

# RATOS



## Telephone conference

CEO Susanna Campbell

7 May 2015

# Strong start to the year

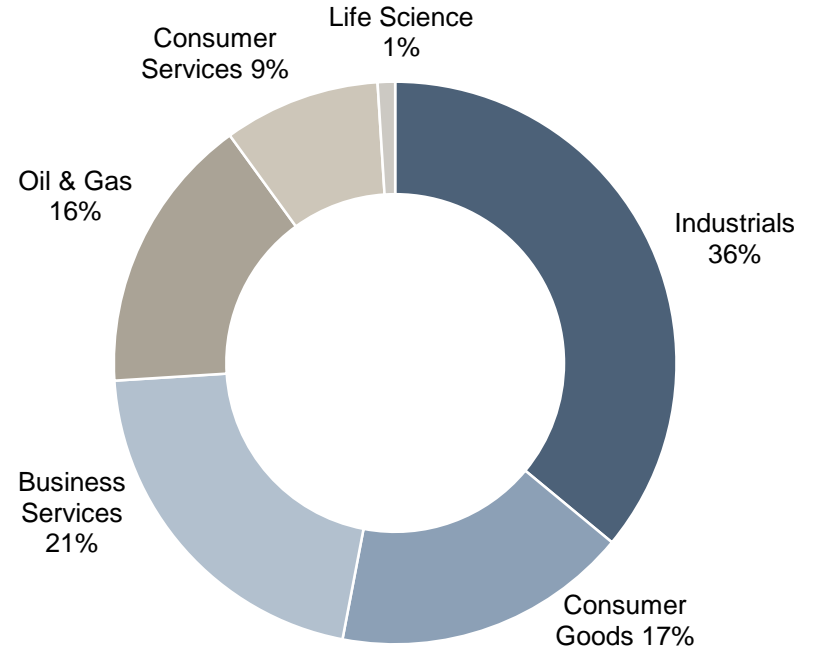
- Good earnings improvement Q1 for the companies
- Two key divestments in April
  - Nordic Cinema Group – exit gain approx. SEK 900m
  - Reduced shareholding in Inwido – exit gain approx. SEK 230m
- Strong financial position
- Unchanged positive view of 2015



# Stable markets

- Most markets stable compared with end of 2014
- Market development varies
  - Growth DIAB (wind energy) and MCC (buses)
  - Weak market HL Display (retail UK) and Aibel (maintenance)
- Growth +4%
- Economic development in Nordic region important

Sales breakdown by segment\*



\* Adjusted for the size of Ratos's holding

# Strong Q1 for the companies

- Strong earnings trend – adjusted EBITA +35%
- Q1 small quarter – should not be over-interpreted
- Effects of growth and efficiency improvement initiatives
- Positive currency effects
- Aibel: new construction contract worth approx. NOK 8 billion in Johan Sverdrup field



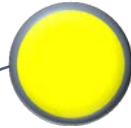
# Performance in the companies Q1 2015

	100%	Ratos's share
Sales	-1%	+4%
EBITA	+92%	+53%
EBITA excluding items affecting comparability	+36%	+35%
EBT	-	+558%
EBT excluding items affecting comparability	+146%	+106%

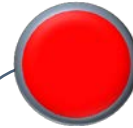
# Overall view of performance in the companies



Arcus-Gruppen  
Biolin Scientific  
DIAB  
GS-Hydro  
HENT  
Inwido  
KVD  
Ledil  
Mobile Climate Control  
Nebula  
Nordic Cinema Group

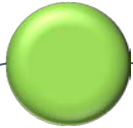


Aibel  
Bisnode  
Euromaint  
HL Display

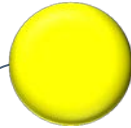


AH Industries  
Hafa Bathroom Group  
Jøtul

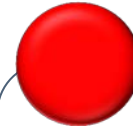
# Good sales and earnings development in the portfolio in the first quarter



Sales	+15%
EBITA	+80%
Adj. EBITA	+64%
Adj. EBITA marg	+7.1% (5.0)

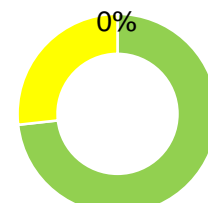
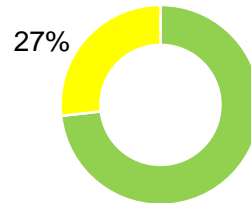
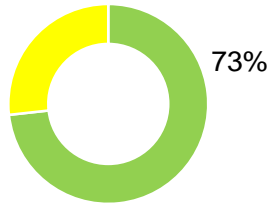


Sales	-10%
EBITA	-11%
Adj. EBITA	-15%
Adj. EBITA marg	+4.1% (4.4)



Sales	+10%
EBITA	neg
Adj. EBITA	neg
Adj. EBITA marg	neg (neg)

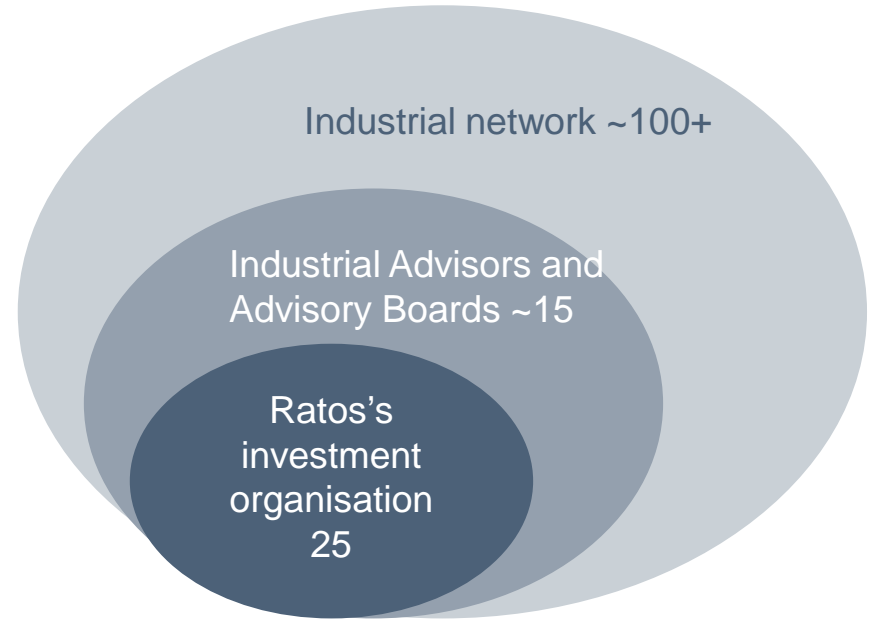
Share of adjusted EBITA Q1



Adjusted for the size of Ratos's holding. Adjusted EBITA; EBITA adjusted for items affecting comparability.

# Strong transaction market

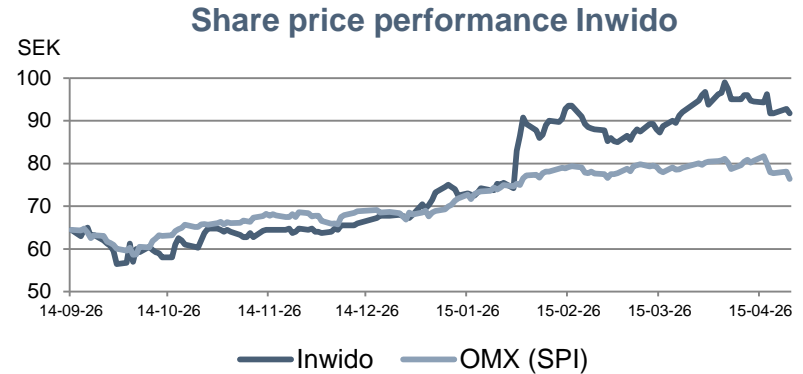
- High pressure
- Very good access to bank financing
- No signs of slowdown
- Opportunities for Ratos to capture value creation through exits
- Challenge to find attractive investment opportunities





# Two major exits for Ratos in April

- Agreement for sale of Nordic Cinema Group
- Reduced shareholding in Inwido
  - Holding 10.4% after deal
  - Exit gain approx. SEK 230m
- Strong financial position
  - Cash approximately SEK 4.8 billion after completion of agreed transactions



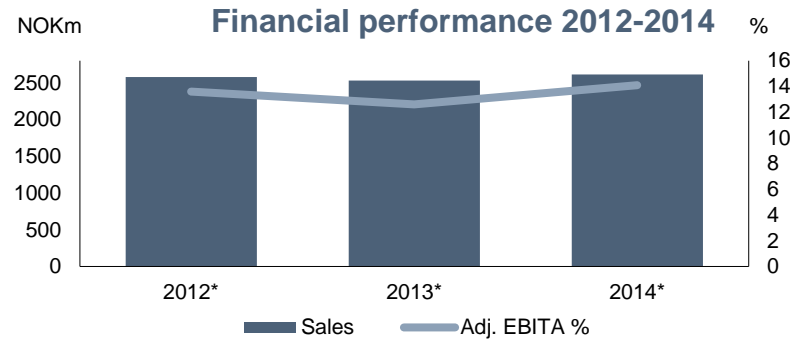
# Nordic-leading cinema operator created

- Ratos acquired Finnkinno 2011 – leading cinema operator in Finland and Baltics
- Nordic Cinema Group formed 2013 through a merger with SF Bio
- Strong strategic position and good long-term prospects
- Value-creating growth initiatives: investments in modern cinemas and customer offering
- Stable growth and good profitability



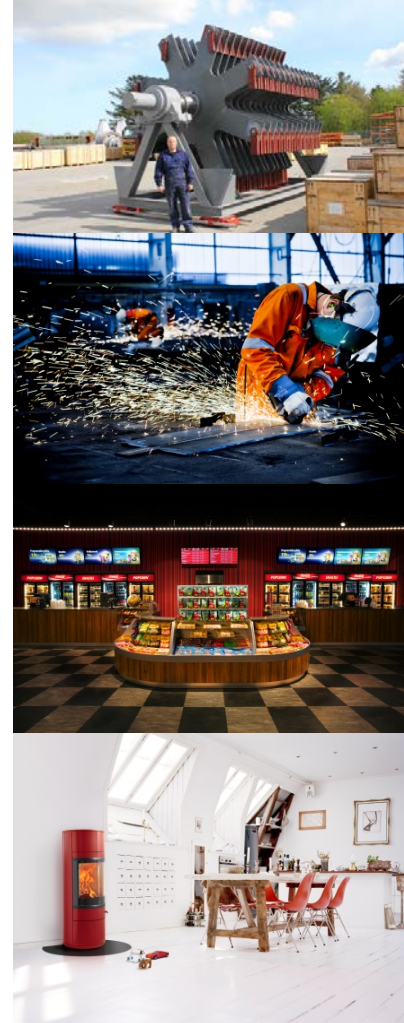
# Strengthened strategic position provides good return

- Agreement signed in April on sale to Bridgepoint
- Enterprise value approximately SEK 4,700m
  - Approx. SEK 1,700m for Ratos's holding
- Exit gain approx. SEK 900m
- Very good return (IRR) approx. 42%
- Transaction expected to be completed in the summer



# 2015

- No expectations for strong macro recovery
- Shifting market development
- Strong transaction market
- Continued focus on change in Ratos's companies
- Conditions exist for portfolio of companies at end of Q1 to increase operating profit in 2015





# Q&A

