

# RATOS

1866 | 2016  
150



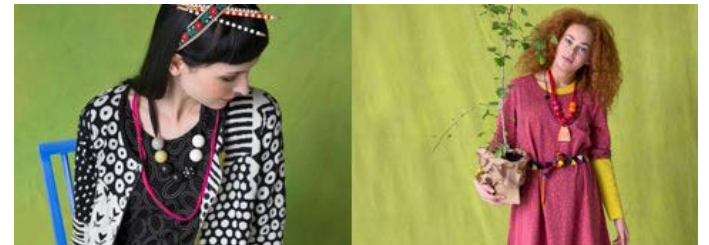
## Telephone conference

Lars Johansson

10 November 2016

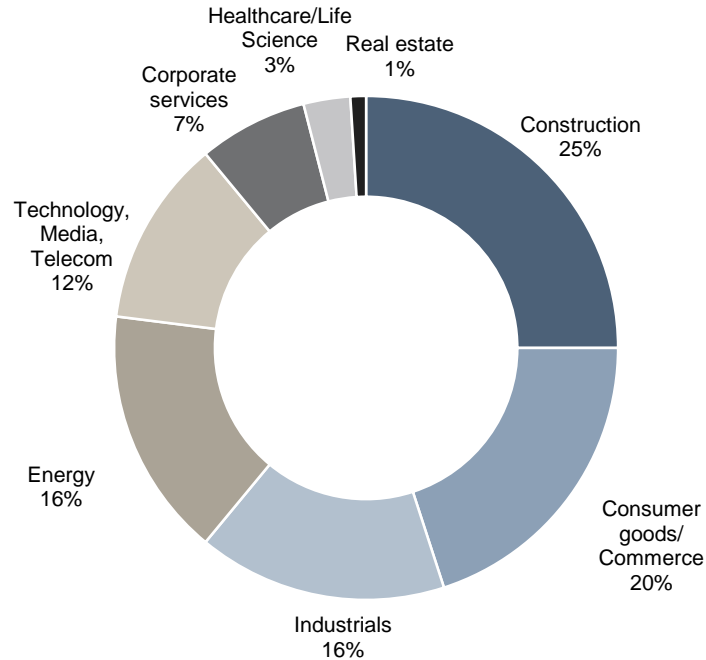
# High level of transaction activity

- High growth but lower earnings
- Impairment of book value
- Acquisition of Plantagen, in total 5 acquisitions during 2016
- Add-on acquisitions in Bisnode, airteam and TFS
- Divestment of Euromaint agreed
- Arcus prepares for IPO
- Outlook for 2016 unchanged

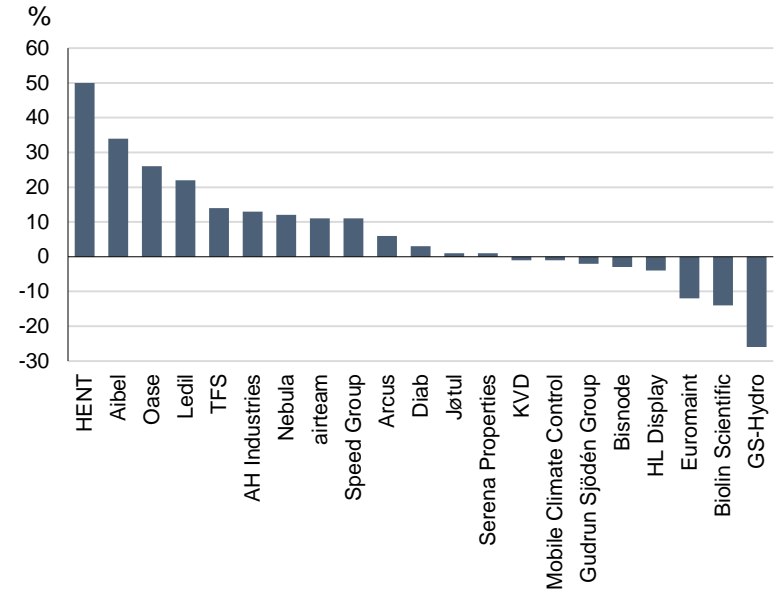


# Changed company portfolio with growth potential

Sales breakdown by segment\* at 30 September 2016



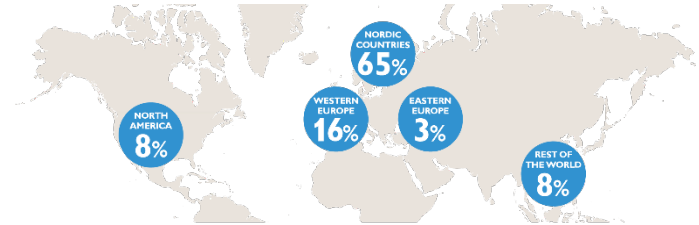
Net sales trend\* at 30 September 2016 (Local currency)



\* Adjusted for the size of Ratos's holding.

# Sales growth and change initiatives

- Unchanged and generally stable market conditions in the Nordic region
- Continued uncertainty in the offshore market
  - Restructuring and layoffs to boost competitiveness
- Focus on growth initiatives and add-on acquisitions to enable expansion
- Strategic and operational measures
  - Bisnode, KVD, Arcus and Diab
  - Capital contributions to Aibel, Bisnode, GS-Hydro and KVD



\* Adjusted for the size of Ratos's holding.

# Companies performance<sup>1)</sup> Q3 2016

	Companies in their entirety		Ratos's holding	
Sales in the portfolio	9,108	+14%	6,006	+10%
EBITA in the portfolio	538	+2%	364	-6%
Adjusted EBITA <sup>2)</sup> in the portfolio	547	-5%	403	-4%

<sup>1)</sup> Comparison with corresponding period last year and for comparable units.

<sup>2)</sup> Excluding items affecting comparability.



# Companies' performance<sup>1)</sup> Jan-Sep 2016

	Companies in their entirety		Ratos's holding	
Sales in the portfolio	27,142	+13%	17,981	+9%
EBITA in the portfolio	1,278	-17%	894	-15%
Adjusted EBITA <sup>2)</sup> in the portfolio	1,625	-3%	1,100	-4%




<sup>1)</sup> Comparison with corresponding period last year and for comparable units.

<sup>2)</sup> Excluding items affecting comparability.





# Company overview – development status

	GOOD DEVELOPMENT 	DEVIATIONS 	CHALLENGES 
MID CAP	<p>Arcus Diab HENT KVD Ledil Mobile Climate Control Nebula</p> <p><b>57%</b> <i>Share of adjusted EBITA</i></p>	<p>Aibel Bisnode HL Display</p> <p><b>27%</b> <i>Share of adjusted EBITA</i></p>	
SMALL CAP	<p>airteam Gudrun Sjödén Group Oase Outdoors Serena Properties Speed Group TFS</p> <p><b>21%</b> <i>Share of adjusted EBITA</i></p>	<p>Biolin Scientific Euromaint</p> <p><b>2%</b> <i>Share of adjusted EBITA</i></p>	<p>AH Industries GS-Hydro Jøtul</p> <p><b>-7%</b> <i>Share of adjusted EBITA</i></p>

Illustrated division based on Ratos's roughly estimated market values.

# Company overview – development status

MID CAP

## GOOD DEVELOPMENT

Sales	+18%
EBITA	+6%
Adj. EBITA	+11%
Adj. EBITA marg	+7.5% (7.9)

**57%**

*Share of adjusted EBITA*

## DEVIATIONS

Sales	+8%
EBITA	-13%
Adj. EBITA	+6%
Adj. EBITA marg	+5.8% (5.9)

**27%**

*Share of adjusted EBITA*

## CHALLENGES

SMALL CAP

Sales	+12%
EBITA	0%
Adj. EBITA	+11%
Adj. EBITA marg	+14.8% (14.9)

**21%**

*Share of adjusted EBITA*

Sales	-13%
EBITA	-63%
Adj. EBITA	-59%
Adj. EBITA marg	+2.4% (5.0)

**2%**

*Share of adjusted EBITA*

Sales	-10%
EBITA	neg
Adj. EBITA	neg
Adj. EBITA marg	-4.4% (1.6)

**-7%**

*Share of adjusted EBITA*

Illustrated division based on Ratos's roughly estimated market values.



# High activity in the transaction market

- Continued good access to bank financing
- Ratos has a favourable financial position
- High activity in acquisitions
  - airteam, Oase Outdoors and Gudrun Sjödén Group
  - Plantagen was acquired in September
  - Agreement signed for the divestment of Euromaint
  - Arcus prepares for IPO



# Acquisition of Plantagen, leading retail chain for plants and accessories

**PLANTAGEN®**

## Facts about Plantagen

Sales*	NOK 3,700m
Adjusted EBITDA*	NOK 370m
Number of employees	Approx. 1,200
Head office	Oslo
President	Jon Abrahamsson Ring

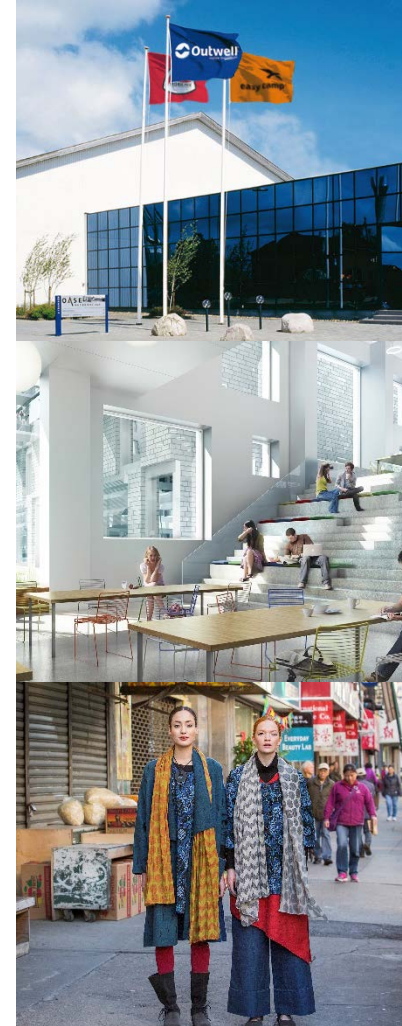
- Agreement to acquire 100% of the shares signed in September – EV approx. NOK 2.9 billion
- The Nordic region's leading chain for sales of plants and gardening accessories
- 124 stores in Norway, Sweden and Finland, a primary focus on consumers
- The market for plants and gardening accessories has stable growth and underlying positive trends in terms of increased interest in cultivation, gardening and interior decoration
- Potential to increase sales through existing garden centers and smaller stores



\*Rolling 12 months per June 2016

# Outlook for 2016

- Cautious macroeconomic view with shifting market trends
- Maintained outlook for 2016 in the portfolio with somewhat lower adjusted EBITA compared to last year







*150 years of entrepreneurship, operational development and community involvement*