

RATOS



Year-end Report 2018

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Proposed dividend and full year earnings

- Proposed dividend SEK 0,50 per share (2.00)
 - Ratos maintains good financial position
- Profit in portfolio companies, 604 MSEK (679) 2018*
 - HENT, Plantasjen and Diab negative impact
 - Positive momentum in majority of companies
- Profit/loss before tax -69 MSEK (658)
 - Exit gains 62 MSEK (596)
 - Impairments -600 MSEK (-550)
- Net cash position in Ratos AB, 1.7 bn SEK (2.2)
 - Group Net debt / EBITDA 3.4x



* Ratos share

Portfolio EBITA affected by write downs and non-recurring costs in the fourth quarter

- Negative EBITA-development, from 36 MSEK to -87 MSEK
 - Write-downs in HENT
 - Restructuring measures in Diab
 - Weaker earnings in Plantasjen
- Positive development in Aibel, airteam, Bisnode and HL Display
 - Completed restructuring and value-creating initiatives in growing market segments
- Positive sales development, +11%
- Operating cashflow, 303 MSEK (751)



Fourth quarter – Major EBITA factors in the portfolio

- Diab
 - EBITA -78 MSEK (-32)
 - Restructuring costs of -78 MSEK
 - Adjusted EBITA 0 MSEK (-32)
 - Continued improvement in the wind power segment
- HENT
 - EBITA -80 MSEK (51)
 - Project write downs of approximately -115 MSEK
 - Tender and project execution process amended
- Plantasjen
 - EBITA -164 MSEK (-112)
 - Negative effects from waste and unprofitable customer contracts



Performance in the companies

Fourth quarter 2018, MSEK, adjusted for the size of Ratos's holdings

EBITA, company portfolio			
	2018 Q4	2017 Q4	Change ¹
Aibel	66	16	303%
airteam	24	19	25%
Bisnode	131	100	32%
Diab	-78	-32	neg
HENT	-80	51	neg
HL Display	21	-1	pos
Kvdbil	5	5	0%
LEDil	11	10	10%
Oase Outdoors	-17	-16	11%
Plantasjen	-164	-112	neg
Speed Group	-14	0	neg
TFS	7	-6	pos
Total	-87	36	neg

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

Important events in the fourth quarter

- HENT
 - Major contract win, order value approximately NOK 1 billion
- Speed Group
 - Divestment of Speed Production
- TFS (Jan 2019)
 - Acquisition of the remaining shares (40%)
- Swedish expansion of airteam continues (Jan 2019)



Measures taken and focus going forward

- Continued focus on existing company portfolio
 - Stability, profitability and growth
- CEO changes in
 - Kvdbil, Speed Group, Plantasjen and Diab
- New chairmen have been appointed in three companies
- A decentralised line-organisation in several companies, including TFS
- Reviewed our organisation in Ratos AB
 - Shift of expertise and more efficient organisation
 - Lowered central costs to -117 MSEK (-153)
 - New organisation from March 1, 2019



New organisation from March 1st

Defined Business areas

Construction	Business Services	Consumer / Retail	Healthcare / Life science	Industrials	Technology / Media / Telecom
					
					
					
					

Business Areas

Consumer Tech



Construction & Services

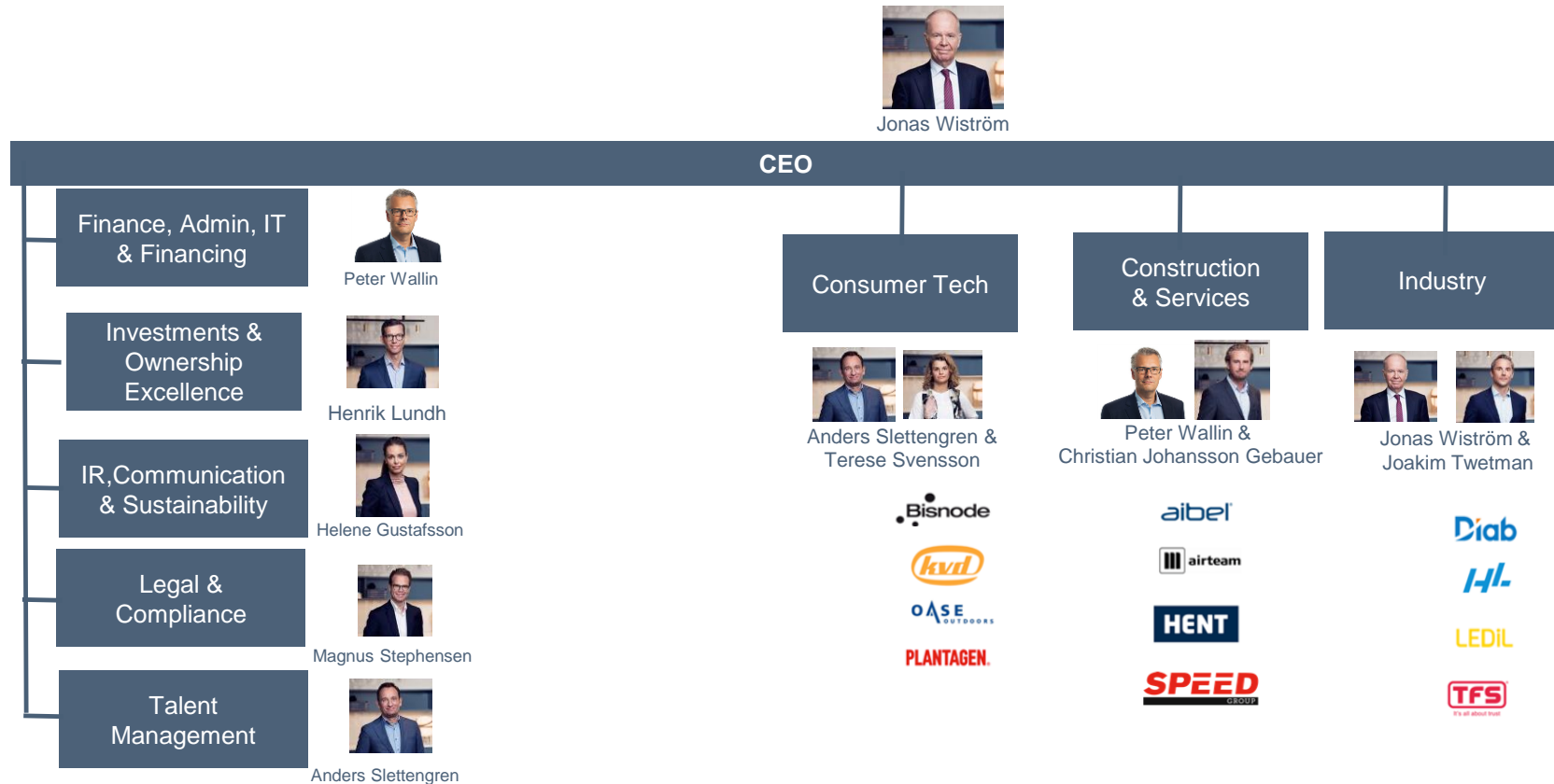


Industry



Net sales (MSEK), 2018	7,429	9,974	3,762
EBITA (MSEK), 2018	441	349	15

New organisation from March 1st



Summary Fourth Quarter 2018

- Proposed dividend SEK 0.50 per share (2.00)
- Write downs and restructuring costs in portfolio affected fourth quarter earnings
- Positive momentum in majority of portfolio
- New organisation from March 1, 2019



Q&A