

Mattias Johansson, CEO
Nils-Johan Andersson, CFO

16 February 2018

BRINGING BUILDINGS TO LIFE

Today's presenters

Mattias Johansson, CEO and Group President



✦ CEO since 1 January 2015 and with Bravida since 1998

Nils-Johan Andersson, CFO



✦ Joined Bravida as CFO in October 2014

About Bravida

Business highlights

Bravida is the premier multi-technical service provider in the Nordics

Represented in around 155 locations

> 50,000 customers – Top 5 customers represent 15% of sales

> 90% recurring customers

Limited exposure to new built residential in Stockholm and Oslo ~ 1%

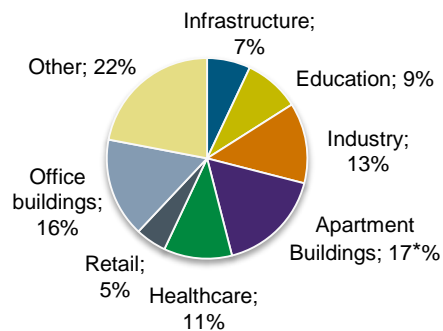
SEK 17.3 bn
net sales

SEK 1,080m
adj. EBIT

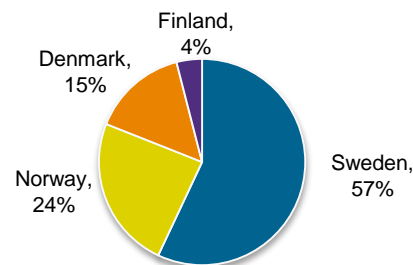
>10,000
FTEs

Sales

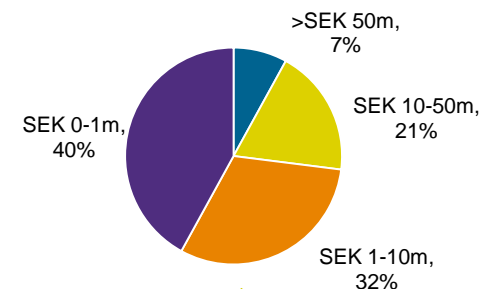
Revenue by end-market



Net sales by country



Net sales by order size



Key highlights Q4 2017

Sales

- Net sales grew 15% to SEK 4,927m (4,277), organic growth 6% and M&A 10%
- Growth in all countries
- Installation sales growth 7% and Service sales growth 25%,
- Service sales 50% of total sales

Order momentum

- Order backlog at high level, SEK 10,271m, +19%
- Continued good momentum with order intake +7% to SEK 4,620m
- Good order intake in Denmark, Finland and Norway

EBIT

- EBIT up to SEK 389m (353) and margin 7.9%
- EBIT margin diluted by Oras, -0.6%, underlying EBIT margin improved to 8.5% (8.3%)
- Improved margin in Sweden as well as underlying margin in Norway

Cash flow

- Cash flow from operating activities improved to SEK 650m (415) and cash conversion 106%
- Working capital of SEK -946m or -5.5% of sales
- Net debt of SEK 1,862m (2,417), 1.7x (2.5) adjusted EBITDA (LTM basis)
- Dividend proposal SEK 1,55 per share, increase 24%

M&A

- 1 acquisition completed in Q4 in Denmark adding SEK 10m
- Integration of Oras according to plan
- 3 acquisitions completed in January 2018 adding SEK 230m

Market trends

Sweden

Good market: construction activity strong

- ✦ Good order backlog in construction companies
- ✦ Industry confidence indicator at high level
- ✦ Main growth drivers are public investments in buildings and infrastructure, as well as residential buildings

Norway

Good market: public investments and energy efficiency project

- ✦ Overall building construction and installation activity is up, close to 8% YoY
- ✦ Market drivers are public investments
- ✦ Decreasing activity for residential construction

Denmark

Good market: supported by public investments and residential construction

- ✦ Construction of residential, healthcare and education buildings are driving volumes
- ✦ Construction volumes of commercial buildings increases albeit vacancy rate still high for offices
- ✦ Construction confidence indicator still somewhat below average

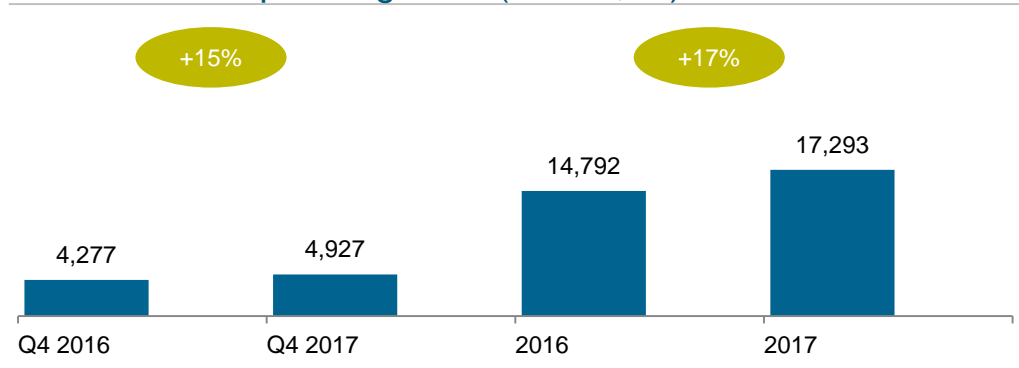
Finland

Stable market: construction market improving

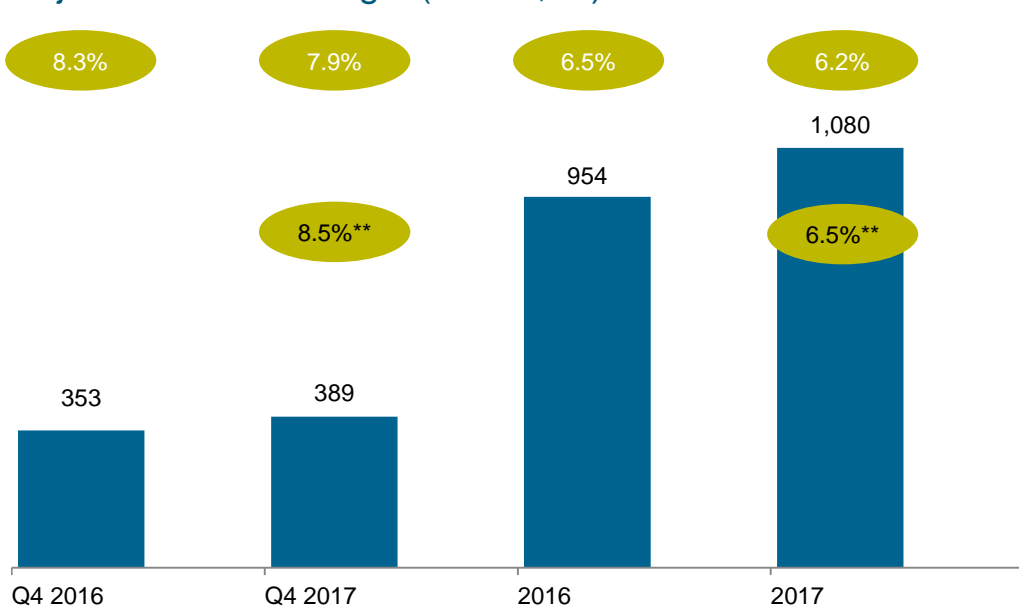
- ✦ Sales increase for construction companies
- ✦ Good overall growth in building construction
- ✦ Improving confidence indicator

Group sales & adjusted EBIT development

Sales & YoY reported growth (SEKm, %)



Adjusted EBIT & margin (SEKm, %)*



Key highlights Q4

Strong sales growth

- Sales growth 15%, of which 6% organic and 10% from M&A
- Sales growth in all countries

Adj. EBIT margin excluding Oras improved to 8.5%

- Oras break even result in Q4, diluted margin by -0.6%
- Improvement in Sweden and Norway adjusted for Oras
- Reported EBIT +10% in Q4 to SEK 389m (SEK 353m)
- EPS +26% in Q4

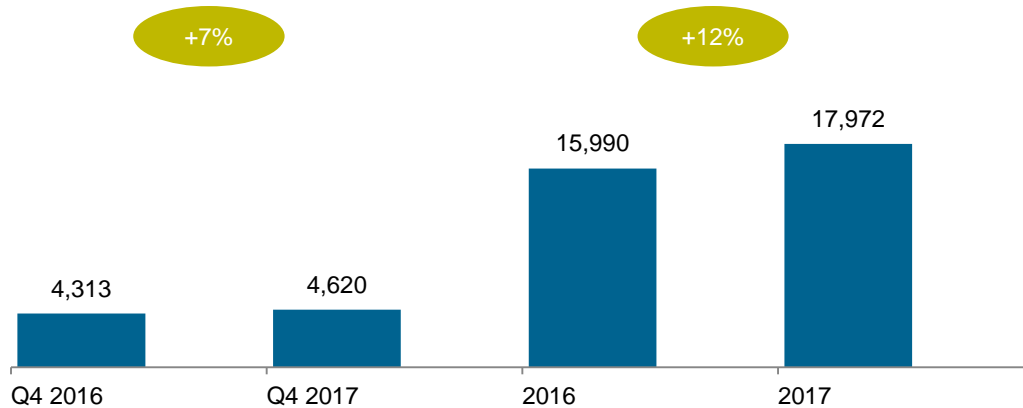
+15%
Q4 2017
sales

+10%
Q4 2017
adj EBIT

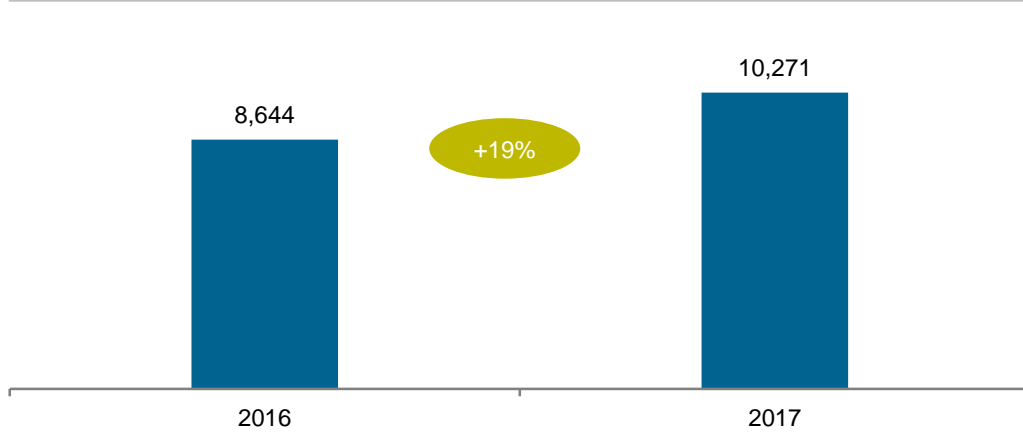
*No specific costs in Q4 2017
** Adjusted for Oras acquisition in Q2
Source: Company information

Order momentum

Order intake & YoY reported growth (SEKm, %)



Order backlog* & YoY reported growth (SEKm, %)



Selected contract wins

**Order backlog continue at high level:
SEK 10,271m**

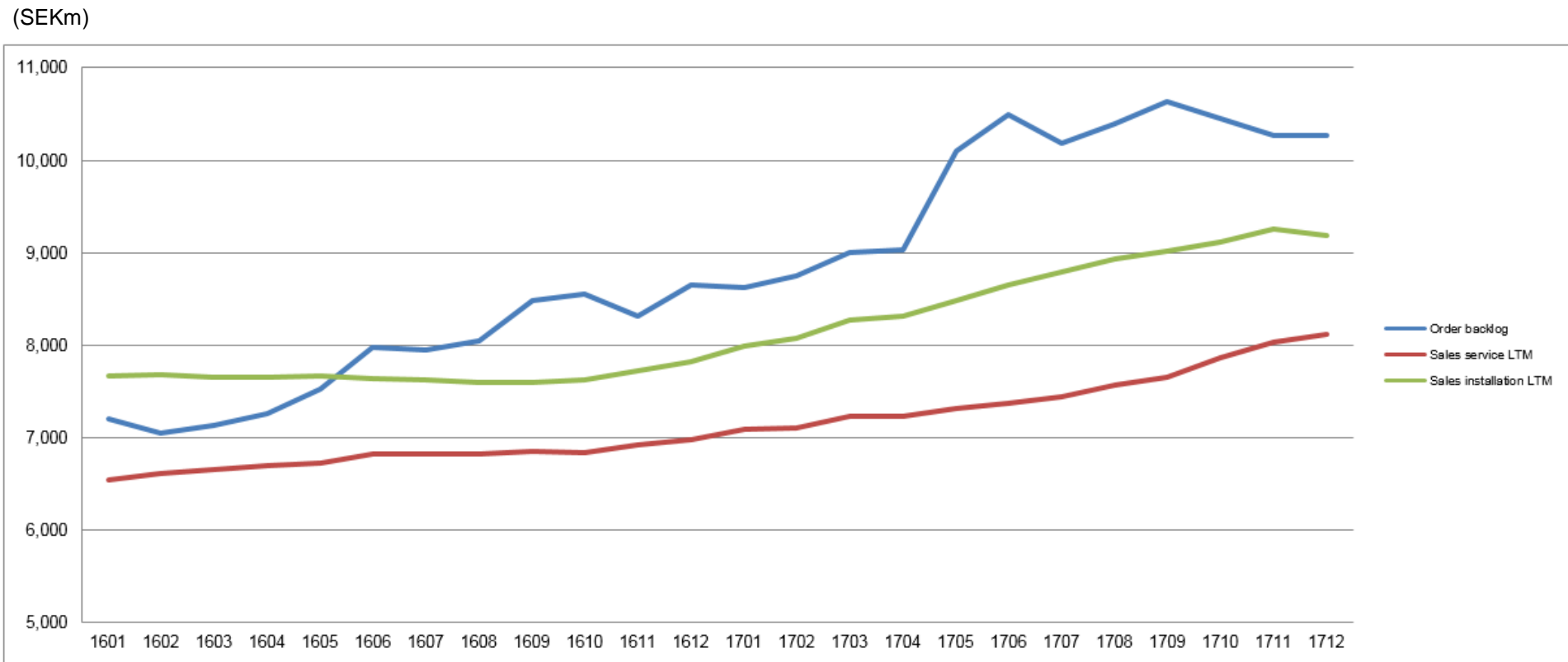
- ✦ Order backlog +19% higher YoY
- ✦ Mainly many small and mid sized projects in Q4
- ✦ Order intake in January 2018, +16%

+7%
intake growth

**SEK
10.3bn**
order backlog

* Backlog includes installation business only
Source: Company information

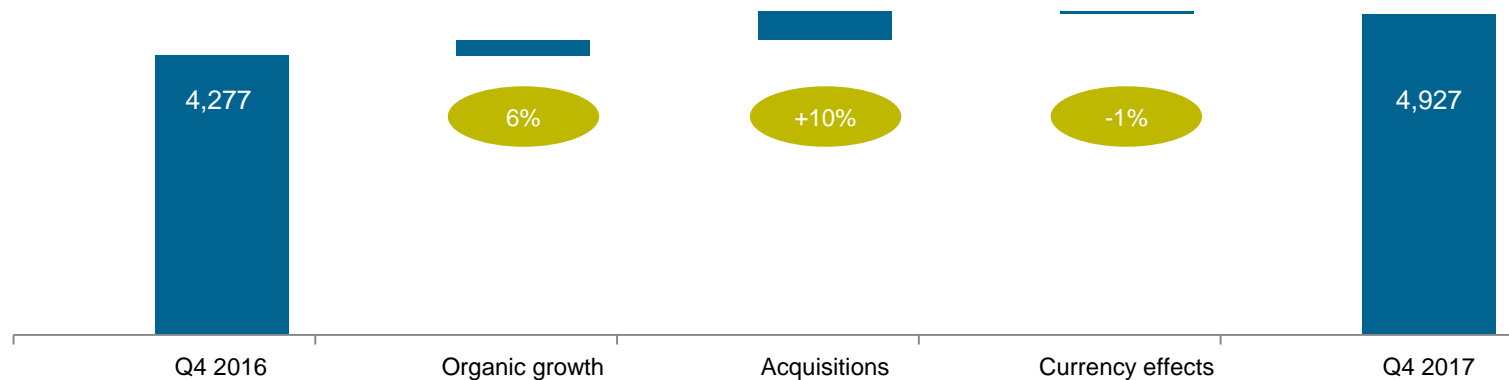
Order backlog still above net sales installation LTM



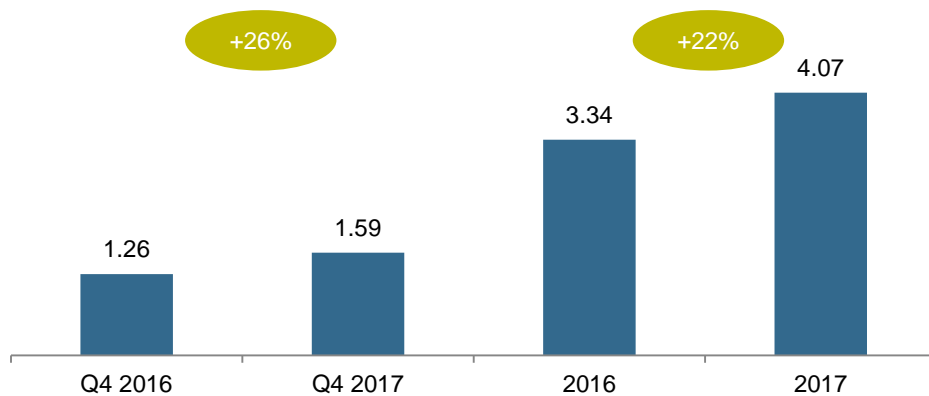
Acquisition of Oras added SEK 875m to the order backlog in Q2

Financial performance Q4 2017

Sales bridge (SEKm, %)



Earnings per share (SEK, %)

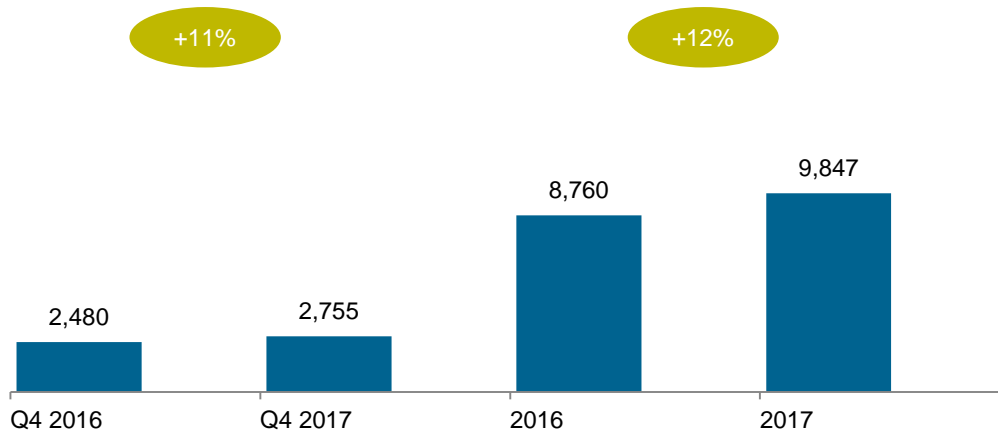


Key highlights in Q4

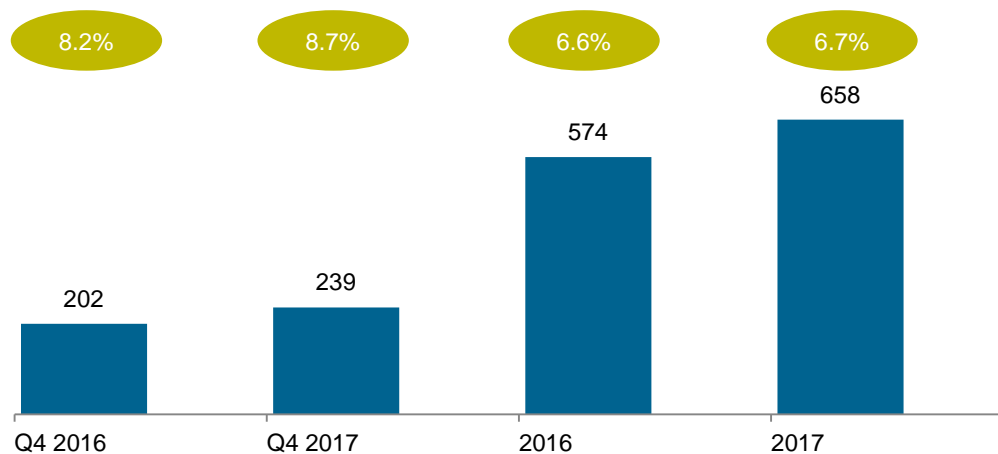
- Organic growth 6%
- Service growth 25%
- EBIT margin adjusted for Oras improved to 8.5%, dilution from Oras -0.6%
- Finance net improved to -15 (-18)
- Earnings per share increased by 26%

Sweden

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Source: Company information

Key highlights

Improved net sales and margin

- Sales 11% YoY in Q4
- Good growth overall, both in service and installation
- EBIT margin 8.7%, improved through good cost control

Good market conditions reflected in an increasing order backlog

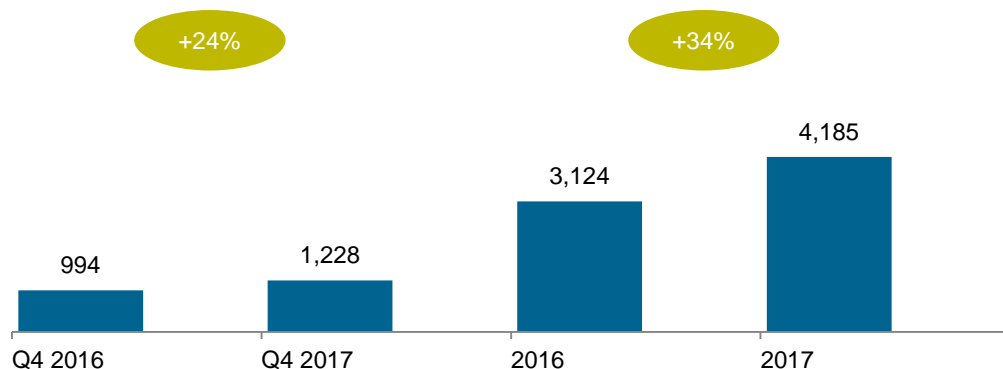
- Order intake -8% YoY, no large orders in Q4 2017
- Order backlog +9% YoY

+11%
Q4 2017
sales

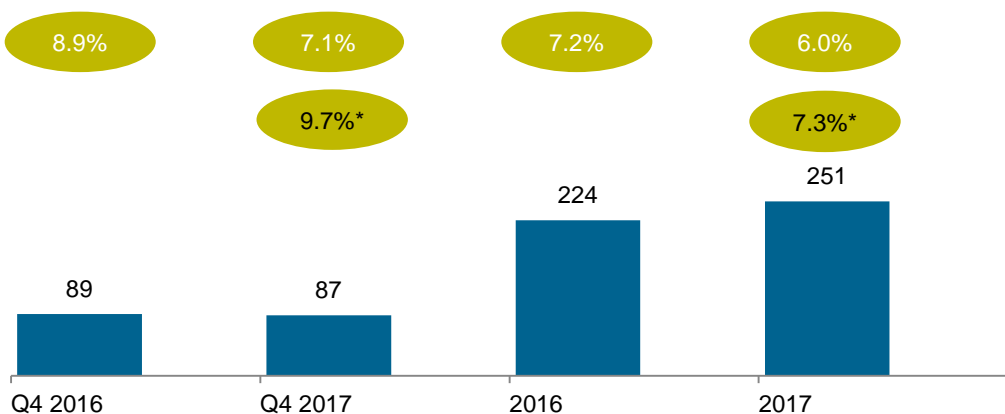
+18%
Q4 2017
EBIT

Norway

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Sales growth, improved underlying EBIT margin and strong order backlog

- ✦ Sales growth +24%
- ✦ Underlying EBITA margin improved to 9.7% (8.9)
- ✦ Order backlog +67% YoY to SEK 2,804m

Oras acquisition

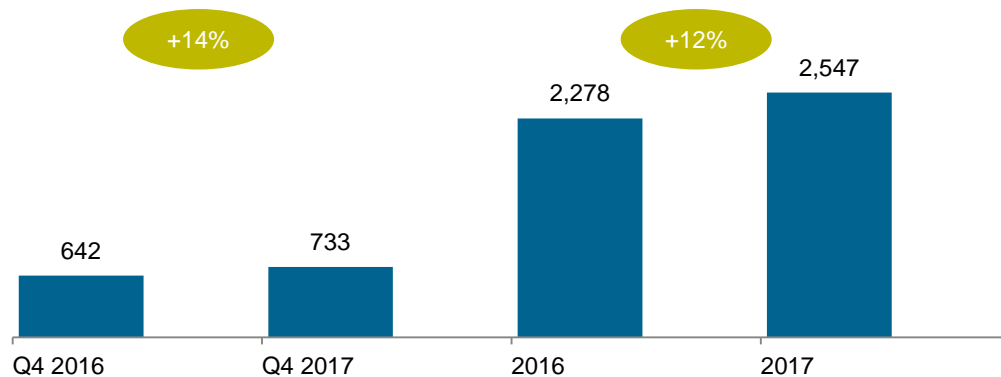
- ✦ Integration according to plan
- ✦ Integration costs taken in operating result, break even result
- ✦ Cost and purchasing synergies
- ✦ EBIT margin diluted by 2.6% in Q4, adjusted EBIT margin 9.7%

+24%
Q4 2017
sales

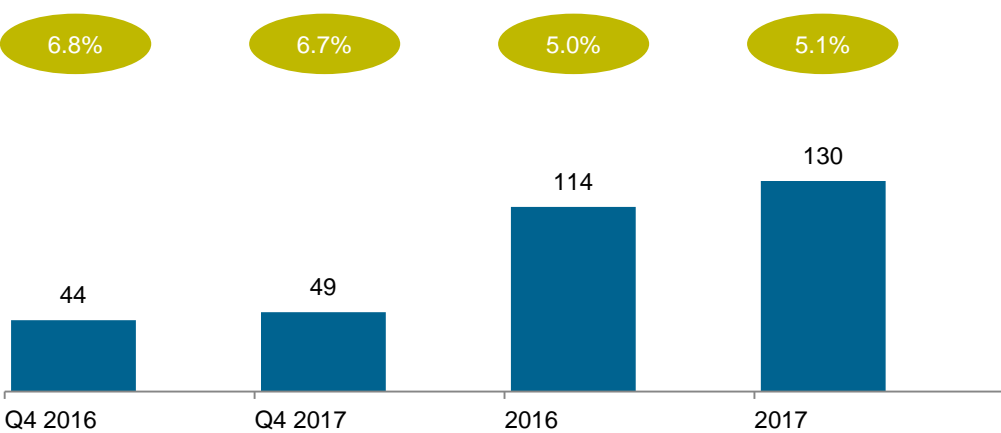
-2%
Q4 2017 EBIT

Denmark

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Good sales growth and stable margin

- ✦ Sales growth related to installation business
- ✦ Stable margin

Increasing order backlog

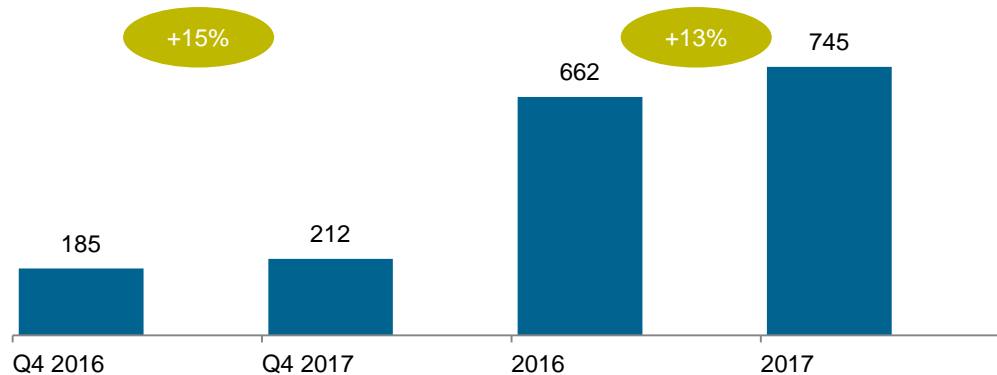
- ✦ Order intake +49% YoY
- ✦ Order backlog +4% YoY

+14%
Q4 2017
sales

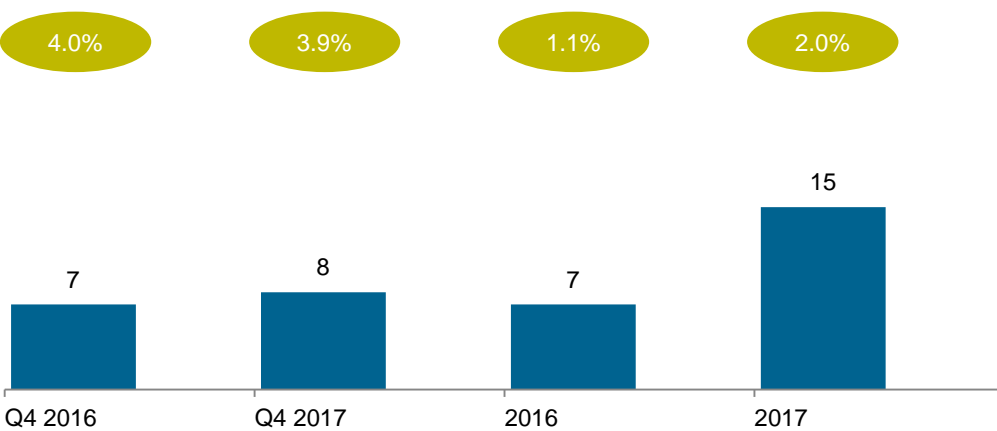
+13%
Q4 2017
EBIT

Finland

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Good sales growth and stable margin

- Sales growth 15%
- Stable margin 3.9%

Increasing order backlog

- Order intake +66% YoY
- Order backlog +3% YoY

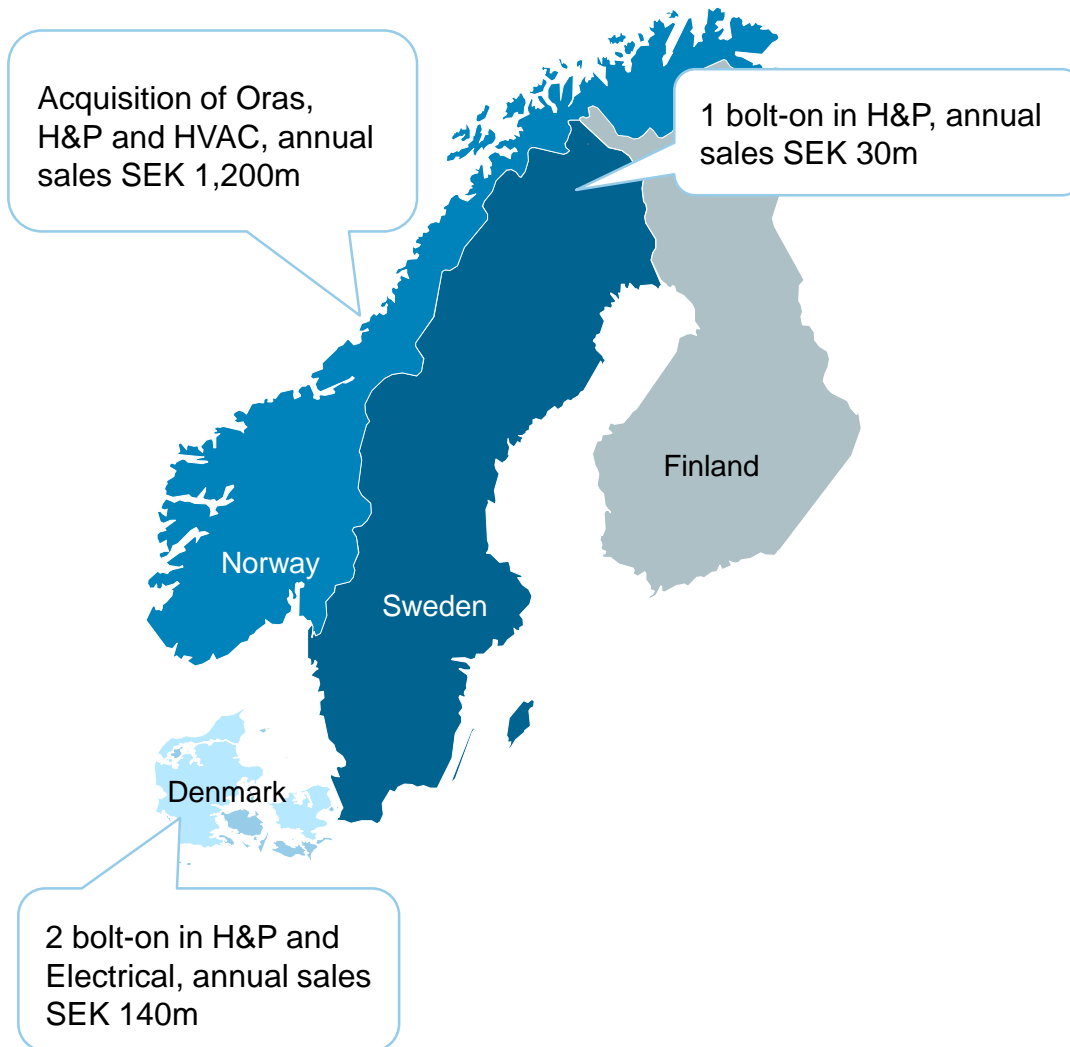
Other

- Marko Holopainen appointed as new Head of Division Finland, will start at end of March

+15%
Q4 2017
sales

+10%
Q4 2017
EBIT

Acquisitions in 2017



Key highlights

- ✦ 2 acquisitions completed in Denmark adding approx. SEK 140m in annual sales
- ✦ Acquisition of Oras in Norway completed in May, adding approx. SEK 1,200m in annual sales
- ✦ 1 Acquisition completed in Sweden, adding SEK 30m annual sales
- ✦ Continued strong pipeline
- ✦ Acquisitions still at attractive multiples

4
acquisitions
2017

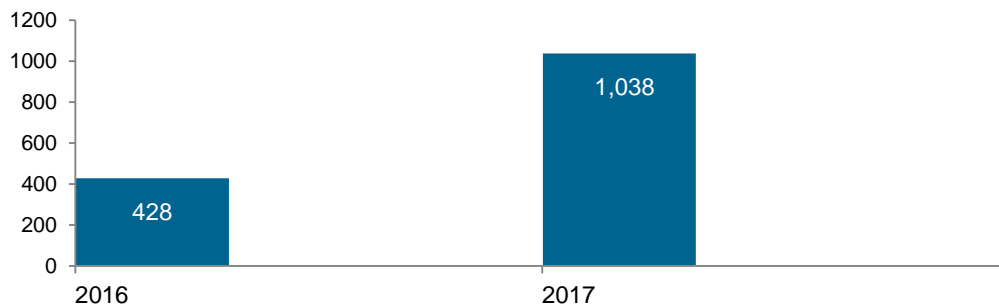
SEK ~1.4bn
acquired sales
2017

Net debt and cash flow

Financial position

SEKm	Q4 2017
Cash balances	839
Term loan, RCF, Commercial paper	-2,700
Overdraft facilities and other	-1
Net debt	-1,862
LTM adjusted EBITDA	1,115
Net debt/LTM adjusted EBITDA	1.7x

Operating cash flow (SEKm)



Source: Company information

Key highlights

- ✦ SEK 3.7bn financing package
 - Term loan SEK 1,700m
 - RCF SEK 2,000m
- ✦ STIBOR +1.25% margin
- ✦ Maturity 2020-10-16
- ✦ Commercial paper programme SEK 2,000m whereof SEK1,000m issued

- ✦ Improved operating cash flow 2017, cash conversion 106% (61)

- ✦ Proposed dividend SEK 1.55 per share, 38% of EPS and an increase by 24%

Earnings per share and underlying adjusted EBIT margin

Earnings per share increased 26% in Q4 YoY

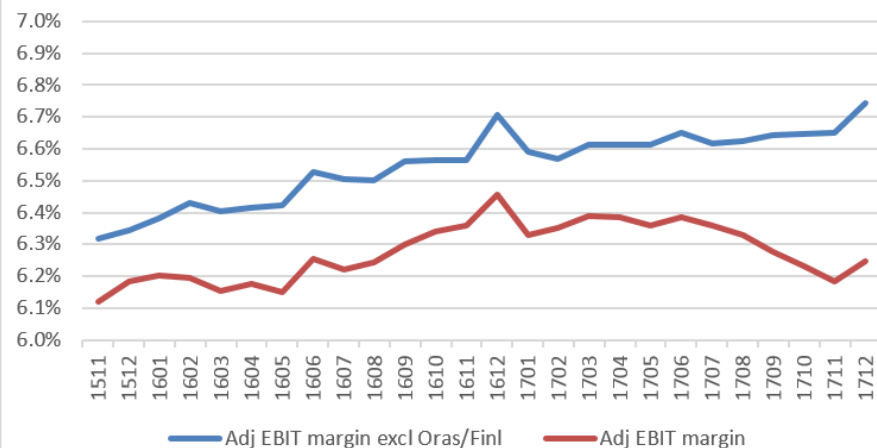
Underlying adjusted EBIT margin 6.7%

R12 EPS Q4-2014-Q4 2017



LTM underlying profitability trend

EBIT margin



Financial targets



Sales

> 10% sales growth

5% p.a. organic growth

5%-7% p.a. contribution from bolt-on acquisitions



Adj. EBITA

> 7% group margin

Higher organic margin in existing branches

Including dilutive impact of bolt-on acquisitions



Cash conversion & dividend

- Cash conversion above 100%
- Target payout ratio of at least 50% of net profit



Net debt

- Target leverage ratio of ~2.5x Net debt/EBITDA
- 5-year financing package maturing in October 2020
 - SEK 1.7bn term loan (Stibor +140 bps subject to ratchet)
 - SEK 2.0bn multi-currency overdraft facility
 - SEK 2.0bn Commercial paper programme

A strong quarter to end our best ever year

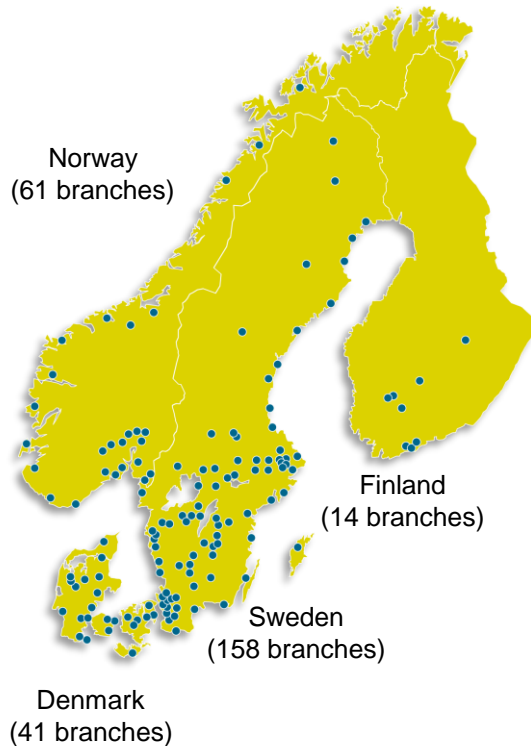
Summary Q4

- Sales increase 15%, organic growth 6%
- Installation order backlog +19% and continued good business momentum for service will support organic growth coming quarters
- Underlying EBIT margin improved to 8.5% (8.2) in Q4 and unchanged for 2017, at 6.5%
- M&A execution on track with a healthy pipeline, SEK 1,370m added in sales during 2017
- Strong cash flow 2017 has strengthened the balance sheet – Net debt/adj EBITDA 1.7x
- Cash conversion 106%
- Stable to good market conditions continue

Q&A



Leadership in a fragmented Nordic market

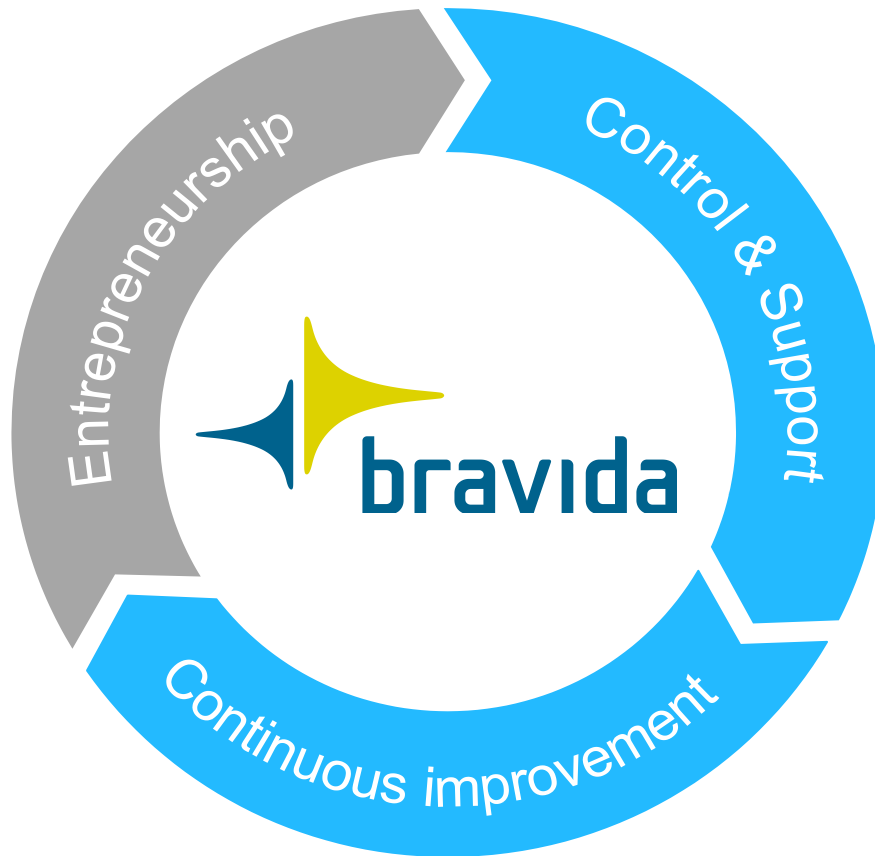


	Market position	Market share	Top 3 player market shares
Sweden (SEK 88bn market)	No. 1	10%	Bravida 10% Assemblin 7% Caverion 5%
Norway (SEK 72bn market)	No. 1*	6%	Bravida 6% Caverion 5% Gunnar Karlsen 4%
Denmark (SEK 46bn market)	No. 2	5%	Kemp & Lauritzen 6% Bravida 5% Wicotec 4%
Finland (SEK 50bn market)	No. 5*	1%	ARE 7% Caverion 6% Consti 2%

National scale network density and local leadership drive significant competitive advantages

Bravida Way and operating model

A unique corporate culture



'Branch-first' entrepreneurial culture

- Branch manager pivotal role
- Incentivised to operate as owner – profitability and M&A
- Implements central initiatives

'Margin-first' control

- *"Margin over volume"*
- Standard operating model
- Central approval for M&A and large projects

Ongoing training and certification

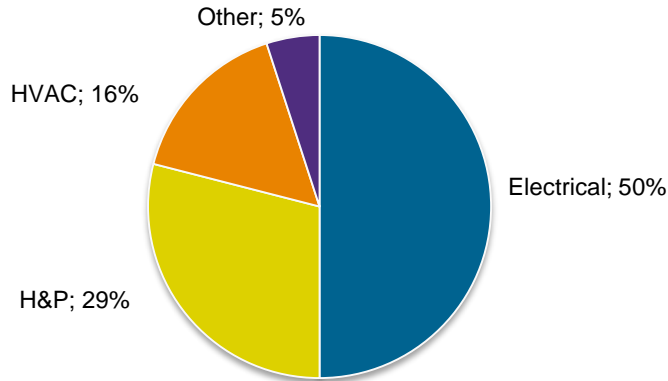
- Proprietary training and certification programme
- Best practice sharing
- Continuous focus on cost and cash

"We do what we have decided to do / We follow up on what we do / We continuously improve what we do"

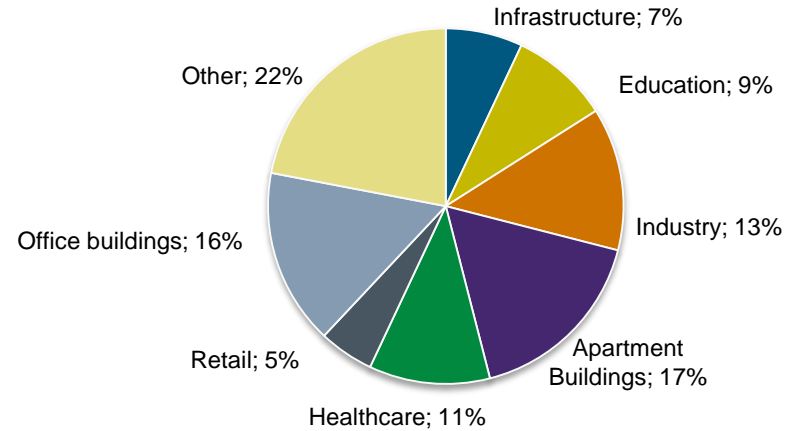
Bravida at a glance

“Bringing buildings and infrastructure to life”

Revenue by technical vertical



Revenue by end-market



Complete housing solutions

Complete office solutions

Shopping centres

Hospitals

Safety and security solutions

Automation

Process cooling

Electrical substations

Rail electrification

Swimming pools

Ventilation systems

Borehole heat exchangers

Lighting

Stadiums

Infrastructure

Note: Split based on 2016 sales
Source: Company information

Bravida at a glance (cont'd)

Service

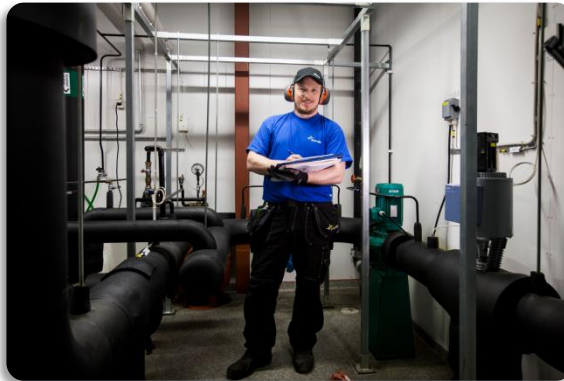
47% of sales



Monitoring / supervision on-site operations and improvements

Renovation & redevelopment

15% of sales



Renovation or larger maintenance projects

New build

38% of sales



New build or major redevelopment

Note: Split based on 2017 sales
Source: Company information