

RATOS



Year-end report 2017

Jonas Wiström

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Year-end report 2017

My view of Ratos

Comments on Year-end report 2017

An introduction of the new CEO

- Royal Institute of Technology 1983
- Philips Defence Electronics
- Saab-Scania
- SDRC
- SUN Microsystems
- Silicon Graphics
- Prevas
- ÅF
- Current Board assignments
 - Tieto, Business Sweden, Swe Engineering Industries. ICC, IVA



PHILIPS



SCANIA



Prevas



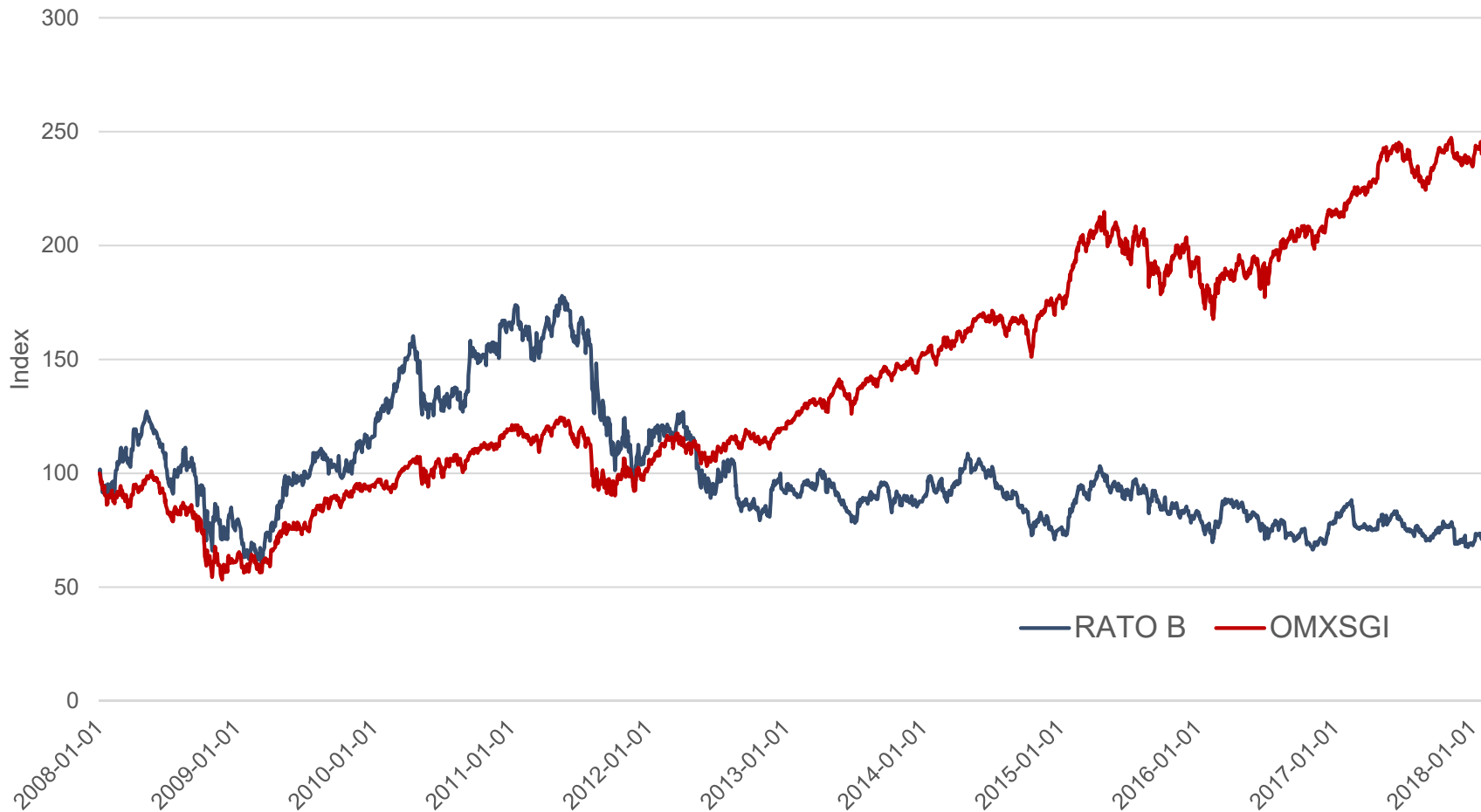
Making Future.

My view of Ratos

- Established and well-known brand name in the Nordic region
- Fantastic history
- Solid and long term main shareholder
- Underperforming share-price development



Total return Ratos B-share compared to OMXSGI



RATOS B shows the gross return of the Ratos B-share, indexed to 100 at 1st January 2008 and including reinvestment of dividends

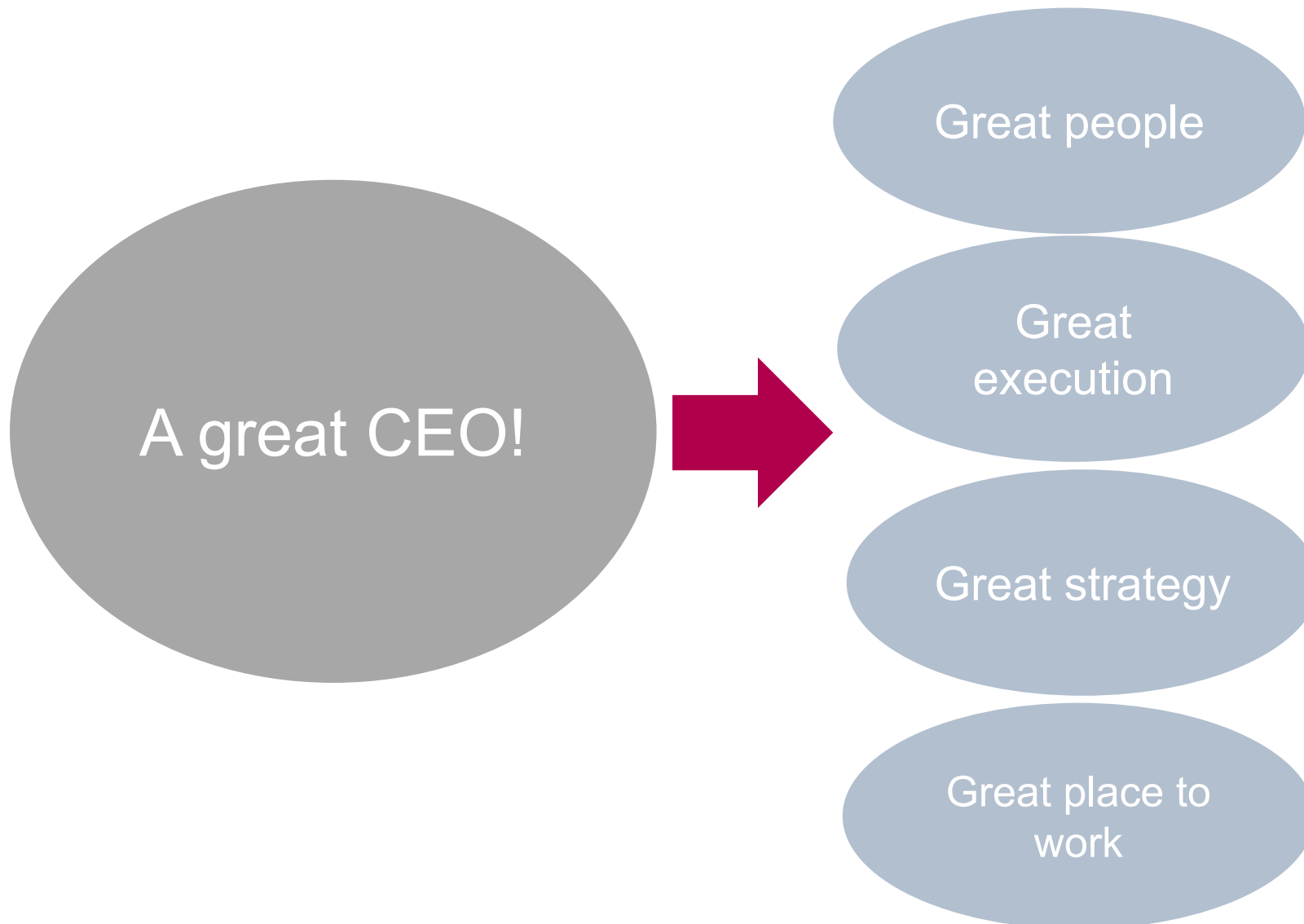
OMXSGI shows the gross return of all stocks listed on Nasdaq Stockholm, indexed to 100 at 1st January 2008 and including reinvestment of dividends

Ratos's challenge

- Weak historical development of Ratos's holdings
- In 2017 only 7 out of 14 companies (6 out of 14 in Q4) displayed positive EBITA-development despite strong market conditions



Nothing is more important for a good result in our portfolio companies than a great CEO



Agenda for my first 100 days

“Understand before you want to be understood”

- In detail understand and review
 - Ratos
 - Portfolio companies and their markets
 - Our corporate governance model
- Focus on existing holdings



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My view of Ratos

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Performance in the companies¹⁾

January-December 2017, MSEK

	Ratos's holding	
Sales in the portfolio	21,037	-2%
The portfolio's EBITA	1,048	+4%
Adjusted EBITA ²⁾ in the portfolio	1,162	-13%
EBT	658	-890

¹⁾ Comparison with corresponding period last year and for comparable companies.

²⁾ Excluding items affecting comparability.

Performance in the companies¹⁾

Q4 2017, MSEK

	Ratos's holding	
Sales in the portfolio	5,168	-10%
The portfolio's EBITA	43	-40%
Adjusted EBITA ²⁾ in the portfolio	118	-45%
EBT	-597	1,330

¹⁾ Comparison with corresponding period last year and for comparable companies.

²⁾ Excluding items affecting comparability.

Performance in the companies¹⁾

EBITA-development, Q4 2017 and full year 2017, MSEK

Performance of Ratos's company portfolio, Ratos's holding

	2017 Q4	2016 Q4	Change, %	2017 Q1-Q4	2016 Q1-Q4	Change, %
Aibel	16	-30	Impr	102	15	Impr
airteam	19	14	37%	54	32	66%
Bisnode	100	79	26%	277	159	74%
Diab	-32	28	-	1	105	-99%
Gudrun Sjödén Group	7	8	-2%	25	21	19%
HENT	51	43	20%	190	174	9%
HL Display	-1	10	-	42	66	-36%
Jøtul	-1	18	-	-15	0	-
Kvdbil	5	13	-60%	30	37	-19%
Ledil	10	11	-6%	71	70	1%
Oase Outdoors	-16	-21	Impr	42	36	14%
Plantasjen	-112	-112	-	217	230	-6%
Speed Group	0	-4	Impr	17	24	-29%
TFS	-6	14	-	-4	38	-
Total	43	71	-40%	1 048	1 008	4%

¹⁾Comparison with corresponding period last year and for comparable companies.

Summary

- Weaker development in company portfolio in Q3 and Q4
- Divestment of Nebula and Serena Properties
- Redemption of all Class C preference shares
- Lowered Ratos's operational management costs
- Impairment of book values in Diab and HL Display, SEK 550m
- Strong financial position, SEK 2,226m and strong cashflow in Q4
- Proposed dividend of SEK 2.00 per share (2.00)
- Continuing my assessment of Ratos
 - Focus on existing holdings
- My mission: To increase shareholder value in a growing Ratos



Q&A