Interim report January – June 2020

April–June 2020 in brief

- Net sales increased by 2.3% to SEK 2,264 M (2,212). Net sales grew organically by 2.2%.
- Adjusted EBITDA increased by 16.0% to SEK 489 M (421).
- Adjusted operating profit increased by 47.7% to SEK 244 M (165).
- Profit after financial items increased to SEK 152 M (132).
- Earnings per share rose to SEK 0.42 (0.36).
- Cash flow from operations increased to SEK 613 M (255).
- Cash conversion increased to 129.2% (60.7).
- The Group resumes its outlook – organic net sales growth for the third and fourth quarters, respectively, is expected to be within 2-4%.

January–June 2020 in brief

- Net sales increased by 4.4% to SEK 4,537 M (4,346). Net sales grew organically by 2.8%.
- Adjusted EBITDA increased by 12.1% to SEK 934 M (834).
- Adjusted operating profit increased by 34.1% to SEK 447 M (333).
- Profit after financial items increased to SEK 292 M (265).
- Earnings per share rose to SEK 0.80 (0.73).
- Cash flow from operations increased to SEK 899 M (435).
- Cash conversion increased to 101.9% (52.2).

Financial summary

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Rolling 12 months	Full-year 2019
Net sales[2)]	2,264	2,212	4,537	4,346	9,167	8,976
Gross profit[2)]	1,023	983	2,066	1,931	4,073	3,937
Gross margin, %[2)]	45.2%	44.4%	45.6%	44.4%	44.4%	43.9%
Adjusted EBITA[1)]	315	246	588	480	1,124	1,016
Adjusted EBITA margin, %[1)]	13.9%	11.1%	13.0%	11.0%	12.3%	11.3%
Adjusted EBITDA[1)]	489	421	934	834	1,828	1,728
Adjusted EBITDA margin, %[1)]	21.6%	19.0%	20.6%	19.2%	19.9%	19.2%
Operating profit (EBIT)	226	165	392	333	730	671
Adjusted operating profit (EBIT)[1)]	244	165	447	333	838	724
Profit after financial items	152	132	292	265	569	542
Net profit for the period	114	99	219	199	423	403
Number of shares, thousands	272,370	272,370	272,370	272,370	272,370	272,370
Earnings per share, SEK	0.42	0.36	0.80	0.73	1.55	1.48
Cash flow from operations	613	255	899	435	1,716	1,252
Cash conversion, %	129.2%	60.7%	101.9%	52.2%	99.5%	74.7%

1) Before exceptional items. See Alternative performance measures on page 17 and definitions on page 20.
2) Due to the changed accounting of GPOs, net sales were restated for the 2019 comparative figures. See also Note 1 on page 12 and Note 13 on page 18.

The human body is made to move. At Arjo, we believe that high quality of care and positive clinical outcomes begin by maintaining or improving a patient's mobility. Our offering includes products and solutions for patient transfers, hygiene, disinfection, prevention of pressure injuries and deep vein thrombosis (blood clots) and for diagnostics. We also offer medical beds and various services, such as training in connection with product sales. Arjo's approach contributes to improved quality of care and enhanced efficiency, resulting in reduced healthcare costs. www.arjo.com

arjo
with people in mind

Strong second quarter with significantly improved profitability

Growth in several key markets

The corona pandemic continued to dominate the second quarter and the organization has worked hard to support healthcare through these very challenging times.

As we previously announced in June, we are delivering a strong second quarter with increased growth and a significant improvement of our operating profit. The quarter actually ended even better than we estimated in our most recent communication to the market. We have had continued solid sales across several key markets and the Group grew organically by 2.2%, compared to a strong Q2 2019.

During the quarter, we continued to see a positive sales development in medical beds and therapeutic mattresses, high demand within the US rental operations and a good performance in the diagnostics business. At the same time, growth is being held back by limited access to hospitals and long-term care facilities globally. This primarily affects product categories such as patient handling, hygiene and service – all of which require customer interaction and installation. Growth in DVT was also held back due to postponed elective care worldwide.

In terms of geography, North America's performance remains solid and grows in line with a very strong second quarter of 2019, when the region grew almost 16%. The Rest of the World region also performed well, reporting double-digit growth in the quarter despite extensive restrictions to limit the infection spread in countries like India. Western Europe also performed well with strong growth in the UK. Markets such as Germany and France declined slightly, but we saw a gradual improvement towards the end of the quarter as restrictions were eased. All in all, a very good quarter given the current situation, and we are now seeing a gradual return to more normal conditions in the second half of the year.

Significantly higher profitability and solid financial position

Profitability in the quarter increased significantly compared to the second quarter in 2019. The gross margin increased to 45.2% and adjusted EBIT increased by almost 50%. The strong development was mainly driven by the high volumes in the US rental operations, particularly our Critical Care solutions, and a significant share of high-spec medical beds and therapeutic mattresses. We also saw increased efficiency within supply chain and we continued to maintain good cost control across the entire value chain.

We report the best cash flow in Arjo's history, with our focused efforts on accounts receivable throughout the organization as an important factor. We have a strong financial position and high liquidity that provides a solid foundation despite the turbulence around the corona pandemic.

We must help healthcare create more value with less resources

In parallel with the challenges of the corona pandemic, we are focusing on our long-term plan and carrying out continuous improvements and measures to improve efficiency in the business. Helping healthcare do more for less is more important than ever before – the Covid-19 pandemic has presented healthcare with major challenges and society's focus on healthcare has never been greater. In particular, we see the need to join forces to improve elderly care on a global scale. Solutions that ensure both clinical and financial outcome will increase significantly going forward. We will together with healthcare work to create greater value using fewer resources, for example, by developing outcome-based programs. We look forward to sharing more information about this at our Capital Markets Day in the middle of the fourth quarter.

Outlook for 2020

Despite continued uncertainty in the market, we see positive signs that access to hospitals and long-term care facilities are gradually increasing. Our assessment is that in the third and fourth quarters we will see a step by step return to more normal volumes in the categories that so far have been most severely impacted by Covid-19, such as patient handling, service and DVT. We also believe that sales of medical beds, therapeutic mattresses and related rental operations, where higher volumes have largely been driven by the effects of Covid-19, will return to more normal levels in the second half of the year. In light of this, we anticipate a gradual stabilization, with organic net sales growth for the third and fourth quarters, respecitvely, are expected to be within our 2-4% target interval.

With a high level of dedication within the organization and close cooperation with our customers, together with enhanced productivity and a solid financial position, we stand strong to continue help healthcare during this crisis.

Malmö, July 17

Joacim Lindoff
President & CEO

Group performance

Net sales and results

Second quarter of 2020

Net sales increased organically by 2.2% to SEK 2,264 M (2,212) in the second quarter. Growth was mainly driven by the product categories that address the acute needs caused by Covid-19, such as medical beds and therapeutic mattresses. Demand was also high within the US rental operations. In addition, the diagnostics business performed well during the quarter. Growth was held back by continued limited access to hospitals and long-term care facilities, and postponements in elective care.

Growth in North America declined slightly, which should be seen in relation to a very strong comparative quarter of 2019 when the region grew by 15.8%. The performance in the US in the quarter was primarily driven by continued high volumes in the rental operations, while significantly lower demand in DVT held back growth slightly.

Sales in Western Europe were slightly better than the second quarter of 2019. The UK reported double-digit organic growth with high demand of medical beds and therapeutic mattresses as a result of the corona pandemic. Growth fell slightly in countries like France and Germany, where continued limited access to hospitals and long-term care facilities had a negative impact on sales of products in categories such as Patient Handling, Rental, Hygiene and Service.

In the Rest of the World region, the Group grew organically by 17.0% despite several markets having introduced extensive restrictions to limit the spread of Covid-19. One such example is India, where the Group noted a significant decline in the quarter due to the restrictions implemented. Australia, South Africa and the Group's distributor markets in Eastern Europe showed a solid performance. The region performed particularly well in medical beds in the quarter.

The gross margin increased to 45.2% (44.4) in the quarter, mainly driven by high volumes within the rental operations in the US, high productivity within supply chain and good cost control throughout the entire organization. Previously implemented efficiency measures to the rental operations, combined with the high volumes, particularly for Critical Care solutions, contributed to a significant improvement to profitability in rental. The margin was also driven by improved profitability in medical beds where the Group saw an increase in demand for high-spec medical beds. The gross margin was held back by effects related to Covid-19, such as lower sales volumes in profitable product categories such as Patient Handling, Service and DVT.

Exceptional items for the quarter amounted to SEK 18 M, most of which were related to restructuring costs for the previously communicated efficiency measures in Europe. The total cost for this program is expected to amount to approximately SEK 70 M, of which SEK 48 M was charged to the current year. The efficiency program is expected to generate full-year savings of about SEK 50 M, with a major positive effect as early as 2020. The effects are equally distributed between gross profit and operating expenses.

Operating expenses for the quarter amounted to SEK 781 M (821), with continued good cost control across the value chain.

Adjusted EBITDA for the quarter increased by 16.0% to SEK 489 M (421). Adjusted EBIT increased by a full 47.7% to SEK 244 M (165).

Net financial items amounted to SEK -74 M (-33) for the quarter. A provision for interest of SEK 23 M was made during the quarter relating to an ongoing investigation of value added tax in prior periods.

January-June 2020

Organic net sales increased by 2.8% during the period to SEK 4,537 M (4,346). Sales of medical beds and therapeutic mattresses were particularly high during the period and volumes were also high within the US rental operations. Due to the extensive restrictions in many markets, the Group's access to hospitals and long-term care facilities was limited. This meant that categories like Patient Handling, Hygiene and Service, all of which require a high level of customer interaction, declined during the period. DVT also declined due to postponed elective care.

North America noted an organic growth of 2.6% for the period, with a continued positive growth trend in the US. Canada's performance was in line with the preceding year. As a result of Covid-19, particularly high sales of medical beds and therapeutic mattresses was noted, and the rental operations performed well during the period, mainly in the US. Growth in the region was held back by lower sales in Patient Handling and DVT, which were negatively impacted by postponed elective care.

Sales in Western Europe increased organically by 1.5% during the period. Growth in the UK was good, primarily driven by higher demand in medical beds and therapeutic mattresses. Sales fell slightly in several

Net sales by geographic area, SEK M	Quarter 2 2020	Quarter 2 2019	Organic change	Jan–Jun 2020	Jan–Jun 2019	Organic change	Rolling 12 months	Full-year 2019
North America[1,2]	925	919	-1.2%	1,852	1,742	2.6%	3,634	3,525
Western Europe[2]	996	989	0.8%	2,058	1,999	1.5%	4,219	4,161
Rest of the World[2]	343	304	17.0%	627	604	7.6%	1,314	1,291
Total[1]	**2,264**	**2,212**	**2.2%**	**4,537**	**4,346**	**2.8%**	**9,167**	**8,976**

1) Due to the changed accounting of GPOs, net sales were restated for the 2019 comparative figures. See also Note 1 on page 12 and Note 13 on page 18.
2) Net sales by geographic area were adjusted for 2019 compared with previously presented figures and are now based on the customer's geographic location instead of the domicile of the sales companies.

Central European markets during the period as a result of extensive restrictions as a result of the corona pandemic. One of the consequences of the restricted access to hospitals and long-term care facilities was lower volumes in Patient Handling, Hygiene and Service.

Rest of the World grew organically by 7.6% in the period, with a solid performance in, for example, South Africa, Hong Kong and the Middle East. Growth in this region was also held back by extensive restrictions in countries such as India.

The gross margin amounted to 45.6% (44.4) for the period, mainly driven by previously implemented efficiency measures, a favorable development in rental and effective utilization in the Group's supply chain. The gross margin for the period was held back by effects related to Covid-19, such as the restricted access to hospitals and long-term care facilities, which resulted in postponed equipment installation and reduced service efficiency. The slightly weaker product mix with lower sales volumes in Patient Handling was partly compensated by a higher share of high-spec medical beds and high profitability within rental operations.

Operating expenses for the period amounted to SEK 1,619 M (1,600), with continued good cost control across the value chain.

Adjusted EBITDA for the period increased by 12.1% to SEK 934 M (834).

Adjusted EBIT increased by 34.1% to SEK 447 M (333).

Currency effect

Translation effect vs 2019, MSEK	Quarter 2 2020	Jan–Jun 2020
Sales	3	80
Cost of goods sold	4	-43
Gross profit	7	37
Operating expenses	1	-22
Restructuring	0	0
Total translation effect, EBIT	**8**	**15**

Cash flow and financial position

Cash flow from operations increased by SEK 358 M to SEK 613 M(255) in the quarter, driven by both higher earnings and an improved cash flow from working capital compared with the corresponding quarter last year.

The Group's cash conversion in the quarter amounted to 129.2% compared to 60.7% in the second quarter last year.

Net investments for the quarter amounted to SEK 151 M (205), divided between tangible assets of SEK 99 M (141) and intangible assets of SEK 52 M (64). The investments in tangible assets include investments in the rental fleet of SEK 70 M (123).

Cash flow from acquired operations of SEK -10 M referred to an additional purchase consideration related to the acquisition of ReNu.

The Group's cash and cash equivalents amounted to SEK 1,121 M (917) and interest-bearing net debt was SEK 5,589 M (6,029). Demand for the Group's commercial paper program was high during the period. At the end of the period, Arjo issued commercial paper of SEK 2,501 M (2,941). Arjo has contracted unutilized credit facilities of SEK 4,579 M available for refinancing outstanding commercial paper.

The equity/assets ratio was 38.9% (39.2). Net debt/adjusted EBITDA was 3.2 (3.5), down from 3.4 at year-end in comparable calculations.

Research and development

Arjo's gross research and development costs for the quarter amounted to SEK 50 M (52), of which SEK 27 M (30) was charged to earnings, corresponding to 2.2% (2.4) of consolidated net sales.

Outlook 2020

Organic net sales growth for the third and fourth quarters, respectively, is expected to be within the Group's 2-4% target interval.

Operating expenses are expected to continue to decline as a percentage of sales.

Other key events during the quarter

Annual General Meeting 2020

Arjo's Annual General Meeting was held on June 29 at the Group's head office in Malmö. At the AGM, the following was resolved:

- Johan Malmquist (Chairman), Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne and Joacim Lindoff were re-elected as members of the Board.
- Remuneration to the Board of Directors and Auditor fees were resolved, as was the dividend for 2020 and Guidelines for Remuneration to Senior Executives.
- The AGM approved the Nomination Committee's proposal for instruction to the Nomination Committee.
- In accordance with the proposal of the Board of Directors, the Annual General Meeting resolved to amend § 10 of the Articles of Association for the purpose of adapting the Articles of Association to expected amendments of the Swedish Companies Act concerning record date for participation in General Meetings.

Since the President & CEO did not hold the usual presentation during the Meeting, a prerecorded version (in Swedish) is available via the company website. For more information regarding resolutions at the AGM, please visit: https://www.arjo.com/int/about-us/corporate-governance/general-meetings/annual-general-meeting-2020/

Other information

Key events after the end of the quarter

There are no key events to report after the end of the period.

Risk management

Customers and healthcare reimbursement systems

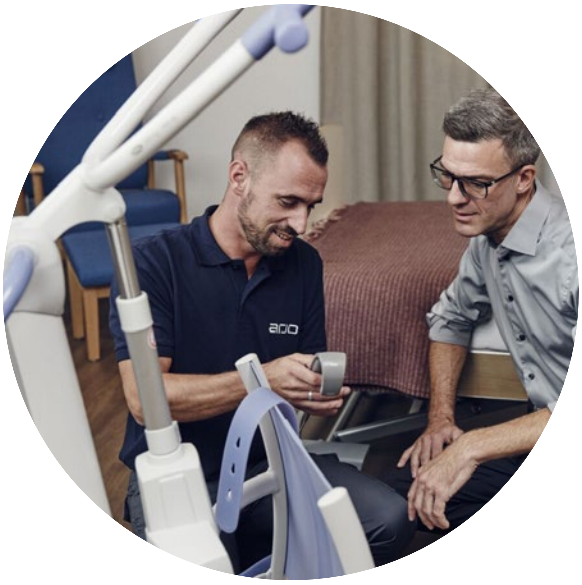
A considerable share of Arjo's revenue is derived from sales of products to public sector entities. A political discussion taking place in many countries concerns whether private healthcare providers should be able to offer publicly funded healthcare services. There is a risk that authorities in countries where Arjo operates will decide to limit or completely discontinue public funding of private healthcare, which could affect the establishment of new hospitals and other healthcare facilities and their purchasing of healthcare products, such as Arjo's emergency and long-term care products.

Sales of the Group's products are also dependent on various reimbursement systems in each of Arjo's markets. In many of Arjo's markets (such as the US), it is often the patient's insurance company that – within the framework of the existing political reimbursement system – funds or subsidizes products for the patient's emergency or long-term care. Some of the success for sales of Arjo's products in these markets is dependent on whether Arjo's products have been approved for reimbursement under the various reimbursement systems.

Since Arjo conducts operations in many different countries and markets, the above-named risks are limited for the Group as a whole.

Research and development

Arjo's future growth is also dependent on the continued expansion of new product segments and new product types in existing product segments, which is dependent on the Group's ability to influence, predict, identify and respond to changing customer preferences and needs. Arjo invests in research and development in order to produce and launch new products, but there is no guarantee that any new products will achieve the same degree of success as in the past. Nor is there any certainty that Arjo will succeed in predicting or identifying trends in customer preferences and needs, or that Arjo will identify them earlier than its competitors. To maximize the return on research and development efforts, the Group has a highly structured selection and planning process to ensure that the Group prioritizes correctly when making decisions about potential projects. This process includes careful analyses of the market, technological progress, choice of production method and selection of subsuppliers. Development activities are conducted in a structured manner and the deliveries of every project undergo a number of fixed control points. Arjo is focused on product launches that will lead to more efficient care, in which more patients can be treated, which is expected to drive demand from end customers and therefore market growth. Product development that leads to a broader product range is a means for increasing organic growth in the market in which Arjo operates.



Product liability and damage claims

As a medical device supplier, Arjo, like other healthcare industry players, may sometimes be subject to claims related to product liability and other legal issues. Such claims could involve large financial amounts and significant legal expenses. Arjo cannot provide any guarantee that its operations will not be subject to claims for compensation. A comprehensive insurance program is in place to cover any property or liability risks (e.g. product liability) to which the Group is exposed.

Protection of intellectual property rights

Arjo invests significant financial amounts in research and development, and is continuously developing new products and technological solutions. To secure revenue from these investments, new products and technologies must be protected from unlawful use by competitors. If possible and appropriate, Arjo protects its intellectual property rights by registering patents, copyrights and trademarks. The Group is also dependent upon know-how and trade secrets that cannot be protected under intellectual property law.

Changes related to general economic and political conditions

Arjo operates in several parts of the world and, like other companies, is affected by general global economic, financial and political conditions. Demand for Arjo's medical devices and solutions is influenced by various factors, including general macroeconomic trends.

Uncertainty about future economic prospects, including political concerns, could adversely affect customers' decisions to buy Arjo's products, which would adversely affect Arjo's operations, financial position and results. Furthermore, changes in the political situation in a region or country, or political decisions affecting an industry or country, could also have a material adverse impact on sales of Arjo's products. Since Arjo operates in a large number of geographical markets, this risk is limited for the Group as a whole.

Authorities and supervisory bodies

The healthcare market is highly regulated in all of the countries where Arjo operates. Arjo's product range is subject to legislation, including EU Directives and implementing acts regarding medical devices, and the US Food and Drug Administration's (FDA) regulations and related quality systems requirements, which also encompass comprehensive evaluation, quality assurance and product documentation.

Arjo devotes significant efforts and resources to implementing and applying guidelines to ensure regulatory compliance. Annual audits are performed by designated accreditation bodies to ensure compliance for continued CE marking of Arjo's products and international legal requirements.

Arjo takes proactive measures to ensure compliance with relevant regulations:

- EU Medical Device Regulation (MDR)
- US Food and Drug Administration (FDA)
- Medical Device Single Audit Program (MDSAP) – regulations in US, Canada, Japan, Brazil and Australia.

All of the Group's production facilities are also certified according to ISO 13485 (Medical devices – quality management systems) and/or ISO 9001 (Quality management systems) from BSI The Netherlands.

Financial risk management

Through its operations, Arjo is exposed to a number of financial risks. Arjo's risk management is regulated by a finance policy established by the Board. Ultimate responsibility for managing the Group's financial risks and developing methods and policies for mitigating these risks lies with Group management and Group Finance. The Group's financial risks comprise currency risk, interest-rate risk, credit and counterparty risk, and tax risk, of which currency is the most important risk.

Coronavirus (Covid-19)

The corona pandemic will impact both the Group's customers in the healthcare sector and society as a whole. The pandemic could also affect the Group's supply chain, which may lead to production disruptions. In addition, the effects of coronavirus may also entail fluctuations in the financial system, which could result in indirect or direct financing difficulties for the company. Arjo is closely monitoring developments and working proactively to ensure financial contingency in this uncertain time. The Group is successively making business decisions to ensure production and deliveries to the healthcare sector in this serious situation.

Demand for medical beds and therapeutic mattresses has increased since the spread of coronavirus. Demand has also increased in rental operations. Demand fell slightly for the product categories that do not directly address the immediate needs caused by Covid-19.

Arjo to date has not experienced any major production disruptions due to the outbreak of coronavirus. The organization is managing the situation well and is maintaining a close dialog with subsuppliers to ensure access to key components. Production capacity for medical beds has been increased to handle higher demand.

Transactions with related parties

Transactions between Arjo and companies in Getinge Group are specified in Note 12.

Forward-looking information

This report contains forward-looking information based on the current expectations of Arjo's Management Team. Although management considers the expectations presented by such forward-looking information to be reasonable, there is no guarantee that these expectations will prove correct. Consequently, actual outcomes may vary considerably compared with what is stated in the forward-looking information, due to such factors as changed conditions regarding the economy, market and competition, changes in legal and regulatory requirements, as well as other policy measures and fluctuations in exchange rates.

This interim report is unaudited.

Assurance

The Board of Directors and CEO assure that the interim report provides a true and fair review of the Parent Company and the Group's operations, position and earnings and describes the material risks and uncertainties faced by the Parent Company and the Group.

Malmö, July 17, 2020

Johan Malmquist Chairman of the Board	**Carl Bennet**	**Sten Börjesson**
Eva Elmstedt	**Dan Frohm**	**Ulf Grunander**
Ingrid Hultgren	**Carola Lemne**	**Joacim Lindoff** President & CEO

Consolidated financial statements

Consolidated income statement

SEK M	Note	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Net sales	2, 13	2,264	2,212	4,537	4,346	8,976
Cost of goods sold	6	-1,241	-1,229	-2,471	-2,415	-5,039
Gross profit	13	**1,023**	**983**	**2,066**	**1,931**	**3,937**
Selling expenses	13	-443	-485	-935	-938	-1,849
Administrative expenses		-311	-306	-626	-595	-1,223
Research and development costs	4	-27	-30	-58	-67	-139
Exceptional items	5	-18	0	-55	0	-53
Other operating income and expenses		2	3	1	2	-2
Operating profit (EBIT)	3, 6, 8	**226**	**165**	**392**	**333**	**671**
Net financial items	6	-74	-33	-100	-68	-129
Profit after financial items		**152**	**132**	**292**	**265**	**542**
Taxes		-38	-33	-73	-66	-139
Net profit for the period		**114**	**99**	**219**	**199**	**403**
Attributable to:						
Parent Company shareholders		114	99	219	199	403
Number of shares, thousands		272,370	272,370	272,370	272,370	272,370
Earnings per share, SEK[1]		0.42	0.36	0.80	0.73	1.48

1) Before and after dilution. For definition, see page 20.

Consolidated statement of comprehensive income

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Net profit for the period	**114**	**99**	**219**	**199**	**403**
Other comprehensive income					
Items that cannot be restated in profit					
Actuarial gains/losses pertaining to defined-benefit pension plans	-288	4	-14	-50	-167
Tax attributable to items that cannot be restated in profit	55	-1	4	8	28
Items that can later be restated in profit					
Translation differences[1]	-595	-44	-267	319	394
Hedges of net investments	76	-12	-6	-43	-38
Cash-flow hedges	–	20	–	37	51
Tax attributable to items that can be restated in profit[1]	26	3	20	-24	-34
Other comprehensive income for the period, net after tax	**-727**	**-30**	**-264**	**247**	**233**
Total comprehensive income for the period	**-613**	**69**	**-45**	**446**	**637**
Comprehensive income attributable to:					
Parent Company shareholders	-613	69	-45	446	637

1) Tax effects regarding expanded net investments were recognized under translation differences in previous reports. In this report, these effects are recognized under Tax attributable to items that can be restated in profit. Historical periods have been adjusted.

Consolidated balance sheet

SEK M	Note	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Assets				
Intangible assets		6,966	7,050	7,072
Tangible assets		1,286	1,274	1,292
Tangible lease assets	6	1,100	1,142	1,158
Financial assets	10	594	578	501
Inventories		1,291	1,252	1,144
Accounts receivable		1,700	1,827	2,001
Current financial receivables	10	15	38	13
Other current receivables		563	534	579
Cash and cash equivalents	10	1,121	917	662
Total assets		**14,636**	**14,612**	**14,422**
Shareholders' equity and liabilities				
Shareholders' equity		5,693	5,723	5,914
Non-current financial liabilities	10	2,486	2,913	1,791
Non-current lease liabilities	10	842	898	885
Provisions for pensions, interest-bearing	10	148	28	140
Other provisions		255	301	212
Current financial liabilities	10	3,041	2,940	3,575
Current lease liabilities	10	309	264	313
Accounts payable		498	470	543
Other non-interest-bearing liabilities		1,363	1,075	1,050
Total shareholders' equity and liabilities		**14,636**	**14,612**	**14,422**

Changes in shareholders' equity for the Group

SEK M	Share capital	Reserves	Retained earnings	Total share-holders' equity[1)]
Opening balance at January 1, 2019	**91**	**543**	**4,793**	**5,427**
Total comprehensive income for the period	-	372	265	637
Dividend	-	-	-150	-150
Closing balance at December 31, 2019	**91**	**915**	**4,908**	**5,914**
Opening balance at January 1, 2020	**91**	**915**	**4,908**	**5,914**
Total comprehensive income for the period	-	-254	209	-45
Dividend	-	-	-177	-177
Closing balance at June 30, 2020	**91**	**662**	**4,940**	**5,693**

1) Fully attributable to Parent Company shareholders

Consolidated cash-flow statement

SEK M	Note	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Operating activities						
Operating profit (EBIT)		226	165	392	333	671
Add-back of amortization, depreciation and write-down	3	249	256	491	501	1,004
Other non-cash items		47	-12	51	27	-54
Expensed exceptional items[1)]		15	0	51	0	53
Paid exceptional items		-21	-9	-44	-20	-73
Financial items		-39	-30	-69	-60	-120
Taxes paid		-43	-63	-92	-121	-193
Cash flow before changes to working capital		**439**	**307**	**787**	**660**	**1,288**
Changes in working capital						
Inventories		-189	40	-217	-101	38
Current receivables		135	-35	192	-14	-133
Current liabilities		229	-57	138	-110	59
Cash flow from operations		**613**	**255**	**899**	**435**	**1,252**
Investing activities						
Divested / acquired operations	8	-10	-	-10	-5	6
Acquired financial assets		-	-14	-4	-14	-78
Net investments		-151	-205	-322	-386	-729
Cash flow from investing activities		**-161**	**-219**	**-336**	**-405**	**-801**
Financing activities						
Raising of loans		1,568	2,651	4,446	4,931	9,646
Repayment of interest-bearing liabilities		-1,536	-1,995	-4,286	-4,739	-9,993
Repayment of lease liabilities		-89	-90	-163	-169	-325
Change in pension assets/liabilities		1	0	1	-1	-1
Change in interest-bearing receivables		-3	-6	2	-6	-4
Dividend		-	-150	-	-150	-150
Realized derivatives attributable to financing activities		-76	-37	-102	56	65
Cash flow from financing activities		**-135**	**373**	**-101**	**-78**	**-762**
Cash flow for the period		**317**	**409**	**463**	**-48**	**-311**
Cash and cash equivalents at the beginning of the period		820	506	662	961	961
Translation differences		-16	2	-4	4	13
Cash and cash equivalents at the end of the period		**1,121**	**917**	**1,121**	**917**	**662**

1) Excluding write-down of non-current assets

Note 1 Accounting policies

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable rules of the Swedish Annual Accounts Act. The Parent Company has prepared the interim report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

The accounting policies applied in the preparation of this interim report apply to all periods and are consistent with the accounting policies presented in Note 1 Significant accounting policies in the 2019 Annual Report, published on www.arjo.com.

The totals in the tables and calculations do not always add up due to rounding differences. Each subtotal corresponds with its original source, which can lead to rounding differences in the totals.

Changed accounting policy

The portion of fees to the Group purchasing organization in the US market (GPOs) that are not dependent on sales volumes are recognized from January 1, 2020 as selling expenses, instead of reducing net sales as previously. Comparative figures for the corresponding period have been restated according to the same principle, see Note 13.

New accounting standards

No new or changed accounting standards that came into effect on January 1, 2020 had a material impact on Arjo. None of the IFRS or IFRIC interpretations that have yet to come into legal effect are expected to have any significant impact on Arjo.

Note 2 Net sales by geographic area and type of revenue

Net sales by geographic area, SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
North America[1,2]	925	919	1,852	1,742	3,525
Western Europe[2]	996	989	2,058	1,999	4,161
Rest of the World[2]	343	304	627	604	1,291
Total[1]	**2,264**	**2,212**	**4,537**	**4,346**	**8,976**

Net sales by type of revenue, SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Product sales[1]	1,267	1,328	2,578	2,572	5,373
Service incl. spare parts	319	366	688	727	1,504
Rental[1]	677	519	1,270	1,047	2,099
Total[1]	**2,264**	**2,212**	**4,537**	**4,346**	**8,976**

1) Due to the changed accounting of GPOs, net sales were restated for the 2019 comparative figures. See also Note 1 on page 12 and Note 13 on page 18.
2) Net sales by geographic area were adjusted for 2019 compared with previously presented figures and are now based on the customer's geographic location instead of the domicile of the sales companies.

Note 3 Depreciation/amortization and write-down

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Intangible assets	-75	-81	-144	-147	-292
Tangible assets	-92	-95	-183	-192	-379
Tangible lease assets	-82	-80	-164	-162	-333
Total	**-249**	**-256**	**-491**	**-501**	**-1,004**
Of which, write-down	-3	-	-3	-	-6

Note 4 Capitalized development costs

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Research and development costs, gross	-50	-52	-102	-103	-212
Capitalized development costs	22	22	44	36	73
Research and development costs, net	**-27**	**-30**	**-58**	**-67**	**-139**

Note 5 Exceptional items

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Damage claims and disputes	-7	-	-7	-	-
Restructuring and integration costs	-11	0	-48	0	-53
Total	**-18**	**0**	**-55**	**0**	**-53**

Note 6 Leases

Only figures including IFRS 16 Leases are recognized from 2020. A specification of the right-of-use assets and where the costs are found in the income statement is presented below.

Arjo as a lessee

Amounts recognized in the balance sheet

SEK M	Jun 30,2020	Jun 30,2019	Dec 31, 2019
Right-of-use assets			
Buildings and land	803	884	865
Cars and other vehicles	288	246	282
Other	10	12	11
Total	**1,100**	**1,142**	**1,158**

Amounts recognized in profit or loss

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Depreciation of right-of-use assets					
Cost of goods sold	-55	-55	-106	-104	-218
Operating expenses	-28	-25	-58	-58	-115
Total	**-82**	**-80**	**-164**	**-162**	**-333**
Interest expenses	-9	-10	-18	-19	-39

Note 7 Financial assets and liabilities measured at fair value

Jun 30,2020	Assets/liabilities measured at fair value through profit or loss	Derivatives used for hedging purposes	Total
Other current receivables	8	1	9
Total assets	**8**	**1**	**9**
Other non-interest-bearing liabilities	46	19	65
Additional purchase consideration	56	-	56
Total liabilities	**102**	**19**	**121**

Jun 30,2019	Assets/liabilities measured at fair value through profit or loss	Derivatives used for hedging purposes	Total
Other current receivables	18	4	22
Total assets	**18**	**4**	**22**
Other non-interest-bearing liabilities	64	17	81
Additional purchase consideration	65	-	65
Total liabilities	**129**	**17**	**146**

The fair value of derivative instruments is established using valuation techniques. For this purpose, observable market information is used. All derivatives are classified under level 2 of the fair value hierarchy. The Group has a liability for an additional purchase consideration related to the acquisition in the US, which is at level 3 of the fair value hierarchy.

Not 8 Acquisitions and divestments

Acquisitions

Cash flow from acquired operations of SEK -10 M referred to an additional purchase consideration related to the acquisition of ReNu.

Divestments

In February 2019, Acare Medical Sciences Co., Ltd – the Group's low-spec medical beds business – was divested to CBL based in China. The divestment involves a production and sales unit in Zhuhai, China, with 186 employees and sales of about SEK 80 M. Acare was recognized in the balance sheet for 2018 under assets and liabilities held for sale. The divestment did not have any significant capital gains effect. The sales proceeds of about SEK 24 M were received via a promissory note, of which SEK 11 M falls due for payment in the third quarter of 2019. Cash and cash equivalents in Acare on the divestment date amounted to SEK 5 M.

Divested net assets 2019	Carrying amount
Net assets	
Assets held for sale	70
Liabilities held for sale	-46
Total net assets	**24**
Cash-flow effect	
Proceeds received	-
Cash and cash equivalents in divested company	-5
Total cash-flow effect	**-5**

Note 9 Financial data per quarter

SEK M	Quarter 1 2019	Quarter 2 2019	Quarter 3 2019	Quarter 4 2019	Quarter 1 2020	Quarter 2 2020
Net sales[2)]	2,134	2,212	2,154	2,477	2,273	2,264
Cost of goods sold	-1,186	-1,229	-1,253	-1,371	-1,230	-1,240
Gross profit[2)]	**948**	**983**	**900**	**1,106**	**1,043**	**1,023**
Operating expenses[2)]	-779	-821	-778	-833	-839	-781
Exceptional items	0	0	-36	-17	-37	-18
Other operating income and expenses	-1	3	2	-6	-1	2
Operating profit (EBIT)	**168**	**165**	**89**	**249**	**167**	**226**
Net financial items	-35	-33	-29	-32	-26	-74
Profit after financial items	**133**	**132**	**60**	**217**	**140**	**152**
Taxes	-33	-33	-15	-57	-35	-38
Net profit for the period	**100**	**99**	**45**	**159**	**105**	**114**
Adjusted EBITDA[1)]	413	421	381	513	445	489
Adjusted EBITDA margin, %[1)]	19.4%	19.0%	17.7%	20.7%	19.6%	21.6%

1) EBITDA before exceptional items. Refer to Note 5 Exceptional items on page 13, Alternative performance measures on page 17 and definitions on page 20.
2) Due to the changed accounting of GPOs, net sales and selling expenses were restated for the 2019 comparative figures. See also Note 1 on page 12 and Note 13 on page 18.

Note 10 Consolidated interest-bearing net debt

SEK M	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Non-current financial liabilities	2,430	2,913	1,725
Non-current lease liabilities	842	898	885
Current financial liabilities	3,041	2,940	3,575
Current lease liabilities	309	264	313
Provisions for pensions, interest-bearing	148	28	140
Interest-bearing liabilities	**6,770**	**7,043**	**6,638**
Less financial receivables	-61	-91	-73
Less pension assets	–	-6	–
Less cash and cash equivalents	-1,121	-917	-662
Interest-bearing net debt	**5,589**	**6,029**	**5,903**

Note 11 Key performance measures for the Group

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Sales measures[3]					
Net sales	2,264	2,212	4,537	4,346	8,976
Net sales growth, %	2.3%	10.7%	4.4%	10.0%	8.6%
Organic growth in sales, %	2.2%	6.5%	2.8%	4.2%	3.9%
Expense measures[3]					
Selling expenses as a % of net sales	19.6%	21.9%	20.6%	21.6%	20.6%
Administrative expenses as a % of net sales	13.7%	13.8%	13.8%	13.7%	13.6%
Research and development costs gross as a % of net sales	2.2%	2.4%	2.3%	2.4%	2.4%
Earnings measures					
Operating profit (EBIT)	226	165	392	333	671
Adjusted operating profit (EBIT)[2]	244	165	447	333	724
EBITA	301	246	537	480	963
Adjusted EBITA[2]	315	246	588	480	1,016
EBITDA	474	421	883	834	1,675
EBITDA growth, %	12.8%	38.8%	5.9%	51.0%	42.0%
Adjusted EBITDA[2]	489	421	934	834	1,728
Earnings per share, SEK	0.42	0.36	0.80	0.73	1.48
Margin measures[3]					
Gross margin, %	45.2%	44.4%	45.6%	44.4%	43.9%
Operating margin, %	10.0%	7.5%	8.6%	7.7%	7.5%
Adjusted operating margin, %[2]	10.8%	7.5%	9.9%	7.7%	8.1%
EBITA margin, %	13.3%	11.1%	11.8%	11.0%	10.7%
Adjusted EBITA margin, %[2]	13.9%	11.1%	13.0%	11.0%	11.3%
EBITDA margin, %	21.0%	19.0%	19.5%	19.2%	18.7%
Adjusted EBITDA margin, %[2]	21.6%	19.0%	20.6%	19.2%	19.2%
Cash flow and return measures					
Return on shareholders' equity, %[1]			7.4%	6.4%	7.1%
Cash conversion, %	129.2%	60.7%	101.9%	52.2%	74.7%
Operating capital, SEK M			11,624	10,991	11,082
Return on operating capital, %[1]			7.2%	6.4%	6.5%
Capital structure					
Interest-bearing net debt			5,589	6,029	5,903
Interest-coverage ratio, multiple[1]			5.5x	5.6x	5.5x
Net debt/equity ratio, multiple			1.0x	1.1x	1.0x
Net debt/adjusted EBITDA, multiple[1,2]			3.2x	3.5x	3.0x
Equity/assets ratio, %			38.9%	39.2%	41.0%
Equity per share, SEK			20.9	21.0	21.7
Other					
No. of shares			272,369,573	272,369,573	272,369,573
Number of employees, average			6,186	6,175	6,151

1) Rolling 12 months.
2) Before exceptional items. See Alternative performance measures on page 17 and definitions on page 20.
3) Due to the changed accounting of GPOs, net sales and selling expenses were restated for the 2019 comparative figures. See also Note 1 on page 12 and Note 13 on page 18. Consequential changes were made to performance measures for 2019.

Alternative performance measures

Alternative performance measures refer to financial measures used by the company's management and investors to evaluate the Group's earnings and financial position, and that cannot be directly read or derived from the financial statements. These financial measures are intended to facilitate analysis of the Group's performance. The alternative performance measures should not be considered substitutes, but rather a supplement to, the financial statements prepared in accordance with IFRS.

The financial measures recognized in this report may differ from similar measures used by other companies.

The alternative performance measures recognized below have not been calculated in accordance with IFRS but have been presented since Arjo believes that they are important in connection with investors' assessments of the Company and the Company's share.

Adjusted EBIT/EBITA/EBITDA SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Operating profit (EBIT)	226	165	392	333	671
Add-back of amortization and write-down of intangible assets	75	81	144	147	292
EBITA	**301**	**246**	**537**	**480**	**963**
Add-back of depreciation and impairment of tangible assets	174	175	346	354	712
EBITDA	**474**	**421**	**883**	**834**	**1,675**
Exceptional items[1)]	18	0	55	0	53
Add-back of write-down of restructuring and integration costs	-3	-	-3	-	-
Adjusted operating profit (EBIT)	**244**	**165**	**447**	**333**	**724**
Adjusted EBITA	**315**	**246**	**588**	**480**	**1,016**
Adjusted EBITDA	**489**	**421**	**934**	**834**	**1,728**

1) Refer to Note 5 Exceptional items on page 13.

Cash conversion	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Cash flow from operations, SEK M	**613**	**255**	**899**	**435**	**1,252**
Operating profit (EBIT)	226	165	392	333	671
Add-back of amortization, depreciation and write-down of intangible and tangible assets	249	256	491	501	1,004
EBITDA, SEK M	**474**	**421**	**883**	**834**	**1,675**
Cash conversion, %	**129.2%**	**60.7%**	**101.9%**	**52.2%**	**74.7%**

Net debt/equity ratio	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Interest-bearing net debt, SEK M	5,589	6,029	5,903
Shareholders' equity, SEK M	5,693	5,723	5,914
Net debt/equity ratio	**0.98**	**1.05**	**1.00**

Calculation of return on operating capital	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Total assets opening balance	14,612	12,811	13,136
Total assets closing balance	14,636	14,612	14,422
Average total assets	**14,624**	**13,712**	**13,779**
Average total assets	14,624	13,712	13,779
Excluding average cash and cash equivalents	-1,019	-846	-812
Excluding average other provisions	-278	-307	-257
Excluding average other non-interest-bearing liabilities	-1,703	-1,568	-1,629
Average operating capital	**11,624**	**10,991**	**11,082**
Operating profit (EBIT)[1]	730	601	671
Add-back of exceptional items[1]	108	99	53
EBIT after add-back of exceptional items	838	700	724
Return on operating capital, %	**7.2%**	**6.4%**	**6.5%**

1) Rolling 12 months.

Note 12 Transactions with related parties

	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Transactions with related parties, SEK M					
Sales	10	16	25	31	64
Purchases of goods	-1	-1	-1	-2	-4
Accounts receivable			7	16	14
Non-current financial liabilities			29	57	29
Accounts payable			0	0	0
Other non-interest-bearing liabilities			6	6	6

Transactions between Arjo and companies in Getinge Group are specified in the table above. In addition to the above, there were no other material transactions with related parties.

Arjo uses Getinge as a distributor in certain markets. Business terms and conditions as well as market-regulated pricing apply for delivery of products and services between the Groups.

Note 13 Restatement of net sales and selling expenses

The portion of fees to the Group purchasing organization in the US market (GPOs) that are not dependent on sales volumes are recognized from January 1, 2020 as selling expenses, instead of reducing net sales as previously. Comparative figures for the corresponding period have been restated according to the same principle. The restated net sales and selling expenses per quarter and for the full-year 2019 are presented below. All performance measures that include net sales and selling expenses have been restated.

	Quarter 1 2019		Quarter 2 2019		Quarter 3 2019		Quarter 4 2019		Full-year 2019	
SEK M	Restated amount	Previously recognized amount	Restated amount	Previously recognized amount	Restated amount	Previously recognized amount	Restated amount	Previously recognized amount	Restated amount	Previously recognized amount
Net sales	2,134	2,123	2,212	2,197	2,154	2,141	2,477	2,464	8,976	8,925
Cost of goods sold	-1,186	-1,186	-1,229	-1,229	-1,253	-1,253	-1,371	-1,371	-5,039	-5,039
Gross profit	**948**	**937**	**983**	**968**	**900**	**888**	**1,106**	**1,093**	**3,937**	**3,886**
Gross margin, %	**44.4%**	**44.1%**	**44.4%**	**44.1%**	**41.8%**	**41.5%**	**44.6%**	**44.4%**	**43.9%**	**43.5%**
Selling expenses	-453	-442	-485	-470	-442	-429	-469	-456	-1,849	-1,797

Parent Company financial statements

Parent Company income statement

SEK M	Quarter 2 2020	Quarter 2 2019	Jan-Jun 2020	Jan-Jun 2019	Full-year 2019
Administrative expenses	-39	-37	-75	-77	-155
Restructuring costs	-3	-	-3	-	-
Other operating income and expenses	1	0	3	0	114
Operating profit (EBIT)	**-41**	**-37**	**-75**	**-77**	**-41**
Income from participations in Group companies	-	69	-	69	310
Net financial items[1]	-14	-15	-30	-46	-75
Profit/loss after financial items	**-55**	**17**	**-105**	**-54**	**194**
Taxes	12	9	23	24	-14
Net profit/loss for the period	**-43**	**26**	**-82**	**-30**	**180**

1) Net financial items contain interest income, interest expenses, other financial expenses and exchange-rate gains and losses attributable to the translation of financial receivables and liabilities in foreign currencies measured at the closing day rate.

Parent Company balance sheet

SEK M	Jun 30 2020	Jun 30 2019	Dec 31, 2019
Assets			
Intangible assets	341	345	340
Financial assets	6,437	6,357	6,390
Current financial receivables, Group companies	280	671	1,427
Other current receivables, Group companies	4	6	59
Current receivables	19	29	35
Cash and cash equivalents	-	3	-
Total assets	**7,081**	**7,411**	**8,251**
Shareholders' equity and liabilities			
Shareholders' equity	4,376	4,425	4,635
Provisions	1	1	1
Current financial liabilities	2,497	2,938	3,573
Other current liabilities, Group companies	6	26	10
Other non-interest-bearing liabilities	201	21	32
Total shareholders' equity and liabilities	**7,081**	**7,411**	**8,251**

At the end of the period, the carrying amount of shares and participations in subsidiaries amounted to SEK 6,314 M (6,292). The change for the period is SEK 20 M and comprises forming new subsidiaries and capital contributions to subsidiaries.

The Parent Company's commercial paper program has a framework amount of SEK 4,000 M. The total amount issued at the end of the period amounted to SEK 2,501 M (2,941). Intangible assets comprise software.

Definitions

Financial terms

Operating capital
Average total assets less cash and cash equivalents, other provisions, accounts payable and other non-interest-bearing liabilities.

Return on operating capital
Rolling 12 months' operating profit with add-back of exceptional items in relation to operating capital.

Return on shareholders' equity
Rolling 12 months' profit after tax in relation to average shareholders' equity.

Cash conversion
Cash flow from operations in relation to EBITDA.

EBIT
Operating profit.

Adjusted EBIT/Operating profit
Operating profit with add-back of exceptional items.

EBITA
Operating profit before amortization and write-down of intangible assets.

Adjusted EBITA
EBITA with add-back of exceptional items.

EBITA margin
EBITA in relation to net sales.

Adjusted EBITA margin
Adjusted EBITA in relation to net sales.

EBITDA
Operating profit before amortization, depreciation and write-down.

Adjusted EBITDA
EBITDA with add-back of exceptional items.

EBITDA margin
EBITDA in relation to net sales.

Adjusted EBITDA margin
Adjusted EBITDA in relation to net sales.

Exceptional items
Total of acquisition, restructuring and integration costs as well as major non-recurring items.

Net debt/equity ratio
Interest-bearing net debt in relation to shareholders' equity.

Organic change
A financial change adjusted for currency fluctuations, acquisitions and divestments.

Earnings per share
Profit for the period attributable to Parent Company shareholders in relation to average number of shares. The following data was used to calculate earnings per share:

Profit for the period attributable to Parent Company shareholders	SEK 219 M
Number of shares, thousands	272,370
Earnings per share	SEK 0.80

Interest-coverage ratio
Profit after financial items plus interest expenses and add-back of exceptional items in relation to interest expenses. Calculated based on rolling twelve-month data.

Operating expenses
Selling expenses, administrative expenses and research and development costs.

Operating margin
Operating profit in relation to net sales.

Equity/assets ratio
Shareholders' equity in relation to total assets.

Medical and other terms

Deep vein thrombosis (DVT)
Formation of a blood clot in a deep leg vein.

Ergonomics
A science concerned with designing the job to fit the worker to prevent illness and accidents.

US Food and Drug Administration (FDA)
The US authority responsible for protecting the public health by carrying out regular inspections of, among other things, medical devices.

Compression therapy
Treatment technique which means that one uses outer pressure with a certain frequency and for a certain period of time to treat and prevent venous leg ulcers.

EU Medical Device Regulation (MDR)
Regulations created by the EU to ensue better protection for the public health and patient safety by establishing modernized and more robust EU legislation. All medical device manufacturers and distributors must comply with these new regulations.

Prevention
Preventive activity/treatment.

Sequential VTE prevention
A treatment that aims to enhance the circulation of blood in the deep veins of the legs, which helps reduce deep vein thrombosis (blood clot in the deep veins of the legs).

Pressure injuries
Sores that occur when blood flow to the skin is reduced by external pressure. Most common in patients with reduced mobility.

VTE
The abbreviation VTE standards for venous thromboembolism – a blood clot in the veins, similar to DVT (above).

Edema
Swelling due to accumulation of fluid in tissues.

Teleconference

Fund managers, analysts and the media are invited to a teleconference on July 17 at 8:00 a.m. CEST.

Dial the number below to participate:

Sweden: +46 8 505 583 73
US: +1 833 249 8405
UK: +44 3333 000 804 and PIN: 12136610# (UK only)

A presentation will be held during the telephone conference. To access the presentation, please use this link:
https://tv.streamfabriken.com/arjo-q2-2020

Alternatively, use the following link to download the presentation:
https://www.arjo.com/int/about-us/investors/reports--presentations/2020/

A recording of the teleconference will be available for 3 years via the following link: https://tv.streamfabriken.com/arjo-q2-2020

Financial information

Updated information on, for example, the Getinge share and corporate governance is available on Arjo's website www.arjo.com. The Annual Report, year-end report and interim reports are published in Swedish and English and are available for download at www.arjo.com.

The following financial statements will be published in 2020/2021:

October 28, 2020	Interim report Jan–Sep 2020
February 3, 2021:	Year-end report 2020
April 27, 2021	Interim report Jan–March 2021
April 27, 2021	2021 Annual General Meeting
March–April 2021:	2020 Annual Report

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This information is information that Arjo AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 7:00 a.m. CEST on July 17, 2020.

Arjo's work is based on genuine care for human health and well-being. Arjo is a market-leading supplier of medical devices and solutions that improve quality of life for patients with reduced mobility and age-related health challenges. The company's offering includes products and solutions for patient handling, hygiene, disinfection, medical beds, prevention of pressure ulcers, prevention of deep vein thrombosis and for obstetric and cardiac diagnostics.

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