

Interim Results
January-September
2015

Mattias Johansson, CEO
Nils-Johan Andersson, CFO

November 26, 2015

BRINGING BUILDINGS TO LIFE

Today's presenters

Mattias Johansson, CEO



- CEO since 1 January 2015, with Bravida in 1998
- Previously Head of Norway and of Sweden South
- 17 years of industry experience

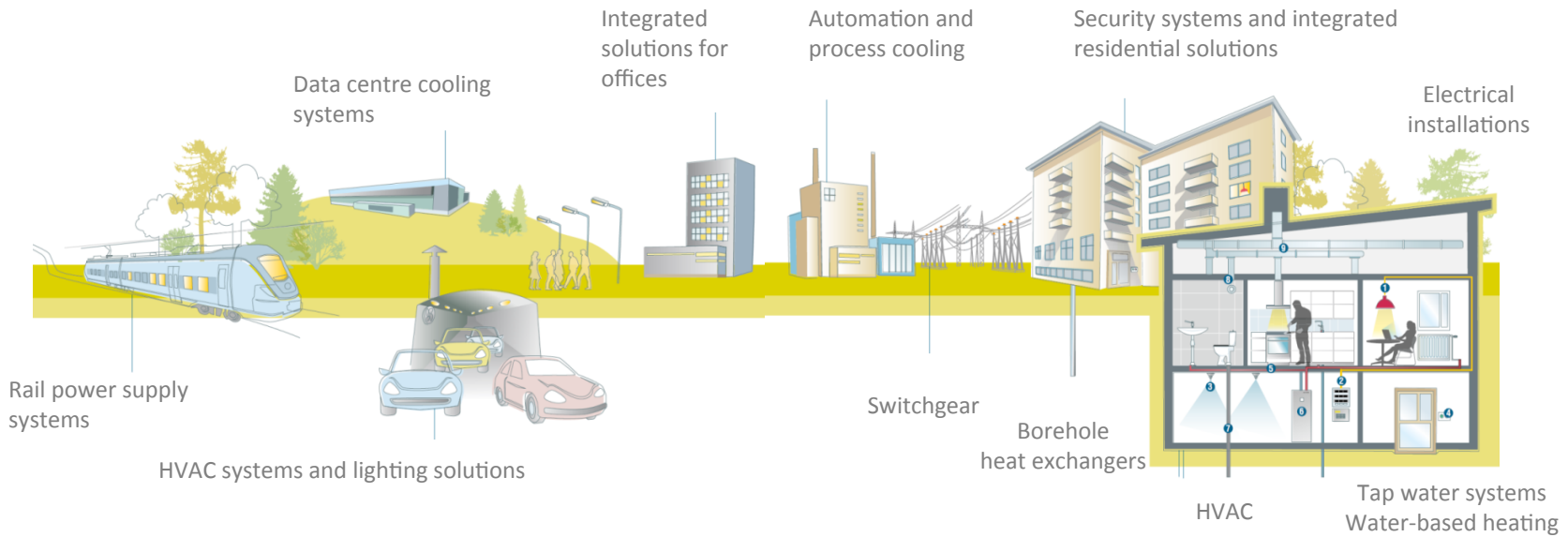
Nils-Johan Andersson, CFO



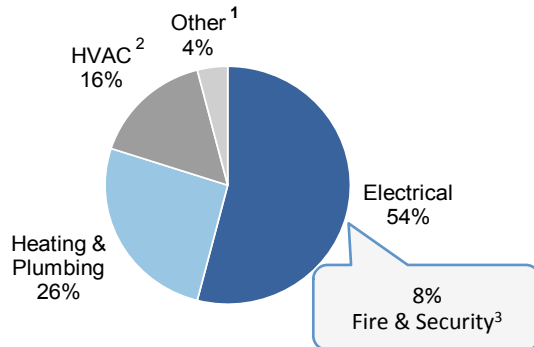
- Joined Bravida as CFO in October 2014
- Led IPO of Lindab Group as CFO
- 14 years of industry experience

Bravida at a Glance

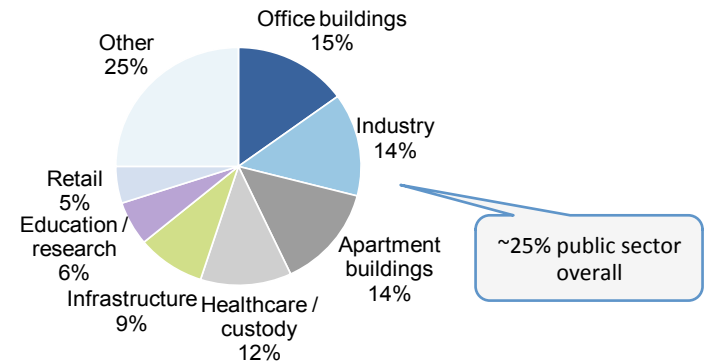
“Bringing buildings and infrastructure to life”



Revenue by technical vertical



Revenue by end-market



Note: Split based on 2014 sales

1. Including Lifts, Cooling
2. Heating, Ventilation and Air Conditioning
3. Management estimate

Bravida at a Glance (cont'd)

Service

47% of sales



Monitoring / supervision, on-site operations and improvements

Renovation & redevelopment

22% of sales



Renovation or larger maintenance projects

New build

31% of sales



New build or major redevelopment

Note: Split based on 2014 sales

Key highlights Q3 2015

Sales

- ✦ **Net sales up 19%** to 3,302 SEKm
- ✦ **Organic growth at 6%** continuing strong trend from '14/'15

Order momentum

- ✦ Strong momentum with **order intake up 26%**
- ✦ **Order backlog above 7 SEKbn** for the first time in Bravida history

Adj. EBITA

- ✦ **EBITA up 15%** to 195 SEKm, margin at 6.1% excluding Finland
- ✦ **LTM margin of 6.2%, 6.4% excluding Finland**

Finland

- ✦ Integration on track, **fully on Bravida systems since November**
- ✦ Focus on realizing synergies and **implementing the BravidaWay**

M&A

- ✦ **3 acquisitions completed in Q3**, bringing total to 10 in 2015 YTD
- ✦ 1 additional transactions signed during Q3

Market trends

Sweden

Strong market: construction activity +13% YoY

- ✦ Strong order backlog of construction companies
- ✦ Industry confidence indicator stable at above historical average

Norway

Public investments offset soft commercial building market

- ✦ Construction output: +5% YoY
- ✦ Commercial building activity down 2% YoY but residential building up +3%

Denmark

Market supported by public investments

- ✦ Investments in healthcare, education and infrastructure driving volumes
- ✦ Construction confidence indicator in line with historical average

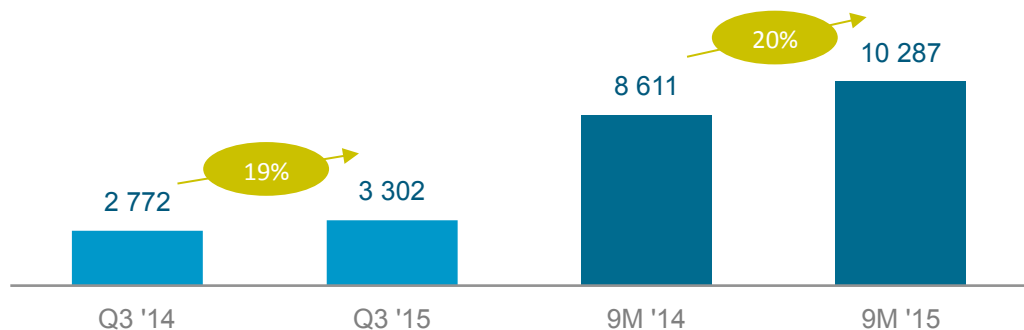
Finland

Construction market improving, albeit from low level

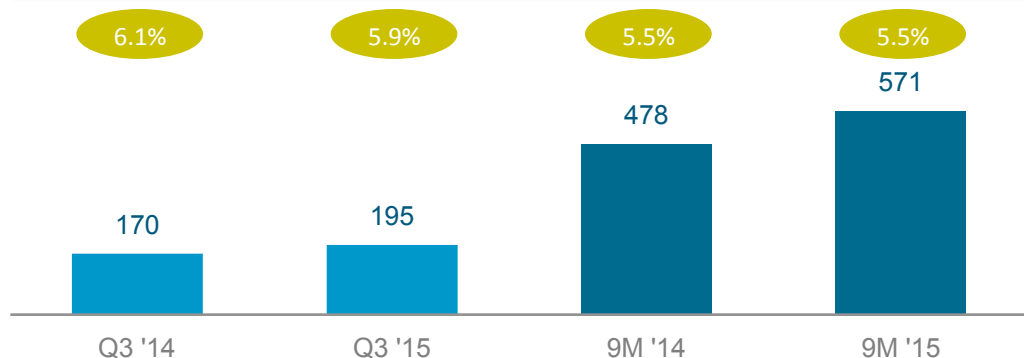
- ✦ Encouraging trends in public spending
- ✦ Focus on integration of acquired businesses and semi-organic growth

Group sales & adjusted EBITA development

Sales & YoY reported growth (SEKm, %)



Adjusted EBITA & margin (SEKm, %)



Key highlights

Strong sales performance continues

- 19% sales growth in quarter, in line with YTD trend
- Organic growth at 6%, 7% YTD
- Strong performance across countries

EBITA up 15% in Q3 and 19% YTD

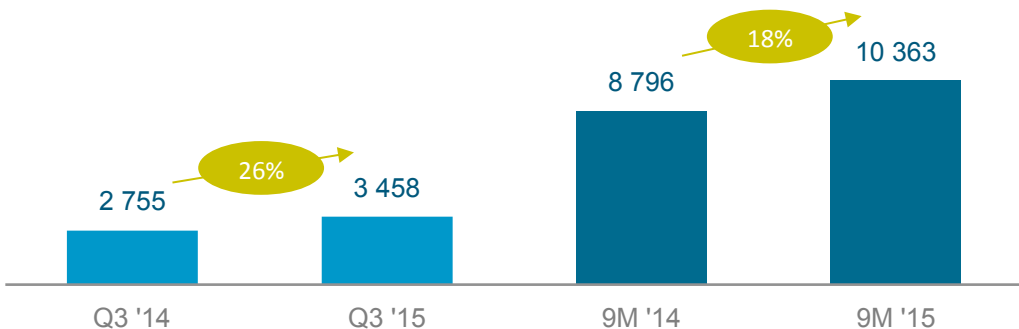
- Double-digit growth in all countries
- Temporary margin dilution due to Finland (~20bps)

+20%
YTD sales

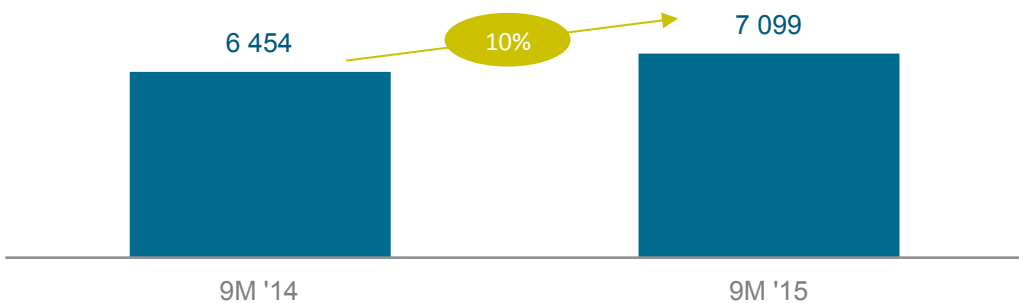
+19%
YTD EBITA

Order momentum

Order intake & YoY reported growth (SEKm, %)



Order backlog¹ & YoY reported growth (SEKm, %)



Selected contract wins

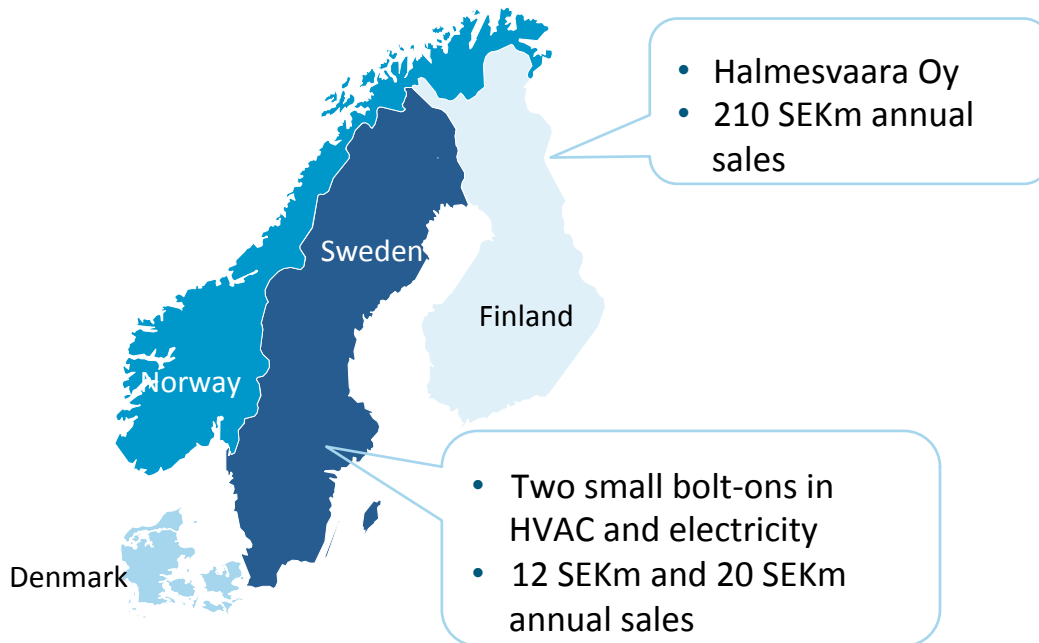
- **Sweden:** City hall in Kiruna
- **Norway:** Tromso hospital (NOK 277m) and Sogndal hospital
- **Denmark:** large order from Banend danmark; *order backlog remains at sustained high level*
- **Finland:** Service agreement signed with Valio

+26%
intake growth

>7 SEKbn
order backlog

Note:
1. backlog includes installation business only

Acquisitions in Q3 2015



Key highlights

- ✦ 3 acquisitions in Q3 2015 adding 242 SEKm annual sales
- ✦ 1 additional deals signed in Q3 in Norway (70 NOKm annual sales)
- ✦ **Focus on Finland integration**

10
acquisitions in
2015 YTD Q3

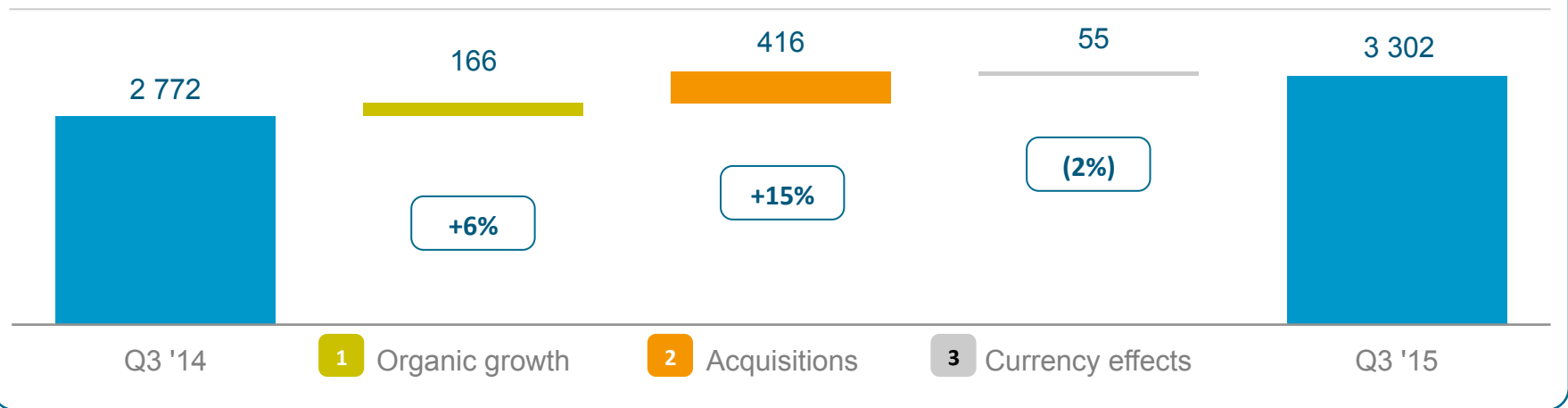
1.2 SEKbn
acquired sales in
2015 YTD Q3

Operational efficiency: All 3 initiatives on track

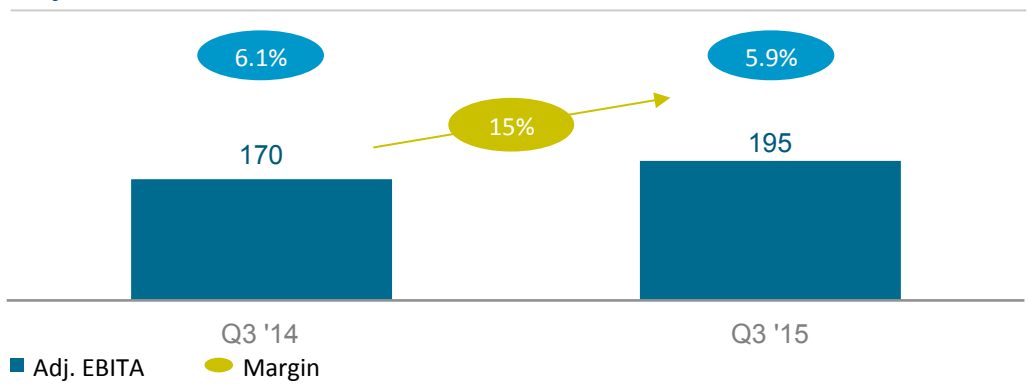
	1 Pricing & productivity	2 Procurement excellence	3 Service growth
Status	<ul style="list-style-type: none"> ✦ Launched in Q2-13, full roll-out Q4-14 ✦ 50% Compliance today ✦ Significant reduction in loss-making branches achieved to date 	<ul style="list-style-type: none"> ✦ Historical focus on 2.2 SEKbn purchasing with >80% compliance ✦ Significant expansion of scope ✦ New framework agreement in place 	<ul style="list-style-type: none"> ✦ Successful pilot phase ✦ Implementation being rolled out ✦ 100bps higher margin than Installation
Priority	<ul style="list-style-type: none"> ✦ Drive compliance ✦ Drive P&L impact 	<ul style="list-style-type: none"> ✦ Complete roll-out ✦ Drive P&L impact 	<ul style="list-style-type: none"> ✦ Complete pilot phase ✦ Complete roll-out

Financial performance Q3 2015

Sales bridge (SEKm, %)



Adjusted EBITA



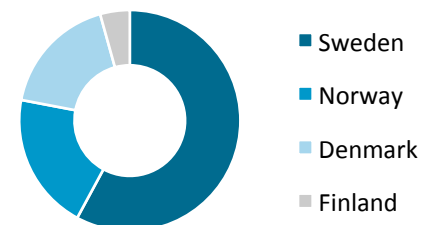
Key highlights

- ✦ Continued **strong growth** observed **across all countries**
- ✦ Margin impacted by Finland entry
- ✦ **Stable margin ex Finland** but including other acquisitions

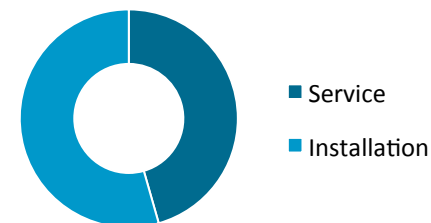
Key financial figures

SEKm	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Order intake	3,458	2,755	10,363	8,796	12,149
Order backlog	7,099	6,454	7,099	6,454	6,580
Sales	3,302	2,772	10,287	8,611	12,000
Change, %	19.1%	13.9%	19.5%	8.1%	8.3%
Organic, %	6%	8%	7%	6%	5%
Acquisitions, %	15%	5%	12%	2%	3%
Currency effects, %	(2%)	1%	0%	0%	0%
Adjusted EBITA	195*	170	571**	478	760
Adjusted EBITA margin, %	5.9%	6.1%	5.6%	5.6%	6.3%
Net income	109	58	231	162	320
EPS	0.54	0.29	1.15	0.80	n.a.
Operating cash flow	(171)	(82)	306	389	915
Net debt	2,972	3,002	2,972	3,002	2,595

Sales by division (9M)



Sales by business activity (9M)

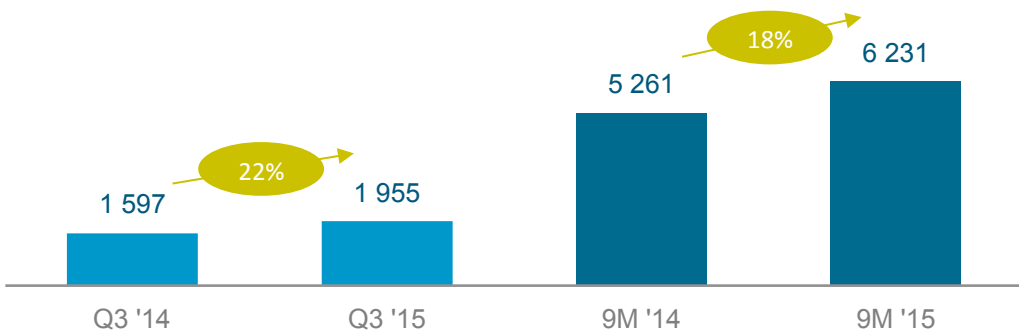


* Adjusted for IPO and acquisition costs (27 SEKm)

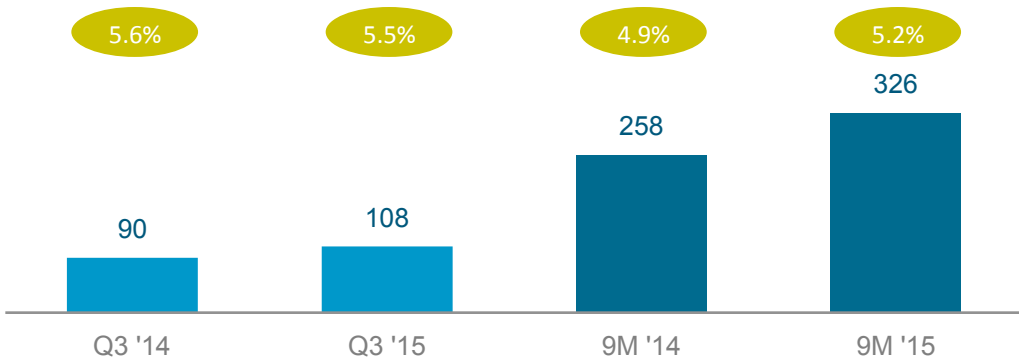
** Adjusted for IPO, acquisition costs and initiatives (63 SEKm)

Sweden

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Strong momentum continues in Sweden

- Q3 sales up 22% yoy
- Q3 EBITA up 20% yoy

Strong market conditions as reflected in order intake in Q3

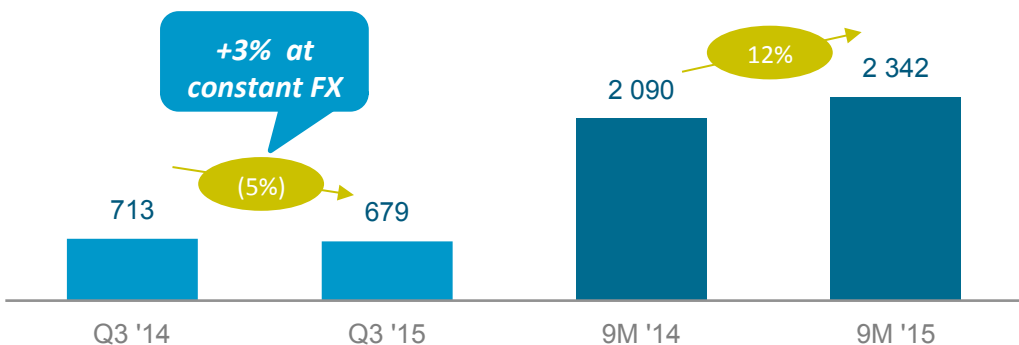
- Order intake up 24% yoy
- Backlog up 13% yoy

+18%
YTD sales

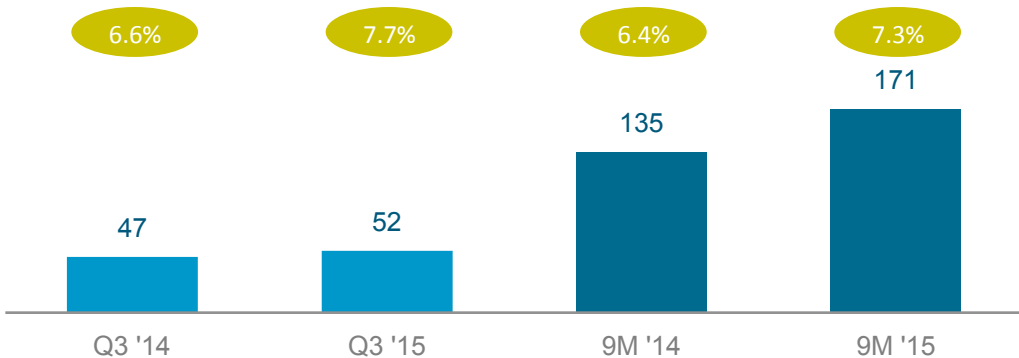
+26%
YTD EBITA

Norway

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Key highlights

EBITA up 11% despite currency headwind

- Sales up in 3% in local currency, down 5% in SEK
- Positive margin development

Rebound in order intake boosted by Tromso Hospital

- Order intake up 63% yoy
- Backlog up 9% yoy in local currency but down 4% in SEK

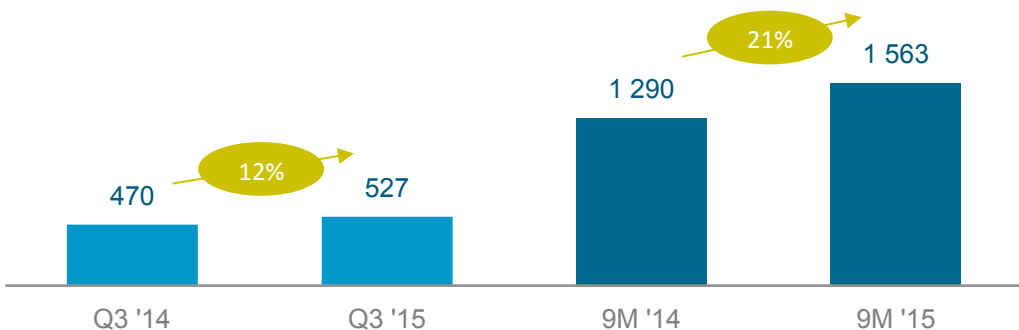
Marginal impact of oil prices so far

+12%
YTD sales

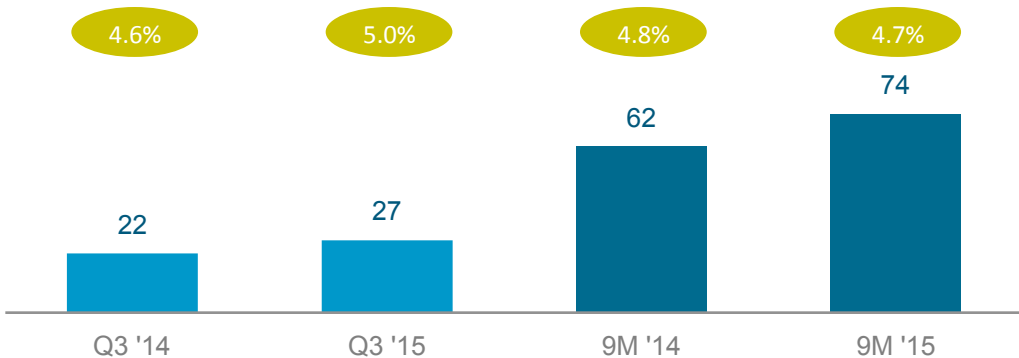
+27%
YTD EBITA

Denmark

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Key highlights

EBITA up 23% driven by sales and margin

- Sales up in 12%, limited FX impact
- Margin up 40bps

Order intake down from record level in 2014

- Order intake down 30% yoy but still up 9% YTD
- Backlog down 9% but remain well above 1x installation sales

+21%
YTD sales

+19%
YTD EBITA

Net debt & new financing

Financial position





SEKm	Q3 2015
Cash balances	408
Senior secured FRN	(3,418)
Overdraft facilities and other	(2)
Hedges at market value	40
Net debt	(2,972)
LTM EBITDA*	871
Net debt / LTM EBITDA	3.4x

Key highlights

- Refinancing in October 2015
- Bond loan nominal value 1,300 SEKm and 225 EURm terminated
- Hedges connected to the bond loan terminated
- New 4 SEKbn financing package
 - Term loan 2,700 SEKm
 - RCF 1,300 SEKm
- STIBOR +1,65 % margin
- Maturity 5 years

* Adjusted for IPO, initiatives and acquisition expenses

Medium term targets

		9M 2015
 Sales	<p>> 10% sales growth</p> <p>5% p.a. organic growth 5-7% p.a. contribution from bolt-on acquisitions]</p>	<p>19% growth 7% organic</p>
 Adj. EBITA	<p>> 7% group margin</p> <p>Higher organic margin in existing branches Including dilutive impact of bolt-on acquisitions</p>	<p>6.2% LTM 6.4% ex Finland</p>
 Cash Conversion & Dividend	<ul style="list-style-type: none">• Cash conversion above 100%• Target payout ratio of at least 50% of net profit	<p>113% LTM</p>
 Net Debt	<ul style="list-style-type: none">• Target leverage ratio of ~2.5x Net Debt / EBITDA• New 5-year financing package<ul style="list-style-type: none">– 2.7 SEKbn term loan (Stibor + 165bps, subject to ratchet)– 1.3 SEKbn multi-currency overdraft facility	<p>3.4x</p> <p><i>Driven by seasonality</i></p>

Q&A



Income statement

Consolidated income statement summary

SEKm	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Net sales	3,302	2,772	10,287	8,611	12,000
Production costs	(2,821)	(2,365)	(8,810)	(7,377)	(10,173)
Gross profit/loss	481	406	1,477	1,234	1,827
Administrative and selling expenses	(312)	(246)	(969)	(778)	(1,123)
Profit/loss before amortisation of intangible assets (EBITA)	169	161	509	458	705
Adjustment of costs of a specific nature	(27)	(9)	(64)	(21)	(54)
Operating profit/loss after adjustment of costs of a specific nature (Adjusted EBITA)	195	170	571	478	760
Amortisation and impairment of intangible assets	0	0	0	(1)	(1)
Operating profit (EBIT)	168	160	507	456	705
Net financial items	(32)	(82)	(158)	(233)	(265)
Profit/Loss after financial items (EBT)	136	79	349	224	440
Tax	(28)	(21)	(117)	(62)	(120)
Profit/loss for the period	109	58	231	162	320

Balance sheet

Consolidated balance sheet summary

SEKm	30 Sep 2015	30 Sep 2014	31 Dec 2014
Non-current intangible assets	7,185	6,822	6,940
Other non-current assets	313	405	386
Total non-current assets	7,498	7,226	7,326
Trade receivables	2,074	1,922	1,969
Receivables from group companies	54	–	–
Income accrued but not invoiced	1,023	764	655
Other current assets	386	303	287
Cash and cash equivalents	408	423	828
Total current assets	3,945	3,412	3,739
Total assets	11,443	10,638	11,064
Equity	3,306	3,347	3,306
Non-current liabilities	3,747	3,643	3,862
Trade payables	1,237	997	1,030
Income invoiced but not accrued	1,362	1,176	1,200
Current liabilities	1,790	1,476	1,666
Total liabilities	8,136	7,291	7,758
Total equity and liabilities	11,443	10,638	11,064
Of which interest-bearing liabilities	3,420	3,366	3,447
Equity attributable to:			
Equity holders of the parent	3,295	3,339	3,293
Non-controlling interests	11	8	13
Total equity	3,306	3,347	3,306

Cash flow statement

Consolidated cash flow statement summary

SEKm	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Cash flow from operating activities					
Profit/loss before tax	136	79	349	224	440
Adjustment for non-cash items	(22)	24	(31)	19	46
Income taxes paid	–	–	(3)	(3)	(5)
Changes in working capital	(315)	(260)	(168)	(76)	179
Cash flow from operating activities	(201)	(157)	146	165	659
Acquisition of subsidiaries and businesses	(92)	–	(201)	(51)	(122)
Other	(3)	(6)	(3)	(11)	(15)
Cash flow from investing activities	(95)	(6)	(204)	(62)	(136)
Loans to Group companies	–	(45)	(54)	(45)	–
Change in utilisation of overdraft facility	(1)	–	(6)	–	–
Dividend paid	–	–	(277)	(500)	(500)
Group contributions paid	–	–	–	–	(45)
Cash flow from financing activities	(1)	(45)	(337)	(545)	(545)
Cash flow for the period	(296)	(209)	(394)	(442)	(22)
Cash and cash equivalents at start of year	715	623	828	838	838
Translation difference in cash and cash equivalents	(11)	8	(25)	27	12
Cash and cash equivalents at end of period	408	423	408	423	828

Operating cash flow

SEKm	Q3 2015	Q3 2014	9M 2015	9M 2014	FY 2014
Operating profit/loss	168	160	507	456	705
Depreciation and amortisation	5	4	15	11	15
Other adjustments for non-cash items	(27)	20	(46)	9	31
Capital expenditure	(3)	(6)	(3)	(11)	(15)
Changes in working capital	(315)	(260)	(168)	(76)	179
Operating cash flow	(171)	(82)	306	389	915