

Q2 Report 2018

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Financial Highlights

Good Progress

Q2 2018

- Sales +26%
 - Acquisition growth 17%
 - Organic growth 10%
 - Currency growth -1%
- Adjusted EBITA +43%

EUR million	Q2			Q1-Q2			LTM	2017
	2018	2017	Diff	2018	2017	Diff		
Sales	147,1	116,8	25,9%	295,3	246,5	19,8%	561,2	512,4
<i>Adj. Organic growth</i>	<i>9,9%</i>	<i>2,0%</i>	<i>-</i>	<i>7,3%</i>	<i>11,6%</i>	<i>-</i>	<i>3,2%</i>	<i>4,3%</i>
EBITDA	11,7	7,8	3,9	23,2	18,6	4,6	44,7	40,1
<i>EBITDA %</i>	<i>8,0%</i>	<i>6,7%</i>	<i>1,3%</i>	<i>7,9%</i>	<i>7,5%</i>	<i>0,4%</i>	<i>8,0%</i>	<i>7,8%</i>
Adj. EBITDA	12,3	8,7	3,6	25,1	19,5	5,6	48,6	43,0
<i>Adj. EBITDA %</i>	<i>8,4%</i>	<i>7,4%</i>	<i>1,0%</i>	<i>8,5%</i>	<i>7,9%</i>	<i>0,6%</i>	<i>8,7%</i>	<i>8,4%</i>
EBITA	8,4	5,4	3,0	16,8	13,9	2,9	33,0	30,1
<i>EBITA %</i>	<i>5,7%</i>	<i>4,6%</i>	<i>1,1%</i>	<i>5,7%</i>	<i>5,6%</i>	<i>0,1%</i>	<i>5,9%</i>	<i>5,9%</i>
Adj. EBITA	9,0	6,3	2,7	18,7	14,9	3,8	36,9	33,0
<i>Adj. EBITA %</i>	<i>6,1%</i>	<i>5,4%</i>	<i>0,7%</i>	<i>6,3%</i>	<i>6,0%</i>	<i>0,3%</i>	<i>6,6%</i>	<i>6,4%</i>

Business Highlights Q2 2018

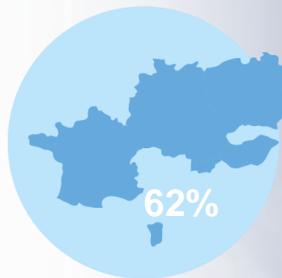
1. Strong sales growth
 - Acquisition 17%
 - Organic 10%
2. Leverage on Result
 - Adjusted EBITA +43%
3. Integration of acquisitions progress as planned
4. Good order intake going into Q3
5. Clear agenda going forward



Continental Europe

EUR million	Q2			Q1-Q2		
	2018	2017	Diff	2018	2017	Diff
Sales	90,8	77,5	17,2%	182,9	163,3	12,0%
Adj. EBITA	5,4	4,7	14,9%	11,5	10,5	9,5%
%	5,9%	6,1%	-0,2%	6,3%	6,4%	-0,1%

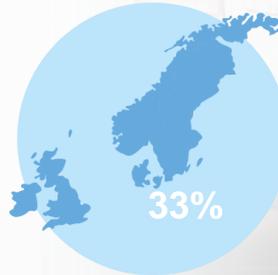
- Very strong organic growth in Q2 (14%)
- Organic growth in Germany at 16%
- Strong order intake going into Q3 (Germany on 2016 years level)
- Continuous good performance from acquired companies (Germany and France)
- Leverage from PolygonVATRO expertise (M&CC) in Europe



Nordics & UK

EUR million	Q2			Q1-Q2		
	2018	2017	Diff	2018	2017	Diff
Sales	49,8	31,8	56,6%	98,0	68,3	43,5%
Adj. EBITA	1,6	0,0	-	3,5	1,7	106%
%	3,2%	0,0%	3,2%	3,6%	2,5%	1,1%

- Very strong growth (acquisition driven)
- Positive market in UK after long time with low claim level
- Rapid integration in Denmark (finalized in Q2)
- Performance issues related to new field force system
- Two acquisitions closed after the Q2 report



North America

EUR million	Q2			Q1-Q2		
	2018	2017	Diff	2018	2017	Diff
Sales	7,5	7,5	0,0%	15,4	14,9	3,4%
Adj. EBITA	0,6	0,9	-33,3%	1,5	1,4	7,1%
%	8,0%	12,0%	-4,0%	9,7%	9,4%	0,3%

- Underlying organic growth (US 15%)
- Stable development in US after restructuring in 2015
- Good order intake going into Q3



Cash Flow

- Operative Cash Flow H1 EUR - 11 million vs. 2017
- High activity building up contract asset (WIP) and receivables
- Change of “Working Capital culture“ for newcomers (expect improvements in H2)
- High growth driving Capex (environmental issues in US)

EUR million	Q2			Q1-Q2			LTM
	2018	2017	Diff	2018	2017	Diff	
EBIT	6,8	4,2	2,6	13,6	11,6	2,0	25,4
Non Cash Items	6,3	2,5	3,8	11,1	5,7	5,4	9,0
Income tax paid	-0,7	-0,7	0,0	-1,7	-0,8	-0,9	-3,0
Operating Cash Flow before change in working Capital	12,4	6,0	6,4	23,0	16,5	6,5	31,4
Change in Working Capital	-9,8	0,2	-10,0	-25,5	-8,3	-17,2	9,3
Operative Cash Flow	2,6	6,2	-3,6	-2,5	8,2	-10,7	40,7
Investing activities	-8,3	-5,9	-2,4	-34,4	-10,3	-24,1	-26,4
Cash Flow before financing activities	-5,7	0,3	-6,0	-36,9	-2,1	-34,8	14,3

Polygon Group

Financial Summary Q1-Q2 2018

Sales
(EUR million)

295 (246)

- Total growth 20%
- Acquisitions 14%
- Adj. Organic growth 7%

Adjusted EBITA
(EUR million)

18.7 (14.9)

- Total increase 26%
- EBITA % +0.3%-pts

Operating Cash Flow
(EUR million)

-2.5 (8.2)

- WC change -25.5 (-8.3)
- Capex 9.3 (8.6)
- Net Debt 191.6 (151.6)

Strategic Focus



Acquisitions

Subsequent events



Franchise Partner in Drammen and Kongsberg (Norway)

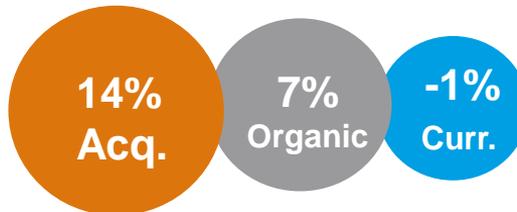
- Sales NOK 33 million (EUR 3.5 million)
- Increase ownership from 20% to 100%
- Consolidation in Q3



Target		
Villaklimat OBM		
Polygon Nord		
Skadegruppen/Coor		
Dansk Bygningskontrol		
Von der Lieck		
BBN		
Metodia		
Franchise Norway (Drammen & Kongsberg)		20%
Franchise Norway (Haugesund)		
Franchise Norway (Hamar, Brumendal)		
Caption Data		
Caliber		
Franchise Norway (Drammen & Kongsberg)		80%

Summary

After first half year



- Leverage in Q2 (flat margin after Q1)
- Overall good integration of newcomers
- Good order intake in Q2 - materialize in Q3

- 9 acquisitions closed in H1
- Caliber in Sweden (service level extension, Q2)
- Incorporation of franchise in Norway (Q3)

Q&A

