

# RATOS

1866 | 2016  
150



## Telephone conference

Lars Johansson

19 August 2016

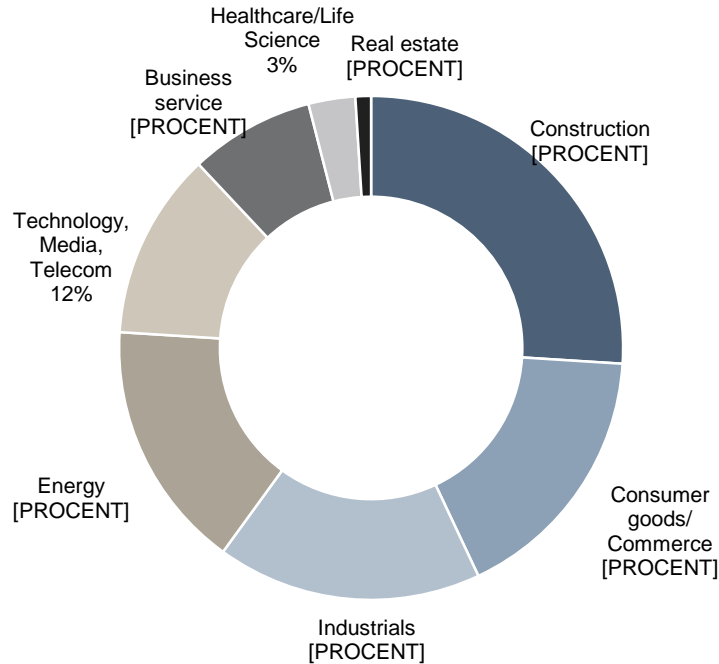
# An eventful first six months

- Growth as an effect of completed initiatives
- Lower earnings mainly due to the weak performance of GS-Hydro
- Change of CEO
- New attractive investments
- Strong financial position
- Outlook for 2016

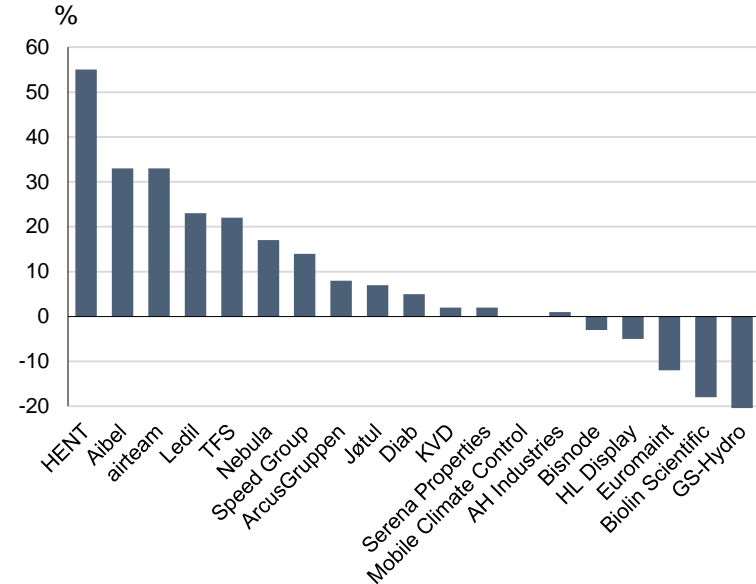


# Changed company portfolio with growth potential

Sales breakdown by segment\* at 30 June 2016



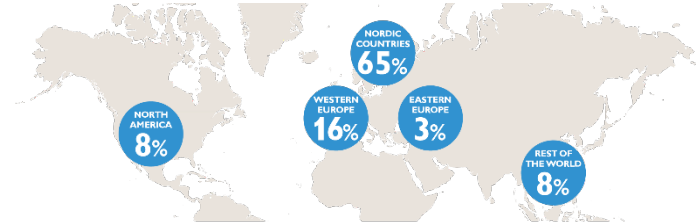
Net sales trend\* at 30 June 2016 (Local currency)



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

# Sales growth in unchanged market situation

- Unchanged and generally stable market situation in the Nordic region
- Continued uncertainty in the offshore market
- Focus on growth initiatives
- Attractive segments with strong structural growth



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

# Performance by the companies<sup>1)</sup> Q2 2016

	100%		Ratos's share	
Sales in the portfolio	9,429	+18%	6,101	+11%
EBITA in the portfolio	354	-32%	270	-23%
Adjusted EBITA <sup>2)</sup> in the portfolio	560	-1%	360	-6%

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

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

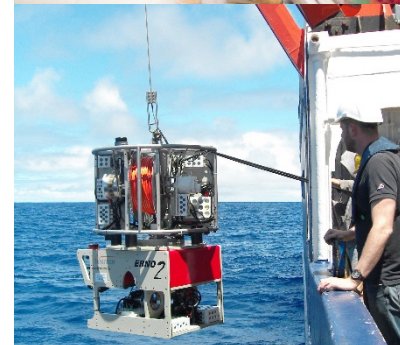
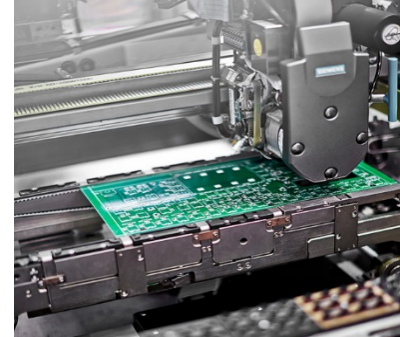


# Performance in the companies<sup>1)</sup> Jan-Jun 2016

	100%		Ratos's share	
Sales in the portfolio	17,385	+12%	11,623	+8%
EBITA in the portfolio	641	-32%	460	-26%
Adjusted EBITA <sup>2)</sup> in the portfolio	973	-6%	624	-9%

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

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



# Focus on value-creating initiatives

- Restructuring and layoffs to boost competitiveness
- Increased production efficiency to improve profitability
- Growth initiatives through geographic expansion and increased market presence
- Initiative to achieve broader offering and product development
- Capital contributions to Aibel and Bisnode

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

**+8%**

Sales trend in the portfolio

**-26%**




Reported EBITA trend

**-9%**

Adjusted EBITA trend in the portfolio



# Company overview – development status

	GOOD DEVELOPMENT 	DEVIATIONS 	CHALLENGES 
MID CAP	<p>ArcusGruppen Diab HENT KVD Ledil Mobile Climate Control Nebula</p> <p><b>62%</b> <i>Share of adjusted EBITA</i></p>	<p>Aibel Bisnode HL Display</p> <p><b>31%</b> <i>Share of adjusted EBITA</i></p>	
SMALL CAP	<p>airteam Serena Properties Speed Group TFS</p> <p><b>15%</b> <i>Share of adjusted EBITA</i></p>	<p>Biolin Scientific Euromaint</p> <p><b>3%</b> <i>Share of adjusted EBITA</i></p>	<p>AH Industries GS-Hydro Jøtul</p> <p><b>-11%</b> <i>Share of adjusted EBITA</i></p>

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



# Company overview – development status

## GOOD DEVELOPMENT

## DEVIATIONS

## CHALLENGES

MID CAP

Sales	+19%
EBITA	+13%
Adj. EBITA	+15%
Adj. EBITA margin	+7.0% (7.1)

**62%**

*Share of adjusted EBITA*

Sales	+6%
EBITA	-45%
Adj. EBITA	0%
Adj. EBITA margin	+5.8% (6.1)

**31%**

*Share of adjusted EBITA*

SMALL CAP

Sales	+21%
EBITA	-3%
Adj. EBITA	+15%
Adj. EBITA margin	+13.5% (14.2)

**15%**

*Share of adjusted EBITA*

Sales	-13%
EBITA	-75%
Adj. EBITA	-69%
Adj. EBITA margin	+2.3% (6.6)

**3%**

*Share of adjusted EBITA*

Sales	-15%
EBITA	neg
Adj. EBITA	neg
Adj. EBITA margin	neg (+0.7%)

**-11%**

*Share of adjusted EBITA*

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

# High activity level in the transaction market

- Continued good access to bank financing
- Ratos maintained a strong financial position
- High activity level in acquisition activities
  - airteam acquired in February
  - Oase Outdoors acquired in June
  - Gudrun Sjödén Group acquired in July



# Acquisition of camping and outdoor equipment company Oase Outdoors

- Agreement to acquire 80% of shares signed in June – EV DKK 380m (100%)
- Danish family-owned company that designs, produces and supplies innovative camping and outdoor equipment under three strong brands: Outwell®, Easy Camp® and Robens®
- Attractive, stable and growing market with several underlying growth trends
- Significant development potential, mainly with respect to geographic expansion and continued product development



## Facts about Oase Outdoors

Sales 2014/15	DKK 266m
EBITA 2014/15	DKK 36m
No. of employees	70
Ratos's holding	80%
Head office	Give, Denmark
No. of markets	40
CEO	Henrik Arens



# Aquisition of design company Gudrun Sjödén Group

- Agreement to acquire 30% of shares signed in July – EV SEK 725m (100%)
- International design company with a unique, colourful style and clear sustainability profile
- Global sales in 50 markets; webshop its largest sales channel
- The market for designed apparel and homeware products is growing as demand for timeless models, high quality and sustainable materials increases
- Continued favourable potential to grow globally, capture market shares and further develop its e-commerce business



## Facts about Gudrun Sjödén Group

Sales 2015	SEK 715m
EBITA 2015	SEK 76m
No. of employees	400
Ratos's holding	30%
Head office	Stockholm, Sweden
No. of markets	50
CEO	Gudrun Sjödén



# Outlook for 2016

- Cautious macroeconomic view with shifting market trend
- High activity level in the transaction market
- Adjustment of expectations from a cautiously positive view of the earnings trend to a slight decline in earnings compared with the year-earlier period



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