COOR SERVICE MANAGEMENT

Year-End Report January – December 2015

A strong conclusion to a strong year

Fourth quarter 2015

- Net sales increased by 4 per cent in the fourth quarter, to SEK 2,042 (1,967) million. Organic growth excluding currency fluctuations amounted to 6 per cent.
- Operating profit (adjusted EBITA) amounted to SEK 110 (112) million. Excluding currency fluctuations, operating profit was unchanged. The operating margin (adjusted EBITA margin) was 5.4 (5.7) per cent.
- EBIT was SEK 56 (-97) million. Profit/loss after tax was SEK 45 (-147) million.
- Earnings per share were SEK 0.5 (-10.9). After adjustments for the effects of the new capital structure, earnings per share were SEK 0.5 (-1.4).
- Operating cash flow was SEK 268 (260) million. Excluding the outflows related to the listing, operating cash flow was SEK 286 (260) million.
- The Board of Directors proposes a dividend for 2015 of SEK 2.00 per share.

Full year 2015

- Net sales increased by 9 per cent during the year, to SEK 7,482 (6,844) million. Organic growth amounted to 10 per cent.
- Operating profit (adjusted EBITA) improved by SEK 20 million to SEK 374 (354) million. Excluding currency fluctuations, operating profit increased by SEK 24 million. The operating margin (adjusted EBITA margin) was 5.0 (5.2) per cent.
- EBIT was SEK 82 (-82) million. Profit/loss after tax was SEK 201 (-311) million.
- Earnings per share were SEK -3.6 (-34.2). After adjustments for the effects of the new capital structure and non-recurring costs in connection with the listing, earnings per share were SEK 2.7 (-3.2).
- Operating cash flow was unchanged compared with the previous year and amounted to SEK 274 (274) million. Excluding the outflows related to the listing, operating cash flow was SEK 411 (274) million.
- Net debt at year-end was SEK 947 (2,673) million. The leverage was 2.2 (6.6).

GROUP EARNINGS SUMMARY	Oct - Dec			Jan - Dec		
(SEK m)	2015	2014	Chg, %	2015	2014	Chg, %
Net sales	2,042	1,967	4	7,482	6,844	9
Organic growth, %	6	15	-	10	6	-
Adjusted EBITA	110	112	-2	374	354	6
Adjusted EBITA-margin, %	5.4	5.7	-	5.0	5.2	-
EBIT	56	-97	158	82	-82	200
Income for the period	45	-147	131	201	-311	165
Operating cash flow	268	260	3	274	274	0
Earnings per share, SEK	0.5	-10.9	104	-3.6	-34.2	-90
Adjusted earnings per share, SEK	0.5	-1.4	133	2.7	-3.2	186

Please refer to page 28 for definitions and calculation methods for key performance indicators. Non-recurring items are reported in Note 5.

CEO's comments: A strong conclusion to a strong year

2015 was a good year for Coor. We delivered strong organic growth, stable operating profit and a strong cash flow. We have extended 90 per cent of the customer contracts we negotiated during the year and continued to launch innovative service solutions with a high degree of technological content for our customers. The Board of Directors proposes a dividend for 2015 of SEK 2 per share.

In conjunction with Coor's IPO in June 2015, we explained in many settings that an investment in Coor is an investment in a market-leading service company with growth potential, a strong cash flow and low level of tied-up capital. These circumstances form the grounds for long-term, stable shareholder dividends. Our customer value is directly linked to the value we create for our shareholders. In the fourth quarter, we delivered growth in sales and profit, at the same time as strengthening our margins compared with the two preceding quarters. Operating cash flow also saw improvement during the quarter. In summary, we can report a strong conclusion to a strong year.

Strong organic growth

Sales grew organically by 6 per cent during the fourth quarter to SEK 2,042 (1,967) million, and sales for the full year were SEK 7,482 (6,844) million, corresponding to organic growth of all of 10 per cent. This is significantly more than is exhibited by the market as a whole, and well in excess of our target of 4-5 per cent organic growth per year.

The most substantial growth was seen in the Norwegian operations, but Sweden and Denmark also provided positive contributions. Growth has primarily been driven by the large number of new contracts we initiated in 2014 and 2015, not least the large IFM contract signed with Statoil on-shore in 2014, while increased sales to existing customers in the fourth quarter were also a contributing factor. The most noteworthy of the new contracts we signed during the financial year 2015 include the contracts with Statoil off-shore and Frontica Business Solutions/Aker Solutions in Norway.

I would also like to emphasize the large number of existing contracts we extended and expanded as one of the highlights of the year. A full 90 per cent of the contract volume negotiated during the year, totalling almost SEK 2.9 billion, has been extended. Large customers that have chosen to continue and, in some cases, expand their collaboration with Coor include Ericsson, the Danish Police, AB Volvo, Volvo Car Group, Saab AB, Borealis and Vasakronan.

Stable profitability with numerous new and renegotiated contracts

Operating profit for the full year amounted to SEK 374 (354) million, an increase of 6 per cent compared with previous year. The operating margin improved on the two preceding quarters and amounted to 5.4 (5.7) per cent in the fourth quarter. An important explanation behind the difference between this quarter and the previous year is the decrease in pension rebates in Sweden compared with recent years. Discounting for this effect, the Group's operating margin in the fourth quarter would be in line with the previous year.

Coor's target is to generate an average operating margin of approximately 5.5 per cent over the course of an economic cycle. For the full year 2015, the operating margin was 5.0 (5.2) per cent, which should be considered relative to the high number of new and renegotiated contracts that we have managed during the year. These contracts usually build up to full profitability during their first 6 to 18 months. The underlying profitability in our contracts is stable, and maturing contract volumes will constitute a solid base for our work to strengthen margins during the coming years.

Strong cash conversion

Cash flow remains strong and working capital has been reduced by SEK 69 million during the year, which together give a cash conversion of 104 per cent for the full year 2015 (refer to Note 9 for further information). A stable cash flow is a strategic priority for us at Coor, as it forms the basis for converting our customer value to shareholder value, in the form of long-term, stable dividends.

Outlook

In a turbulent world, our home markets in the Nordic region continue to be stable with underlying GDP growth in all of the Nordic countries except Finland.

Market prospects for outsourced FM services continue to be favourable. We are witnessing a stable demand and high activity levels in all markets, and we are in a good position to achieve continued growth with good cash flows.

Stockholm, 24 February 2016

Mikael Stöhr
President and CEO,
Coor Service Management

Operations in brief

Coor Service Management ("Coor") is one of the leading providers of facility management (FM) services in the Nordic countries. The Company has large and small customers in the private and public sectors. Coor is the market leader in the provision of complex, integrated facility management (IFM) services, but also offers individual FM services ("single services") and a number of bundled FM services. Priority service areas for provision as single FM services are housekeeping, restaurant and property services.

The Company is organized into four geographic areas: Sweden, Norway, Denmark and Finland, which is also the Company's primary segment structure. Coor has some operations in European countries in which the Company's Nordic customers conduct operations. The Swedish business thus includes some operations in Belgium, Hungary and Poland, and the Finnish business includes a minor operation in Estonia.

Coor's vision is to be the customer's first choice when selecting a service provider, and the first choice for employees when selecting a service company. Our strength, and what sets us apart from our competitors, is our ability to continuously develop our operations and our provision of services. Our aim is to offer the most developed and smartest service solutions on the market - service with IQ.

Coor was listed on Nasdaq Stockholm on 16 June 2015.

Net sales and profit/loss

Fourth quarter (October – December)

On the whole, the financial year concluded strong in terms of both sales and profit.

Net sales increased to SEK 2,042 (1,967) million. Organic growth increased by 6 per cent compared with Q4 2014 (4 per cent including currency effects). The increase has primarily been driven by Sweden once again exhibiting growth during the quarter. Growth also remains good in Denmark and Norway.

Compared with the third quarter, organic growth was unchanged. The effects of the IFM contract with Statoil on-shore levelled of as expected during the third quarter, but this was compensated for by increased volumes in other contracts.

A new, large IFM contract was signed with Aker Solutions during the quarter, encompassing delivery to several offices and facilities throughout Norway and with an annual volume of approximately SEK 105 million. Existing large IFM contracts with other customers including Borealis and Saab in Sweden were also extended during the quarter. The overall annual volume under the extended contracts is estimated at SEK 520 million.

Operating profit (adjusted EBITA) amounted to SEK 110 (112) million, an increase of 2 per cent compared with the previous year (0 per cent excluding currency effects). The operating margin (adjusted EBITA margin) improved compared with the preceding quarter and amounted to 5.4 (5.7) per cent.

The reduction in the margin compared with the fourth quarter during the previous year can be explained by a decrease in pension rebates in Sweden relative to recent years. Without this effect, the Group´s margin in the quarter would have been in line with the margin in the previous quarter. The operations in Norway exhibited continued good profitability during the quarter, driven by efficiency measures implemented throughout the year. Profitability during the quarter was, however, negatively affected by the previously communicated cutbacks at a major customer. Profitability in Denmark was significantly strengthened during the quarter relative to the previous year, also as a result of continued efficiency measures.

EBIT for the fourth quarter was SEK 56 (-97) million, an improvement that can be explained by reductions in non-recurring costs, mainly attributable to the initiation of the Statoil on-shore contract in Norway during 2014, as well as reductions in amortization and impairment of customer contracts (please refer to Note 5 for further information).

Full year 2015

Overall, Coor reports strong growth and stable profits for the full year 2015.

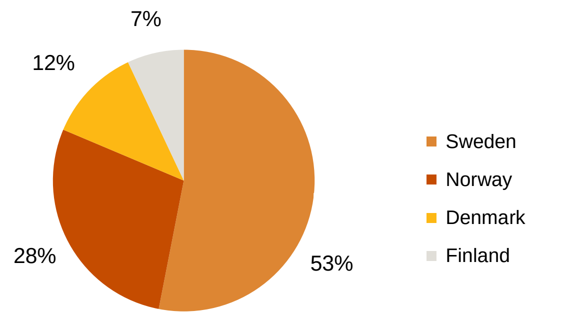
Net sales were SEK 7,482 (6,844) million. Organic growth increased by 10 per cent compared with the previous year (9 per cent including currency effects). The increase between the periods is mainly the result of new contracts signed during 2014 and 2015, not least the IFM contract with Statoil beginning in April 2014, which reached full scope in September 2014.

Operating profit (adjusted EBITA) for the full year amounted to SEK 374 (354) million, an increase of 6 per cent compared with the previous year. The operating margin (adjusted EBITA margin) was 5.0 (5.2) per cent.

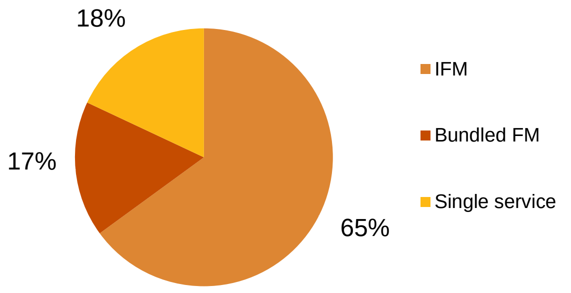
The improved profit can be attributed to increased sales in Norway coupled with an improved margin in the Danish operations. This was offset by a lower margin in the Swedish operations during the second half of the year. The reduction in the margin can primarily be attributed to the lower level of pension rebate and a reduction in volume from a major customer.

EBIT for the period January – December was SEK 82 (-82) million (please refer to Note 5 for further details).

Net sales by country, 2015



Net sales by type of contract, 2015



Net financial income and profit/loss after tax

The new capital structure which came into force in connection with the listing in June meant a significant reduction in debt for the Group. This has led to a continued strong improvement in net financial income during the fourth quarter.

Net financial income for the period January – December was SEK -115 (-272) million. Net financial income for the fourth quarter was SEK 3 (-73) million. The improvement compared with the previous year is due to a sharp reduction in interest expenses and positive exchange rate differences on borrowings in foreign currency. In total for the period January – December, net interest expenses amounted to SEK -104 (-190) million and exchange rate differences on borrowings in foreign currency were SEK 56 (-46) million. The positive effects of lower net interest and positive exchange rate differences was offset by a non-recurring cost in June, associated with capitalized borrowing costs relating to the former financing structure being expensed. The total expense for capitalized borrowing costs in the period January – December was SEK -54 (-17) million. Other financial income/expenses totalled SEK -13 (-19) million.

Tax for the period January – December was SEK 234 (44) million. The positive tax effect is due to the Group's recognition of all deductible tax losses in the Swedish operations during the second quarter. Please refer to Note 6 for further information.

Profit/loss after tax for the period January – December was SEK 201 (-311) million.

Contract portfolio

The retention rate, stated in terms of retained contract volumes as a percentage of total volumes renegotiated during the year, amounted to 90 per cent. This outcome is particularly positive for a year with a very high renegotiated volume of almost SEK 2.9 billion. During the year, the Company has signed new contracts with total sales equivalent to SEK 685 million, which is also a high level compared with earlier years. With an outflow of completed contracts corresponding to annual sales of SEK 385 million, this means a net contribution of SEK 300 million in annual sales in the contract portfolio.

Accumulated changes in the contract portfolio, January - December

	Number	Annual sales
New contracts during the period	10	SEK 685 million
Completed contracts during the period	8	SEK 385 million
Net change in the portfolio	2	SEK 300 million

Both the retention rate and changes in the contract portfolio pertain to all contracts with over SEK 10 million in annual sales. Changes in the contract portfolio are reported on a six-month basis and the retention rate on an annual basis. For new contracts signed during the period, a contracted or estimated annual sales figure is stated. For existing contracts, sales for the last twelve months, with full delivery, are stated.

The proportion of IFM contracts has increased from 62 to 65 per cent during the year, driven by the Statoil on-shore contract and other new IFM contracts.

Cash flow and financial position

Operating cash flow for the period January – December 2015 was SEK 274 (274) million. Operating cash flow for the fourth quarter improved to SEK 268 (260) million. Operating cash flow largely follows the Company's normal seasonal variations, implying that the fourth quarter is the strongest. As a general rule, the third quarter and the summer period see an accumulation of accrued project income, which is later concluded and invoiced during the fourth quarter.

The Company has maintained a strong operating cash flow in line with the previous year, in spite of significant outflows related to costs incurred in conjunction with the listing. Excluding the outflows related to these costs, operating cash flow for the period January – December increased to SEK 411

(274) million and for the fourth quarter to SEK 286 (260) million.

Operating cash flow normally fluctuates from quarter to quarter. The most important parameter to follow is therefore differences in operating capital over the last 12 months. Working capital decreased by SEK 69 (63) million during the full year 2015, which is evidence of the positive effects of the Group's structured, long-term work with the working capital. The single most important performance indicator for the cash flow is cash conversion, defined as the ratio operating cash flow / adjusted EBITDA. Cash conversion for the full year was 104 (108) per cent, which exceeds the Group's target of 90 per cent by a wide margin. More information on the cash flow can be found in Note 9.

Net investments in property, plant and equipment and intangible assets in the Group totalled SEK -50 (-27) million during 2015.

In connection with the IPO in June, the Group sold all Industrial Services operations, which had a negative impact on cash and cash equivalents of SEK -57 million. At the same time, the company received SEK 1,675 million in proceeds from the new shares issued and concluded a new funding agreement for senior loans of SEK 1,400 million. The new loans and the proceeds from the IPO were used to repay borrowings of SEK 2,983 million.

The Group’s net debt for the full year was SEK 947 (2,673) million (see Note 3). Leverage, defined as net debt in relation to adjusted EBITDA, was 2.2 (6.6) at year-end, which is well in line with the Group's target of a leverage under 3.0.

Equity at year-end was SEK 2,733 (1,178) million. The Group's equity/assets ratio was 45 (18) per cent.

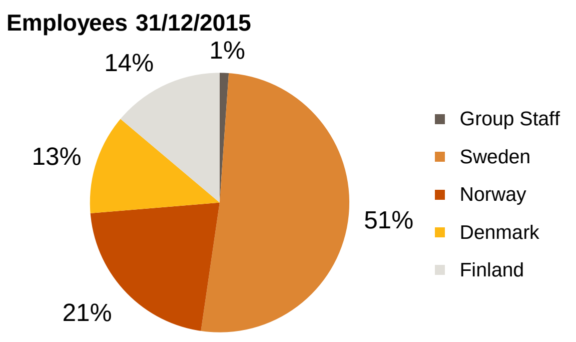
Cash and cash equivalents at the end of the period were SEK 428 (335) million. The unutilized portion of the Group’s overdraft facility at the end of the period was SEK 294 (115) million.

Significant events during the fourth quarter

- On 8 October, a new agreement was signed with Aker Solutions to deliver integrated facility management services (IFM) to several offices and facilities in Norway. The estimated annual value of the new contract is SEK 105 m, and the agreement stretches over five years, with delivery to start on 1 January 2016. Together with the service provision that Coor already delivers to the office in Fornebu, the total contract with Aker Solutions amounts to about SEK 160 million per year, excluding sales in the restaurants.
- On 12 October, it was announced that one of Coor's customers in Sweden had decided to extend their agreement for subscription to services at a value of over SEK 60 million per year, with the possibility of additional orders deemed to be equivalent to approximately an additional SEK 60 million per year.
- In December, Coor extended its contract with Borealis regarding the delivery of integrated services. The contract is worth some SEK 115 m annually and was extended for a further two years from 1 April 2016.
- In December, the collaboration with the defence and security Group Saab was extended and expanded for a further five years. The contract is an integrated IFM contract with an estimated annual volume of approximately SEK 260 million.
- Management changes at Coor were announced on 1 December. AnnaCarin Grandin, formerly Deputy President of the Swedish operations, replaced Ulf Wretskog as President for Coor in Sweden effective from 1 January 2016. Klas Elmberg, currently President for Coor in Norway, will assume the position of Deputy President for Coor in Sweden as of 1 March 2016. The new President for the Norwegian operations will be Nikolai Utheim, currently CFO for Coor in Norway.

Organisation and employees

At the end of the period the Group had 6,852 (6,604), employees, or 6,381 (6,087) on a full-time equivalent basis. The increase is mainly due to the personnel taken on in conjunction with new business deals.



Operations by country

Sweden

There was significant sales growth in the Swedish operations during the fourth quarter.

Net sales for the full year increased to SEK 4,010 (3,946) million, a growth of 2 per cent compared with the previous year. Net sales increased by 5 per cent in the fourth quarter, to SEK 1,105 (1,054) million.

The growth was driven by the new, large contracts signed at the beginning of the year and which have now reached full volume, as well as increased variable volumes in a number of existing contracts.

Operating profit (adjusted EBITA) for the full year amounted to SEK 347 (364) million. Operating profit for the fourth quarter was SEK 95 (103) million. The operating margin (adjusted EBITA margin) was 8.7 (9.2) per cent for the period as a whole and 8.6 (9.8) per cent for the fourth quarter.

The decline in the margin for the financial year, compared with the preceding year, is mainly explained by the large amount of new and renegotiated contracts, which usually build up to full profitability during their first 6 to 18 months. Contracts representing an annual volume of SEK 2,200 million were renegotiated during the year. During the fourth quarter, the decrease in pension refunds also negatively impacted the margin. Excluding this effect, the margin would have been in line with the previous year. The effects of the previously named operational cutbacks at a major customer in Sweden diminished towards the end of the year, and are not expected to have any residual effects following the end of the fourth quarter.

Norway

The fourth quarter saw continued strong growth and stable profitability in the Norwegian operations.

Net sales in Norway for the period January – December were SEK 2,103 (1,603) million. Organic growth was up 36 per cent (31 per cent including currency effects) compared with previous year. Net sales in the fourth quarter were SEK 577 (559) million, implying organic growth of 11 per cent (3 per cent excluding currency effects). The positive effects of the large IFM contract Coor signed with Statoil on-shore during 2014 reached their full impact in the third quarter, implying that growth in the fourth quarter was driven by the new contracts with Frontica/Aker Solutions (initiated successively during 2015) and Statoil off-shore (with delivery starting on 1 July 2015) as well as additional sales to existing customers.

Operating profit (adjusted EBITA) for the period January – December increased to SEK 124 (96) million, which is a 30 per cent increase (excluding currency effects, operating profit increased by 35 per cent). Operating profit for the fourth quarter amounted to SEK 36 (41) million, an increase of 12 per cent compared with the previous year (5 per cent excluding currency effects). The operating margin (adjusted EBITA margin) for the whole period was 5.9 (6.0) per cent. The operating margin for the fourth quarter decreased to SEK 6.2 (7.3) million.

The increase in operating profit during the whole period from January – December is attributable to sales growth, while the operating margin decrease in the fourth quarter is explained by cutbacks implemented by a major customer. These effects abated during the fourth quarter and are not expected to impact 2016.

Denmark

The fourth quarter saw strong growth and a good margin improvement in the Danish operations.

Net sales during the period January – December were SEK 868 (783) million. Organic growth increased by 8 per cent compared with 2014 (11 per cent including currency effects). Net sales during the fourth quarter were SEK 237 (218) million. Organic growth was 9 per cent (9 per cent including currency effects). The increase was due to several contracts with new customers that were entered into in 2014, as well as increased volumes among existing customers. Given the background that volumes in the Danmarks Radio contract are due to decrease, which was announced in the third quarter, sales in the Danish operations are expected to sink during 2016. From the perspective of the full year, this will not have a material impact on the Group's sales and profit.

Operating profit (adjusted EBITA) during the period January – December was SEK 31 (12) million. Operating profit for the fourth quarter was SEK 12 (2) million. The operating margin (adjusted EBITA margin) was 3.6 (1.5) per cent for the period as a whole and 4.9 (0.9) per cent for the fourth quarter. Currency effects have a limited impact on operating profit.

The substantial improvement in earnings and margins is the result of efficiency measures implemented in larger customer contracts.

Finland

The fourth quarter saw lower sales and unchanged profitability in the Finnish operations.

Net sales during the period January – December were SEK 509 (526) million. Negative organic growth was -6 per cent (-3 per cent including currency effects). Net sales during the fourth quarter were SEK 123 (139) million. Negative organic growth was -12 per cent (-11 per cent including currency effects). The decrease was due to the termination of a number of smaller contracts during the second quarter.

The fourth quarter in Finland is, in contrast to the other countries, a relatively weak quarter. This is explained by a higher proportion of variable volumes, mainly within property services, which decrease in

December. Operating profit (adjusted EBITA) for the period January – December was SEK 5 (12) million. Operating profit for the fourth quarter was SEK 0 (-1) million. The operating margin (adjusted EBITA margin) was 0.9 (2.4) per cent for the period as a whole and -0.4 (-0.5) per cent for the fourth quarter.

In spite of decreased volumes and a weak first half of the year in terms of profit, by implementing cost-saving measures, Finland has achieved a somewhat improved margin in the fourth quarter and reports a profit for the full year.

	Oct - Dec				Jan - Dec			
GEOGRAPHICAL SEGMENTS (SEK m)	**2015**	**2014**	**Chg, %**	**Organic growth, %**	**2015**	**2014**	**Chg, %**	**Organic growth, %**
Net sales								
Sweden	1,105	1,054	5	5	4,010	3,946	2	2
Norway	577	559	3	11	2,103	1,603	31	36
Finland	123	139	-11	-12	509	526	-3	-6
Denmark	237	218	9	9	868	783	11	8
Group functions/other	-1	-3	-73	-73	-8	-14	-45	-45
Total	**2,042**	**1,967**	**4**	**6**	**7,482**	**6,844**	**9**	**10**
Adjusted EBITA								
Sweden	95	103	-8	-8	347	364	-5	-5
Norway	36	41	-12	-5	124	96	30	35
Finland	0	-1	-31	-39	5	12	-62	-63
Denmark	12	2	463	456	31	12	166	158
Group functions/other	-32	-33	-4	-4	-133	-130	2	2
Total	**110**	**112**	**-2**	**0**	**374**	**354**	**6**	**7**
Adjusted EBITA-margin								
Sweden, %	8.6	9.8	-	-	8.7	9.2	-	-
Norway, %	6.2	7.3	-	-	5.9	6.0	-	-
Finland, %	-0.4	-0.5	-	-	0.9	2.4	-	-
Denmark, %	4.9	0.9	-	-	3.6	1.5	-	-
Total, %	**5.4**	**5.7**	**-**	**-**	**5.0**	**5.2**	**-**	**-**

Significant risks and uncertainties

The Group's significant risks and uncertainties comprise **strategic risks** tied to changes in market and economic conditions, and sustainability, and **operational risks** related to customer contracts. The Group is also exposed to different types of **financial risks**, including currency, interest rate and liquidity risks. The risks facing the Group are described in detail in the Company's financial statements presented in the listing prospectus (available on the Company's website). No further significant risks are deemed to have arisen since the publication of the prospectus.

Acquisitions and sales

The assets and liabilities attributable to the Group's previous operating segment Industrial Services were accounted for as held for sale during the period. The Industrial Services business was sold to Cinoor S.a.r.l. on 15 June. Further information on the transfer is provided in the section "Ownership structure and related-party transactions".

Parent Company

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

The Parent Company's profit/loss after tax was SEK 180 (539) million. In 2014 and 2015, the Company received dividend payments from subsidiaries totalling SEK 210 (545) million. In 2015, costs attributable to the IPO were also recognized as expenses in the Parent Company. The Parent Company has capitalized deferred tax on loss carry-forwards during 2015. Total assets in the Parent Company as per 31 December were SEK 7,830 (4,852) million. Equity in the Parent Company was SEK 6,449 (4,838) million.

Ownership structure and related party transactions

On 16 June 2015, the shares in Coor Service Management Holding AB were listed on the Nasdaq Stockholm exchange. At the end of the period, the previous owner, Cinven Limited, remained the largest shareholder, through Cinoor S.a.r.l. More information on the Company's ownership structure can be found at www.coor.com.

During the period January – December, the following related party transactions were executed:

- The Parent Company, Coor Service Management Holding AB, received invoices from the majority shareholder, Cinven Limited, relating to management fees for the period until 15 June. These invoices amounted to SEK 2 (2) million in total. The Parent Company has re-invoiced services worth SEK 6 (6) million to Group companies.

- In the second quarter, Coor Service Management Group AB concluded an agreement with the majority shareholder Cinven Limited, acting through Cinoor S.a.r.l., on the transfer of the Industrial Services business. The purchase consideration specified in the agreement was SEK 210 million, which was settled through the issuance by the majority shareholder of a promissory note, which was then distributed to the majority shareholder before the IPO. The net effect was thus that Coor received no payment for the sale of the Industrial Services segment.

- The Group's CEO previously had a participating debenture in a nominal amount of SEK 2 million for which the repayment terms were affected by the valuation of the Group in case of a sale. This participating debenture was repaid in connection with the IPO in an amount of SEK 4.3 million.

- Following the sale of the Industrial Services business, the Group sold services to Industrial Services for SEK 18 million and purchased services from Industrial Services for SEK 14 million. As per 31 December, the Group had a net receivable from Industrial Services of SEK 5 million.

Significant events after the end of the period

- On 15 January, the Nomination Committee presented its proposed new Board of Directors, to be put to the Annual general Meeting held on 28 April. Bernt Magnusson, who has been on the Board of Directors at Coor since 2005, has declined re-election, and Mats Granryd and Heidi Skaaret are put forward as new Members. Søren Christensen, Mats Jönsson, Monica Lindstedt, Anders Narvinger, Kristina Schauman and Mikael Stöhr are proposed for re-election. The Nomination Committee also proposes the re-election of Anders Narvinger as the Chairman of the Board.

- On 18 January, the collaboration with the insurance company Gjensidige was extended and expanded within the Group's Norwegian damage services operations. The new contact has a tenor of three years.

Outlook

The market for outsourced FM services is expanding as private businesses and public-sector organizations opt to focus on their core activities, with a growing number realizing the benefit of engaging a specialist to handle their support services. Factors influencing the choice of service provider include service quality, price, references, innovations and brand. This means that Coor, which stands out through its strong culture of continuous improvement and innovation, is in a good position to achieve continued growth.

The economic outlook in the Nordic countries is, with the exception of Finland, still good. We are seeing stable demand in all countries, especially in the IFM segment but also for bundled FM services and single services. The demand in Finland is greatest for single services. Activity in the FM market is especially strong in the oil and gas industry in Norway, and within the public sector throughout all of the Nordics.

On the whole, the outlook for sales and earnings growth in line with our targets is good. This means that over the course of an economic cycle we expect to achieve annual organic growth of 4-5 per cent and an annual operating margin (adjusted EBITA margin) of 5.5 per cent per year. Coor's continued positive development of the operating cash flow also provides good future distribution opportunities.

The share

The Coor share rose by 4 per cent between its listing on 16 June and year-end 31 December 2015, compared with the OMXSPI index which declined by 3 per cent during the same period.

The share capital is divided between 95,812,022 shares. More information on the number of shares and changes arising in conjunction with the IPO can be found in Note 7.

Dividend

The Board of Directors proposes a dividend for 2015 of SEK 2.00 per share, pursuant to the dividend policy. The dividend comprises an ordinary dividend of SEK 1.40 and a bonus dividend of SEK 0.60. The bonus dividend corresponds to the positive net effects of a number of non-recurring items, primarily tax effects and transaction costs.

The report for the period has not been subject to review by the auditors.

Stockholm, 24 February 2016
On behalf of the Board of Directors of Coor Service Management Holding AB

Mikael Stöhr
President and CEO

This information is published in accordance with the Financial Instruments Trading Act. The information was submitted for publication on 24 February 2016 at 07:30 CET.

For more information

For questions concerning the financial report, please contact CFO Olof Stålnacke (+46 10 559 59 20) or Investor Relations Manager Thomas Backteman (+46 70 831 11 66).

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More information is also available on our website: com

Invitation to press and analyst presentation

On 24 February at 10:00 CET, Coor's President and CFO will present the Company's development during the fourth quarter in a webcast. To participate in the webcast, please register via the following link http://edge.media-server.com/m/p/6mhz6b46 prior to the meeting. If you would like to listen to the presentation via telephone, please call +46 8 566 426 90 (Sweden), +47 235 002 52 (Norway), +45 354 455 75 (Denmark), +358 981 710 491 (Finland) or +44 203 008 98 01 (England). The presentation material as well as a recording of the webcast will be published on the Company's website www.coor.se/investerare/rapporterochpresentationer following the presentation.

Financial calendar

Annual General Meeting	28 April 2016
Interim Report January – March 2016	28 April 2016
Interim Report January – June 2016	19 July 2016
Interim Report January – September 2016	10 November 2016

The annual report for 2015 will be made available on the Company's website during the week beginning 4 April 2016.

Annual General meeting 2016

The Annual General meeting will be held on 28 April at 3.00 p.m. in the Kista Entré conference centre, Knarrarnäsgatan 7, Kista. Information on registration, notice, etc. is provided on the Company's website on March 22, 2016.

CONSOLIDATED INCOME STATEMENT (SEK m)

	Oct - Dec			Jan - Dec		
	2015	**2014**	**Chg, %**	**2015**	**2014**	**Chg, %**
Continuing operations						
Net sales	2,042	1,967	4	7,482	6,844	9
Cost of services sold	-1,838	-1,936	-5	-6,792	-6,451	5
Gross income	**204**	**30**	**571**	**689**	**393**	**75**
Selling and administrative expenses	-148	-127	16	-607	-476	28
Operating profit	**56**	**-97**	**158**	**82**	**-82**	**200**
Net financial income/expense	3	-73	104	-115	-272	-58
Income before tax	**59**	**-170**	**135**	**-33**	**-354**	**-91**
Income tax expense	-14	23	-161	234	44	436
Income from continuing operations	**45**	**-147**	**131**	**201**	**-311**	**165**
Discontinued operations						
Profit for the period *(note 4)*	0	-22	100	-16	-147	-89
Income for the period, total	**45**	**-168**	**127**	**186**	**-458**	**141**
Profit attributable to:						
Owners of the parent	45	-168	127	186	-458	141
Non-controlling interests	0	0	-	0	0	-
	45	**-168**	**127**	**186**	**-458**	**141**
Depreciation, amortization and impairment - continuing operations						
Property, plant and equipment	9	8	7	32	35	-7
Other intangible assets	4	4	-1	17	14	20
Goodwill and customer contracts	44	175	-75	177	331	-46
EBITDA, continuing operations	**113**	**90**	**24**	**308**	**297**	**4**
No. of shares						
No. of ordinary shares (weighted average)	95,812,022	34,739,974	176	67,990,312	34,739,974	96
Earnings per share, SEK *						
Continuing operations	0.5	-10.9	104	-3.6	-34.2	-90
Discontinued operations	0.0	-0.6	100	-0.2	-4.2	-95
Total	**0.5**	**-11.5**	**104**	**-3.8**	**-38.5**	**-90**

* There was no dilutive effect in the periods. See also Note 8, for a pro forma calculation of earnings per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK m)	Oct - Dec		Jan - Dec	
	2015	**2014**	**2015**	**2014**
Profit for the year	45	-168	186	-458
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of provision for pensions	1	0	1	0
Total	**1**	**0**	**1**	**0**
Items that may be subsequently reclassified to profit or loss				
Net investment hedge	0	22	-1	2
Cash flow hedges	0	-1	3	-1
Currency translation differences	-27	-33	-64	7
Total	**-27**	**-12**	**-62**	**8**
Other comprehensive income for the period, net of tax	**-25**	**-12**	**-61**	**8**
Total comprehensive income for the year	**20**	**-180**	**125**	**-450**
Total comprehensive income attributable to:				
Owners of the parent	20	-180	125	-450
Non-controlling interests	0	0	0	0

CONSOLIDATED BALANCE SHEET
(SEK m)

	31-dec	
	2015	**2014**
Assets		
Non-current assets		
Intangible assets		
Goodwill	2,727	2,778
Customer contracts	1,059	1,250
Other intangible assets	81	76
Property, plant and equipment	71	78
Financial assets		
Deferred tax receivable *(note 6)*	266	0
Other financial assets	15	13
Total non-current assets	**4,219**	**4,195**
Current assets		
Accounts receivable	1,069	1,155
Current tax receivables	0	0
Other current assets, interest-bearing	9	15
Other current assets, non-interest-bearing	391	449
Cash and cash equivalents	428	335
Total	**1,898**	**1,955**
Assets of disposal group classified as held for sale *(note 4)*	0	412
Total current assets	**1,898**	**2,366**
Total assets	**6,117**	**6,561**

CONSOLIDATED BALANCE SHEET
(SEK m)

	31-dec	
	2015	**2014**
Equity and liabilities		
Equity	**2,733**	**1,178**
Liabilities		
Non-current liabilities		
Borrowings	1,367	2,805
Derivatives	0	4
Deferred tax liability *(Note 6)*	31	43
Provisions for pensions	18	10
Other non-interest bearing liabilities	2	7
Total non-current liabilities	**1,419**	**2,868**
Current liabilities		
Interest-bearing liabilities	14	220
Current tax liabilities	28	3
Accounts payable	835	893
Other non-current liabilities	1,075	1,116
Short-term provisions	14	12
Total	**1,965**	**2,244**
Liabilities of disposal group classified as held for sale *(note 4)*	0	272
Total current liabilities	**1,965**	**2,516**
Total liabilities	**3,383**	**5,384**
Total equity and liabilities	**6,117**	**6,561**
Pledged assets	130	1,263
Contingent liabilities	242	265

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK m)

	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. profit or loss	Non-controlling interests	Total equity
Opening balance, 1 January 2014	**302**	**5,237**	**-26**	**-3,885**	**2**	**1,630**
Comprehensive income						
Profit for the year	0	0	0	-458	0	-458
Total other comprehensive income for the year	0	0	8	0	0	8
Transactions with shareholders						
Purchase of other non-controlling interest	0	0	0	0	-2	-2
Closing balance, 31 December 2014	**302**	**5,237**	**-18**	**-4,343**	**0**	**1,178**
Opening balance, 1 January 2015	**302**	**5,237**	**-18**	**-4,343**	**0**	**1,178**
Comprehensive income						
Profit for the year	0	0	0	186	0	186
Total other comprehensive income for the year	0	0	-61	0	0	-61
Transactions with shareholders						
Bonus issue	8	0	0	-8	0	0
New share issue	207	1,468	0	0	0	1,675
Issue costs after tax *(Note 5)*	0	-39	0	0	0	-39
Reduction of share capital	-134	0	0	134	0	0
Redemption of convertible bonds	0	4	0	0	0	4
Dividend	0	0	0	-210	0	-210
Closing balance, 31 December 2015	**383**	**6,670**	**-78**	**-4,242**	**0**	**2,733**

CONSOLIDATED CASH FLOW STATEMENT (SEK m)*	Oct - Dec			Jan - Dec		
(Indirect method)	**2015**	**2014**	**Chg, %**	**2015**	**2014**	**Chg, %**
Cash flow from operating activities						
Operating profit from continuing operations	56	-97	158	82	-82	200
Operating profit from discontinued operations	0	-21	100	-19	-145	-87
Operating profit, total	**56**	**-117**	**148**	**63**	**-228**	**128**
Adjustment for non-cash items	64	184	-65	226	451	-50
IPO-related expenses recognised in equity	0	0	-	-49	0	-
Finance net	-10	-38	-75	-144	-181	-21
Income tax paid	-2	-4	-42	-5	-11	-58
Cash flow from operating activities before changes in working capital	**107**	**24**	**338**	**91**	**31**	**192**
Changes in working capital	163	262	-38	64	44	47
Cash flow from operating activities *(note 4)*	**270**	**286**	**-6**	**155**	**75**	**107**
Cash flow from investing activities						
Net investment	-14	-8	61	-54	-31	74
Acquisition of subsidiaries	0	-22	-100	0	-23	-100
Disposal of subsidiaries	0	0	-	-57	0	-
Cash flow from investing activities *(note 4)*	**-14**	**-30**	**-54**	**-110**	**-54**	**104**
Cash flow from financing activities						
Change in borrowings	0	-40	-100	-1,603	44	-3,743
New share issue	0	0	-	1,675	0	-
Net lease commitments	-1	-3	-53	-7	-11	-40
Cash flow from financing activities *(note 4)*	**-1**	**-43**	**-97**	**65**	**33**	**98**
Cash flow for the period	**254**	**213**	**19**	**110**	**53**	**106**
Cash and cash equivalents at beginning of period	185	131	40	335	288	16
Exchange gains on cash and cash equivalents	-11	-9	16	-17	-6	161
Cash and cash equivalents at end of period	**428**	**335**	**28**	**428**	**335**	**28**

* The consolidated cash flow statement includes continuing and discontinued operations. See Note 4 for a specification of cash flow from discontinued operations.

OPERATING CASH FLOW, GROUP (SEK m)	Oct - Dec			Jan - Dec		
(Continuing operations)	**2015**	**2014**	**Chg, %**	**2015**	**2014**	**Chg, %**
EBIT	56	-97	158	82	-82	200
IPO-related expenses recognised in equity	0	0	-	-49	0	-
Depreciation and amortisation	57	187	-70	226	379	-40
Net investment	-14	-4	206	-50	-27	85
Change in working capital	163	185	-12	69	63	9
Adjustment for non-cash items	7	-11	161	-4	-58	-93
Operating cash flow	**268**	**260**	**3**	**274**	**274**	**0**

GEOGRAPHICAL SEGMENTS (SEK m)	Oct - Dec			Jan - Dec		
	2015	**2014**	**Chg, %**	**2015**	**2014**	**Chg, %**
Net sales						
Sweden	**1,105**	**1,054**	**5**	**4,010**	**3,946**	**2**
Total sales	*1,134*	*1,079*	*5*	*4,105*	*4,027*	*2*
Internal sales	*-29*	*-25*	*15*	*-95*	*-81*	*18*
Norway	**577**	**559**	**3**	**2,103**	**1,603**	**31**
Total sales	*579*	*563*	*3*	*2,116*	*1,623*	*30*
Internal sales	*-2*	*-4*	*-64*	*-12*	*-21*	*-41*
Finland	**123**	**139**	**-11**	**509**	**526**	**-3**
Total sales	*123*	*139*	*-11*	*509*	*526*	*-3*
Internal sales	-	-	-	0	-	-
Denmark	**237**	**218**	**9**	**868**	**783**	**11**
Total sales	*237*	*218*	*9*	*868*	*784*	*11*
Internal sales	*0*	*-1*	*-100*	*0*	*-1*	*-87*
Group functions/other	**-1**	**-3**	**-73**	**-8**	**-14**	**-45**
Total	**2,042**	**1,967**	**4**	**7,482**	**6,844**	**9**
Adjusted EBITA						
Sweden	95	103	-8	347	364	-5
Norway	36	41	-12	124	96	30
Finland	0	-1	-31	5	12	-62
Denmark	12	2	463	31	12	166
Group functions/other	-32	-33	-4	-133	-130	2
Total	**110**	**112**	**-2**	**374**	**354**	**6**
Adjusted EBITA is reconciled to profit before tax as follows:						
Amortisation and impairment of goodwill and customer contracts	-44	-175	-75	-177	-331	-46
Non-recurring items *(note 5)*	-10	-34	-69	-115	-106	8
Net financial income/expense	3	-73	104	-115	-272	-58
Profit before tax	**59**	**-170**	**135**	**-33**	**-354**	**-91**

	Oct - Dec			Jan - Dec		
Adjusted EBITA margin	**2015**	**2014**		**2015**	**2014**	
Sweden, %	8.6	9.8	-	8.7	9.2	-
Norway, %	6.2	7.3	-	5.9	6.0	-
Finland, %	-0.4	-0.5	-	0.9	2.4	-
Denmark, %	4.9	0.9	-	3.6	1.5	-
Group functions/other	-	-	-	-	-	-
Total, %	**5.4**	**5.7**	**-**	**5.0**	**5.2**	**-**

TYPE OF CONTRACT (SEK m)	Oct - Dec			Jan - Dec		
	2015	2014	Chg, %	2015	2014	Chg, %
Net sales						
IFM	1,345	1,275	5	4,884	4,255	15
Bundled FM	338	361	-6	1,331	1,308	2
Single service	389	349	11	1,335	1,340	0
Other	-30	-19	59	-68	-60	15
Total	**2,042**	**1,967**	**4**	**7,482**	**6,844**	**9**

QUARTERLY DATA (SEK m)	2015				2014			
GEOGRAPHICAL SEGMENTS	IV	III	II	I	IV	III	II	I
Net sales, external								
Sweden	1,105	943	973	988	1,054	943	983	967
Norway	577	525	486	516	559	461	338	245
Finland	123	123	128	134	139	129	130	128
Denmark	237	215	202	213	217	199	195	172
Group functions/other	-1	-1	-3	-3	-3	-4	-4	-4
Total	**2,042**	**1,806**	**1,786**	**1,848**	**1,967**	**1,728**	**1,642**	**1,508**
Adjusted EBITA								
Sweden	95	58	92	103	103	73	96	93
Norway	36	35	25	28	41	22	17	16
Finland	0	7	-1	-1	-1	7	4	1
Denmark	12	12	3	5	2	7	3	0
Group functions/other	-32	-37	-30	-34	-33	-30	-38	-29
Total	**110**	**75**	**88**	**100**	**112**	**79**	**82**	**81**
Adjusted EBITA-margin								
Sweden, %	8.6	6.2	9.4	10.4	9.8	7.7	9.7	9.6
Norway, %	6.2	6.7	5.1	5.5	7.3	4.9	5.0	6.5
Finland, %	-0.4	5.9	-0.8	-0.9	-0.5	5.7	3.4	1.1
Denmark, %	4.9	5.4	1.6	2.2	0.9	3.3	1.7	-0.1
Group functions/other	-	-	-	-	-	-	-	-
Total, %	**5.4**	**4.2**	**5.0**	**5.4**	**5.7**	**4.6**	**5.0**	**5.4**

	2015				2014			
TYPE OF CONTRACT	IV	III	II	I	IV	III	II	I
Net sales								
IFM	1,345	1,200	1,146	1,193	1,275	1,102	1,009	869
Bundled FM	338	313	341	339	361	307	323	317
Single service	389	308	317	321	349	328	322	341
Other	-30	-15	-18	-5	-19	-9	-12	-19
Total	**2,042**	**1,806**	**1,786**	**1,848**	**1,967**	**1,728**	**1,642**	**1,508**

PARENT COMPANY INCOME STATEMENT

(SEK m)	Oct - Dec 2015	Oct - Dec 2014	Oct - Dec Chg, %	Jan - Dec 2015	Jan - Dec 2014	Jan - Dec Chg, %
Net sales	**1**	**1**	**41**	**6**	**4**	**34**
Selling and administrative expenses	-4	0	-1,617	-73	-11	564
Other income/expenses	0	0	100	0	0	-100
Operating profit	**-2**	**1**	**-259**	**-67**	**-6**	**931**
Dividend	0	0	-	210	545	-61
Other net financial income/expense	7	0	-	14	0	-
Net financial income/expense	**7**	**0**	**-**	**224**	**545**	**-59**
Income before tax	**5**	**1**	**296**	**157**	**539**	**-71**
Income tax expense	23	0	-	23	0	-
Profit for the period	**28**	**1**	**2,053**	**180**	**539**	**-67**

PARENT COMPANY BALANCE SHEET
(SEK m)

	31-dec	
	2015	**2014**
Assets		
Financial fixed assets		
Shares in subsidiaries	7,789	4,839
Deferred tax receivable	34	0
Other financial assets	1	0
Total non-current assets	**7,824**	**4,839**
Current assets		
Receivables from Group companies*	0	0
Other current assets	6	2
Cash and cash equivalents*	0	12
Total current assets	**6**	**13**
Total assets	**7,830**	**4,852**

	31-dec	
	2015	**2014**
Equity and liabilities		
Shareholders' equity	**6,449**	**4,838**
Liabilities		
Non-current liabilities		
Pension provision	2	0
Interest-bearing liabilities	1,355	0
Non-interest-bearing liabilities	0	6
Total non-current liabilities	**1,357**	**6**
Current liabilities		
Liabilities to Group companies*	15	1
Accounts payable	2	4
Other current liabilities	7	2
Total current liabilities	**24**	**8**
Total liabilities	**1,381**	**14**
Total equity and liabilities	**7,830**	**4,852**
Pledged assets	None	None
Contingent liabilities	None	None

* Since June 2015 the company is part of the Group wide cash pool with the subsidiary Coor Service Management Group AB as master account holder. The balance in the Group cash pool is accounted for as a current receivable or liability to Group companies.

KEY PERFORMANCE INDICATORS (continuing operations)

(SEK m)	Oct - Dec 2015	Oct - Dec 2014	Jan - Dec 2015	Jan - Dec 2014
Net sales	2,042	1,967	7,482	6,844
Net sales growth, %	4	15	9	6
of which organic growth, %	*6*	*15*	*10*	*6*
of which FX effect, %	*-2*	*1*	*-1*	*0*
EBIT	56	-97	82	-82
EBIT margin, %	2.7	-4.9	1.1	-1.2
EBITA	100	78	259	248
EBITA margin, %	4.9	4.0	3.5	3.6
Adjusted EBITA	110	112	374	354
Adjusted EBITA margin, %	5.4	5.7	5.0	5.2
EBITDA, MSEK	113	90	308	297
EBITDA-margin, %	5.5	4.6	4.1	4.3
Adjusted EBITDA	123	125	423	403
Adjusted EBITDA margin, %	6.0	6.3	5.7	5.9
Adjusted net profit	89	28	378	20
Net working capital	-449	-392	-449	-392
Net working capital / Net sales, %	-6.0	-5.7	-6.0	-5.7
Operating cash flow	268	260	274	274
Cash conversion, %	221	241	104	108
Net debt	947	2,673	947	2,673
Leverage	2.2	6.6	2.2	6.6
Equity/assets ratio, %	45	18	45	18

DATA PER SHARE *

	Oct - Dec 2015	Oct - Dec 2014	Jan - Dec 2015	Jan - Dec 2014
No. of shares at end of period	95,812,022	50,326,435	95,812,022	50,326,435
No. of ordinary shares (weighted average)	95,812,022	34,739,974	67,990,312	34,739,974
Earnings per share, SEK				
Continuing operations	0.47	-10.93	-3.58	-34.23
Discontinued operations	0.00	-0.62	-0.23	-4.23
Total	**0.47**	**-11.55**	**-3.81**	**-38.46**
Shareholders' equity per share, SEK	**28.53**	**23.40**	**28.53**	**23.40**

There was no dilutive effect in the periods.

* Number of shares and earnings per share for historical periods have been restated to take account of the reverse stock split and bonus issue that were completed in the second quarter of 2015. For information on changes to the number of shares, see Note 7. See also Note 8 for a calculation of pro forma earnings per share.

Notes

Note 1–Accounting principles

The Coor Service Management Holding AB Group applies International Financial Reporting Standards (IFRS), as adopted by the EU. The accounting principles applied are the same as those described in Coor Service Management Holding AB's financial statements prepared for presentation in the prospectus for 2014. The standards and statements effective from 1 January 2015 have not had any impact on the consolidated financial statements. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendation RFR 2 Accounting for Legal Entities.

Due to rounding off amounts, small differences may exist in aggregations in this interim report.

Note 2–Financial instruments

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

	Carrying amount		Fair value	
	31-dec		31-dec	
(SEK m)	2015	2014	2015	2014
Finance lease liabilities	24	41	24	41
Liabilities to credit institutions	1,355	2,855	1,355	2,855
Revolving credit facility	0	120	0	120
Other non-current liabilities	1	8	1	8
Total	**1,381**	**3,024**	**1,381**	**3,024**

In connection with the initial public offering in June 2015, the Group concluded a new loan agreement with a consortium of banks with new interest terms for the Group's borrowing. The current credit margin for the Group's existing loans is therefore deemed to be consistent with market rates. The Group deems that the liabilities should be measured in accordance with level 2 of the fair value hierarchy, which means that the measurement is based on observable market inputs.

Note 3–Net debt

In June 2015, Coor concluded a new loan agreement with a consortium of banks. The agreement provides for senior loans of SEK 1,400 million and a SEK 400 million revolving credit facility. Together with the net proceeds from the share offering on Nasdaq Stockholm, the credit facilities under the new loan agreement were used to repay the Company's loans to its previous creditors. The Company was thus able to reduce its net debt from SEK 2,673 million at 31 December 2014 to SEK 947 million at 31 December 2015.

	31-dec	
Specification of net debt (SEK m)	2015	2014
Liabilities to credit institutions	1,355	2,975
Finance leases, net	9	16
Pensions, net	9	10
Other liabilities	1	8
	1,375	**3,009**
Cash and cash equivalents	-428	-335
Net debt	**947**	**2,673**

Note 4–Operations held for sale

Following approval from the Board of Directors' Project Committee in September 2014, the Group's operations in the Industrial Services segment were accounted for as held for sale in accordance with IFRS 5. The sale was executed in June 2015 through the acquisition of the shares by the Group's majority shareholder. The majority shareholder paid for the acquisition by issuing a promissory note to Coor, which was then distributed to the majority shareholder before the initial public offering. The effect is thus that Coor received no net consideration for the Industrial Services business. Since June 2015, the Industrial Services segment has thus not been a part of the Coor Group.

Profit from operations held for sale (SEK m)	**Oct - Dec**		**Jan – Dec**	
	2015	**2014**	**2015**	**2014**
Revenue	0	323	479	1,187
Operating expenses	0	-344	-484	-1,222
Net financial income/expense	0	-2	-2	-4
Income tax expense	0	1	1	3
Total	**0**	**-22**	**-6**	**-37**
Profit on remeasurement of assets and liabilities in operations held for sale	0	0	-10	-110
Profit from operations held for sale	**0**	**-22**	**-16**	**-147**

Cash flow from operations held for sale (SEK m)	**Oct - Dec**		**Jan – Dec**	
	2015	**2014**	**2015**	**2014**
Cash flow from operating activities	0	61	-22	-40
Cash flow from investing activities	0	-4	-4	-4
Cash flow from financing activities	0	0	-	-1
Cash flow from operations held for sale	**0**	**57**	**-26**	**-45**

	31-dec	
Assets in operations held for sale (SEK m)	**2015**	**2014**
Tangible assets	0	51
Intangible assets	0	12
Other non-current assets	0	0
Inventory	0	29
Other current assets	0	319
Total	**0**	**412**

	31-dec	
Liabilities in operations held for sale (SEK m)	**2015**	**2014**
Current liabilities	0	260
Deferred tax liability	0	3
Provisions	0	9
Total	**0**	**272**

Note 5–Non-recurring items

Non-recurring items and amortisation and impairment of customer contracts and goodwill are excluded from operating profit, adjusted EBITA, which the Company believes to be the most relevant measure to follow as this most fairly reflects the underlying operations.

Non-recurring items for the period mainly comprise costs related to the initial public offering on Nasdaq Stockholm and integration costs.

	Oct - Dec		Jan – Dec	
Adjusted EBITA is reconciled to EBIT as follows (SEK m)	**2015**	**2014**	**2015**	**2014**
Adjusted EBITA	110	112	374	354
Amortisation and impairment of customer contracts	-44	-175	-177	-331
Non-recurring items	-10	-34	-115	-106
EBIT	**56**	**-97**	**82**	**-82**

	Oct - Dec		Jan – Dec	
Non-recurring items (SEK m)	**2015**	**2014**	**2015**	**2014**
IPO-related expenses [1)]	-1	-12	-79	-12
Integration	-1	-17	-25	-76
Restructuring	-6	-4	-6	-11
Monitoring fee Cinven	0	-1	-2	-4
Other	-3	-1	-3	-3
Total	**-10**	**-34**	**-115**	**-106**
[1)] *Specification of IPO-related expenses*				
Total IPO-related expenses	-2	-12	-128	-12
Of which recognised in equity	1	0	49	0
Total accounted for in income statement	**-1**	**-12**	**-79**	**-12**

Note 6–Deferred tax

The Group has significant tax losses carried forward, primarily in Sweden and Finland. Previously a deferred tax asset related to deductible tax losses in Sweden and Finland has only been recognized in the balance sheet to the extent that it has been offset by a deferred tax liability. In connection with the IPO, the Group obtained a much lower debt ratio, which means that the Group's financial expenses will be significantly lower in future. This entails that the Group will be reporting tax profits in Sweden, enabling it to make use of the existing deductible tax losses over coming years. In view of this the Group capitalized all deductible tax losses attributable to Sweden in the second quarter of 2015.

The following is a summary of how the balance sheet item deferred tax assets/deferred tax liabilities has changed compared with 31 December 2014 and of how deferred tax assets and deferred tax liabilities by country have been recognized on a net basis in the balance sheet:

Deferred tax by country, net (SEK m)	31-dec 2015	31-dec 2014
Deferred tax receivable		
Sweden	266	0
Total deferred tax receivable, net	**266**	**0**
Deferred tax liability, net		
Sweden	0	0
Norway	26	38
Denmark	4	4
Finland	0	1
Total deferred tax liability, net	**31**	**43**
Deferred tax, net	**235**	**-43**

Deferred tax (SEK m)

	Goodwill arising from purchase of net assets	Tax losses	Cash flow hedge	Customer contracts and trademark	Other	Total
At 1 January 2015	**35**	**205**	**1**	**-290**	**7**	**-43**
Recognised in income statement [1)]	-7	225	0	42	6	266
Recognised in other comprehensive income	0	0	-1	0	0	-1
Recognised in equity	0	11	0	0	0	11
Translation differences	0	0	0	3	-1	2
At 31 December 2015	**27**	**441**	**0**	**-245**	**12**	**235**

[1)] Of which SEK m 229 relates to capitalised deferred tax on tax loss carry-forward from previous years.

Note 7–Number of shares

Prior to the IPO, the Company had 301,958,610 shares, of which 101,958,610 were preference shares. A reverse stock split and conversion of preference shares into ordinary shares, as well as a bonus issue, quotient value issue and offering of new shares were carried out in connection with the IPO. The Company had 95,812,022 ordinary shares as per 31 December 2015.

Change in number of shares	Ordinary	Ordinary A	Ordinary B	Preference shares	Total number of shares
Number of shares at 1 January 2015	**-**	**188,832,009**	**11,167,991**	**101,958,610**	**301,958,610**
Reverse stock split	-	-157,360,008	-9,306,660	-84,965,509	-251,632,177
Conversion into ordinary shares	50,326,433	-31,472,001	-1,861,331	-16,993,101	-
Bonus issue	1,406,641	-	-	-	1,406,641
Quotient value issue	15,368,875	-	-	-	15,368,875
New share issue	28,710,073	-	-	-	28,710,073
Number of shares at 31 December 2015	**95,812,022**	**-**	**-**	**-**	**95,812,022**

Note 8–Pro forma earnings per share

To enable the presentation of key performance indicators that are meaningful and comparable with future periods, earnings per share have been restated in the following table. Compared with the calculated KPI earnings per share, the following key performance indicator – pro forma earnings per share – has been adjusted to take account of the interest rate used in calculating the value of the previous preference shares, the high IPO-related non-recurring costs and the number of outstanding shares.

	Oct - Dec		Jan – Dec	
Pro forma earnings per share	**2015**	**2014**	**2015**	**2014**
Profit attributable to owners of the parent (continuing operations)	45	-147	201	-311
IPO-related expenses	1	12	79	12
Tax	0	-3	-17	-3
Net adjustment of profit	**0**	**9**	**61**	**9**
Adjusted profit attributable to owners of the parent (SEK m)	**45**	**-137**	**263**	**-302**
Number of shares at 31 December 2015	95,812,022	95,812,022	95,812,022	95,812,022
Pro forma earnings per share, SEK	**0.47**	**-1.43**	**2.74**	**-3.15**

Note 9–Cash conversion

The Group's goal is to achieve, in the medium-term, an annual cash conversion of at least 90 percent. Short-term deviations between quarters can result in temporary negative cash conversion, but Coor expects to be able to continue to undertake its operations with negative or declining working capital. Annual investments in intangible and tangible fixed assets are expected over time to reach approximately 0.5 per cent of net sales.

Coor defines cash conversion as operating cash flow (adjusted EBITDA less investments and capital gains/losses on the sale of fixed assets and adjusted for changes in working capital) as a percentage of adjusted EBITDA.

Calculation of cash conversion	**Oct - Dec**		**Jan – Dec**	
(SEK m)	**2015**	**2014**	**2015**	**2014**
EBIT	56	-97	82	-82
Amortisation and impairment of customer contracts	44	175	177	331
Non-recurring items	10	34	115	106
Adjusted EBITA	*110*	*112*	*374*	*354*
Depreciation and amortisation of intangible and tangible fixed assets	13	12	49	49
Adjusted EBITDA	**123**	**125**	**423**	**403**
Changes in working capital	163	185	69	63
Net investments	-14	-4	-50	-27
Capital gains/losses on the sale of fixed assets	0	-5	-1	-5
Operating cash flow - basis for calculation	**272**	**300**	**442**	**434**
Cash conversion (%)	**221%**	**241%**	**104%**	**108%**

Definitions

Cost of services sold
Costs which are directly related to the provision of the invoiced services, depreciation of machinery and equipment and amortization of goodwill and customer contracts.

Non-recurring items
Non-recurring items mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. For the most recent periods, non-recurring items also include costs related to the initial public offering. Non-recurring items are included either in cost of services sold or selling and administrative expenses.

EBITA
Operating profit before amortization of customer contracts and goodwill.

Adjusted EBITA
Operating profit before amortization of goodwill and customer contracts, excluding non-recurring items.

EBITDA
Operating profit before depreciation of property, plant and equipment and amortization of intangible assets.

Adjusted EBITDA
Operating profit before depreciation of property, plant and equipment and amortization of intangible assets, excluding non-recurring items.

Adjusted net profit/loss
Profit/loss after tax excluding amortization of goodwill and customer contracts.

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

Working capital
Non-interest-bearing current assets less non-interest-bearing current liabilities.

Calculation of key performance indicators

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

Organic growth
Growth excluding acquisitions and currency effects.

EBITA margin
EBITA as a percentage of net sales.

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

EBITDA margin
EBITDA as a percentage of net sales.

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

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

Net debt
Interest-bearing fixed and current assets less non-current and current interest-bearing liabilities.

Earnings per share
Net profit/loss for the period attributable to shareholders in the Parent Company, adjusted for interest expenses related to preference shares, in relation to average number of ordinary shares.

Equity/assets ratio
Consolidated equity and reserves attributable to shareholders in the Parent Company as a percentage of total assets.

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

Leverage
Interest-bearing net debt/adjusted EBITDA LTM