



Per Frankling

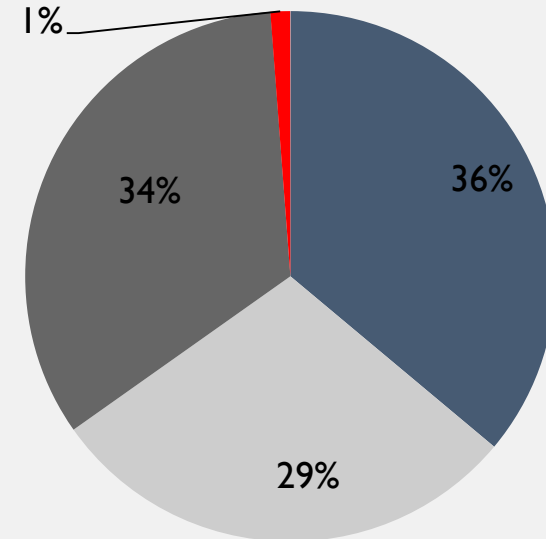
12 March 2014

Nebula

In brief

- Provider of subscription-based IT infrastructure services in Finland
- Main focus on SMEs
- Founded in 1997
- Head office in Helsinki
- CEO: Ville Skogberg
- 110 employees
- 34,000 customers
- Four data centers: Helsinki x2, London, Singapore

Revenue by service area



- Cloud services
- Network access
- Managed services
- Workstation support

Three service areas

Cloud services



- Access to storage, virtual server capacity, processing, hosted web servers, hosted email, hosted applications over the internet
- Many small customers
- Produced in Nebula's production environment
- Largest local supplier. Strong local support

Managed services



- Dedicated servers, managed servers, co-location
- Larger contracts. Outsourcing
- Servers located at Nebula's data centers
- Highly competent local provider

Network access



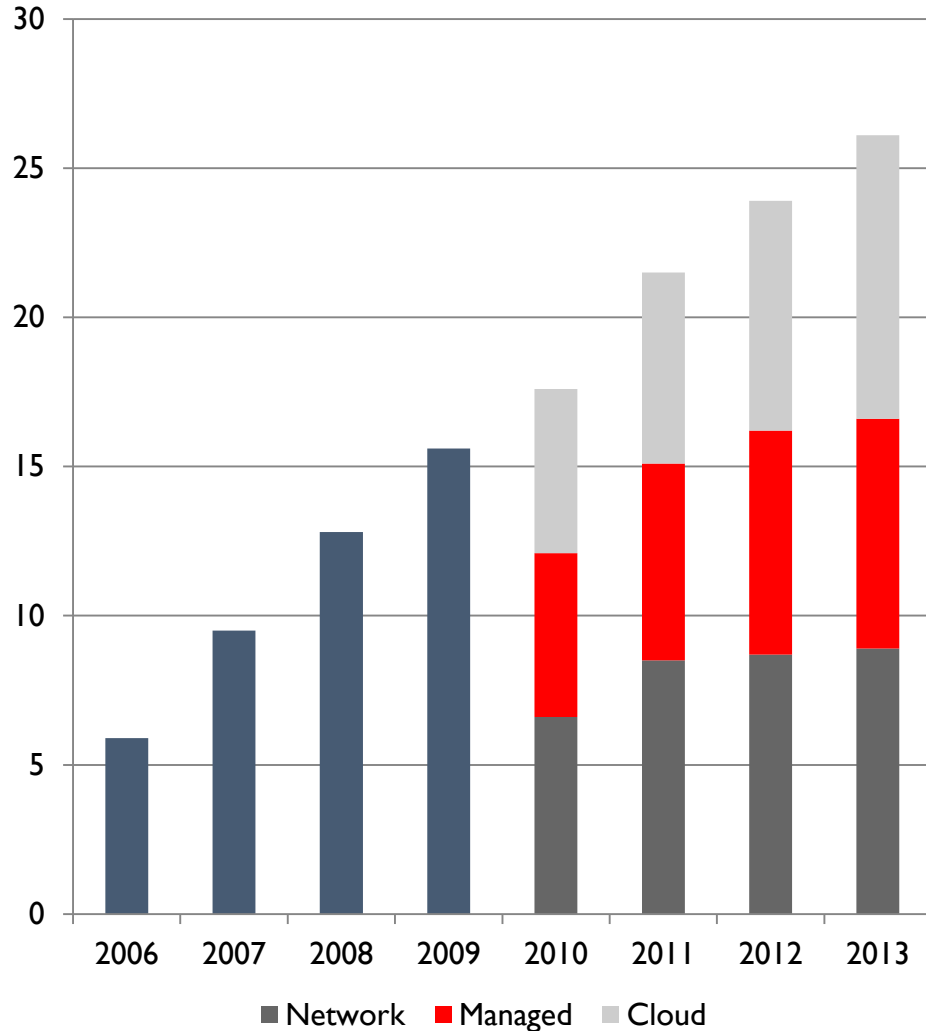
- Internet connections via fiber and DSL, firewalls, VPNs
- Individual connections and larger networks
- Proprietary national network
- Leading alternative supplier

Advantages of cloud services for SMEs

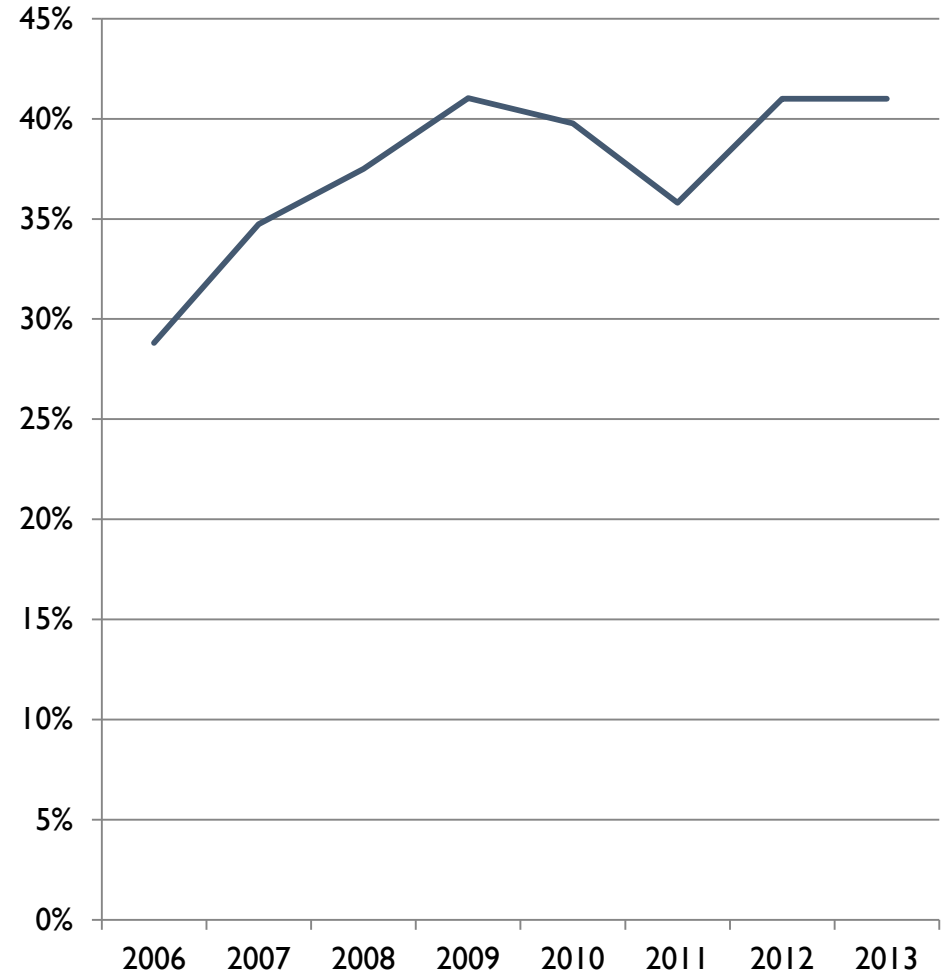
- Cloud services force standardisation – enables scalability
- Very efficient production for provider (if set up correctly and volumes large)
 - Shared hardware
 - Shared platform and software configuration
 - Shared operations
 - Very large scale advantages – even if each individual customer is small
- Very efficient usage for customer
 - Outsourced IT management
 - Access from all locations
 - No hardware issues to handle
 - Access to support
 - Flexibility

Financial development

Revenue, EURm



Adjusted EBITDA margin



Acquisition

- Closing 30 April 2013
- Ratos 72%, Rite Ventures 16%, Management 12%
- Enterprise value: EUR 82.5m
- Ratos equity: EUR 34m
- 2013 adjusted EBITA: EUR 8.7m (EV/EBITA 9.5)
- 2013 adjusted EBITDA: EUR 10.7m (EV/EBITDA 7.7)
- Ratos team: Per Frankling and Johan Rydmark

Investment case

- Market leader in its niche in Finland
- Very strong technical culture with cost focus and strategic discipline
- Improvement potentials in sales and marketing
- Stable and growing demand
- Strong business model
 - Subscription-based revenues
 - Very strong operating leverage
 - SME very attractive customer segment
 - Very good cash flow generation
- Consolidation opportunities

2014

- Strengthening of sales and marketing resources and management team
 - Some increases in overhead costs
- Continued growth in cloud services
- Managed services growth dependent on small number of contracts
- Competitive environment in network access
 - Shift from ADSL to fiber
- New board members: Pekka Eloholma and Riitta Tiuraniemi
- Consolidation opportunities will be evaluated



Q&A