Year-end Report 2016
January – December 2016

Fourth quarter of 2016

- Net sales in the fourth quarter were largely unchanged at SEK **2,045** (2,042) million. Organic growth excluding foreign exchange effects was -3 per cent.
- Adjusted EBITA increased by 8 per cent to SEK **119** (110) million and the operating margin expanded to **5.8** (5.4) per cent.
- EBIT was SEK **66** (56) million and profit after tax was SEK **43** (45) million. Profit after tax in the year-before period was affected by positive net financial income, driven by foreign exchange effects.
- Earnings per share were SEK **0.5** (0.5).
- Operating cash flow was SEK **225** (268) million.
- The Board of Directors proposes a dividend for 2016 of SEK **3.00** (2.00) per share, of which SEK 1.55 (1.40) is ordinary and SEK 1.45 (0.60) is extraordinary.

Full year 2016

- Net sales for the twelve-month period increased by 2 per cent to SEK **7,631** (7,482) million. Organic growth was 3 per cent.
- Adjusted EBITA increased by 18 per cent to SEK **440** (374) million and the operating margin expanded to **5.8** (5.0) per cent.
- EBIT was SEK **242** (82) million and profit after tax was SEK **124** (201) million. Profit after tax in the previous year was affected by a significant positive tax effect in the second quarter.
- Earnings per share were SEK **1.3** (-3.6).
- Operating cash flow was SEK **426** (274) million.
- Net debt at year-end was SEK **808** (947) million and the leverage was **1.7** (2.2).

"2016 was a strong year in which we increased our margins across the board, creating scope for an extraordinary dividend."

Mikael Stöhr, President and CEO, Coor

GROUP EARNINGS SUMMARY	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	2,045	2,042	7,631	7,482
Organic growth, %	-3	6	3	10
Adjusted EBITA	119	110	440	374
Adjusted EBITA-margin, %	5.8	5.4	5.8	5.0
EBIT	66	56	242	82
Income for the period	43	45	124	201
Operating cash flow	225	268	426	274
Earnings per share, SEK	0.5	0.5	1.3	-3.6

See page 23 for definitions and calculations of key performance indicators. Items affecting comparability are presented in Note 3.

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CEO's comments
A strong year with scope for an extraordinary dividend

For Coor, 2016 was a year which saw a strong improvement in earnings, stable cash flows and continued growth. All countries delivered efficiency improvements and increased margins. The Board proposes a total dividend for 2016 of SEK 3.00 (2.00) per share.

Increased activity in the market
Organic growth in 2016 came in at 3 per cent. We are evidencing that Coor is capable of continuing to grow in the Nordic region and that we have the competitive strength to win those new contracts that are reaching the market. Over the past three years, Coor has achieved an average annual organic growth rate of 6 per cent.

As we reported after the third quarter, activity in the Nordic FM market has returned to a high level both for small and medium-sized procurements and for major IFM processes. In December, we signed a letter of intent with ABB for a five-year Nordic IFM contract. Under the new contract, which was concluded in January, Coor will coordinate, provide and develop a wide range of services for ABB's facilities in Sweden, Finland, Norway and the Baltic States. The ABB contract is the largest new IFM contract to be signed in the Nordic region in the past twelve months. In addition, we also won a number of small and medium-sized contracts during the year. In total, Coor won contracts worth over SEK 550 million in new annual contract volumes in 2016.

Of equal importance to winning new contracts is our ability to retain existing contracts in our portfolio. We do so by consistently delivering high-quality services and through continuous innovation at our customers' premises. In December, we concluded negotiations on a six-year extension to our IFM contract with SAS, under which we provide a wide range of services in Sweden, Norway and Denmark. Our contract with SAS has been running since 2008 and is one of Coor's ten largest contracts. In 2016, we extended 80 per cent of the roughly SEK 1 billion contract volume that was up for renegotiation. Over the past three years, we have extended 86 per cent of the SEK 4.3 billion contract volume that has been renegotiated. I think this points to high customer satisfaction and a high-quality service offering.

Strong improvement in earnings
By continuously raising our efficiency and improving our business, we ensure that Coor remains competitive and that we are able to generate profitable growth over time. Periods of reduced organic growth give us an opportunity to take a structured approach to developing our internal efficiency and further enhancing our customer offering. That is what we did in 2016. Our work on improving efficiency was a crucial factor behind the sharp improvement in full-year earnings. Operating profit increased by nearly 20 per cent and the operating margin expanded to 5.8 (5.0) per cent.

Examples of operational improvement programmes in 2016 include improvements to our purchasing process, efficiencies in the provision of property services, cleaning and food & beverage, mobile IT solutions for operational staff, CRM systems for more efficient targeting of new customers and various web-based solutions which increase transparency for our customers in the provision of services, while also opening up new avenues for add-on sales.

Continued strong cash conversion creates solid basis for dividends
A stable cash flow is fundamental to Coor and creates a basis for stable dividends to our owners over time.

Coor's underlying cash flow remains strong. For the full year 2016, working capital decreased by just under SEK 40 million. Cash conversion for 2016 was 93 per cent, which exceeds our target of 90 per cent.

During the year, we evaluated a number of potential acquisitions, mainly in Denmark and Finland, but did not identify any candidates that we deemed to be sufficiently value-creating for Coor. As communicated previously, this creates opportunities for extraordinary dividends in addition to the distributions made in accordance with our dividend policy, allowing us to transfer the customer value we have created during the year to our share-holders. For 2016, the Board, therefore, proposes a total dividend of SEK 3.00 (2.00) per share.

A favourable outlook
Coor is a market-leading service company operating in a growing market. In the short term, however, the relatively small number of large IFM contracts concluded in the Nordic region in 2016 will have an impact on our growth rate. We are again experiencing strong interest and good demand in the market, and we see interesting business opportunities throughout the Nordic markets. We believe that Coor's prospects to achieve long-term growth, profitability and cash flow in line with our objectives are good.

Stockholm,
22 February 2017

Mikael Stöhr
President and CEO

Group performance

Net sales and operating profit

CONSOLIDATED (SEK m)	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Net sales	2,045	2,042	7,631	7,482
Organic growth, %	*-3*	*6*	*3*	*10*
Adjusted EBITA	119	110	440	374
Adjusted EBITA-margin, %	5.8	5.4	5.8	5.0
EBIT	66	56	242	82
EBIT-margin	3.2	2.7	3.2	1.1
Number of employees (FTE)	6,327	6,381	6,327	6,381

Fourth quarter (October – December)

Organic growth for the period compared with the fourth quarter of 2015 was -3 per cent. Sweden grew modestly, while Finland returned to growth after an extended period of declining sales. In Norway sales were up slightly in SEK terms but, excluding foreign exchange effects, organic growth was negative. Growth was negative also in the Danish business.

The operating profit (adjusted EBITA) increased by 8 per cent year on year (5 per cent excluding foreign exchange effects), which meant that the operating margin for the period increased to 5.8 (5.4) per cent. The increased margin compared with the fourth quarter of 2015 was driven mainly by a sharp improvement in profitability in the Swedish business, but the margin increased also in Norway and Finland. It is noteworthy that Finland turned an operating loss last year into a profit.

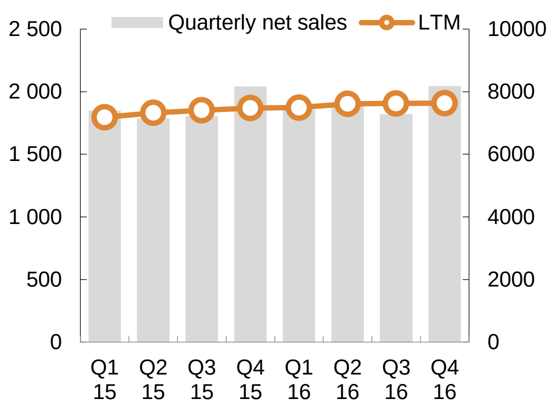
As a consequence of the improved results at EBITA level, EBIT also increased, to SEK 66 (56) million.

Full year 2016

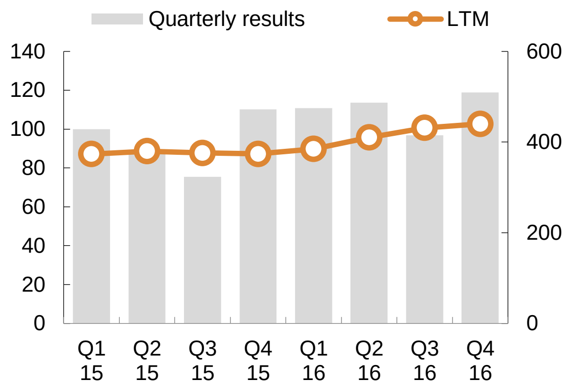
Organic growth increased by 3 per cent compared with the full year 2015, or by 2 per cent including foreign exchange effects. Operating profit (adjusted EBITA) increased by 18 per cent (or 19 per cent excluding foreign exchange effects), which meant that the operating margin improved to 5.8 (5.0) per cent.

The increase in net sales for the period was driven by robust growth in Sweden and Norway. The improvement in operating profit and margin were driven by all areas of the business, partly as a result of the ongoing operational improvement activities. The improvement in margin and earnings was greatest in Sweden, where variable project volumes and maturing contracts have created a favourable environment for the new management team's efforts to raise quality and efficiency.

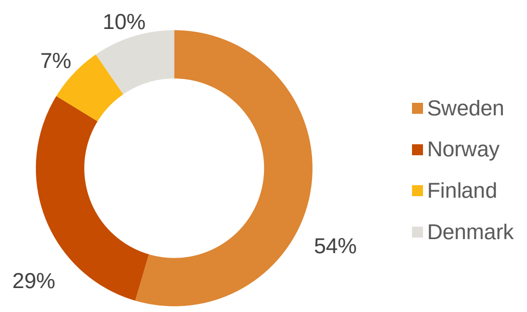
NET SALES (SEK m)



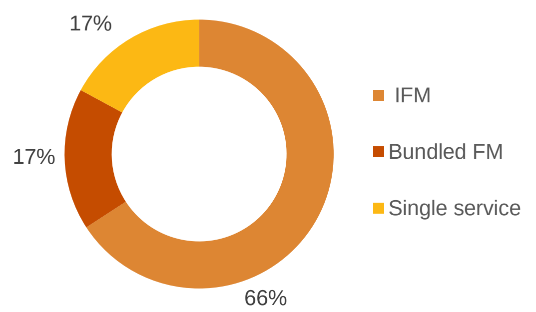
ADJUSTED EBITA (SEK m)



NET SALES BY COUNTRY, Q4 2016



NET SALES BY TYPE OF CONTRACT, Q4 2016



Net financial expense and profit after tax

FINANCIAL NET	Jan - Dec	
(SEK m)	2016	2015
Net interest	-32	-104
Borrowing costs	-3	-54
Other	-4	-13
Total excl exchange rate differences	**-39**	**-171**
Exchange rate differences	-36	56
Total	**-75**	**-115**

The new capital structure, which was put in place in connection with the company's initial public offering in June 2015, has reduced the Group's leverage very significantly. This led to a sharp decrease in net financial expense in 2016. The figure for 2015 included costs related to the repayment of the company's previous loans.

The significant positive effects of a lower net interest expense and reduced borrowing costs were partly offset by negative translation differences during the year. These were due to the revaluation of loans in foreign currency at higher year-end closing rates for NOK and EUR compared with the previous year. In 2015 these translation differences were positive. Net interest expense, borrowing costs and other financial expenses therefore decreased by SEK 132 million while the net financial expense was down by SEK 39 million.

The tax expense for the full year was SEK -43 (234) million and the profit after tax SEK 124 (201) million. The change compared with the previous year is primarily due to the fact that the Group recognised deferred tax on tax losses from previous years in the second quarter of 2015.

Cash flow

Operating cash flow for the fourth quarter was SEK 225 (268) million, which is largely in line with the normal seasonal variation for the company, with the fourth quarter being the strongest. As a rule, the fourth quarter is affected by a decrease in accrued project income as many projects are concluded and invoiced. The reduced cash flow for the quarter compared with the previous year is due to a slight decrease in working capital and higher net investments, which were only partly offset by the increased operating profit.

Operating cash flow normally fluctuates from one quarter to another. The key parameter is therefore the rolling 12-month change in working capital. Over the past 12-month period, working capital decreased by SEK 38 million, which is in line with the decrease of SEK 69 million in the previous year.

The most important external KPI for cash flow is cash conversion, which is defined as the ratio of a simplified measure of operating cash flow to adjusted EBITDA. Cash conversion for the past 12 months was 93 per cent, which exceeds the Group's target of 90 per cent.

CASH CONVERSION		
(SEK m)	Rolling 12 mth.	Full year 2015
Adjusted EBITDA	487	423
Change in net working capital	38	69
Net investments	-74	-50
Cash flow for calculation of cash conversion	**451**	**442**
Cash conversion, %	**93**	**104**

Financial position

NET DEBT	Dec 31	Dec 31
(SEK m)	2016	2015
Liabilities to credit institutions	1,395	1,355
Other	16	19
	1,411	**1,375**
Cash and cash equivalents	-603	-428
Net debt	**808**	**947**
Leverage	1.7	2.2
Equity	2,734	2,733
Equity/assets ratio, %	44	45

Consolidated net debt at year-end was SEK 808 (947) million. The decrease compared with the previous year is due to an increase in cash assets of SEK 175 million. The increase in cash was partly offset by an increase in debt due to foreign exchange effects.

The leverage, defined as net debt to adjusted EBITDA, was 1.7 (2.2) at year-end, which is well below the Group's target of being below 3.0. Leverage was also significantly lower than in the previous year, despite dividend payments totalling SEK 192 million during the year.

Equity at the end of the year was SEK 2,734 (2,733) million and the equity/assets ratio 44 (45) per cent.

Cash and cash equivalents at year-end were SEK 603 (428) million. At the same date the Group had undrawn credit lines of SEK 285 (294) million.

Significant events in the fourth quarter

- On 27 November Coor's Nomination Committee announced that the current Chairman, Anders Narvinger, did not intend to stand for re-election and that the Committee instead intends to propose Mats Granryd as new Chairman of Coor at the upcoming AGM.
- On 30 December Coor extended its Scandinavian IFM contract with Tieto Enator. The contract runs for two years and is worth an estimated SEK 55 million a year.

Significant events after the end of the period

- On 10 January, it was announced that Coor's IFM contract with Norwegian oil service company, Aibel, had been extended and expanded. The new contract, which runs until 2020, is worth around SEK 50 million annually.
- On 25 January Coor signed an expanded contract with Akelius for building management services at Akelius's Swedish properties. The three-year contract is worth around SEK 85 million annually.
- On 31 January, it was announced that Coor had concluded a new IFM contract with ABB for services to be provided at a number of facilities in Sweden, Norway and Finland. The agreement runs for five years and has an annual volume of around SEK 230 million.
- On 1 February, Coor announced that it had extended its Scandinavian IFM contract with SAS. The contract covers an annual subscription volume of SEK 160 million with an option for variable project volumes. The contract runs for six years and the total volume is estimated at around SEK 200 million per year. Negotiations were concluded in December but the agreement was subject to approval by the Board of Directors of SAS, which was given after the end of the year.
- On 21 February, Coor´s Nomination Committee announced that Søren Christensen has declined re-election and that Anders Ehrling was proposed as new Member of the Board.

The contract portfolio

The net change in the portfolio for the year is +SEK 455 million. New contracts for the period include the new Karolinska University Hospital in Solna, as the contract moved from a preparatory phase to normal operational delivery during the year. The ABB contract, for which a letter of intent was signed in December, is also included. Two significant contracts were terminated during the year: a Swedish contract that was lost in a public procurement and the contract with ICA.

CHANGES IN THE CONTRACT PORTFOLIO, JANUARY – DECEMBER 2016 [1)]

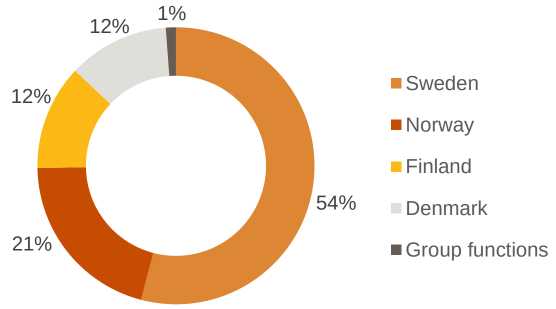
	2016		2015	
	Number of contracts	Annual sales, SEK m	Number of contracts	Annual sales, SEK m
New contracts during the period	12	820	10	685
Concluded contracts during the period	6	365	8	385
Net change in the portfolio	**6**	**455**	**2**	**300**

Following the significant volumes that were renegotiated in 2015 (approx. SEK 3bn) the renegotiated contract volume in 2016 was more modest (approx. SEK 1bn). The retention rate for 2016 was 80 per cent, with the ICA contract accounting for most of the lost volume. The retention rate for the past three years is 86 per cent.

Organisation and employees

At year-end the Group had 6,850 (6,852) employees, or 6,327 (6,381) on a full-time equivalent basis.

NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENTS) AT 31 DECEMBER 2016



[1)] *Changes in the contract portfolio comprise all contracts with annual sales of over SEK 10 million and are reported on a six-monthly basis. For new agreements concluded during the period the contracted or estimated annual sales volume is indicated. For contracts which were terminated during the period the sales volume for the last 12-month period in which the full volume of services was provided is indicated.*

Operations by country

Sweden

SWEDEN	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	1,117	1,105	4,250	4,010
Organic growth, %	*1*	*5*	6	2
Adjusted EBITA	113	95	423	347
Adjusted EBITA-margin, %	10.1	8.6	9.9	8.7
Number of employees (FTE)	3,420	3,294	3,420	3,294

Fourth quarter (October – December)

Sales continued to grow in the Swedish business in the fourth quarter, albeit at a slower pace than earlier in the year. The growing volumes from the commissioning of the new Karolinska University Hospital in Solna and persistent relatively high variable project volumes in a number of other IFM contracts were partly offset by the termination of the contract with ICA at the beginning of the period. The implemented cutbacks at Ericsson have not yet had any significant effect.

The quarterly operating profit (adjusted EBITA) increased by 19 per cent and the operating margin widened to 10.1 (8.6) per cent. The improvement is due to continued good margins from variable project volumes as well as the fact that new and renegotiated contracts from the previous year have reached the stage of normal operation and are therefore more profitable. The operating profit in the fourth quarter of 2015 was also weighed down by costs for adaptation of the delivery in connection with cutbacks at Ericsson.

During the period Coor concluded a new contract for property services with Hemsö Fastigheter and an IFM contract with Uniper covering services for the OKG nuclear power plant. Major contracts that were extended include those with NCC and Länsförsäkringar.

Full year 2016

Organic growth for the full year was 6 per cent, driven by new contracts and high variable volumes.

Operating profit (adjusted EBITA) increased by 22 per cent and the operating margin expanded to 9.9 (8.7) per cent. Following the major renegotiations in 2015, when contracts with an annual volume of SEK 2,200 million were renegotiated, the new Swedish management team focused on further improving the quality and operational efficiency of our deliveries during the year. The purchasing initiatives that were implemented in 2015 have also had a positive impact.

Norway

NORWAY	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	598	577	2,194	2,103
Organic growth, %	*-4*	*11*	7	36
Adjusted EBITA	39	36	133	124
Adjusted EBITA-margin, %	6.5	6.2	6.1	5.9
Number of employees (FTE)	1,309	1,384	1,309	1,384

Fourth quarter (October – December)

Net sales in the Norwegian business increased slightly in the fourth quarter, but excluding positive foreign exchange effects organic growth was negative. This was partly due to contractual price adjustments under the Statoil contract in the third quarter and partly due to the continued low volumes in the Norwegian damage services business.

The quarterly operating profit (adjusted EBITA) increased by 8 per cent (1 per cent excluding foreign exchange effects). This pushed up the operating margin slightly compared with the previous year, to 6.5 (6.2) per cent. The increased operating margin is explained by efficiencies and good margins on variable project volumes. The damage services business was restructured during the period to ensure that profitability is maintained also during periods of reduced volumes.

During the period a new cleaning contract was signed with the National Rail Administration.

Full year 2016

Organic growth for the full year was 7 per cent, driven by new contracts concluded in 2015.

Excluding foreign exchange effects, full-year operating profit (adjusted EBITA) rose by 10 per cent and the operating margin increased to 6.1 (5.9) per cent. As growth has now declined from the previous year's very high levels, our efforts to achieve margin improvements have had a greater impact.

Denmark

DENMARK	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	196	237	703	868
Organic growth, %	*-21*	*9*	-20	8
Adjusted EBITA	9	12	27	31
Adjusted EBITA-margin, %	4.7	4.9	3.8	3.6
Number of employees (FTE)	746	821	746	821

Fourth quarter (October – December)

In the fourth quarter, net sales in Denmark continued to decline sharply year on year as a result of the previously communicated reduced contract volume at the Danish Broadcasting Corporation (DR), as well as decreased variable volumes with a number of major customers. After this quarter, DR will disappear completely from the comparative figures.

The Danish business has successfully adapted its costs to the reduced volumes and the operating margin is therefore only slightly down on the previous year's strong fourth-quarter figure.

Full year 2016

For the full year, net sales were down by 20 per cent owing to the reduced contract volumes at DR and lower variable volumes.

Despite the reduced volumes, the operating margin increased to 3.8 (3.6) per cent as a result of successful efforts to raise efficiency.

To be able to take advantage of the business opportunities that exist in the Danish market, additional sales staff were recruited in the first half of the year. The recruitments bore fruit in the second half in the form of a number of minor contracts, mainly in cleaning and food & drink.

Finland

FINLAND	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	136	123	488	509
Organic growth, %	*6*	*-12*	-5	-6
Adjusted EBITA	4	0	9	5
Adjusted EBITA-margin, %	2.9	-0.4	1.9	0.9
Number of employees (FTE)	778	807	778	807

Fourth quarter (October – December)

In the fourth quarter, Finland returned to growth again after an extended period of declining sales. This was due to the signing of a number of new minor contracts during the year and is a first encouraging sign that the recent recruitments in sales are starting to pay off.

Due to the increased volumes, as well as continued good cost control, the operating loss from the previous year (adjusted EBITA) was turned into a profit during the period. Unlike the Group as a whole, the fourth quarter is seasonally relatively weak in the Finnish business.

Full year 2016

For the full year, net sales decreased by 5 per cent.

Operating profit (adjusted EBITA) for the full year improved sharply on the previous year, despite the reduced volumes.

Significant risks and uncertainties

The Group's significant risks and uncertainties comprise **strategic risks** tied to changes in market and economic conditions as well as sustainability, and **operational risks** related to customer contracts. The Group is also exposed to different types of **financial risks**, including currency, interest rate and liquidity risks. A detailed description of the Group's risks is provided in the annual report, which is available on the company's website. No further significant risks are deemed to have arisen since the publication of the 2015 annual report.

Acquisitions and sales

No acquisitions or sales were made during the period.

Parent company

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

Earnings after tax in the parent company were SEK 158 (180) million, total assets at 31 December were SEK 8,255 (7,830) million and equity was SEK 5,676 (6,449) million.

In the second quarter the merger between the parent company, Coor Service Management Holding AB, and the subsidiary company Venoor Invco 2 AB was effected.

Related-party transactions

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

Ownership structure

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

COOR'S FIFTEEN LARGEST SHAREHOLDERS (31 DEC 2016) [1)]

Shareholder	Number of shares and votes	Shares and votes, %
Swedbank Robur	8,916,550	9.3
Fidelity Management & Research	8,444,585	8.8
AP2	5,884,628	6.1
Nordea Investment Funds	4,827,625	5.0
Schroder Investment Management	4,769,235	5.0
Handelsbanken Fonder	4,575,493	4.8
Crux Asset Management	3,697,563	3.9
SEB Stiftelsen Skand Enskilda	3,450,000	3.6
Afa Försäkring	3,422,104	3.6
Ilmarinen Mutual Pension Insurance	3,178,506	3.3
Didner & Gerge Fonder	2,718,771	2.8
Aviva Investors Global Services	1,962,702	2.0
Aktie-Ansvar Fonder	1,576,419	1.6
JP Morgan Asset Management	1,371,002	1.4
Danske Capital Sverige	1,198,060	1.3
Total, 15 largest shareholders	**59,993,243**	**62.6**
Other shareholders	35,818,779	37.4
Total	**95,812,022**	**100.0**

[1)] Source: Euroclear

Share information

Coor's share price increased by 29 per cent in 2016, outperforming the OMXSPI index, which gained 6 per cent over the same period.

The number of shares was 95,812,022.

Dividend

The Board of Directors proposes a dividend of SEK 3.00 for 2016. The dividend comprises a regular divided in accordance with the dividend policy of SEK 1.55 and an extraordinary dividend of SEK 1.45. The extraordinary dividend represents cash in excess of the Group's target for net debt.

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

Stockholm, 22 February 2017
On behalf of the Board of Directors of Coor Service Management Holding AB

Mikael Stöhr
President and CEO

This information is information that Coor Service Management Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on 22 February 2017, at 7.30 a.m. CET.

For more information

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

For questions concerning the operations or the company, please contact Mikael Stöhr, President and CEO, (+46 10-559 59 35) or Åsvor Brynnel, Director of Communications and Sustainability (+46 10 559 54 04).

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

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

Invitation to a press and analyst presentation

On 22 February, at 9:30 a.m. CET, the company's President and CFO will give a presentation on developments in the fourth quarter in a webcast. To participate in the webcast, please register in advance using the following link http://edge.media-server.com/m/p/ks8xy4v6. To listen to the presentation by telephone, dial +46 8 566 426 92 (Sweden), +47 23 50 02 52, (Norway), +45 35 44 55 79 (Denmark), +358 981 710 492 (Finland) or +44 203 008 98 07 (UK).

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

Annual General Meeting 2017

The Annual General Meeting will be held on 4 May, at 3 p.m., at the Kista Entré conference centre, Knarrarnäsgatan 7, Kista, Sweden. Information on how to register along with the notice of AGM and other information will be available on the company's website from March, 30.

Financial calendar 2017

Interim Report January – March 2017	4 May 2017
Interim Report January – June 2017	20 July 2017
Interim Report January – September 2017	27 October 2017
Interim Report January – December 2017	February 2018

The Annual Report 2016 will be published on the company's website in week 15 of 2017.

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

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

CONSOLIDATED INCOME STATEMENT	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	2,045	2,042	7,631	7,482
Cost of services sold	-1,824	-1,838	-6,824	-6,792
Gross income	**221**	**204**	**807**	**689**
Selling and administrative expenses	-156	-148	-565	-607
Operating profit	**66**	**56**	**242**	**82**
Net financial income/expense	-6	3	-75	-115
Profit before tax	**60**	**59**	**167**	**-33**
Income tax expense	-17	-14	-43	234
Income from continuing operations	**43**	**45**	**124**	**201**
Profit for the period, discontinued operations	0	0	0	-16
Income for the period, total	**43**	**45**	**124**	**186**
Operating profit	**66**	**56**	**242**	**82**
Amortisation and impairment of customer contracts and goodwill	44	44	176	177
Items affecting comparability *(Note 3)*	10	10	22	115
Adjusted EBITA	**119**	**110**	**440**	**374**
Earnings per share, SEK [1]				
Continuing operations	0.5	0.5	1.3	-3.6
Discontinued operations	0.0	0.0	0.0	-0.2
Total	**0.5**	**0.5**	**1.3**	**-3.8**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Income for the period	**43**	**45**	**124**	**186**
Items that will not be reclassified to profit or loss				
Remeasurement of provision for pensions	0	1	0	1
Items that may be subsequently reclassified to profit or loss				
Net investment hedge	0	0	0	-1
Cash flow hedges	0	0	0	3
Currency translation differences	-13	-27	68	-64
Other comprehensive income for the period	**-13**	**-25**	**68**	**-61**
Total comprehensive income for the period	**30**	**20**	**192**	**125**

The interim information on pages 11–23 constitute an integral part of this financial report.

CONSOLIDATED BALANCE SHEET	Dec 31	
(SEK m)	2016	2015
Assets		
Intangible assets		
Goodwill	2,781	2,727
Customer contracts	896	1,059
Other intangible assets	107	81
Property, plant and equipment	77	71
Financial assets		
Deferred tax receivable	252	266
Other financial assets	12	15
Total non-current assets	**4,124**	**4,219**
Current assets		
Accounts receivable	1,080	1,069
Other current assets, interest-bearing	6	9
Other current assets, non-interest-bearing	413	391
Cash and cash equivalents	603	428
Total current assets	**2,102**	**1,898**
Total assets	**6,225**	**6,117**

	Dec 31	
	2016	2015
Equity and liabilities		
Equity	**2,734**	**2,733**
Liabilities		
Non-current liabilities		
Borrowings	1,401	1,367
Deferred tax liability	32	31
Provisions for pensions	19	18
Other non-interest bearing liabilities	7	2
Total non-current liabilities	**1,460**	**1,419**
Current liabilities		
Interest-bearing liabilities	7	14
Current tax liabilities	25	28
Accounts payable	790	835
Other current liabilities	1,203	1,075
Short-term provisions	7	14
Total current liabilities	**2,032**	**1,965**
Total equity and liabilities	**6,225**	**6,117**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Jan - Dec	
(SEK m)	2016	2015
Opening balance at beginning of period	**2,733**	**1,178**
Income for the period	124	186
Other comprehensive income for the period	68	-61
Transactions with shareholders	-192	1,430
Closing balance at end of period	**2,734**	**2,733**

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

CONSOLIDATED CASH FLOW STATEMENT	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Operating profit	**66**	**56**	**242**	**82**
Adjustment for non-cash items	57	64	220	222
IPO-related expenses recognised in equity	0	0	0	-49
Finance net	-9	-10	-37	-142
Income tax paid	-35	-2	-36	-5
Cash flow before changes in working capital	**79**	**107**	**389**	**109**
Change in working capital	125	163	38	69
Cash flow from operating activities	**204**	**270**	**427**	**177**
Net investments	-24	-14	-74	-50
Cash flow from investing activities	**-24**	**-14**	**-74**	**-50**
Change in borrowings	0	0	-1	-1,603
New share issue	0	0	0	1,675
Dividend	0	0	-192	0
Net lease commitments	-1	-1	-4	-7
Cash flow from financing activities	**-1**	**-1**	**-197**	**65**
Cash flow from discontinued operations	**0**	**0**	**0**	**-83**
Cash flow for the period	**180**	**254**	**156**	**110**
Cash and cash equivalents at beginning of period	426	185	428	335
Exchange gains on cash and cash equivalents	-3	-11	19	-17
Cash and cash equivalents at end of period	**603**	**428**	**603**	**428**

CONSOLIDATED OPERATING CASH FLOW	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Operating profit (EBIT)	66	56	242	82
Depreciation and amortisation	58	57	223	226
IPO-related expenses recognised in equity	0	0	0	-49
Net investments	-24	-14	-74	-50
Change in working capital	125	163	38	69
Adjustment for non-cash items	-1	7	-3	-4
Operating cash flow	**225**	**268**	**426**	**274**
Adjustment for items affecting comparability	10	11	22	164
Other	0	-7	3	3
Cash flow for cash conversion calculation	**234**	**272**	**451**	**442**
Cash conversion, %	**176**	**221**	**93**	**104**

GEOGRAPHICAL SEGMENTS	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales				
Sweden	**1,117**	**1,105**	**4,250**	**4,010**
Total sales	*1,152*	*1,134*	*4,373*	*4,105*
Internal sales	*-35*	*-29*	*-123*	*-95*
Norway	**598**	**577**	**2,194**	**2,103**
Total sales	*601*	*579*	*2,204*	*2,116*
Internal sales	*-2*	*-2*	*-10*	*-12*
Finland	**136**	**123**	**488**	**509**
Total sales	*136*	*123*	*488*	*509*
Internal sales	*0*	*0*	*0*	*0*
Denmark	**196**	**237**	**703**	**868**
Total sales	*197*	*237*	*706*	*868*
Internal sales	*-1*	*0*	*-3*	*0*
Group functions/other	**-2**	**-1**	**-4**	**-8**
Total	**2,045**	**2,042**	**7,631**	**7,482**
Adjusted EBITA				
Sweden	113	95	423	347
Norway	39	36	133	124
Finland	4	0	9	5
Denmark	9	12	27	31
Group functions/other	-46	-32	-152	-133
Total	**119**	**110**	**440**	**374**
Adjusted EBITA is reconciled to profit before tax as follows:				
Amortisation and impairment of goodwill and customer contracts	-44	-44	-176	-177
Items affecting comparability *(Note 3)*	-10	-10	-22	-115
Net financial income/expense	-6	3	-75	-115
Profit before tax	**60**	**59**	**167**	**-33**

	Oct - Dec		Jan - Dec	
Adjusted EBITA margin, %	2016	2015	2016	2015
Sweden	10.1	8.6	9.9	8.7
Norway	6.5	6.2	6.1	5.9
Finland	2.9	-0.4	1.9	0.9
Denmark	4.7	4.9	3.8	3.6
Group functions/other	-	-	-	-
Total	**5.8**	**5.4**	**5.8**	**5.0**

NET SALES BY TYPE OF CONTRACT	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales				
IFM	1,363	1,345	5,027	4,884
Bundled FM	353	338	1,326	1,331
Single service	354	389	1,362	1,335
Other	-25	-30	-85	-68
Total	**2,045**	**2,042**	**7,631**	**7,482**

QUARTERLY DATA

(SEK m)	2016				2015			
GEOGRAPHICAL SEGMENTS	IV	III	II	I	IV	III	II	I
Net sales, external								
Sweden	1,117	1,002	1,078	1,053	1,105	943	973	988
Norway	598	529	543	523	577	525	486	516
Finland	136	118	117	117	123	123	128	134
Denmark	196	175	167	165	237	215	202	213
Group functions/other	-2	-2	0	1	-1	-1	-3	-3
Total	**2,045**	**1,821**	**1,905**	**1,859**	**2,042**	**1,806**	**1,786**	**1,848**
Adjusted EBITA								
Sweden	113	82	110	117	95	58	92	103
Norway	39	32	33	29	36	35	25	28
Finland	4	7	1	-2	0	7	-1	-1
Denmark	9	9	4	4	12	12	3	5
Group functions/other	-46	-34	-35	-38	-32	-37	-30	-34
Total	**119**	**97**	**114**	**111**	**110**	**75**	**88**	**100**
Adjusted EBITA-margin, %								
Sweden	10.1	8.2	10.2	11.1	8.6	6.2	9.4	10.4
Norway	6.5	6.0	6.1	5.6	6.2	6.7	5.1	5.5
Finland	2.9	5.6	0.6	-1.4	-0.4	5.9	-0.8	-0.9
Denmark	4.7	5.4	2.5	2.4	4.9	5.4	1.6	2.2
Group functions/other	-	-	-	-	-	-	-	-
Total	**5.8**	**5.3**	**6.0**	**6.0**	**5.4**	**4.2**	**5.0**	**5.4**

QUARTERLY DATA

(SEK m)	2016				2015			
TYPE OF CONTRACT	IV	III	II	I	IV	III	II	I
Net sales								
IFM	1,363	1,199	1,238	1,227	1,345	1,200	1,146	1,193
Bundled FM	353	318	336	319	338	313	341	339
Single service	354	322	353	333	389	308	317	321
Other	-25	-18	-22	-20	-30	-15	-18	-5
Total	**2,045**	**1,821**	**1,905**	**1,859**	**2,042**	**1,806**	**1,786**	**1,848**

PARENT COMPANY INCOME STATEMENT	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Net sales	**2**	**1**	**5**	**6**
Selling and administrative expenses	-5	-4	-25	-73
Operating profit	**-3**	**-2**	**-20**	**-67**
Result from participations in group companies	0	0	0	210
Net financial income/expense	-6	7	-83	14
Total	**-6**	**7**	**-83**	**224**
Group contribution	307	0	307	0
Income before tax	**297**	**5**	**204**	**157**
Income tax expense	-45	23	-45	23
Income for the period	**252**	**28**	**158**	**180**

PARENT COMPANY BALANCE SHEET	Dec 31	
(SEK m)	2016	2015
Assets		
Shares in subsidiaries	7,789	7,789
Deferred tax asset	156	34
Other financial assets	1	1
Total non-current assets	**7,945**	**7,824**
Receivables from Group companies*	308	0
Other current assets	1	6
Cash and cash equivalents*	0	0
Total current assets	**310**	**6**
Total assets	**8,255**	**7,830**

	Dec 31	
(SEK m)	2016	2015
Equity and liabilities		
Shareholders' equity	**5,676**	**6,449**
Liabilities		
Provision for pensions	2	2
Interest-bearing liabilities	1,395	1,355
Total non-current liabilities	**1,396**	**1,357**
Liabilities to Group companies*	1,172	15
Accounts payable	0	2
Other current liabilities	10	7
Total current liabilities	**1,182**	**24**
Total liabilities	**2,579**	**1,381**
Total equity and liabilities	**8,255**	**7,830**

** 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

KEY PERFORMANCE INDICATORS (SEK m)	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Net sales	2,045	2,042	7,631	7,482
Net sales growth, %	0	4	2	9
of which organic growth, %	*-3*	*6*	*3*	*10*
of which FX effect, %	*3*	*-2*	*-1*	*-1*
Operating profit (EBIT)	66	56	242	82
EBIT margin, %	3.2	2.7	3.2	1.1
EBITA	109	100	419	259
EBITA margin, %	5.3	4.9	5.5	3.5
Adjusted EBITA	119	110	440	374
Adjusted EBITA margin, %	5.8	5.4	5.8	5.0
Adjusted EBITDA	133	123	487	423
Adjusted EBITDA margin, %	6.5	6.0	6.4	5.7
Adjusted net profit	87	89	301	378
Net working capital	-500	-449	-500	-449
Net working capital / Net sales, %	-6.5	-6.0	-6.5	-6.0
Operating cash flow	225	268	426	274
Cash conversion	176	221	93	104
Net debt	808	947	808	947
Leverage	1.7	2.2	1.7	2.2
Equity/assets ratio, %	44	45	44	45

** Compared with previous periods, the Group has chosen no longer to include EBITDA in the table of key performance indicators, as this indicator is not used for assessing the Group's profitability.*

DATA PER SHARE [1)]	Oct - Dec 2016	Oct - Dec 2015	Jan - Dec 2016	Jan - Dec 2015
Share price at end of period	50.8	39.4	50.8	39.4
No. of shares at end of period	95,812,022	95,812,022	95,812,022	95,812,022
No. of ordinary shares (weighted average)	95,812,022	95,812,022	95,812,022	67,990,312
Dividend, SEK	3.00	2.00	3.00	2.00
Earnings per share, SEK [2)]				
Continuing operations	0.45	0.47	1.30	-3.58
Discontinued operations	0.00	0.00	0.00	-0.23
Total	**0.45**	**0.47**	**1.30**	**-3.81**
Adjusted profit per share, SEK [3)]	0.45	0.47	1.30	2.74
Shareholders' equity per share, SEK	28.53	28.53	28.53	28.53

[1)] 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.

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

[3)] In order to present a key performance indicator that is comparable between periods, an adjusted earnings per share measure has been calculated. This KPI has been adjusted for the number of shares, the interest rate used in calculating the value of the previous preference shares and IPO-related expenses.

Notes

Note 1 – Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in the Group's annual report for 2015 (pages 64–69). The standards and statements, which took effect from 1 January 2016, have not had any impact on the consolidated financial statements.

The parent company financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. In the first quarter, an amendment to RFR 2 became effective. The changes have not affected the parent company and the comparative figures have therefore not been restated.

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

Note 2 – Financial instruments

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

	Carrying amount		Fair value	
FINANCIAL INSTRUMENTS	Dec 31		Dec 31	
(SEK m)	2016	2015	2016	2015
Finance lease liabilities	12	24	12	24
Liabilities to credit institutions	1,395	1,355	1,395	1,355
Other non-current liabilities	1	1	1	1
Total	**1,408**	**1,381**	**1,408**	**1,381**

In connection with the initial public offering in June 2015, the Group signed 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 deemed to be consistent with market rates. The Group considers 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 – Items affecting comparability

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

ITEMS AFFECTING COMPARABILITY	Oct - Dec		Jan – Dec	
(SEK m)	2016	2015	2016	2015
IPO-related expenses [1]	0	-1	0	-79
Integration	-5	-1	-7	-25
Restructuring	-5	-6	-11	-6
Monitoring fee Cinven	0	0	0	-2
Other	0	-3	-4	-3
Total	**-10**	**-10**	**-22**	**-115**
[1] *Specification of IPO-related expenses*				
Total IPO-related expenses	0	-2	0	-128
Of which recognised in equity	0	1	0	49
Total accounted for in income statement	**0**	**-1**	**0**	**-79**

Note 4 – Pledged assets and contingent liabilities

PLEDGED ASSETS	Dec 31	
(SEK m)	2016	2015
Bank guarantees	107	130
Total	**107**	**130**

CONTINGENT LIABILITIES	Dec 31	
(SEK m)	2016	2015
Performance bonds	207	242
Total	**207**	**242**

There are no pledged assets or contingent liabilities in the parent company.

Purpose of the selected key performance indicators

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

Growth

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

Earnings and profitability

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

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

Cash flow and working capital

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

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

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

Net debt and leverage

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

Reconciliation of key performance indicators

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

RECONCILIATION OF ADJUSTED KEY PERFORMANCE INDICATORS	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Operating profit	**66**	**56**	**242**	**82**
Amortisation and impairment of customer contracts and goodwill	44	44	176	177
EBITA	**109**	**100**	**419**	**259**
Items affecting comparability *(Note 3)*	10	10	22	115
Adjusted EBITA	**119**	**110**	**440**	**374**
Depreciation	14	13	47	49
Adjusted EBITDA	**133**	**123**	**487**	**423**
Income from continuing operations	**43**	**45**	**124**	**201**
Amortisation and impairment of customer contracts and goodwill	44	44	176	177
Adjusted net profit	**87**	**89**	**301**	**378**

SPECIFICATION OF NET WORKING CAPITAL	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Accounts receivable	1,080	1,069	1,080	1,069
Other current assets, non-interest-bearing	413	391	413	391
Accounts payable	-790	-835	-790	-835
Other current liabilities, non-interest-bearing	-1,203	-1,075	-1,203	-1,075
Adjustment for accrued financial expenses	0	0	0	0
Net working capital	**-500**	**-449**	**-500**	**-449**

SPECIFICATION OF NET DEBT	Oct - Dec		Jan - Dec	
(SEK m)	2016	2015	2016	2015
Borrowings	1,401	1,367	1,401	1,367
Provisions for pensions	19	18	19	18
Current liabilities, interest-bearing	7	14	7	14
Cash and cash equivalents	-603	-428	-603	-428
Other financial non-current assets, interest-bearing	-12	-15	-12	-15
Other current assets, interest-bearing	-6	-9	-6	-9
Other items	1	0	1	0
Net debt	**808**	**947**	**808**	**947**

See page 14 for a reconciliation of operating cash flow and cash conversion.

Definitions

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

Items affecting comparability Items affecting comparability mainly comprise costs for integration of contracts and acquisitions as well as more extensive restructuring programmes. For 2015 items affecting comparability also include costs related to the initial public offering. Items affecting comparability are included either in cost of services sold or selling and administrative expenses.

EBITA Operating profit before amortisation of customer contracts and goodwill.

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

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

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

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

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

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

Calculation of key performance indicators

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

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

EBITA margin EBITA as a percentage of net sales.

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

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

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

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

Earnings per share Profit for the period attributable to shareholders of the parent company divided by average number of ordinary shares. For the previous year, interest on preference shares is also included in the calculation.

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

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

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

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