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Falck stabilised its financial performance and delivered a solid third quarter

Falck's financial performance improved in the third quarter of 2020. Efficiency measures taken in June 2020 and lower start-up costs in the Ambulance business led to improved profitability and an EBITA margin of 6.6%. Operationally, Falck delivered a strong performance in all markets, supporting national healthcare systems under pressure.

President and CEO Jakob Riis said:

“So far, 2020 has been a year of significant challenges. Due to swift actions taken

in the second quarter, we are now in a stable financial position, and delivering solidly, operationally and financially.”

Revenue was at the same level in the third quarter as in the second quarter of 2020. A range of efficiency-enhancing measures launched in June 2020 have had the desired effect. Cost of operations has been lowered in line with activity levels, and sales and administrative expenses have been similarly adjusted. As a result, profitability was restored in the third quarter.

Financial highlights in Q3 2020 (compared to Q3 2019) were:

- Reported revenue was DKK 2,923 million (DKK 3,403 million). Adjusted for divestments and shut down of non-core business activities, revenue decreased by 8.1% in fixed currencies, mainly due to lower activity levels in the pay-on-use business.
- Reported operating profit (EBITA) increased to DKK 193 million (DKK 173 million). Efficiency measures taken across the business offset the negative impact from lower revenue, and the EBITA margin increased to 6.6% (5.1%).
- Profit for the period increased to DKK 106 million (DKK 52 million). The improvement for the period was driven by the higher EBITA and lower amortisation of customer contracts.
- Free cash flow was DKK 99 million (DKK 126 million). The decrease was mainly driven by the payment of taxes deferred as part of COVID-19 support packages in several countries falling due in the third quarter.
- Falck has narrowed its financial guidance and now expects full-year 2020 revenue of DKK 12.0–12.5 billion (11.5-12.5 billion) and operating profit (EBITA) in the DKK 500–650 million (400-600 million) range.

We care for the well-being of people and excel in saving and improving lives of people in urgent need. This has made Falck an international leader in emergency response and healthcare.

For more than a century, Falck has worked with local and national governments to prevent accidents, diseases and emergency situations, to rescue and assist people in emergencies quickly and competently and to rehabilitate people after illness or injury.

Falck operates in 30 countries and has approximately 25,000 employees.

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Contacts



Global Communications

Press Contact

comms@falck.com

+45 70 22 03 07