

RATOS

CEO Arne Karlsson

AGM 2012

2011 – win a few...

- 2011: mixed development
- Robust strategy, enduring business model
- Flexible financial strategy
- World-class organisation
- Macro: TOW
- Good chances for improved earnings

Holdings: mixed development

- Major differences between holdings

Mixed development in holdings

Earnings trend 2011, holdings (%)

	Total	Ratos's share
Sales	±0	-1
EBITA	-18	-17

Holdings: mixed development

- Major differences between holdings
- Continued powerful action programmes
- Q4: many positive trends

High transaction and refinancing activity

Acquisitions	Add-ons	Exits	Refinancing
Biolin	Arcus/Excellars	Bisnode/WLW	Anticimex
Finnkino	Biolin/Sophion	Contex/Z Corp	Arcus
	Bisnode/Lindorff	EM Industry	Bisnode
	Inwido/Protec	Medisize	Inwido
	MCC/Carrier		SB Seating
	Stofa/CD		Stofa

Total return

	1999-2011	2012
Ratos, B share	+1,117%	+9%
Six Return Index	+132%	+9%

Strategy

- Strategy and business model the same as in 1999
 - (minor) adaptations and adjustments
 - constant challenge and development
- Robust business model!
 - three (deep) crises
 - two bubbles
 - “normal situation”
- Private Equity Conglomerate
 - “perpetual motion”

Financial strategy

- Created smorgasbord
 - cash
 - dividends/refinancings (multi-year plans)
 - exits
 - credit facility
 - new issue mandate
 - additional ongoing projects

Organisation (1)

- Our only production factor
- Humble stars – “rather Henke than Zlatan”
- Industrial expertise profile
- Challenge and further development
- Manned with world stars...
- ...but not dependent on individuals

Organisation (2)

- Undramatic drama
 - change of chairman
 - change of CEO
 - Sanna!

Sanna – a brief introduction

- MSc Econ from the Stockholm School of Economics
- Corporate Finance, Alfred Berg, 1996-2000
- McKinsey 2000-2003
- Ratos since 2003
 - responsible for one of five investment teams
 - responsible for holdings Arcus-Gruppen and HL Display
 - responsible for Ratos's presence in Norway

CEO with focus on continuity

- Ratos stands on very stable foundation
 - smooth-functioning, well-proven strategy
 - well-functioning organisation with competent employees
- Continuity is the keyword
- However: continual improvements central
 - changing business environment
 - Ratos good, but can always be better

Macro 2012 – TOW (1)

- Sub par growth
 - euro area heading for recession
 - other major economies weak to modest growth
 - growth in the global economy
 - risks on the downside
- No inflation
 - deflation still major threat
 - deleveraging creates continued problems for monetary policy
 - unemployment prevents salary inflation

Macro 2012 – TOW (2)

- Continued low interest rates
 - extremely easy monetary policy 2012-2013
 - ECB and PBOC towards more easy monetary policy
- Risks
 - never so much uncertainty, so many key issues at the same time
 - Europe
 - election year in countries that account for 50% of global GDP
 - geopolitics
 - populist movements

Macro – TOW (3)

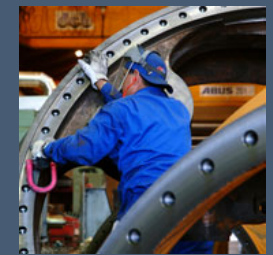
- TOW – Tug-Of-War
 - monetary policy vs fiscal policy
 - stimulus vs austerity
 - continued high volatility
 - continued gigantic risks
 - continued conservative strategy

Good chances 2012

- Prerequisite: sub-par growth
- Continued operating leverage
- Good chances for improved earnings in underlying portfolio of companies

Holdings

- 19 holdings
- Sales ~ SEK 35bn in 2011
- EBITA ~ SEK 2.4bn in 2011
- ~ 23 000 employees



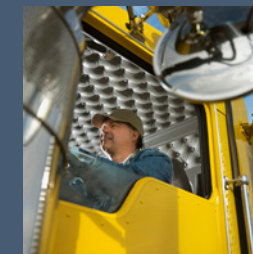
AH Industries



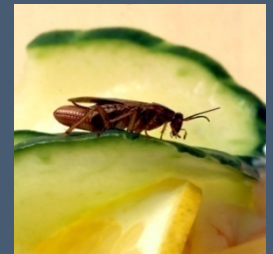
Euromaint



Inwido



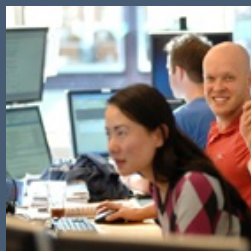
Mobile Climate Control



Anticimex



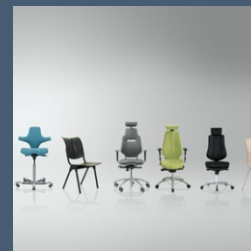
Contex Group



Bisnode



Arcus-Gruppen



SB Seating



HL Display



KVD Kvarndammen



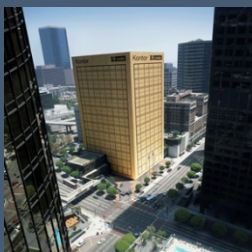
DIAB



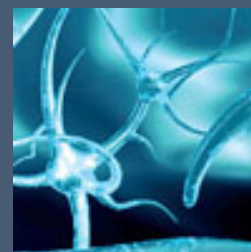
Hafa Bathroom Group



Jøtul



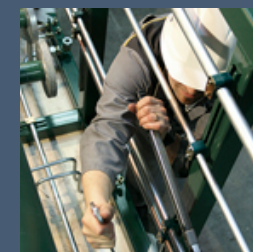
Lindab



Biolin Scientific



Stofa



GS-Hydro



Finnkino

Why invest in Ratos?

- Portfolio
- Organisation and capital
- Target: 20% IRR
- Dividend yield
- History and brand name
- Liquidity
- Transparency

RAATOS

Professional – Active – Responsible