



Interim report January-June 2016

Strong financial performance during the period

- Best quarterly- and half year result in the company's history
- Increased profitability in our Nordic clinics
- Organic growth continues to be good
- Situation analysis in United Arab Emirates completed

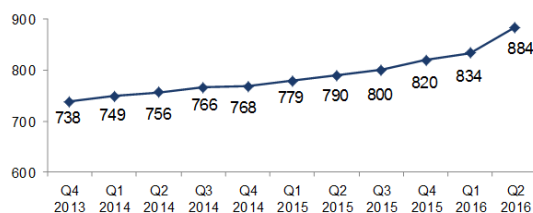
Second quarter 2016

- Sales revenues increased to SEK 262.0 million (212.1) and organic growth amounted to 22 percent (6)
- EBITDA amounted to SEK 31.8 million (17.8)
- EBITDA margin amounted to 12.1 percent (8.4)
- Result after tax (EAT) amounted to SEK 20.1 million (8.6)
- Result per share amounted to SEK 0.26 (0.10)

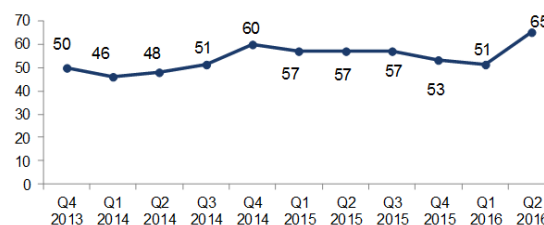
First half year 2016

- Sales revenues increased to SEK 493.5 million (429.7) and organic growth amounted to 14 percent (5)
- EBITDA amounted to SEK 49.9 million (37.7)
- EBITDA margin amounted to 10.1 percent (8.8)
- Result after tax (EAT) amounted to SEK 29.5 million (18.9)
- Result per share amounted to SEK 0.39 (0.21)

Sales revenues, rolling 12 months
SEK millions



EBITDA, rolling 12 months
SEK millions



CEO's comments

We are proud of the fine results and growth in the second quarter. Several of our clinics made great progress at the same time as our new agreement in the United Arab Emirates was in force throughout the quarter and GHP Collaborative Care turned around and made a small profit. Moreover, results were impacted positively by the Easter effect that had impacted us negatively in the first quarter.

Both our spine clinics developed very positively during the quarter. In Stockholm we have had long queues for a long period of time due to demand being greater than the clinic's capacity. We have now increased capacity at the clinic and early this autumn we should have achieved a good balance between demand and capacity. We have several new spine surgeons starting at the unit. We also continue to have strong development in Skåne and specialist dentistry.

At GHP International we have now completed the situation analysis of the hospitals, where we have gone through the status of all personnel, equipment and premises before we start in September. On the basis of this we have set up a plan for the takeover and the continued development of the business. As we have previously communicated, we are proud of the highly competent management team that we have employed and which will take up their employment in August. The actual agreement has been in force throughout the second quarter, but future payments can be both higher and lower than during this period depending on how our efforts are assessed. We have an optimistic view of our ability to deliver high-quality health care and achieve good results.

GHP Collaborative Care continued to develop and delivered positive results during the second quarter. The collaboration with Skandia is running very smoothly, and this structure has led to very positive development for both parties. We are now launching the next version of our physiotherapy app, which will help our patients with better information and instructions so that it is possible to train more independently at times and places chosen by patient him/herself.

We are continuing to raise the objectives of our quality work. We already have very good results, for example in the national quality registers, but we want to be even better. This year we are introducing a new quality process where we involve the whole business in the setting of the objectives, in action plans and follow-up. The basic idea is that the work on quality will be more concrete, with clearer objectives. Given how the year has started, we feel confident about the rest of the year. We have many exciting projects, but the most important thing is the continued development of the existing business, the takeover of the hospitals in the United Arab Emirates and the continuing work on GHP Collaborative Care.

Daniel Öhman
CEO

Consolidated sales revenues and profits

Sales growth amounted to 24 percent for the second quarter and 15 percent for the half year. Many clinics displayed good growth during the period. The growth is primarily organic from increasing patient volumes. Increased capacity in Stockholm, continued development of the business and the start-up of the new agreement in the United Arab Emirates (UAE) contributed to the increased sales.

We have now been running our new management contract in the UAE for four months. During the first six months of the agreement we have the task of evaluating and analysing the hospitals and their business. This will in turn lead to a business plan for how we will run the business. This part of the agreement will last for six months and is a project that is one-time in nature. During the second quarter and some of the third quarter, the project contributes with higher sales at a lower profit margin than what is expected when the main agreement is in force. In the second quarter it results in approx. SEK 10 million in revenue with a minor profit margin. In the third quarter, this part of the start-up project will generate additional SEK 2-3 million in revenue with the corresponding profit margin.

The percentage of sales revenues attributable to non-controlling interests (minority owners of the clinics) amounted to 9 percent (12) for the second quarter of 2016 and 10 percent (12) for the half year.

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Sales revenues	262.0	212.1	493.5	429.7	820.0
Growth, %	24	6	15	5	7
- of which organic, %	22	6	14	5	7
- of which acquired, %	2	n/a	1	n/a	-
Operating result before depreciation and amortisation (EBITDA)	31.8	17.8	49.9	37.7	52.5
Operating result (EBITA)	25.8	12.0	38.0	26.0	29.4

The Group displayed an operating result for the second quarter that is considerably better than the corresponding period last year. This applies to both of our business areas. The work on making the clinics more efficient has begun to show results and the business in the UAE made a strong contribution to the quarter. We have our "old" agreement for the running of the diabetes hospital and are also in the first phase of the new agreement. GHP Collaborative Care (formerly integrated care solutions) has also entered a more normalised phase without extra start-up costs.

The EBITDA margin amounted to 12 percent (8) during the second quarter of the year and 10 percent (9) for the half year. The EBITA margin amounted to 10 percent (6) during the second quarter and 8 percent (6) for the half year.

Net financial items and result after tax

Net financial items amounted to SEK -0.5 million (-1.0) for the second quarter of 2016 and SEK -1.0 million (-2.2) for the half year.

Of the tax burden for the second quarter of 2016, SEK -2.9 million (-2.9) consisted of estimated current tax in the Group. For the half year 2016 the corresponding figure was SEK -4.3 million (-4.3).

The result after tax for the second quarter of 2016 amounted to SEK 20.1 million (8.6), of which SEK 18.0 million (6.5) was attributable to the Parent Company's shareholders. For the first half of 2016 the corresponding figure was SEK 29.5 million (18.9), of which SEK 26.1 million (13.9) was attributable to Parent Company shareholders.

As majority shareholdings vary between the different clinics, the Parent Company's shareholders' percentage share of the net result can vary over time, depending on the results in the individual clinics.

Cash flow and financial position

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Cash flow from operating activities	5.2	15.7	11.0	19.2	41.1
Cash flow from investing activities	-5.4	-2.3	-16.5	-4.6	-9.4
Cash flow from financing activities	-0.4	-56.2	-2.8	-63.3	-70.4
Exchange rate differences in cash and cash equivalents	0.3	-0.6	0.2	0.5	0.8
Cash flow	-0.3	-43.4	-8.1	-48.2	-37.9

The cash flow from operating activities included changes in operating capital of SEK -22.3 million (3.2) for the second quarter of 2016 and SEK -26.2 million (-7.1) for the half year.

The cash flow from investing activities during the half year was affected, amongst other things, by the acquisition in the first quarter of the subsidiary Urologcentrum. In addition, investments were made in hospital equipment and the rebuilding of existing premises. The cash flow from financing activities was positively impacted by the payment of a convertible loan of SEK 9.6 million.

The Group's cash and cash equivalents amounted to SEK 49.4 million (47.2) at 30 June 2016. GHP has a controlling influence in all cash-generating subsidiaries.

External borrowings amounted to SEK 114.1 million (104.2) at 30 June 2016 and all covenants were met during the period.

Seasonal variations

GHP's business is affected by seasonal variations, in particular round about the summer holiday. As most of the Group's clinics do not carry out any surgical procedures at all during a few summer weeks, both sales and the operating result and cash flow are affected negatively during the third quarter. The clinics close down completely during this period due to the fact that it is inefficient to run a clinic at half capacity as certain economies of scale are lost. It is also the case that the demand for operations is considerably lower during the holidays as many people do not want to have recently undergone surgery during the holiday.

In order to facilitate understanding of the development of the Group's business, both sales revenues and the operating result before depreciation and amortisation (EBITDA) are also recorded in the interim reports on a rolling 12-month basis (see diagrams on page 1).

Key ratios – quarterly review

	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
SEK millions								
Sales revenues	262.0	231.5	229.9	160.4	212.1	217.6	209.9	150.2
EBITDA	31.8	18.1	13.7	1.1	17.8	19.9	18.0	1.2
EBITA	25.8	12.2	8.2	-4.8	12.0	14.0	12.3	-5.3
EBITA margin, %	9.8	5.3	3.6	-3.0	5.7	6.4	5.9	-3.5
Result per share, SEK	0.26	0.12	0.19	-0.07	0.10	0.11	0.20	-0.11
Cash flow from operating activities per share, SEK	0.08	0.09	0.64	-0.31	0.24	0.05	0.57	-0.27
Cash flow per share, SEK	0.00	-0.12	0.37	-0.21	-0.66	-0.07	0.51	-0.32
Equity/assets ratio, %	53	54	52	51	52	50	49	50
Net loan debt	64.6	42.5	44.7	81.1	57.0	38.4	37.5	70.3
Equity per share, SEK	5.30	5.07	4.94	4.82	4.88	5.05	4.92	4.84
Return on equity, %	11.3	8.0	8.4	9.5	8.7	8.9	9.8	Neg.

Definitions

Sales revenues

Revenues from core business.

EBITDA

Operating result before depreciation and amortisation.

EBITA

Operating result before any goodwill write-downs.

EBITA margin, adjusted %

Operating result before goodwill write-downs (EBITA) as a percentage of the sales revenues for the period.

Result per share

The result for the period attributable to the Parent Company's shareholders divided by the average number of shares before dilution (convertibles).

Cash flow from operating activities per share

The cash flow from operating activities for the period divided by the average number of shares before dilution (convertibles).

Cash flow per share

The net cash flow for the period divided by the average number of shares outstanding before dilution (convertibles).

Equity/assets ratio

Total equity as a percentage of the total assets.

Net loan debt

Net of interest-bearing provisions and liabilities minus interest-bearing assets. A negative figure indicates a net loan receivable.

Equity per share, SEK

Total equity per share outstanding at the end of the period.

Return on equity

Rolling 12 months' result after tax as a percentage of the average total equity.

Performance by business area

GHP reports two segments: The Nordic Region and the Rest of the World. Furthermore, Stockholm, Finland, the West of Sweden, Denmark, Skåne and the United Arab Emirates are reported as sub-markets.

With a view to continuing to provide good information, GHP has elected to also report revenues per diagnostic area and revenues per sub-market.

Nordic Region

The Nordic Region business area conducts business within specialist care, such as spine surgery/spine care, orthopaedics, obesity surgery and diabetes care, gastroenterology, urology, gynaecology, general surgery, arrhythmia, maternal health care, plastic surgery and specialist dentistry via 20 clinics. 16 of the clinics are in Sweden, three in Denmark and one in Finland. Furthermore, business development is conducted in these and other diagnostic areas.

SEK millions	Q2 2016	Q2 2015	Change %	6 mths 2016	6 mths 2015	Change %	Full year 2015
Sales revenues	237.8	208.5	14	461.3	422.5	9	805.6
Operating result	19.9	12.0		29.4	25.0		24.7
Operating margin, %	8.4	5.8		6.4	5.9		3.1

GHP's clinics in the Nordic Region continue to experience strong patient inflows and sales revenues increased by 14 percent. Results were impacted positively by the Easter effect that had a negative impact in the first quarter as Easter was early. The work out in the clinics on achieving better flows has now begun to show results at the same time as growth is good.

In Denmark our clinic in Århus continues to deliver weak results in light of the fact that the publicly funded volumes shrank due to changes in the reimbursement systems. On the other hand, our clinic in Copenhagen continues to deliver positive results in the second quarter as well, with both increased sales and improved results, as there our work is aimed at another customer segment which is not so affected by the changes.

Our dental clinics continue their positive trend. The spine clinics in Stockholm and Gothenburg delivered good results during the quarter as a result of increased capacity at the clinic in Stockholm, amongst other things. Our clinics in Skåne also performed strongly during the quarter.

Rest of the World

The Rest of the World business area at present conducts business in the field of diabetes care at one clinic in the United Arab Emirates (UAE). At the end of the first quarter a new management agreement came into force and during the autumn GHP will also take over the running of two accident and emergency hospitals in the UAE in accordance with the procurement process that was won at the end of last year. Furthermore, business development is conducted in this and other diagnostic areas. This segment also includes any remaining costs from the Group's businesses in other countries, such as England.

	Q2 2016	Q2 2015	Change %	6 mths 2016	6 mths 2015	Change %	Full year 2015
SEK millions							
Sales revenues	24.2	3.6	572	32.2	7.2	347	14.4
Operating result	5.9	0.0		8.6	1.0		4.7
Operating margin, %	24.4	0.0		26.7	13.9		32.6

GHP announced during the fourth quarter of 2015 that the Group had won an extensive procurement process to run public health care in the UAE. The agreement will run for five years, with a possible extension of at least a further five years and comprises the managing and operating of two hospitals (which include elective care and emergency care, paediatric care and maternal and obstetric care) and a diabetes centre (currently operated by GHP). The hospitals' assets and employees remain under hospital management and GHP's company in the UAE only employs the Group management, which consists of seven people and four hospital managers. Through this Group management, GHP will run the hospitals with the aim of improving both quality and efficiency at the hospitals. GHP's remuneration for the management agreement consists of a number of components, which are mainly based on how well GHP can deliver a number of predefined criteria and on key performance indicators regarding quality and efficiency. GHP's remuneration and profitability during the course of the agreement may therefore vary from quarter to quarter. When delivery of the agreement has been secured and is ongoing, the aim is to be able to develop several similar deals through GHP's strong presence in the area.

During the last part of the first quarter and during the second quarter the preparatory work of situation analyses and other planning continued, and in parallel with this the business at the existing diabetes clinic was fully operational. This affected profitability positively during the quarter as the newly won agreement came into force on 1 March 2016 and GHP was thereby able to benefit to some extent from two separate contracts. During this quarter a project of a one-time nature concerning analysis and evaluation of the current hospitals included in the agreement was carried out. The project will continue during the third quarter of the year, which leads to higher sales at a lower margin than when the contract as from September 2016 enters a new operational phase. In the second quarter it results in approx. SEK 10 million in revenue with a minor profit margin. In the third quarter, this part of the start-up project will generate additional SEK 2-3 million in revenue with the corresponding profit margin. The old agreement for the diabetes hospital expires in August 2016 and will be included in the new agreement.

Transactions with related parties

During the first half of 2016 dividend of SEK 2.7 million was paid to non-controlling interests, of which SEK 1.8 million was paid during the second quarter.

A consultant's fee of SEK 0.5 million was paid during the first half of 2016 to a doctor who is the husband of the CEO of GHP Gastro Center Skåne.

During the second quarter partial acquisitions of shares from non-controlling interests were made for a total of SEK 13.8 million, of which 12.4 MSEK was paid during the quarter. The remaining amount has been entered as a liability and is expected to be paid later in 2016. During the period a participating interest of SEK 1.0 million was divested to non-controlling interests. See note 5 for a specification per company of these transactions.

In conjunction with the introduction of the convertible bond programme during the second quarter of 2016, a company was formed for the purpose. This company may thus be seen as a related party. The company has been formed to finance subscription for convertible bonds by raising bank loans and through capital invested by participants in the programme. The only assets of the company will be GHP convertible bonds. The total number of convertible bonds amounts to 958,000. The convertible acquisition means that the company lends money to GHP (SEK 9.6 million) for a fixed period of time in exchange for a debt instrument comprising the convertible loan. This convertible instrument will give this company interest income until maturity.

There were no other significant transactions with related parties during the first half of 2016.

Risks and uncertainties

GHP is exposed to various types of risk in its business. In general, these can be divided into market-related risks, business-related risks and risks related to financing activities. A more detailed description of these risks is to be found in GHP's Annual Report for 2015, page 28.

The agreement reached by the Government and the Left party regarding profits in welfare has resulted in an inquiry which will review the possibility of different types of regulations and whether it is possible to limit the profits that can be taken out of companies offering welfare services in the future. It cannot be completely ruled out that any legislation that arises from this may have a certain negative impact on GHP and/or its owners.

In the company's assessment, no further significant risks have arisen during 2016, apart from those described in "Events after closing day" in GHP's Annual Report for 2015, page 53 (in Swedish only).

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Parent Company GHP Specialty Care AB (publ)

GHP has a limited central organisation which gives expert support within areas such as business development, finance, IR, communication, IT, marketing and agreement processes. Steering and control are carried out via corporate governance and the following up of results. A considerable part of the costs for the central organisation are aimed at generating new business within the selected diagnostic areas and at analysing and researching other expansion opportunities within the health care sector.

Shares in subsidiaries amounted to SEK 681.0 million (680.1) at 30 June 2016 while cash and cash equivalents were SEK 38.7 million (34.9). The Parent Company did not make any investments in non-current assets during the second quarter (-) or the first half (-) of 2016. The result before tax amounted to SEK -7.6 million (-7.5) for the second quarter of 2016. The corresponding result for the first half of 2016 amounted to SEK -14.8 million (-15.0).

Financial information – calendar 2016/2017

Interim report January-September 2016	28 October 2016
Year-end report 2016	22 February 2017
Interim report January-March 2017	25 April 2017
Annual General Meeting 2017	26 April 2017

CERTIFICATION

The Board and the CEO certify that the half-year report gives a true and fair view of the company's and the Group's business activities, financial position and results, and describes the essential risks and uncertainty factors facing the company and the companies which are part of the Group.

15 July 2016
Gothenburg
GHP Specialty Care AB (publ)

Carsten Browall
Chairman of the Board

Bo Wahlström
Member of the Board

Mikael Olsson
Member of the Board

Johan Wachtmeister
Member of the Board

Christer Johansson
Member of the Board

Elisabeth Hansson
Member of the Board

Daniel Öhman
CEO

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Queries should be addressed to:
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GHP Specialty Care AB (publ) is required to publish the information herein according to the Swedish Securities Market Act. This information was published on 15 July 2016 at 8.00 a.m. CET.

This report has not been the subject of review by the company's auditor.

This is a translation of the Swedish version of the Interim report. When in doubt, the Swedish version prevails.

Consolidated profit and loss accounts

SEK millions	Note	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Operating revenues						
Sales revenues	5,6,9	262.0	212.1	493.5	429.7	820.0
Other operating revenues		1.6	2.2	2.9	4.2	7.3
		263.6	214.3	496.4	433.9	827.3
Operating costs						
Purchase of goods and services		-42.5	-40.1	-87.4	-84.8	-162.9
Other external costs		-75.1	-58.5	-136.1	-117.0	-233.8
Personnel costs	8	-114.2	-97.9	-223.0	-194.4	-378.1
Depreciation, amortisation and write-downs	6	-6.0	-5.8	-11.9	-11.7	-23.1
		-237.8	-202.3	-458.4	-407.9	-797.9
Operating result	6	25.8	12.0	38.0	26.0	29.4
Interest income and similar items		0.0	0.1	0.0	0.1	0.1
Interest expenses and similar items		-0.4	-1.0	-0.9	-2.2	-4.2
Other financial income/expenses		-0.1	-0.1	-0.1	-0.1	-0.1
Net financial items		-0.5	-1.0	-1.0	-2.2	-4.2
Result before tax	6	25.3	11.0	37.0	23.8	25.2
Tax on result for the period		-5.2	-2.4	-7.5	-4.9	2.1
Result for the period		20.1	8.6	29.5	18.9	27.3
Result attributable to:						
- Parent Company shareholders		18.0	6.5	26.1	13.9	21.8
- Non-controlling interests		2.1	2.1	3.4	5.0	5.5
		20.1	8.6	29.5	18.9	27.3
Result per share:						
Before dilution (SEK)	2	0.26	0.10	0.39	0.21	0.33
After dilution (SEK)		0.26	0.10	0.39	0.21	0.33
Average number of shares outstanding, thousands						
Basic		68,283	66,082	67,739	66,082	66,082
Diluted		68,283	66,082	67,739	66,082	66,082

Consolidated statement of comprehensive income

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Result for the period after tax	20.1	8.6	29.5	18.9	27.3
Other comprehensive income					
Items that will not be transferred to the profit and loss accounts:	0.0	0.0	0.0	0.0	0.0
Items that will be transferred to the profit and loss accounts:					
- Change in translation reserve	1.4	-0.5	1.5	-0.2	-0.4
Total other comprehensive income	1.4	-0.5	1.5	-0.2	-0.4
Comprehensive income for the period	21.5	8.1	31.0	18.7	26.9
Attributable to:					
Parent Company shareholders	19.4	6.0	27.7	13.7	21.4
Non-controlling interests	2.1	2.1	3.3	5.0	5.5

Consolidated balance sheet, summarised

SEK millions	Note	30 June 2016	30 June 2015	31 December 2015
Assets				
Intangible non-current assets	5,6	390.0	374.2	374.3
Other non-current assets		77.1	72.1	76.5
Total non-current assets		467.1	446.3	450.8
Trade receivables and other current assets		172.0	128.9	118.3
Cash and cash equivalents		49.4	47.2	57.5
Total current assets		221.4	176.1	175.8
Total assets		688.5	622.4	626.6
Equity pertaining to Parent Company shareholders		361.9	322.3	326.6
Equity pertaining to non-controlling interests		0.0	0.0	0.0
Total equity		361.9	322.3	326.6
Long-term liabilities	4,7	148.9	148.3	137.7
Current liabilities	4,7	177.7	151.8	162.3
Total liabilities and equity		688.5	622.4	626.6

Consolidated statement of cash flows

SEK millions	Note	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Operating activities						
Operating result		25.8	12.0	38.0	26.0	29.4
Depreciation/amortisation and write-downs		6.0	5.8	11.9	11.7	23.1
Tax paid		-2.0	-3.2	-8.6	-7.3	-1.8
Other adjustments – net		-2.3	-2.1	-4.1	-4.1	-8.3
Change in working capital – net		-22.3	3.2	-26.2	-7.1	-1.3
Cash flow from operating activities		5.2	15.7	11.0	19.2	41.1
Investing activities						
Other investments		-5.4	-2.3	-11.5	-4.6	-9.5
Acquisition of subsidiary	5	-	-	-5.0	-	-
Other disposals		-	-	-	-	0.1
Cash flow from investing activities		-5.4	-2.3	-16.5	-4.6	-9.4
Financing activities						
Acquisition of participating interest from non-controlling interests		-12.4	-19.8	-12.4	-22.0	-25.8
Divestment of participating interest to non-controlling interests		1.0	-	1.0	-	-
Dividend to shareholders		-10.2	-8.6	-10.2	-8.6	-8.6
Dividend to non-controlling interests		-1.8	-3.5	-2.7	-5.7	-5.7
New borrowings		24.6	1.4	24.6	0.1	10.1
Repayment of loans		-1.6	-25.7	-3.1	-27.1	-40.4
Cash flow from financing activities		-0.4	-56.2	-2.8	-63.3	-70.4
Exchange rate differences in cash and cash equivalents		0.3	-0.6	0.2	0.5	0.8
Cash flow for the period		-0.3	-43.4	-8.1	-48.2	-37.9
Cash and cash equivalents at beginning of period		49.7	90.6	57.5	95.4	95.4
Cash and cash equivalents at end of period		49.4	47.2	49.4	47.2	57.5
Interest paid		-0.3	-0.5	-0.7	-1.2	-2.1
Interest received		-	-	-	-	0.1

Consolidated statement of changes in equity, summarised

Q2 2016 SEK millions	Shareholders' share	Attributable to non- controlling interests	Total
Opening balance	346.3	0.0	346.3
Result after tax	18.0	2.1	20.1
Other comprehensive income	1.4	0.0	1.4
Total comprehensive income	19.4	2.1	21.5
Dividend to shareholders	-10.2		-10.2
Dividend to non-controlling interests		-1.8	-1.8
Issue of convertible instruments	1.0		1.0
Sales to (+) acquisitions from (-) non-controlling interests	8.7	-1.7	7.0
Revaluation, liability put option	-1.9		-1.9
Reclassification of non-controlling interests	-1.4	1.4	
Closing balance	361.9	0.0	361.9

Q2 2015 SEK millions	Shareholders' share	Attributable to non- controlling interests	Total
Opening balance	333.6	0.0	333.6
Result after tax	6.5	2.1	8.6
Other comprehensive income	-0.5	-	-0.5
Total comprehensive income	6.0	2.1	8.1
Dividend to shareholders	-8.6		-8.6
Dividend to non-controlling interests		-3.5	-3.5
Transfer of surplus value between majority owners and non-controlling interests	0.1	-0.1	
Sales to (+) acquisitions from (-) non-controlling interests	-4.9	-2.4	-7.3
Reclassification of non-controlling interests	-3.9	3.9	
Revaluation, liability put option	-	-	-
Closing balance	322.3	0.0	322.3

6 mths 2016 SEK millions	Shareholders' share	Attributable to non- controlling interests	Total
Opening balance	326.6	0.0	326.6
Result after tax	26.1	3.4	29.5
Other comprehensive income	1.6	-0.1	1.5
Total comprehensive income	27.7	3.3	31.0
Dividend to shareholders	-10.2		-10.2
Dividend to non-controlling interests		-2.7	-2.7
Conversion of loan to equity	11.1		11.1
Issue of convertible instruments	1.0		1.0
Sales to (+) acquisitions from (-) non-controlling interests	8.3	-1.3	7.0
Revaluation, liability put option	-1.9		-1.9
Reclassification of non-controlling interests	-0.7	0.7	
Closing balance	361.9	0.0	361.9

6 mths 2015	Shareholders'		
SEK millions	share	Attributable to non-	Total
		controlling interests	
Opening balance	325.1	0.0	325.1
Result after tax	13.9	5.0	18.9
Other comprehensive income	-0.2	0.0	-0.2
Total comprehensive income	13.7	5.0	18.7
Dividend to shareholders	-8.6		-8.6
Dividend to non-controlling interests	-	-5.7	-5.7
Transfer of surplus value between majority owners and non-controlling interests	0.1	-0.1	0.0
Sales to (+) acquisitions from (-) non-controlling interests	-4.9	-2.3	-7.2
Reclassification of non-controlling interests	-3.1	3.1	0.0
Revaluation, liability put option	-	-	-
Closing balance	322.3	0.0	322.3

Full year 2015	Shareholders'		
SEK millions	share	Attributable to non-	Total
		controlling interests	
Opening balance	325.1	0.0	325.1
Result after tax	21.8	5.5	27.3
Other comprehensive income	-0.4	0.0	-0.4
Total comprehensive income	21.4	5.5	26.9
Dividend to shareholders	-8.6		-8.6
Dividend to non-controlling interests	-	-5.7	-5.7
Transfer of surplus value between majority owners and non-controlling interests	0.1	-0.1	0.0
Sales to (+) acquisitions from (-) non-controlling interests	-4.9	-6.2	-11.1
Reclassification of non-controlling interests	-6.5	6.5	0.0
Closing balance	326.6	0.0	326.6

Parent Company profit and loss accounts, summarised

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Operating revenues	0.0	0.0	0.0	0.0	0.0
Operating costs, incl. depreciation	-8.5	-7.7	-16.5	-15.3	-30.4
Operating result	-8.5	-7.7	-16.5	-15.3	-30.4
Net financial items	0.9	0.2	1.7	0.3	29.1
Result after financial items	-7.6	-7.5	-14.8	-15.0	-1.3
Tax expense	0.0	0.1	0.0	0.1	6.7
Result after tax	-7.6	-7.4	-14.8	-14.9	5.4

Parent Company statement of comprehensive income

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Result after tax	-7.6	-7.4	-14.8	-14.9	5.4
Other comprehensive income:	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Comprehensive income for the period	-7.6	-7.4	-14.8	-14.9	5.4

Parent Company balance sheet, summarised

SEK millions	30 June 2016	30 June 2015	31 December 2015
Assets			
Intangible non-current assets	0.1	0.1	0.1
Shares in subsidiaries	681.0	680.1	680.2
Other non-current assets	12.7	6.5	12.7
Receivables from Group companies	-	29.4	29.8
Total non-current assets	693.8	716.1	722.8
Other receivables	2.4	1.7	2.2
Receivables from Group companies	133.9	95.6	118.1
Cash and cash equivalents	38.7	34.9	46.8
Total current assets	175.0	132.2	167.1
Total assets	868.8	848.3	889.9
Total equity	664.2	656.8	677.1
Long-term liabilities	10.5	2.7	2.3
Current liabilities to Group companies	190.1	173.0	193.8
Other current liabilities	4.0	15.8	16.7
Total liabilities and equity	868.8	848.3	889.9

Parent Company statement of cash flows

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Operating activities					
Result after financial items	-7.6	-7.5	-14.8	-15.0	-1.3
Depreciation/amortisation	0.0	0.1	0.0	0.1	0.1
Other non-cash items - net	-0.1	-	-0.4	-	0.8
Change in working capital - net	-1.7	-1.7	20.8	19.8	5.6
Cash flow from operating activities	-9.4	-9.1	5.6	4.9	5.2
Investing activities					
Investment in subsidiary	-0.5	-	-0.9	-	-0.1
Other investments	-	-	-	-	-
Divestment of subsidiary	0.1	-	0.1	-	-
Other disposals	-	-	-	-	-
Cash flow from investing activities	-0.4	-	-0.8	-	-0.1
Financing activities					
New loans, convertible instruments	9.6	-	9.6	-	-
Dividend to shareholders	-10.2	-8.6	-10.2	-8.6	-8.6
Change in receivable from Group company	29.8	-	29.8	-	-
Change in Group account, net liability	-15.8	-24.1	-42.1	-34.5	-22.8
Cash flow from financing activities	13.4	-32.7	-12.9	-43.1	-31.4
Cash flow for the period	3.6	-41.8	-8.1	-38.2	-26.3
Cash and cash equivalents at beginning of period	35.1	76.7	46.8	73.1	73.1
Cash and cash equivalents at end of period	38.7	34.9	38.7	34.9	46.8
Interest paid	-	-	-	-	-0.4
Interest received	0.9	0.5	1.7	0.9	2.2

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Parent Company statement of changes in equity, summarised

SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Opening balance	681.0	672.8	677.1	680.3	680.3
Issue of convertible instruments	1.0	-	1.0	-	-
Result after tax	-7.6	-7.4	-14.8	-14.9	5.4
Other comprehensive income	-	-	-	-	-
Conversion of loan to equity	-	-	11.1	-	-
Dividend to shareholders	-10.2	-8.6	-10.2	-8.6	-8.6
Closing balance	664.2	656.8	664.2	656.8	677.1

1 General information and accounting principles

GHP Specialty Care AB (publ), corporate identity number 556757-1103, is registered in Gothenburg, Sweden, and the head office is located at Södra Hamngatan 45.

The Company's financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union. The preparation of financial statements in compliance with IFRS requires the use of estimates and assumptions that affect the reported values of assets, liabilities, revenues and costs for the reporting period. Although these estimates are based on management's knowledge of the amounts, events and actions taken, actual results may differ from the estimates and assumptions made.

Unless otherwise stated, all amounts are in millions of Swedish kronor (SEK millions).

The convertible bond programme issued by GHP in 2012 expired in February 2016. The number of shares increased by 2,200,198, which resulted in an increase in equity of SEK 11.1 million and a corresponding decrease in the net loan debt. During the first half of 2016 costs for the programme of less than SEK -0.1 million (-0.8) were charged against the net result.

On 27 April 2016 an incentive programme was approved by the Annual General Meeting. The programme consists of issued convertible bonds. During the period 24 February 2020 until 23 March 2020 bond holders are able to convert these to new shares in GHP at a predetermined conversion rate of SEK 9.67. If conversion does not take place, the loan matures on 14 April 2020. A convertible bond is a so-called compound financial instrument which gives rise to a financial liability for the Company and which contains an option for the owner of the instrument to convert the liability into an equity instrument in the Company. These two parts are recognised separately in accordance with IAS 32, p. 29. IAS 39 deals with the valuation of the financial instrument, which means that the value of the option will form the residual amount after the liability has been valued and deducted from the fair value of the instrument as a whole (IAS 32, p 31, 32). The cost of producing the convertible instrument, SEK 0.5 million, is allocated proportionately to the liability and the option (IAS 39, p 43). That part that has been referred to the liability is distributed over the term of the loan and will then be recognised as an interest expense calculated according to the effective interest method together with the liability. The equity component, that is the value of the option, amounts to the price of the option, SEK 1.38, (according to a calculation received from Swedbank) and GHP received SEK 9,650,000, which corresponds to 958,000 convertible instruments. The loan will initially be recognised at its fair value (present value of payments) and during the term of the loan, the present value of the convertible instrument will increase up to its nominal value. The difference is distributed over the term of the loan as an interest expense and increases the liability. The Parent Company of the Group, which applies RFR2, recognises the convertible instruments in the same way as the Group.

The transaction has been completed in line with market rates, which means that the transaction is not covered by the rules in IFRS 2. Swedbank, who made the calculations for the Company, have also confirmed in writing that the convertible instrument is issued in line with market rates.

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. The Parent Company applies the Annual Accounts Act and RFR2 for legal entities. Accounting principles that have been applied are in accordance with what is stated in the Annual Report 2015. In addition to this there are a number of minor improvements in IFRS that it is assessed will only have a minor impact on GHP's reporting. The European Securities and Markets Authority (ESMA) has issued guidelines concerning the use of alternative key ratios for companies whose securities are listed in a regulated market. The guidelines begin to apply for information published as from 3 July 2016 and thus cover GHP's second interim report for 2016. This has had little impact on the report. No other new standards for 2016 have been assessed to have an impact on the Group's financial statements.

For further information on the accounting rules, please refer to GHP's Annual Report for 2015, pages 36-40.

2 Result per share

The result per share has been calculated by the result after tax attributable to the Parent Company's shareholders being divided by the average number of outstanding ordinary shares during the period. These amounted to 68,282,585 (66,082,387) for the second quarter of 2016 and 67,738,580 (66,082,387) for the half year. As the convertible bond programme implemented towards the end of 2012 was converted to equity during the second quarter and first half of the year, this programme no longer has any dilution effect on the result per share.

With regard to the convertible instrument programme implemented during the second quarter of 2016, there has been no dilution effect pursuant to IAS 33. Convertible liabilities do not give rise to a dilution effect when their interest per ordinary share that can be obtained upon conversion is greater than the result per share before dilution. As only marginal interest has been charged to the result during 2016, there is no dilution for the period.

3 Share capital

As of 30 June 2016, there were 68,282,585 outstanding ordinary shares (66,082,387) with a nominal value of SEK 1 per share.

4 Current and long-term interest-bearing borrowings

As of 30 June 2016 the Company had made use of credit of SEK 114.1 million (104.2). Of this amount, SEK 18.2 million (24.6) is classified as current borrowings and SEK 95.9 million (79.6) as long-term borrowings.

5 Acquisition/divestment of subsidiaries and bolt-on acquisition

On 10 February 2016 an agreement was entered into to acquire 70 percent of Urologcentrum, which was taken over on 1 March 2016.

Preliminary effects on the Group's cash and cash equivalents, profit and loss accounts and balance sheet are summarised below.

SEK millions	Total
Effect on the Group's cash and cash equivalents:	
a) Acquisition of Urologcentrum (Lewabi AB)	-5.0
b) Acquisition of 15 percent of shares outstanding in GHP Spine Center Göteborg AB from non-controlling interests	-5.8
c) Acquisition of 3.6 percent of shares outstanding in Stockholm Spine Nya Holding AB from non-controlling interests	-6.6
d) Divestment of 1.2 percent of shares in GHP Stockholm Spine Center AB to non-controlling interests	1.0
Effect on the Group's cash and cash equivalents, total net cash flow	-16.4

SEK millions	Total
a) Acquisition of 70 percent of Urologcentrum (Lewabi AB):	
Purchase consideration settled in cash	7.4
Acquisition costs	0.1
Non-controlling interests' purchase consideration with full goodwill	6.0
Total purchase consideration	13.5
Total value of acquired assets and liabilities	-1.5
Acquisition costs	-0.1
Surplus value, brand identified upon acquisition	-0.7
Goodwill	11.2
Specification of acquired net assets:	
Tangible non-current assets	1.7
Financial assets	0.3
Other current receivables	0.8
Cash and cash equivalents	2.5
Deferred tax	-0.5
Current liabilities	-2.6
Long-term liabilities	-0.7
Total net assets	1.5
Purchase consideration settled in cash	-7.4
Acquisition costs	-0.1
Cash and cash equivalents in acquired subsidiary	2.5
Effect on the Group's cash and cash equivalents	-5.0

During the first half of 2016 the business contributed SEK 4.5 million to sales revenues and SEK 1.1 million to the operating result. If the business had been a part of the Group for the entire period, the contribution to sales revenues would have amounted to SEK 5.9 million and the operating result, which contains one-time expenses, would have amounted to SEK 0.7 million.

SEK millions	Total
b) Effects on Group's financial position of settlement of put option in GHP Spine Center Göteborg AB previously entered as a liability:	
Total purchase consideration	7.2
Total net value of acquired assets and liabilities:	
Put option entered as a liability	-14.3
Value adjustment of put option	8.5
Effect on Group's cash and cash equivalents	-5.8
Purchase consideration entered as a liability	-1.4

SEK millions	Total
c) Effects on Group's financial position of settlement of put option in Stockholm Spine Nya Holding AB previously entered as a liability:	
Total purchase consideration	6.6
Total net value of acquired assets and liabilities:	
Put option entered as a liability	-5.5
Value adjustment of put option	-1.1
Effect on Group's cash and cash equivalents	-6.6

SEK millions	Total
d) Effects on Group's financial position of divestment of shares to non-controlling interests in GHP Stockholm Spine Center AB:	
Total purchase consideration	1.0
Effect on Group's cash and cash equivalents	1.0

6 Segment reporting

The GHP Group controls business operations on the basis of geographic location. The Nordic Region business area and the Rest of the World business area are reported as segments. All head office costs, including business development, are divided between these two segments.

Each business area contains one or more diagnostic areas and one or more sub-markets. With a view to continuing to provide good information, GHP has elected to also report revenues per diagnostic area and revenues per sub-market. The segments are reported separately under the heading "Performance by Business Area" and additional information is provided on each diagnostic area and sub-market in note 9.

- Business area Nordic Region
- Business area Rest of the World

Q2 2016 SEK millions	Nordic Region	Rest of World	Total
Sales revenues	237.8	24.2	262.0
<i>Of which Sweden</i>	203.3	<i>n/a</i>	203.3
Operating result before goodwill write-downs	19.9	5.9	25.8
Goodwill write-downs	-	-	-
Operating result	19.9	5.9	25.8
Net financial items	-0.5	0.0	-0.5
Result before tax	19.4	5.9	25.3

Q2 2015 SEK millions	Nordic Region	Rest of World	Total
Sales revenues	208.5	3.6	212.1
<i>Of which Sweden</i>	177.2	<i>n/a</i>	177.2
Operating result before goodwill write-downs	12.0	0.0	12.0
Goodwill write-downs	-	-	-
Operating result	12.0	0.0	12.0
Net financial items	-1.0	0.0	-1.0
Result before tax	11.0	0.0	11.0

6 mths 2016 SEK millions	Nordic Region	Rest of World	Total
Sales revenues	461.3	32.2	493.5
<i>Of which Sweden</i>	393.7	<i>n/a</i>	393.7
Operating result before goodwill write-downs	29.4	8.6	38.0
Goodwill write-downs	-	-	-
Operating result	29.4	8.6	38.0
Net financial items	-1.0	0.0	-1.0
Result before tax	28.4	8.6	37.0

6 mths 2015 SEK millions	Nordic Region	Rest of World	Total
Sales revenues	422.5	7.2	429.7
<i>Of which Sweden</i>	356.7	<i>n/a</i>	356.7
Operating result before goodwill write-downs	25.0	1.0	26.0
Goodwill write-downs	-	-	-
Operating result	25.0	1.0	26.0
Net financial items	-2.2	0.0	-2.2
Result before tax	22.8	1.0	23.8

Full year 2015 SEK millions	Nordic Region	Rest of World	Total
Sales revenues	805.6	14.4	820.0
<i>Of which Sweden</i>	675.9	<i>n/a</i>	675.9
Operating result before goodwill write-downs	24.7	4.7	29.4
Goodwill write-downs	-	-	-
Operating result	24.7	4.7	29.4
Net financial items	-4.2	-	-4.2
Result before tax	20.5	4.7	25.2

At 30 June 2016, assets, liabilities, depreciation/amortisation and write-downs were as follows:

SEK millions	Nordic Region	Rest of World	Total
Total assets	658.1	30.4	688.5
<i>Of which goodwill</i>	385.6	-	385.6
Total liabilities	318.3	8.3	326.6
Depreciation/amortisation and write-downs	-11.9	0.0	-11.9

At 30 June 2015, assets, liabilities, depreciation/amortisation and write-downs were as follows:

SEK millions	Nordic Region	Rest of World	Total
Total assets	610.5	11.9	622.4
<i>Of which goodwill</i>	374.0	-	374.0
Total liabilities	293.2	6.9	300.1
Depreciation/amortisation and write-downs	-11.7	0.0	-11.7

At 31 December 2015, assets, liabilities, depreciation/amortisation and write-downs were as follows:

SEK millions	Nordic Region	Rest of World	Total
Total assets	615.7	10.9	626.6
<i>Of which goodwill</i>	373.8	-	373.8
Total liabilities	296.2	3.8	300.0
Depreciation/amortisation and write-downs	-23.1	-	-23.1

7 Assets and liabilities valued at fair value

In the table below information is given on the measurement of fair value for the financial instruments valued at fair value in the report on the financial position. Measurement of fair value is divided up into three levels:

Level 1: in accordance with prices in an active market for identical instruments

Level 2: on the basis of direct or indirect observable market data not included in level 1

Level 3: on the basis of inputs that are not observable in the market

30 June 2016 SEK millions	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets that can be sold	-	-	0.0	0.0
Total assets	-	-	0.0	0.0
Financial liabilities				
- Put options entered as a liability, long-term portion	-	-	33.2	33.2
- Put options entered as a liability, current portion	-	-	12.1	12.1
Total liabilities	-	-	45.3	45.3

30 June 2015 SEK millions	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets that can be sold	-	-	0.0	0.0
Total assets	-	-	0.0	0.0
Financial liabilities				
- Put options entered as a liability, long-term portion	-	-	49.5	49.5
- Put options entered as a liability, current portion	-	-	7.5	7.5
Total liabilities	-	-	57.0	57.0

31 December 2015 SEK millions	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets that can be sold	-	-	0.0	0.0
Total assets	-	-	0.0	0.0
Financial liabilities				
- Put options entered as a liability, long-term portion	-	-	41.9	41.9
- Put options entered as a liability, current portion	-	-	15.1	15.1
Total liabilities	-	-	57.0	57.0

The liability for put options and any supplementary considerations entered as a liability have been valued at fair value. The liability is dependent on assessments of the subsidiaries' future profitability. There is also an uncertainty factor regarding when the liability will be settled.

8 Personnel

The average number of employees for the second quarter of 2016 amounted to 484 (447). For the first half of 2016 the average number of employees amounted to 492 (447).

9 Sales revenues per diagnostic area group and sub-market

Sales revenues SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Spine/Orthopaedics	153.2	133.9	303.8	276.1	534.6
Gastro/Surgery	41.1	39.4	79.7	81.7	149.4
Arrhythmia/New Specialities	18.7	13.4	31.5	24.6	48.3
Dental	28.5	25.4	53.6	47.3	87.7
International/management contract	20.5	-	24.9	-	-
Reported sales revenues	262.0	212.1	493.5	429.7	820.0

Sales revenues SEK millions	Q2 2016	Q2 2015	6 mths 2016	6 mths 2015	Full year 2015
Stockholm area	147.2	128.2	284.3	258.6	481.6
Finland	1.0	0.7	1.5	1.9	3.2
West of Sweden	42.6	37.8	83.8	76.6	150.7
Denmark	33.5	30.6	66.1	63.9	126.5
Skåne	13.5	11.2	25.6	21.5	43.6
United Arab Emirates	24.2	3.6	32.2	7.2	14.4
Reported sales revenues	262.0	212.1	493.5	429.7	820.0

10 Important events after closing day

There have been no important events after closing day.



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GHP is an internationally active health care provider that operates specialist clinics in a select number of diagnostic areas through the application of a business model that is unique in the health care industry, where leading doctors become partners and shareholders. Each clinic specialises in a particular patient group, and this leads to increased efficiency and higher quality. This is the cornerstone of GHP's business philosophy – "Quality through specialisation".