease compared to December 31, 2017 was mainly explained by the paid dividend. The Parent Company's liabilities amounted to MSEK 177 as of June 30, 2018 (166 as of December 31, 2017) and were mainly related to the convertible debenture loans and personnel related accruals.

# Notes

## 1. Accounting principles

All amounts in the interim report are stated in millions of Swedish kronor (MSEK) if not else stated.

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable rules in the Swedish Annual Accounts Act. Capio's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups. Disclosures in accordance with IAS 34.16A appear in addition to the interim financial statements also in other parts of the interim report. The applied accounting principles are available in Capio's Annual Report 2017 which is also available on the Group's website [www.capio.com](http://www.capio.com). The Parent Company's financial statements are prepared in accordance with chapter nine of the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 2 Accounting for Legal Entities.

### Effects of amended and revised IFRS 2018

Newly issued and changed IFRS effective for annual periods beginning on or after January 1, 2018 that affect the Group's consolidated financial statements and/or disclosure requirements are described below.

#### *IFRS 9 Financial Instruments*

IFRS 9 encompasses the accounting standard for financial assets and liabilities, and replaces IAS 39 Financial Instruments: Recognition and Measurement. The implementation of IFRS 9 has, in summary, caused the following changes to the classification and measurement of financial instruments:

Holdings of equity instruments have historically been reported at cost, but are in accordance with IFRS 9, valued at their fair value through profit and loss or other comprehensive income. The revaluation of holdings to fair value had no effect since the cost of the asset does not deviate significantly from its fair value.

In accordance with IFRS 9, a credit risk reserve should be calculated and booked based on expected credit losses. The implementation of a model that takes into account the expected credit loss has not resulted in any change in the value of the reserve. This is an effect of the fact that Capio historically has included a variable of expected credit losses in the reserve. Based on the above the Group has concluded that the total effect from IFRS 9 in the opening balance as of January 1, 2018 is MSEK 0.

#### *IFRS 15 Revenue from Contracts with Customers*

IFRS 15 replaces all previous requirements with regards to revenue recognition. The standard is based on the principle that revenue should be recognized when the control over

delivered goods or services has been transferred from the seller to the customer. The Group has adopted the new standard in accordance with the transition option of modified retrospective application. The Group has evaluated the impact from the new accounting principle on the consolidated financial statements by identifying and analyzing essential customer contracts for the Group companies based on the five-step model presented in IFRS 15. Capio is applying the same business model in all segments with minor differences and the single most important performance obligation is to provide healthcare services to patients. Hence, the identified effect of implementing IFRS 15 is the same in the whole Group. The main revenue streams for the Group are outpatients, inpatients and other. Other revenue is mainly small services performed and delivered in association to the performed medical care. The Group's recognition of revenue according to IFRS 15 is the same compared to previous standards. The revenue for outpatients is recognized at the point in time when the healthcare is provided and for inpatients the revenue is recognized over time. Revenue is recognized to the amount that is expected to be received in exchange for the delivered healthcare services based on the contract parameters. The transaction price is based on tariffs (fee for services or bundled payments) or capitation (fixed fee/patient) for the services performed for all segments. For contracts that include price adjustments such as production caps, service guarantees or reimbursements, revenue is recognized initially when there is no risk for revenue adjustment in the next period. Based on the above the Group has concluded that IFRS 15 has not caused any quantifiable effect in the opening balance as of January 1, 2018. However, there is an increase with regards to the disclosure requirements in annual reports as well as in interim reports. The Group's main revenue streams are disclosed in note 6 Segments.

### Effects of amended and revised IFRS 2019

#### *IFRS 16 Leases*

IFRS 16 replaces IAS 17 and will be effective for annual periods beginning on or after January 1, 2019. The Group has significant lease agreements for properties where the healthcare business is conducted, which means the implementation of IFRS 16 will have a significant effect on the Group's consolidated financial statements. The Group is currently analyzing the potential effect of IFRS 16.

### Other significant estimates

For critical estimates and assessments, provisions and contingent liabilities refer to Capio's Annual Report 2017. If no significant events have occurred relating to the information in the 2017 Annual Report, no further comments are made in the interim report.

# Notes (cont.)

## 2. Earnings per share

| BEFORE DILUTION                                                                                           | APR - JUN   |             | JAN - JUN   |             | FULL YEAR   |             |
|-----------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                                                                                           | 2018        | 2017        | 2018        | 2017        | RTM         | 2017        |
| Average number of outstanding shares, Number <sup>1</sup>                                                 | 141,159,661 | 141,159,661 | 141,159,661 | 141,159,661 | 141,159,661 | 141,159,661 |
| Profit for the period attributable to Parent Company shareholders net of income tax                       | 75          | 70          | 199         | 222         | 347         | 370         |
| Adjusted profit for the period attributable to Parent Company shareholders net of income tax <sup>2</sup> | 65          | 96          | 216         | 264         | 417         | 465         |
| <b>Earnings per share before dilution, SEK<sup>2</sup></b>                                                | <b>0.53</b> | <b>0.50</b> | <b>1.41</b> | <b>1.57</b> | <b>2.46</b> | <b>2.62</b> |
| <b>Adjusted earnings per share before dilution, SEK<sup>2</sup></b>                                       | <b>0.46</b> | <b>0.68</b> | <b>1.53</b> | <b>1.87</b> | <b>2.95</b> | <b>3.29</b> |

<sup>1</sup> Total number of outstanding shares as of June 30, 2018 was 141,159,661 (all common shares).

<sup>2</sup> Refer to definitions on page 34.

| AFTER DILUTION                                                                                            | APR - JUN   |             | JAN - JUN   |             | FULL YEAR   |             |
|-----------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                                                                                           | 2018        | 2017        | 2018        | 2017        | RTM         | 2017        |
| Average number of outstanding shares, Number <sup>1</sup>                                                 | 144,094,983 | 144,094,983 | 144,094,983 | 144,094,983 | 144,094,983 | 144,094,983 |
| Profit for the period attributable to Parent Company shareholders net of income tax                       | 77          | 72          | 203         | 226         | 355         | 378         |
| Adjusted profit for the period attributable to Parent Company shareholders net of income tax <sup>2</sup> | 67          | 98          | 220         | 268         | 425         | 473         |
| <b>Earnings per share after dilution, SEK<sup>2</sup></b>                                                 | <b>0.53</b> | <b>0.50</b> | <b>1.41</b> | <b>1.57</b> | <b>2.46</b> | <b>2.62</b> |
| <b>Adjusted earnings per share after dilution, SEK<sup>2</sup></b>                                        | <b>0.46</b> | <b>0.68</b> | <b>1.53</b> | <b>1.86</b> | <b>2.95</b> | <b>3.28</b> |

<sup>1</sup> Average number of outstanding shares after dilution including effects from the convertible debenture loans issued during the third quarter 2016.

<sup>2</sup> Refer to definitions on page 34.

### Reconciliation of reported and adjusted profit

| BEFORE DILUTION                                                                                     | APR - JUN |           | JAN - JUN  |            | FULL YEAR  |            |
|-----------------------------------------------------------------------------------------------------|-----------|-----------|------------|------------|------------|------------|
|                                                                                                     | 2018      | 2017      | 2018       | 2017       | RTM        | 2017       |
| Profit for the period attributable to Parent Company shareholders net of income tax                 | 75        | 70        | 199        | 222        | 347        | 370        |
| Amortization on surplus values                                                                      | 27        | 27        | 53         | 52         | 108        | 107        |
| Restructuring and other non-recurring items and acquisition related costs                           | -13       | 7         | -4         | 5          | 3          | 12         |
| Income tax related to adjustments                                                                   | -24       | -8        | -32        | -15        | -41        | -24        |
| <b>Adjusted profit for the period attributable to Parent Company shareholders net of income tax</b> | <b>65</b> | <b>96</b> | <b>216</b> | <b>264</b> | <b>417</b> | <b>465</b> |
| AFTER DILUTION                                                                                      | APR - JUN |           | JAN - JUN  |            | FULL YEAR  |            |
|                                                                                                     | 2018      | 2017      | 2018       | 2017       | RTM        | 2017       |
| Profit for the period attributable to Parent Company shareholders net of income tax                 | 77        | 72        | 203        | 226        | 355        | 378        |
| Amortization on surplus values                                                                      | 27        | 27        | 53         | 52         | 108        | 107        |
| Restructuring and other non-recurring items and acquisition related costs                           | -13       | 7         | -4         | 5          | 3          | 12         |
| Income tax related to adjustments                                                                   | -24       | -8        | -32        | -15        | -41        | -24        |
| <b>Adjusted profit for the period attributable to Parent Company shareholders net of income tax</b> | <b>67</b> | <b>98</b> | <b>220</b> | <b>268</b> | <b>425</b> | <b>473</b> |

## Notes (cont.)

### 3. Restructuring and other non-recurring items and acquisition related costs

|                                                                                  | APR - JUN |           | JAN - JUN |           | FULL YEAR |            |
|----------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|------------|
|                                                                                  | 2018      | 2017      | 2018      | 2017      | RTM       | 2017       |
| Divestment of operations <sup>1</sup>                                            | -         | -3        | -         | 17        | -2        | 15         |
| Restructuring projects including redundancies <sup>2</sup>                       | -23       | -4        | -28       | -7        | -31       | -10        |
| Impairments <sup>2</sup>                                                         | -2        | -3        | -3        | -4        | -4        | -5         |
| Revaluation of provisions for outstanding purchase price <sup>3</sup>            | 41        | -         | 41        | -         | 41        | -          |
| Other                                                                            | 1         | 9         | 0         | 1         | 4         | 5          |
| Acquisition related costs <sup>4</sup>                                           | -4        | -6        | -6        | -12       | -11       | -17        |
| <b>Restructuring and other non-recurring items and acquisition related costs</b> | <b>13</b> | <b>-7</b> | <b>4</b>  | <b>-5</b> | <b>-3</b> | <b>-12</b> |

<sup>1</sup> Divestment of operations in 2017 were mainly related to a capital gain from the divestment of the hospital in Weissenburg (Germany).

<sup>2</sup> Restructuring and impairment costs were related to ongoing structural projects in the French and German segments. The structural projects in France refers to the ongoing constructions and refurbishments of hospital facilities as well as the upgrading of support system for the medical agenda including redundancies as part of the ongoing actions. The restructuring costs in France in the first half of 2018 were mainly related to ongoing projects in Lyon, Toulouse and La Rochelle. The structural projects in Germany mainly relates to redundancies as a consequence of ongoing restructuring measures to speed up implementation of Rapid Recovery with shorter lengths of stay resulting in increasing productivity. In the first half of 2017 restructuring costs mainly related to the French segment but also to some structural costs in Germany.

<sup>3</sup> During 2017 the Group acquired 70% of the shares in CFR Hospitaler A/S with an option for Capio to acquire (and the non-controlling interest to sell) the remaining 30% after two years. The acquired company is consolidated to 100% and a provision related to the option are recognized at fair value. During 2018, the provision has been revaluated, generating a decrease in provision with MSEK 41.

<sup>4</sup> Acquisition related costs refer to transaction cost in connection with the Group's acquisition of operations.

### 4. Financial instruments

In terms of financial assets and liabilities fair value is deemed to be approximately equal to their book values. Derivatives are reported as level 2 and used for the purpose of hedging interest rates. The derivatives were valued using the mid-point of the yield curve prevailing on the reporting date and represent the net present value of the difference between the

contracted rate and the valuation rate. Any change in the fair value of the interest rate cap transactions is recognized in the income statement and amounted to MSEK -1 as of June 30, 2018. The table discloses the portion of the market value arising from future changes in market interest rates.

|                              | 2018   | 2017   |        |
|------------------------------|--------|--------|--------|
|                              | 30 Jun | 31 Dec | 30 Jun |
| Interest rate caps (Options) | -1     | -2     | 0      |

### 5. Acquisitions of operations

Capio has acquired 100% of the primary care group "Novakliniken" in Sweden. The acquisition was closed on April 3, 2018 and is not expected to significantly impact the Group's earnings in 2018. In addition, the first six months 2018 included acquisitions of outpatient authorizations in Germany.

| Acquisitions during 2018                                                     | Total      |
|------------------------------------------------------------------------------|------------|
| Share of voting rights and equity %                                          | 100        |
| <b>Acquired net assets<sup>1</sup>:</b>                                      |            |
| Capital employed                                                             | -22        |
| Net debt                                                                     | 29         |
| <b>Acquired net assets (excluding acquisition related intangible assets)</b> | <b>7</b>   |
| Acquisition related intangible assets                                        | 37         |
| Deferred income tax                                                          | -8         |
| Goodwill                                                                     | 80         |
| <b>Total purchase price</b>                                                  | <b>116</b> |
| Less acquired cash                                                           | -40        |
| <b>Cash flow effect of acquisitions</b>                                      | <b>76</b>  |
| <b>Contribution to Group's net sales and operating result:</b>               |            |
| Net sales <sup>2</sup>                                                       | 63         |
| Operating result (EBIT)                                                      | 1          |

<sup>1</sup> Purchase price allocations are still preliminary

<sup>2</sup> If the acquisitions in 2018 had taken place as per January 1, 2018, the full year net sales proforma would have been MSEK 125

## Notes (cont.)

### 6. Segments

Capio organizes its business in three operational segments: Capio Nordic (Sweden, Norway, Denmark and Capio Go), Capio France and Capio Germany. Each segment provides a wide range of healthcare services and the organization is structured to facilitate the provision of healthcare at the most efficient care level for each patient. Further information about the segments are found in Capio Annual Report 2017 (Business overview). The units in the segments are consolidated in accordance with the same principles applied for the Group as a whole. Transactions between Group

companies and business areas are conducted on a strictly commercial basis. Other in this context relates to the Parent Company and a number of holding companies. Within Capio Nordic, a customer relationship based on one contract corresponded to a total net sales of MSEK 537 during the second quarter 2018 and MSEK 1,048 during the first six months 2018 (Apr-Jun 2017: MSEK 474; Jan-Jun 2017: MSEK 944; Jan-Dec 2017: MSEK 1,881), which is equivalent to more than 10% of the Group's net sales.

#### Income statement

|                                           | APR - JUN    |            |              |            | JAN - JUN    |            |              |            | FULL YEAR     |            |               |            |
|-------------------------------------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|---------------|------------|---------------|------------|
|                                           | 2018         | %          | 2017         | %          | 2018         | %          | 2017         | %          | RTM           | %          | 2017          | %          |
| <b>Net sales and organic sales growth</b> |              |            |              |            |              |            |              |            |               |            |               |            |
| Net sales outpatients                     | 1,674        |            | 1,546        |            | 3,268        |            | 3,049        |            | 6,339         |            | 6,120         |            |
| Net sales inpatients                      | 685          |            | 613          |            | 1,357        |            | 1,218        |            | 2,538         |            | 2,399         |            |
| Net sales other                           | 51           |            | 52           |            | 94           |            | 97           |            | 173           |            | 176           |            |
| Capio Nordic                              | 2,410        | 3.4        | 2,211        | 2.4        | 4,719        | 2.9        | 4,364        | 3.6        | 9,050         | 3.8        | 8,695         | 4.1        |
| Net sales outpatients                     | 470          |            | 428          |            | 954          |            | 872          |            | 1,753         |            | 1,671         |            |
| Net sales inpatients                      | 796          |            | 760          |            | 1,624        |            | 1,558        |            | 3,072         |            | 3,006         |            |
| Net sales other                           | 202          |            | 191          |            | 402          |            | 383          |            | 777           |            | 758           |            |
| Capio France                              | 1,468        | 0.0        | 1,379        | -1.1       | 2,980        | 0.4        | 2,813        | -0.2       | 5,602         | 0.7        | 5,435         | 0.4        |
| Net sales outpatients                     | 56           |            | 52           |            | 114          |            | 87           |            | 216           |            | 189           |            |
| Net sales inpatients                      | 238          |            | 236          |            | 506          |            | 515          |            | 973           |            | 982           |            |
| Net sales other                           | 7            |            | 3            |            | 16           |            | 16           |            | 26            |            | 26            |            |
| Capio Germany                             | 301          | -3.6       | 291          | -4.6       | 636          | -4.7       | 618          | 0.2        | 1,215         | -2.5       | 1,197         | 0.0        |
| Other                                     | -            |            | -            |            | -            |            | -            |            | -             |            | -             |            |
| Eliminations                              | -            |            | -            |            | -            |            | -            |            | -             |            | -             |            |
| <b>Capio Group</b>                        | <b>4,179</b> | <b>1.6</b> | <b>3,881</b> | <b>0.5</b> | <b>8,335</b> | <b>1.4</b> | <b>7,795</b> | <b>1.9</b> | <b>15,867</b> | <b>2.1</b> | <b>15,327</b> | <b>2.4</b> |
| <b>EBITDA and margin</b>                  |              |            |              |            |              |            |              |            |               |            |               |            |
| Capio Nordic                              | 163          | 6.8        | 142          | 6.4        | 325          | 6.9        | 294          | 6.7        | 663           | 7.3        | 632           | 7.3        |
| Capio France                              | 128          | 8.7        | 124          | 9.0        | 302          | 10.1       | 294          | 10.5       | 479           | 8.6        | 471           | 8.7        |
| Capio Germany                             | -2           | -0.7       | 12           | 4.1        | 18           | 2.8        | 57           | 9.2        | 59            | 4.9        | 98            | 8.2        |
| Other                                     | -27          |            | -22          |            | -52          |            | -47          |            | -92           |            | -87           |            |
| Eliminations                              | -            |            | -            |            | -            |            | -            |            | -             |            | -             |            |
| <b>Capio Group</b>                        | <b>262</b>   | <b>6.3</b> | <b>256</b>   | <b>6.6</b> | <b>593</b>   | <b>7.1</b> | <b>598</b>   | <b>7.7</b> | <b>1,109</b>  | <b>7.0</b> | <b>1,114</b>  | <b>7.3</b> |
| <b>EBITA and margin</b>                   |              |            |              |            |              |            |              |            |               |            |               |            |
| Capio Nordic                              | 114          | 4.7        | 97           | 4.4        | 227          | 4.8        | 206          | 4.7        | 480           | 5.3        | 459           | 5.3        |
| Capio France                              | 64           | 4.3        | 64           | 4.6        | 176          | 5.9        | 175          | 6.2        | 227           | 4.1        | 226           | 4.2        |
| Capio Germany                             | -11          | -3.7       | 4            | 1.4        | 1            | 0.1        | 43           | 7.0        | 26            | 2.1        | 68            | 5.7        |
| Other                                     | -29          |            | -23          |            | -55          |            | -50          |            | -99           |            | -94           |            |
| Eliminations                              | -            |            | -            |            | -            |            | -            |            | -             |            | -             |            |
| <b>Capio Group</b>                        | <b>138</b>   | <b>3.3</b> | <b>142</b>   | <b>3.7</b> | <b>349</b>   | <b>4.2</b> | <b>374</b>   | <b>4.8</b> | <b>634</b>    | <b>4.0</b> | <b>659</b>    | <b>4.3</b> |
| <b>Operating result (EBIT) and margin</b> |              |            |              |            |              |            |              |            |               |            |               |            |
| Capio Nordic                              | 133          | 5.5        | 86           | 3.9        | 229          | 4.9        | 169          | 3.9        | 422           | 4.7        | 362           | 4.2        |
| Capio France                              | 50           | 3.4        | 54           | 3.9        | 152          | 5.1        | 158          | 5.6        | 210           | 3.7        | 216           | 4.0        |
| Capio Germany                             | -32          | -10.7      | -8           | -2.7       | -25          | -3.9       | 42           | 6.8        | -10           | -0.8       | 57            | 4.8        |
| Other                                     | -28          |            | -24          |            | -57          |            | -52          |            | -100          |            | -95           |            |
| Eliminations                              | -            |            | -            |            | -            |            | -            |            | -             |            | -             |            |
| <b>Capio Group</b>                        | <b>123</b>   | <b>2.9</b> | <b>108</b>   | <b>2.8</b> | <b>299</b>   | <b>3.6</b> | <b>317</b>   | <b>4.1</b> | <b>522</b>    | <b>3.3</b> | <b>540</b>    | <b>3.5</b> |

#### Cash flow

|                                                  | APR - JUN   |            |            |            | JAN - JUN   |            |             |            | FULL YEAR   |            |             |            |
|--------------------------------------------------|-------------|------------|------------|------------|-------------|------------|-------------|------------|-------------|------------|-------------|------------|
|                                                  | 2018        | %          | 2017       | %          | 2018        | %          | 2017        | %          | RTM         | %          | 2017        | %          |
| <b>Capital expenditure and in % of net sales</b> |             |            |            |            |             |            |             |            |             |            |             |            |
| Capio Nordic                                     | -39         | 1.6        | -31        | 1.4        | -74         | 1.6        | -68         | 1.6        | -186        | 2.1        | -180        | 2.1        |
| Capio France                                     | -54         | 3.7        | -39        | 2.8        | -120        | 4.0        | -74         | 2.6        | -334        | 6.0        | -288        | 5.3        |
| Capio Germany                                    | -8          | 2.7        | -14        | 4.8        | -22         | 3.5        | -18         | 2.9        | -47         | 3.9        | -43         | 3.6        |
| Other                                            | -2          |            | -1         |            | -3          |            | -3          |            | -14         |            | -14         |            |
| Eliminations                                     | -           |            | -          |            | -           |            | -           |            | -           |            | -           |            |
| <b>Capio Group</b>                               | <b>-103</b> | <b>2.5</b> | <b>-85</b> | <b>2.2</b> | <b>-219</b> | <b>2.6</b> | <b>-163</b> | <b>2.1</b> | <b>-581</b> | <b>3.7</b> | <b>-525</b> | <b>3.4</b> |

## Notes (cont.)

### Balance sheet

|                    | APR - JUN     |               | JAN - JUN     |               | FULL YEAR     |               |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Assets             | 2018          | 2017          | 2018          | 2017          | RTM           | 2017          |
| Capio Nordic       | 6,185         | 5,732         | 6,185         | 5,732         | 6,185         | 6,218         |
| Capio France       | 7,307         | 6,777         | 7,307         | 6,777         | 7,307         | 6,862         |
| Capio Germany      | 1,593         | 1,473         | 1,593         | 1,473         | 1,593         | 1,484         |
| Other              | 4,192         | 3,556         | 4,192         | 3,556         | 4,192         | 3,980         |
| Eliminations       | -4,287        | -3,738        | -4,287        | -3,738        | -4,287        | -4,497        |
| <b>Capio Group</b> | <b>14,990</b> | <b>13,800</b> | <b>14,990</b> | <b>13,800</b> | <b>14,990</b> | <b>14,047</b> |
| Liabilities        |               |               |               |               |               |               |
| Capio Nordic       | 3,626         | 3,179         | 3,626         | 3,179         | 3,626         | 3,746         |
| Capio France       | 3,876         | 3,689         | 3,876         | 3,689         | 3,876         | 3,690         |
| Capio Germany      | 1,196         | 1,060         | 1,196         | 1,060         | 1,196         | 1,074         |
| Other              | 4,616         | 4,023         | 4,616         | 4,023         | 4,616         | 4,278         |
| Eliminations       | -4,287        | -3,738        | -4,287        | -3,738        | -4,287        | -4,497        |
| <b>Capio Group</b> | <b>9,027</b>  | <b>8,213</b>  | <b>9,027</b>  | <b>8,213</b>  | <b>9,027</b>  | <b>8,291</b>  |

### 7. Pledged assets

|                              | 2018         | 2017         |              |
|------------------------------|--------------|--------------|--------------|
| For own debts and provisions | 30 Jun       | 31 Dec       | 30 Jun       |
| Shares in subsidiaries       | 124          | 124          | 124          |
| Cash and cash equivalents    | 23           | 20           | 7            |
| Property mortgages           | 1,324        | 1,254        | 1,241        |
| Endowment insurance          | 39           | 39           | 38           |
| <b>Total</b>                 | <b>1,510</b> | <b>1,437</b> | <b>1,410</b> |

### 8. Contingent liabilities

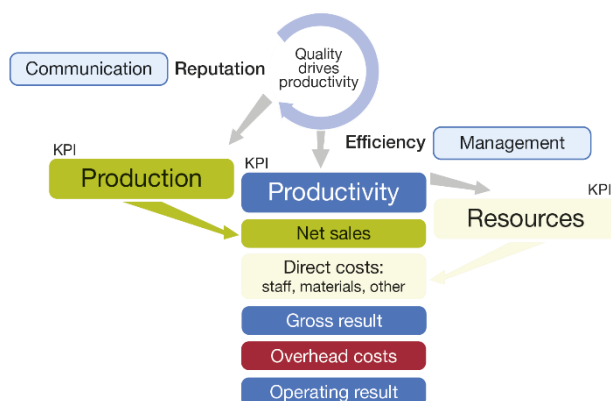
|                                 | 2018      | 2017      |           |
|---------------------------------|-----------|-----------|-----------|
|                                 | 30 Jun    | 31 Dec    | 30 Jun    |
| Guarantee and other commitments | 26        | 23        | 22        |
| <b>Total</b>                    | <b>26</b> | <b>23</b> | <b>22</b> |

### 9. Non IFRS financial measures

#### Capio's financial model

In order to support Capio's strategy and managers at all levels, Capio has developed a financial model that links relevant Key Performance Indicators (KPI) with their corresponding financial impact. As the model is based on the relation between quality, productivity and financial outcomes,

the financial model supports the Group's understanding of what creates good healthcare and increased quality. This allows Capio to continuously refine its healthcare processes, enabling improved quality in healthcare provided to patients, and concurrently, improved financial results.



## Notes (cont.)

### Financial statements

The Group's income statement is presented in a functional format in order to measure the productivity from the use of resources in relation to the production of healthcare. To financially measure productivity, direct costs are subtracted from net sales in order to obtain the gross result (and gross margin). Thereafter administrative expenses (overhead costs) are subtracted from gross result in order to obtain the operating result (and operating margin). Gross result is the key measure for productivity, indicating whether the Group performs healthcare operations efficiently. Operating results adds information as to whether the Group's operating structure is efficient.

The Group's income statement includes certain restructuring and other non-recurring items and is adjusted from the Group's definition of EBITA. These items are mainly related to the ongoing program in France whereby a large part of the hospital properties are being modernized. Since this project is carried out during a relatively limited period of time (just over 5 years) compared to a normal cycle (the useful life of a hospital is normally 30 years) and since it covers a considerable part of the business, the Group has made the assessment that effects related to the project are to be considered as restructuring and other non-recurring items. In addition, the Group also assesses the effects from divested and discontinued operations outside the core business within the definition restructuring and non-recurring items. Correction for acquisition-related expenses is

also made in the Group's definition of EBITA as acquisition does not occur every quarter and transaction costs and other acquisition-related costs may be material and thus affect the comparison between year and quarter if corrections for these are not made.

The balance sheet is also presented in an operational format, tracking capital employed, net debt and equity, in order to track and manage capital needs and resources throughout the Group. Capio's overall goal for operating capital management is to strike a balance between optimizing operating capital in order to generate cash flows, while making appropriate investments in order to grow the business. The operating capital management integrates all parts of the organization and requires clear and efficient processes, such as the sales process and salary process. Related to the Group's operational balance sheet the cash flow is also presented in an operational format, reconciling changes in net debt.

To better support Capio's financial model, the Group tracks and presents financial measures which are not measures of financial performance or liquidity under IFRS. Such non-IFRS financial measures are defined on page 34 and in the following tables reconciliations of IFRS measures and non-IFRS measures (Additional Performance Measures, APM) are presented. The presentation of all APMs is made to increase the understanding of the Group's development as followed up by Group Management.

### Specification of Income statement items

|                             | APR - JUN  |            | JAN - JUN    |            | FULL YEAR    |              |
|-----------------------------|------------|------------|--------------|------------|--------------|--------------|
|                             | 2018       | 2017       | 2018         | 2017       | RTM          | 2017         |
| <b>EBITA</b>                | <b>138</b> | <b>142</b> | <b>349</b>   | <b>374</b> | <b>634</b>   | <b>659</b>   |
| <i>whereof depreciation</i> | <i>124</i> | <i>114</i> | <i>244</i>   | <i>224</i> | <i>475</i>   | <i>455</i>   |
| <b>EBITDA</b>               | <b>262</b> | <b>256</b> | <b>593</b>   | <b>598</b> | <b>1,109</b> | <b>1,114</b> |
| <i>whereof rent</i>         | <i>218</i> | <i>199</i> | <i>430</i>   | <i>394</i> | <i>836</i>   | <i>800</i>   |
| <b>EBITDAR</b>              | <b>480</b> | <b>455</b> | <b>1,023</b> | <b>992</b> | <b>1,945</b> | <b>1,914</b> |

### Reconciliation of IFRS and APM related to Balance sheet items

|                                                         | 2018          | 2017          |               |
|---------------------------------------------------------|---------------|---------------|---------------|
|                                                         | 30 Jun        | 31 Dec        | 30 Jun        |
| <b>Total fixed assets, IFRS</b>                         | <b>11,900</b> | <b>11,387</b> | <b>11,066</b> |
| <i>whereof operating capital employed</i>               | <i>2,507</i>  | <i>2,411</i>  | <i>2,230</i>  |
| <i>whereof other capital employed</i>                   | <i>9,330</i>  | <i>8,917</i>  | <i>8,778</i>  |
| <i>whereof net debt</i>                                 | <i>63</i>     | <i>59</i>     | <i>58</i>     |
| <b>Total current assets, IFRS</b>                       | <b>3,090</b>  | <b>2,660</b>  | <b>2,734</b>  |
| <i>whereof operating capital employed</i>               | <i>2,548</i>  | <i>2,256</i>  | <i>2,296</i>  |
| <i>whereof other capital employed</i>                   | <i>73</i>     | <i>119</i>    | <i>90</i>     |
| <i>whereof net debt</i>                                 | <i>469</i>    | <i>285</i>    | <i>349</i>    |
| <b>Total long-term liabilities and provisions, IFRS</b> | <b>4,726</b>  | <b>4,554</b>  | <b>4,537</b>  |
| <i>whereof operating capital employed</i>               | <i>90</i>     | <i>86</i>     | <i>98</i>     |
| <i>whereof other capital employed</i>                   | <i>1,334</i>  | <i>1,265</i>  | <i>1,261</i>  |
| <i>whereof net debt</i>                                 | <i>3,302</i>  | <i>3,203</i>  | <i>3,178</i>  |
| <b>Total current liabilities, IFRS</b>                  | <b>4,301</b>  | <b>3,737</b>  | <b>3,676</b>  |
| <i>whereof operating capital employed</i>               | <i>3,048</i>  | <i>2,802</i>  | <i>2,759</i>  |
| <i>whereof other capital employed</i>                   | <i>113</i>    | <i>104</i>    | <i>125</i>    |
| <i>whereof net debt</i>                                 | <i>1,140</i>  | <i>831</i>    | <i>792</i>    |
| <b>Operating capital employed, APM</b>                  | <b>1,917</b>  | <b>1,779</b>  | <b>1,669</b>  |
| <b>Other capital employed, APM</b>                      | <b>7,956</b>  | <b>7,668</b>  | <b>7,481</b>  |
| <b>Net debt, APM</b>                                    | <b>3,910</b>  | <b>3,691</b>  | <b>3,563</b>  |
| <b>Equity</b>                                           | <b>5,963</b>  | <b>5,756</b>  | <b>5,587</b>  |

# Notes (cont.)

## Reconciliation of IFRS and APM related to Cash flow items

|                                                  | APR - JUN  |            | JAN - JUN  |            | FULL YEAR  |            |
|--------------------------------------------------|------------|------------|------------|------------|------------|------------|
|                                                  | 2018       | 2017       | 2018       | 2017       | RTM        | 2017       |
| <b>Cash flow from operating activities, IFRS</b> | <b>210</b> | <b>153</b> | <b>395</b> | <b>313</b> | <b>838</b> | <b>756</b> |
| Taxes paid                                       | -          | 31         | 22         | 37         | 77         | 92         |
| Interest received and paid                       | 28         | 21         | 61         | 46         | 109        | 94         |
| Restructuring items                              | 15         | 22         | 37         | 27         | 19         | 9          |
| Capital expenditure                              | -104       | -85        | -220       | -163       | -582       | -525       |
| Divestments of fixed assets                      | 10         | 0          | 12         | 11         | 49         | 48         |
| Other adjustments                                | -9         | -15        | -22        | 1          | -53        | -30        |
| <b>Operating cash flow, APM</b>                  | <b>150</b> | <b>127</b> | <b>285</b> | <b>272</b> | <b>457</b> | <b>444</b> |

|                                                                                   | APR - JUN  |             | JAN - JUN  |             | FULL YEAR   |             |
|-----------------------------------------------------------------------------------|------------|-------------|------------|-------------|-------------|-------------|
|                                                                                   | 2018       | 2017        | 2018       | 2017        | RTM         | 2017        |
| Acquisition of operations                                                         | -69        | -167        | -76        | -655        | -124        | -703        |
| Divestment of operations                                                          | -          | 2           | -          | 29          | 4           | 33          |
| Acquisition/divestment of financial fixed assets                                  | -          | -           | -          | -13         | -49         | -62         |
| <b>Acquisition and divestments of operations and financial fixed assets, IFRS</b> | <b>-69</b> | <b>-165</b> | <b>-76</b> | <b>-639</b> | <b>-169</b> | <b>-732</b> |
| Acquisition of non-controlling interest                                           | -          | -1          | -          | -4          | -           | -4          |
| Acquired/divested net debt and paid costs acquisition                             | -15        | -16         | -17        | -37         | -29         | -49         |
| <b>Acquisition and divestments of operations, APM</b>                             | <b>-84</b> | <b>-182</b> | <b>-93</b> | <b>-680</b> | <b>-198</b> | <b>-785</b> |

|                                                                             | APR - JUN  |            | JAN - JUN   |             | FULL YEAR   |             |
|-----------------------------------------------------------------------------|------------|------------|-------------|-------------|-------------|-------------|
|                                                                             | 2018       | 2017       | 2018        | 2017        | RTM         | 2017        |
| Investments in tangible and intangible fixed assets                         | -104       | -85        | -220        | -163        | -582        | -525        |
| Divestments of tangible fixed assets                                        | 10         | 1          | 12          | 43          | 17          | 48          |
| <b>Investments and divestments, IFRS</b>                                    | <b>-94</b> | <b>-84</b> | <b>-208</b> | <b>-120</b> | <b>-565</b> | <b>-477</b> |
| Items included in received/paid restructuring and other non-recurring items | -          | -1         | -           | -32         | 32          | -           |
| <b>Net capital expenditure, APM</b>                                         | <b>-94</b> | <b>-85</b> | <b>-208</b> | <b>-152</b> | <b>-533</b> | <b>-477</b> |

|                                           | APR - JUN  |            | JAN - JUN  |            | FULL YEAR   |            |
|-------------------------------------------|------------|------------|------------|------------|-------------|------------|
|                                           | 2018       | 2017       | 2018       | 2017       | RTM         | 2017       |
| <b>Interest received and paid, IFRS</b>   | <b>-28</b> | <b>-21</b> | <b>-61</b> | <b>-46</b> | <b>-109</b> | <b>-94</b> |
| Paid borrowing costs included in net debt | -1         | -          | 10         | -          | 10          | -          |
| <b>Net financial items paid, APM</b>      | <b>-29</b> | <b>-21</b> | <b>-51</b> | <b>-46</b> | <b>-99</b>  | <b>-94</b> |

|                                                                             | APR - JUN |            | JAN - JUN  |            | FULL YEAR  |            |
|-----------------------------------------------------------------------------|-----------|------------|------------|------------|------------|------------|
|                                                                             | 2018      | 2017       | 2018       | 2017       | RTM        | 2017       |
| <b>Taxes paid, IFRS</b>                                                     | <b>0</b>  | <b>-31</b> | <b>-22</b> | <b>-37</b> | <b>-77</b> | <b>-92</b> |
| Items included in received/paid restructuring and other non-recurring items | -         | -          | -          | -          | -          | -          |
| <b>Income taxes paid, APM</b>                                               | <b>0</b>  | <b>-31</b> | <b>-22</b> | <b>-37</b> | <b>-77</b> | <b>-92</b> |

## Signatures

The Board of Directors and the President and CEO hereby certify that the interim report gives a true and fair view of the Parent Company's and Group's operations, financial position and profit/loss and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Capio AB (publ)

Gothenburg, July 19, 2018

Michael Wolf  
*Chairman*

Thomas Berglund  
*President and CEO*

Gunnar Németh

Gunilla Rudebjer

Hans Ramel

Birgitta Stymne Göransson

Michael Flemming

Pascale Richetta

Joakim Rubin

Kevin Thompson  
*Employee representative*

Julia Turner  
*Employee representative*

# Review report

Capio AB (publ), corporate identity number 556706-4448.

## Introduction

We have reviewed the condensed interim report for Capio AB (publ) as at June 30, 2018 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Gothenburg, July 19, 2018

Ernst & Young AB

Mikael Sjölander  
*Authorized Public Accountant*

## Quarterly overview

### Income statement by quarter – Group

|                                                                          | 2018         |              | 2017         |              |              |              | FULL YEAR     |               |
|--------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
|                                                                          | Q2           | Q1           | Q4           | Q3           | Q2           | Q1           | RTM           | 2017          |
| Net sales outpatients                                                    | 2,200        | 2,136        | 2,153        | 1,820        | 2,025        | 1,982        | 8,309         | 7,980         |
| <i>In % of net sales</i>                                                 | 52.6         | 51.4         | 52.8         | 52.7         | 52.2         | 50.6         | 52.4          | 52.1          |
| Net sales inpatients                                                     | 1,719        | 1,768        | 1,674        | 1,422        | 1,609        | 1,682        | 6,583         | 6,387         |
| <i>In % of net sales</i>                                                 | 41.1         | 42.5         | 41.1         | 41.2         | 41.5         | 43.0         | 41.5          | 41.7          |
| Net sales other                                                          | 260          | 252          | 250          | 213          | 247          | 250          | 975           | 960           |
| <i>In % of net sales</i>                                                 | 6.2          | 6.1          | 6.1          | 6.2          | 6.4          | 6.4          | 6.1           | 6.3           |
| <b>Net sales</b>                                                         | <b>4,179</b> | <b>4,156</b> | <b>4,077</b> | <b>3,455</b> | <b>3,881</b> | <b>3,914</b> | <b>15,867</b> | <b>15,327</b> |
| <i>Total sales growth, %</i>                                             | 7.7          | 6.2          | 9.4          | 9.1          | 8.6          | 8.6          | 8.0           | 8.9           |
| <i>Organic sales growth, %</i>                                           | 1.6          | 1.1          | 3.4          | 2.2          | 0.5          | 3.3          | 2.1           | 2.4           |
| Direct costs                                                             | -3,520       | -3,433       | -3,340       | -2,960       | -3,262       | -3,201       | -13,253       | -12,763       |
| <b>Gross result</b>                                                      | <b>659</b>   | <b>723</b>   | <b>737</b>   | <b>495</b>   | <b>619</b>   | <b>713</b>   | <b>2,614</b>  | <b>2,564</b>  |
| <i>Gross margin, %</i>                                                   | 15.7         | 17.4         | 18.1         | 14.3         | 15.9         | 18.2         | 16.5          | 16.7          |
| Overhead costs                                                           | -521         | -512         | -505         | -442         | -477         | -481         | -1,980        | -1,905        |
| <b>EBITA</b>                                                             | <b>138</b>   | <b>211</b>   | <b>232</b>   | <b>53</b>    | <b>142</b>   | <b>232</b>   | <b>634</b>    | <b>659</b>    |
| <i>Margin, %</i>                                                         | 3.3          | 5.1          | 5.7          | 1.5          | 3.7          | 5.9          | 4.0           | 4.3           |
| Amortization on surplus values                                           | -28          | -26          | -28          | -27          | -27          | -25          | -109          | -107          |
| Restructuring and other non-recurring items and acquisition related cost | 13           | -9           | 1            | -8           | -7           | 2            | -3            | -12           |
| <b>Operating result (EBIT)</b>                                           | <b>123</b>   | <b>176</b>   | <b>205</b>   | <b>18</b>    | <b>108</b>   | <b>209</b>   | <b>522</b>    | <b>540</b>    |
| Net interest                                                             | -24          | -21          | -21          | -19          | -19          | -19          | -85           | -78           |
| Other financial items                                                    | -11          | -7           | -7           | -7           | -6           | -4           | -32           | -24           |
| <b>Profit after financial items</b>                                      | <b>88</b>    | <b>148</b>   | <b>177</b>   | <b>-8</b>    | <b>83</b>    | <b>186</b>   | <b>405</b>    | <b>438</b>    |
| Income tax                                                               | -13          | -23          | -21          | 1            | -13          | -33          | -56           | -66           |
| <b>Profit for the period</b>                                             | <b>75</b>    | <b>125</b>   | <b>156</b>   | <b>-7</b>    | <b>70</b>    | <b>153</b>   | <b>349</b>    | <b>372</b>    |
| <b>EBITDAR</b>                                                           | <b>480</b>   | <b>543</b>   | <b>553</b>   | <b>369</b>   | <b>455</b>   | <b>537</b>   | <b>1,945</b>  | <b>1,914</b>  |
| <i>Margin, %</i>                                                         | 11.5         | 13.1         | 13.6         | 10.7         | 11.7         | 13.7         | 12.3          | 12.5          |
| <b>EBITDA</b>                                                            | <b>262</b>   | <b>331</b>   | <b>348</b>   | <b>168</b>   | <b>256</b>   | <b>342</b>   | <b>1,109</b>  | <b>1,114</b>  |
| <i>Margin, %</i>                                                         | 6.3          | 8.0          | 8.5          | 4.9          | 6.6          | 8.7          | 7.0           | 7.3           |

## Quarterly overview (cont.)

### Capital employed and financing by quarter – Group

|                                      | 2018         |              | 2017         |              |              |              |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                      | 30 Jun       | 31 Mar       | 31 Dec       | 30 Sep       | 30 Jun       | 31 Mar       |
| Operating capital employed           | 1,917        | 1,996        | 1,779        | 1,767        | 1,669        | 1,594        |
| <i>In % of net sales</i>             | 12.1         | 12.8         | 11.6         | 11.8         | 11.4         | 11.1         |
| Other capital employed               | 7,956        | 7,786        | 7,668        | 7,470        | 7,481        | 7,285        |
| <b>Capital employed</b>              | <b>9,873</b> | <b>9,782</b> | <b>9,447</b> | <b>9,237</b> | <b>9,150</b> | <b>8,879</b> |
| <b>Return on capital employed, %</b> | <b>6.4</b>   | <b>6.5</b>   | <b>7.0</b>   | <b>6.6</b>   | <b>7.1</b>   | <b>7.7</b>   |
| Net debt                             | 3,910        | 3,745        | 3,691        | 3,704        | 3,563        | 3,255        |
| <i>Financial leverage</i>            | 3.5          | 3.4          | 3.3          | 3.5          | 3.3          | 2.9          |
| Equity                               | 5,963        | 6,037        | 5,756        | 5,533        | 5,587        | 5,624        |
| <b>Financing</b>                     | <b>9,873</b> | <b>9,782</b> | <b>9,447</b> | <b>9,237</b> | <b>9,150</b> | <b>8,879</b> |

### Cash flow by quarter – Group

|                                                           | 2018          |               | 2017          |               |               |               | FULL YEAR     |               |
|-----------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                           | Q2            | Q1            | Q4            | Q3            | Q2            | Q1            | RTM           | 2017          |
| <b>Net debt opening</b>                                   | <b>-3,745</b> | <b>-3,691</b> | <b>-3,704</b> | <b>-3,563</b> | <b>-3,255</b> | <b>-2,872</b> | <b>-3,563</b> | <b>-2,872</b> |
| <b>EBITA</b>                                              | <b>138</b>    | <b>211</b>    | <b>232</b>    | <b>53</b>     | <b>142</b>    | <b>232</b>    | <b>634</b>    | <b>659</b>    |
| Capital expenditure                                       | -104          | -116          | -253          | -109          | -85           | -78           | -582          | -525          |
| Divestments of fixed assets                               | 10            | 2             | 36            | 1             | 0             | 11            | 49            | 48            |
| <b>Net capital expenditure</b>                            | <b>-94</b>    | <b>-114</b>   | <b>-217</b>   | <b>-108</b>   | <b>-85</b>    | <b>-67</b>    | <b>-533</b>   | <b>-477</b>   |
| <i>In % of net sales</i>                                  | 2.2           | 2.7           | 5.3           | 3.1           | 2.2           | 1.7           | 3.4           | 3.1           |
| Add-back depreciation                                     | 124           | 120           | 116           | 115           | 114           | 110           | 475           | 455           |
| <b>Net investments</b>                                    | <b>30</b>     | <b>6</b>      | <b>-101</b>   | <b>7</b>      | <b>29</b>     | <b>43</b>     | <b>-58</b>    | <b>-22</b>    |
| Change in net customer receivables                        | 1             | -157          | -37           | 56            | -54           | -86           | -137          | -121          |
| Other changes in operating capital employed               | -19           | 75            | 151           | -189          | 10            | -44           | 18            | -72           |
| <b>Operating cash flow</b>                                | <b>150</b>    | <b>135</b>    | <b>245</b>    | <b>-73</b>    | <b>127</b>    | <b>145</b>    | <b>457</b>    | <b>444</b>    |
| <b>Cash conversion, %</b>                                 | <b>108.7</b>  | <b>64.0</b>   | <b>105.6</b>  | <b>-137.7</b> | <b>89.4</b>   | <b>62.5</b>   | <b>72.1</b>   | <b>67.4</b>   |
| Income taxes paid                                         | 0             | -22           | -22           | -33           | -31           | -6            | -77           | -92           |
| <b>Free cash flow before financial items</b>              | <b>150</b>    | <b>113</b>    | <b>223</b>    | <b>-106</b>   | <b>96</b>     | <b>139</b>    | <b>380</b>    | <b>352</b>    |
| <b>Cash conversion, %</b>                                 | <b>108.7</b>  | <b>53.6</b>   | <b>96.1</b>   | <b>-200.0</b> | <b>67.6</b>   | <b>59.9</b>   | <b>59.9</b>   | <b>53.4</b>   |
| Net financial items paid                                  | -29           | -22           | -21           | -27           | -21           | -25           | -99           | -94           |
| <b>Free cash flow after financial items</b>               | <b>121</b>    | <b>91</b>     | <b>202</b>    | <b>-133</b>   | <b>75</b>     | <b>114</b>    | <b>281</b>    | <b>258</b>    |
| <b>Cash conversion, %</b>                                 | <b>87.7</b>   | <b>43.1</b>   | <b>87.1</b>   | <b>-250.9</b> | <b>52.8</b>   | <b>49.1</b>   | <b>44.3</b>   | <b>39.2</b>   |
| Acquisitions/divestments of companies                     | -84           | -9            | -100          | -5            | -182          | -498          | -198          | -785          |
| Received/paid restructuring and other non-recurring items | -16           | -21           | -7            | -3            | -14           | 6             | -47           | -18           |
| Shareholder transactions                                  | -136          | 0             | 1             | -2            | -128          | 0             | -137          | -129          |
| <b>Net cash flow</b>                                      | <b>-115</b>   | <b>61</b>     | <b>96</b>     | <b>-143</b>   | <b>-249</b>   | <b>-378</b>   | <b>-101</b>   | <b>-674</b>   |
| <b>Cash conversion, %</b>                                 | <b>-83.3</b>  | <b>28.9</b>   | <b>41.4</b>   | <b>-269.8</b> | <b>-175.4</b> | <b>-162.9</b> | <b>-15.9</b>  | <b>-102.3</b> |
| Other items                                               | -50           | -115          | -83           | 2             | -59           | -5            | -246          | -145          |
| <b>Net debt closing</b>                                   | <b>-3,910</b> | <b>-3,745</b> | <b>-3,691</b> | <b>-3,704</b> | <b>-3,563</b> | <b>-3,255</b> | <b>-3,910</b> | <b>-3,691</b> |

# Quarterly overview (cont.)

## Income statement overview by quarter – Segment

|                         | 2018  |       | 2017  |       |       |       | FULL YEAR |        |
|-------------------------|-------|-------|-------|-------|-------|-------|-----------|--------|
|                         | Q2    | Q1    | Q4    | Q3    | Q2    | Q1    | RTM       | 2017   |
| <b>Capio Nordic</b>     |       |       |       |       |       |       |           |        |
| Net sales               | 2,410 | 2,309 | 2,324 | 2,007 | 2,211 | 2,153 | 9,050     | 8,695  |
| Total sales growth, %   | 9.0   | 7.2   | 15.7  | 16.6  | 13.4  | 13.1  | 11.8      | 14.6   |
| Organic sales growth, % | 3.4   | 2.4   | 4.8   | 4.3   | 2.4   | 4.9   | 3.8       | 4.1    |
| EBITDAR                 | 284   | 282   | 300   | 266   | 254   | 260   | 1,132     | 1,080  |
| Margin, %               | 11.8  | 12.2  | 12.9  | 13.3  | 11.5  | 12.1  | 12.5      | 12.4   |
| EBITDA                  | 163   | 162   | 185   | 153   | 142   | 152   | 663       | 632    |
| Margin, %               | 6.8   | 7.0   | 8.0   | 7.6   | 6.4   | 7.1   | 7.3       | 7.3    |
| EBITA                   | 114   | 113   | 146   | 107   | 97    | 109   | 480       | 459    |
| Margin, %               | 4.7   | 4.9   | 6.3   | 5.3   | 4.4   | 5.1   | 5.3       | 5.3    |
| <b>Capio France</b>     |       |       |       |       |       |       |           |        |
| Net sales               | 1,468 | 1,512 | 1,434 | 1,188 | 1,379 | 1,434 | 5,602     | 5,435  |
| Total sales growth, %   | 6.5   | 5.4   | 2.9   | -0.7  | 3.2   | 3.4   | 3.7       | 2.3    |
| Organic sales growth, % | 0.0   | 0.8   | 2.7   | -0.8  | -1.1  | 0.7   | 0.7       | 0.4    |
| EBITDAR                 | 219   | 260   | 232   | 111   | 208   | 250   | 822       | 801    |
| Margin, %               | 15.0  | 17.2  | 16.2  | 9.4   | 15.1  | 17.4  | 14.7      | 14.7   |
| EBITDA                  | 128   | 174   | 148   | 29    | 124   | 170   | 479       | 471    |
| Margin, %               | 8.7   | 11.5  | 10.3  | 2.4   | 9.0   | 11.9  | 8.6       | 8.7    |
| EBITA                   | 64    | 112   | 82    | -31   | 64    | 111   | 227       | 226    |
| Margin, %               | 4.3   | 7.4   | 5.7   | -2.6  | 4.6   | 7.7   | 4.1       | 4.2    |
| <b>Capio Germany</b>    |       |       |       |       |       |       |           |        |
| Net sales               | 301   | 335   | 319   | 260   | 291   | 327   | 1,215     | 1,197  |
| Total sales growth, %   | 3.4   | 2.4   | -0.9  | 3.6   | 1.4   | 4.8   | 2.0       | 2.1    |
| Organic sales growth, % | -3.6  | -5.6  | -2.3  | 2.4   | -4.6  | 4.6   | -2.5      | 0.0    |
| EBITDAR                 | 3     | 24    | 38    | 11    | 16    | 50    | 76        | 115    |
| Margin, %               | 1.0   | 7.2   | 11.9  | 4.2   | 5.5   | 15.3  | 6.3       | 9.6    |
| EBITDA                  | -2    | 20    | 35    | 6     | 12    | 45    | 59        | 98     |
| Margin, %               | -0.7  | 6.0   | 11.0  | 2.3   | 4.1   | 13.8  | 4.9       | 8.2    |
| EBITA                   | -11   | 12    | 27    | -2    | 4     | 39    | 26        | 68     |
| Margin, %               | -3.7  | 3.6   | 8.5   | -0.8  | 1.4   | 11.9  | 2.1       | 5.7    |
| <b>Other</b>            |       |       |       |       |       |       |           |        |
| Net sales               | -     | -     | -     | -     | -     | -     | -         | -      |
| EBITDAR                 | -26   | -23   | -17   | -19   | -23   | -23   | -85       | -82    |
| EBITDA                  | -27   | -25   | -20   | -20   | -22   | -25   | -92       | -87    |
| EBITA                   | -29   | -26   | -23   | -21   | -23   | -27   | -99       | -94    |
| <b>Eliminations</b>     |       |       |       |       |       |       |           |        |
| Net sales               | -     | -     | -     | -     | -     | -     | -         | -      |
| EBITDAR                 | -     | -     | -     | -     | -     | -     | -         | -      |
| EBITDA                  | -     | -     | -     | -     | -     | -     | -         | -      |
| EBITA                   | -     | -     | -     | -     | -     | -     | -         | -      |
| <b>Capio Group</b>      |       |       |       |       |       |       |           |        |
| Net sales               | 4,179 | 4,156 | 4,077 | 3,455 | 3,881 | 3,914 | 15,867    | 15,327 |
| Total sales growth, %   | 7.7   | 6.2   | 9.4   | 9.1   | 8.6   | 8.6   | 8.0       | 8.9    |
| Organic sales growth, % | 1.6   | 1.1   | 3.4   | 2.2   | 0.5   | 3.3   | 2.1       | 2.4    |
| EBITDAR                 | 480   | 543   | 553   | 369   | 455   | 537   | 1,945     | 1,914  |
| Margin, %               | 11.5  | 13.1  | 13.6  | 10.7  | 11.7  | 13.7  | 12.3      | 12.5   |
| EBITDA                  | 262   | 331   | 348   | 168   | 256   | 342   | 1,109     | 1,114  |
| Margin, %               | 6.3   | 8.0   | 8.5   | 4.9   | 6.6   | 8.7   | 7.0       | 7.3    |
| EBITA                   | 138   | 211   | 232   | 53    | 142   | 232   | 634       | 659    |
| Margin, %               | 3.3   | 5.1   | 5.7   | 1.5   | 3.7   | 5.9   | 4.0       | 4.3    |

## Quarterly overview (cont.)

### Capital employed by quarter – Segment

|                               | 2018   |        | 2017   |        |        |        |
|-------------------------------|--------|--------|--------|--------|--------|--------|
|                               | 30 Jun | 31 Mar | 31 Dec | 30 Sep | 30 Jun | 31 Mar |
| <b>Capio Nordic</b>           |        |        |        |        |        |        |
| Capital employed              | 3,732  | 3,565  | 3,509  | 3,680  | 3,596  | 3,492  |
| Return on capital employed, % | 12.9   | 13.0   | 13.1   | 11.4   | 11.2   | 11.5   |
| <b>Capio France</b>           |        |        |        |        |        |        |
| Capital employed              | 4,758  | 4,641  | 4,455  | 4,364  | 4,375  | 4,191  |
| Return on capital employed, % | 4.8    | 4.9    | 5.1    | 4.8    | 6.0    | 6.8    |
| <b>Capio Germany</b>          |        |        |        |        |        |        |
| Capital employed              | 1,308  | 1,313  | 1,234  | 1,185  | 1,179  | 1,095  |
| Return on capital employed, % | 2.0    | 3.1    | 5.5    | 6.5    | 6.9    | 8.2    |
| <b>Other</b>                  |        |        |        |        |        |        |
| Capital employed              | 75     | 263    | 249    | 8      | 0      | 101    |
| <b>Eliminations</b>           |        |        |        |        |        |        |
| Capital employed              | -      | -      | -      | -      | -      | -      |
| <b>Capio Group</b>            |        |        |        |        |        |        |
| Capital employed              | 9,873  | 9,782  | 9,447  | 9,237  | 9,150  | 8,879  |
| Return on capital employed, % | 6.4    | 6.5    | 7.0    | 6.6    | 7.1    | 7.7    |

### Net capital expenditure by quarter – Segment

|                           | 2018 |      | 2017 |      |     |     | FULL YEAR |      |
|---------------------------|------|------|------|------|-----|-----|-----------|------|
|                           | Q2   | Q1   | Q4   | Q3   | Q2  | Q1  | RTM       | 2017 |
| <b>Capio Nordic</b>       |      |      |      |      |     |     |           |      |
| Net capital expenditure   | -39  | -33  | -75  | -37  | -31 | -37 | -184      | -180 |
| In % of net sales Nordic  | 1.6  | 1.4  | 3.2  | 1.8  | 1.4 | 1.7 | 2.0       | 2.1  |
| <b>Capio France</b>       |      |      |      |      |     |     |           |      |
| Net capital expenditure   | -45  | -66  | -120 | -58  | -39 | -24 | -289      | -241 |
| In % of net sales France  | 3.1  | 4.4  | 8.4  | 4.9  | 2.8 | 1.7 | 5.2       | 4.4  |
| <b>Capio Germany</b>      |      |      |      |      |     |     |           |      |
| Net capital expenditure   | -8   | -14  | -14  | -11  | -14 | -4  | -47       | -43  |
| In % of net sales Germany | 2.7  | 4.2  | 4.4  | 4.2  | 4.8 | 1.2 | 3.9       | 3.6  |
| <b>Other</b>              |      |      |      |      |     |     |           |      |
| Net capital expenditure   | -2   | -1   | -8   | -2   | -1  | -2  | -13       | -13  |
| <b>Capio Group</b>        |      |      |      |      |     |     |           |      |
| Net capital expenditure   | -94  | -114 | -217 | -108 | -85 | -67 | -533      | -477 |
| In % of net sales Group   | 2.2  | 2.7  | 5.3  | 3.1  | 2.2 | 1.7 | 3.4       | 3.1  |

# Definitions

## Key performance indicators

**Number of outpatients** Number of patient visits for patients with length of stay shorter than 24 hours.

**Number of inpatients** Number of patient visits for patients with length of stay longer than 24 hours.

**Average length of stay (AVLOS)** Average length of an inpatient stay measured in number of days. AVLOS presented excludes psychiatry, rehabilitation, nursing and eating disorder patients. AVLOS in France has also been adjusted for the effect from the transfer between in- and outpatient treatments. These adjustments have been made in order to show a comparable AVLOS between segments and over time.

**Number of employees** Number of employees as full-time equivalents on average during the year.

## Income statement

**Total sales growth, %** Increase in net sales for the period as a percentage of the previous year's net sales.

**Organic sales growth, %** Increase in net sales for the period, adjusted for acquisitions/divestments and changes in exchange rates, as a percentage of the previous year's net sales adjusted for divestments.

**EBITDAR** EBITDA adjusted for rent of premises.

**EBITDA** EBITA adjusted for depreciations and impairments related to operating fixed assets.

**EBITA** Operating result before amortizations of group surplus values, restructuring and other non-recurring items and acquisition related costs. Capio's definition of EBITA may be different from the definition in other companies.

**Restructuring and other non-recurring items** Items relating to restructuring or integration of acquired businesses, structural projects and effects from divested and discontinued operations outside the core business.

**Operating result (EBIT)** Operating result before interest and income tax.

**Adjusted profit/loss for the period** Profit/loss for the period attributable to parent company shareholders adjusted for amortization of group surplus values, restructuring and other non-recurring items, acquisition related costs and write-off of capitalized borrowing costs, net of income tax.

**Earnings per share (before dilution)** Profit/loss for the period attributable to parent company shareholders in relation to the average number of outstanding common shares during the period. Refer to note 2 for calculation of earnings per share before dilution.

**Earnings per share (after dilution)** Profit/loss for the period attributable to parent company shareholders, excluding the net cost of outstanding convertible debenture loans issued during the third quarter 2016, in relation to the average number of shares including effects from the convertible debenture loans. Refer to note 2 for calculation of earnings per share after dilution.

**Adjusted earnings per share (before dilution)** Adjusted profit/loss for the period attributable to parent company

shareholders in relation to the average number of outstanding common shares during the period. Refer to note 2 for calculation of adjusted earnings per share before dilution.

**Adjusted earnings per share (after dilution)** Adjusted profit/loss for the period attributable to parent company shareholders, excluding the net cost of outstanding convertible debenture loans issued during the third quarter 2016, in relation to the average number of shares including effects from the convertible debenture loans. Refer to note 2 for calculation of adjusted earnings per share after dilution.

## Capital employed and financing

**Net customer receivables and DSO** Accounts receivables and accrued production less bad debt provision and advances from customers. DSO, Days sales outstanding, average number of days outstanding on net sales, at balance sheet date.

**Operating capital employed** Non-interest bearing operating assets and liabilities, mainly operating fixed assets, net customer receivables, supplier payables and other operating assets and liabilities.

**Other capital employed** Acquisition related surplus values (real estate, goodwill, trademark and other surplus values), tax assets and liabilities and other non-operating capital employed items.

**Capital employed** Non-interest bearing assets and liabilities as well as provisions for employee-benefits.

**Return on capital employed** RTM EBITA as a percentage of capital employed.

**Net debt** Interest-bearing assets and liabilities adjusted for cash and cash equivalents.

**Financial leverage** Closing balance of net debt in relation to RTM EBITDA.

## Cash flow

**Net capital expenditure** Investments in fixed assets, net of divestments of fixed assets excluding items classified as non-operating, for the period.

**Net investments** Investments in fixed assets, net of divestments of fixed assets, depreciations and impairments, excluding items classified as non-operating, for the period.

**Operating cash flow** EBITA adjusted for net investments and changes in working capital.

**Free cash flow before financial items** Operating cash flow less income taxes paid.

**Free cash flow after financial items** Free cash flow before financial items less net financial items paid.

**Cash conversion, %** Cash flow in relation to EBITA.

**Acquisitions and divestments of operations** in the operational cash flow statement relate to the total net debt impact.

## Other

**RTM** Rolling 12 months.

## Presentation of the interim report

Investors, analysts and media are invited to participate in a telephone conference on July 20, 2018 at 09.30 am (CET). President and CEO Thomas Berglund and CFO Olof Bengtsson will present the report and answer questions. The telephone conference will be audio casted live on [www.capio.com](http://www.capio.com). To participate in the telephone conference, please register at [www.capio.com](http://www.capio.com) and dial in five minutes prior to the start of the conference call.

Sweden: +46 8 566 426 93  
UK: +44 20 3008 9804  
US: +1 855 831 5944  
Finland: +35 898 171 04 94  
France: +33 170 75 07 12

Prior to the start of the telephone conference, presentation slides will be available at [www.capio.com](http://www.capio.com).

A recorded version of the audio cast will be available at [www.capio.com](http://www.capio.com) during the afternoon (CET).

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## Financial calendar

October 30, 2018, Interim report January – September 2018  
February 6, 2019, Full year report January – December 2018

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## For further information

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For further information regarding Capio's IR activities, refer to [www.capio.com](http://www.capio.com).

*This is information that Capio AB (publ) 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 person Henrik Brehmer set out above, at 08.00 am (CET) on July 20, 2018.*

### About Capio

Capio AB (publ) is a leading, pan-European healthcare provider offering a broad range of high quality medical, surgical and psychiatric healthcare services through its hospitals, specialist clinics and primary care units. Capio operates in five countries; Sweden, Norway, Denmark, France and Germany. In 2017, Capio's 13,314 employees (average full-time equivalents) provided healthcare

services during 5.1 million patient visits across the Group's facilities, generating net sales of MSEK 15,327. Capio operates across three geographic segments: Nordic (57% of Group net sales 2017), France (35% of Group net sales 2017) and Germany (8% of Group net sales 2017). For more information about Capio, please see [www.capio.com](http://www.capio.com).

## Creating value for many people

At Capio, we work to achieve the changes and improvements needed to maintain and develop quality and increase productivity in healthcare. This work not only benefits patients and funders, but also ensures that Capio creates value for employees, shareholders and society at large. Efficient, high-quality healthcare, with responsible use of resources, is vital to the long-term development and sustainability of our society. Capio is an innovative and reliable healthcare provider that contributes to developing healthcare.

### MISSION

Cure. Relief. Comfort

### VISION

The best achievable quality of life for every patient

### VALUES

Quality. Compassion. Care



## Capio's sustainability focus areas

We organize our sustainability initiatives in four focus areas:  
Quality, Business ethics, Employees and Environment.



Quality



Business ethics



Employees



Environment

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Read more about Capio's  
role in society in Capio Annual  
Report 2017 pages 52-61.

