



Mattias Johansson, CEO
Nils-Johan Andersson, CFO

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BRINGING BUILDINGS TO LIFE

Today's presenters

Mattias Johansson, CEO and Group President



✦ CEO since 2015 and with Bravida since 1998

Nils-Johan Andersson, CFO



✦ Joined Bravida as CFO 2014

About Bravida

Business highlights

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

Represented in around 160 locations

> 55,000 customers – Top 5 customers represent 13% of sales

> 95% recurring customers

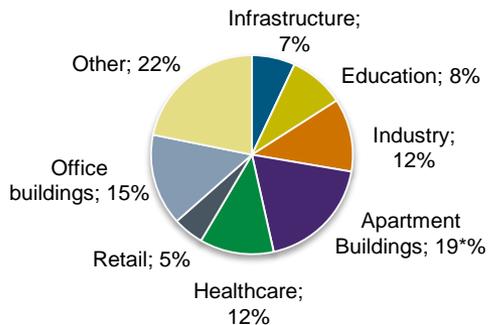
SEK 19.3bn
LTM net sales

SEK 1,211m
LTM EBITA

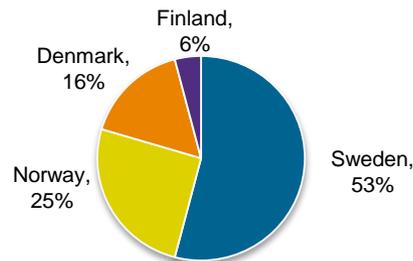
> 11,000
FTEs

Sales split based on 2018 sales

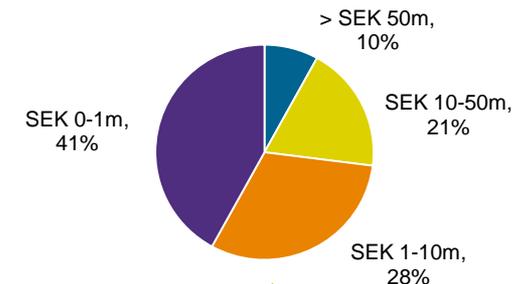
Net sales by type of facility



Net sales by country



Net sales by order size



Key highlights Q4 2018

Sales

- Net sales grew 12% to SEK 5,521m (4,927), organic growth 4% and M&A 6%
- Growth in all countries
- Service sales growth 4% and installation sales growth 20%
- Slower service growth due to fewer working days in the end of the quarter

Order momentum

- Order backlog at good level, SEK 11,992m
- Continued good momentum with order intake SEK 6,629m, whereof Stockholm Bypass Project SEK 1,597m
- Good order intake in Sweden and Finland, +91% resp +65%, growth in Sweden excl. Stockholm Bypass Project

EBITA

- EBITA up 12% to SEK 438m (390), margin stable at 7.9% (7.9)
- EBITA-margin improved in Denmark and Finland
- Slightly lower EBITA-margin in Norway and Sweden
- Norway lower margin due to high production in remaining low margin projects in Oras

Cash flow

- Cash flow from operating activities SEK 807m (650) and cash conversion 102% (106)
- Working capital of SEK -940m (-946) or -4.9% (-5.5) of sales
- Net debt of SEK -1,365m (-1,862), 1.1x (1.7) adjusted EBITDA (LTM basis)
- Strong cash flow enables increased dividend, +29%, and continued higher pace of acquisitions

M&A

- 4 acquisitions completed in Q4 adding SEK 420m
- So far 3 acquisitions completed in Q1 2019 adding SEK 105m
- Oras integration according to plan
- Strengthened acquisition team to ensure a continued high pace of acquisitions

Market trends

Sweden

Good market: service and installation activity good

- Main growth drivers are public investments in buildings and infrastructure
- Declining production of residential construction will be replaced by projects from other types of facilities
- Industry confidence indicator at normal level

Norway

Good market: public investments and energy efficiency project

- Overall service and installation activity is good
- Market drivers are public investments and energy efficiency projects
- Decreasing activity in 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 as data centres
- Construction confidence indicator at normal level

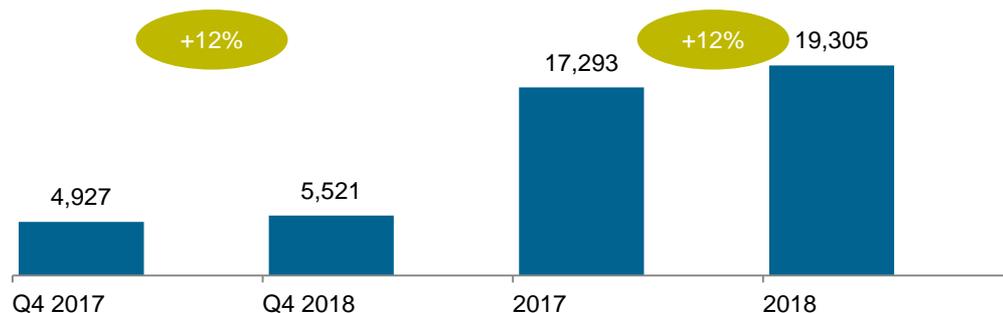
Finland

Stable market: construction market improving

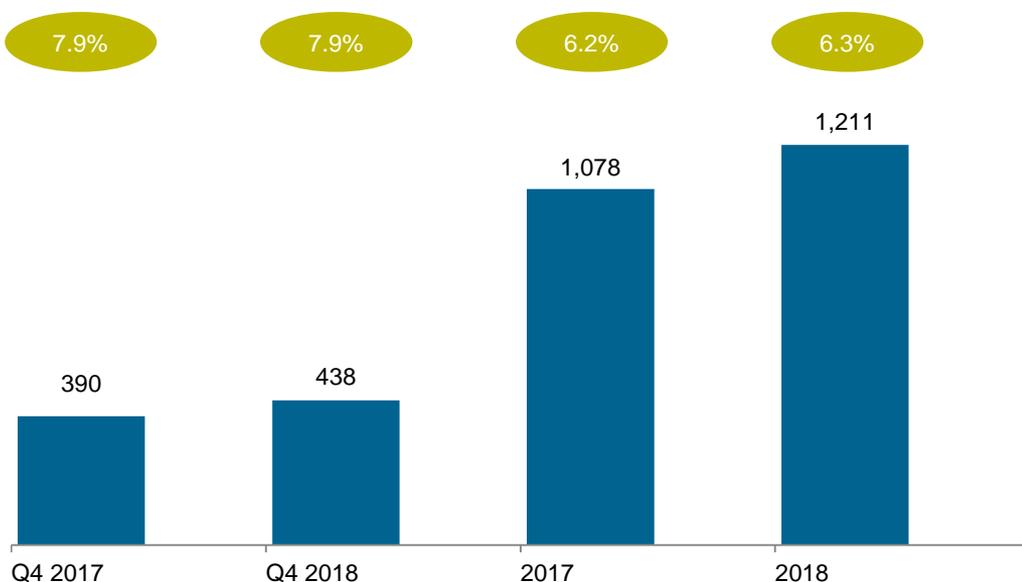
- Sales increase for construction companies
- Stable service and installation market
- Industry confidence indicator at normal level

Group sales & EBITA development

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Key highlights Q4

Strong sales growth

- Sales growth 12%, of which 4% organic and 6% from M&A
- Sales growth in all countries
- Strong growth in installation
- Fewer working days in December had a negative impact on service sales

EBITA improving

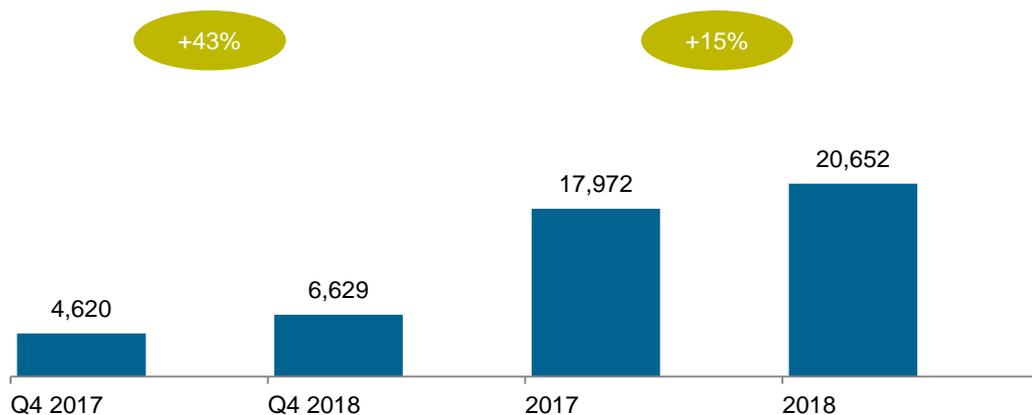
- EBITA +12% in Q4 to SEK 438 and margin unchanged 7.9%
- EBITA margin improvement in Denmark and Finland, slightly lower in Sweden and Norway at good levels

+12%
Q4 2018
sales

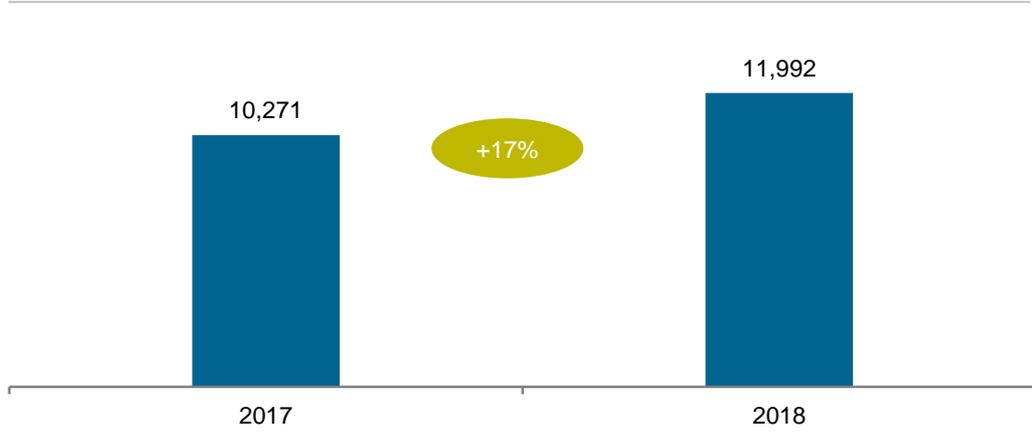
+12%
Q4 2018
EBITA

Order momentum

Order intake & YoY reported growth (SEKm, %)



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



Key highlights in Q4

Order backlog at good level: SEK 11,992m

- ✦ Order backlog +17% higher YoY
- ✦ Increasing order backlog in Q4, SEK 1,247m, excluding Stockholm Bypass Project SEK -350m
- ✦ Increasing order backlog in all divisions in Sweden excluding Stockholm Bypass Project
- ✦ Declining order backlog in Oras with low profitability
- ✦ Mainly small and mid-sized projects in Q4
- ✦ 2 signed contracts to perform all installations within electrical, lighting, water and wastewater and fire extinguishing systems within the Stockholm Bypass project. Order value SEK 2,700m – SEK 1,597 included in order backlog rest will be entered in Q1 2019

+43%
order intake
growth

**SEK
12.0bn**
order backlog

* Backlog includes installation business only
Source: Company information

Acquisitions in 2018



Source: Company information

Key highlights

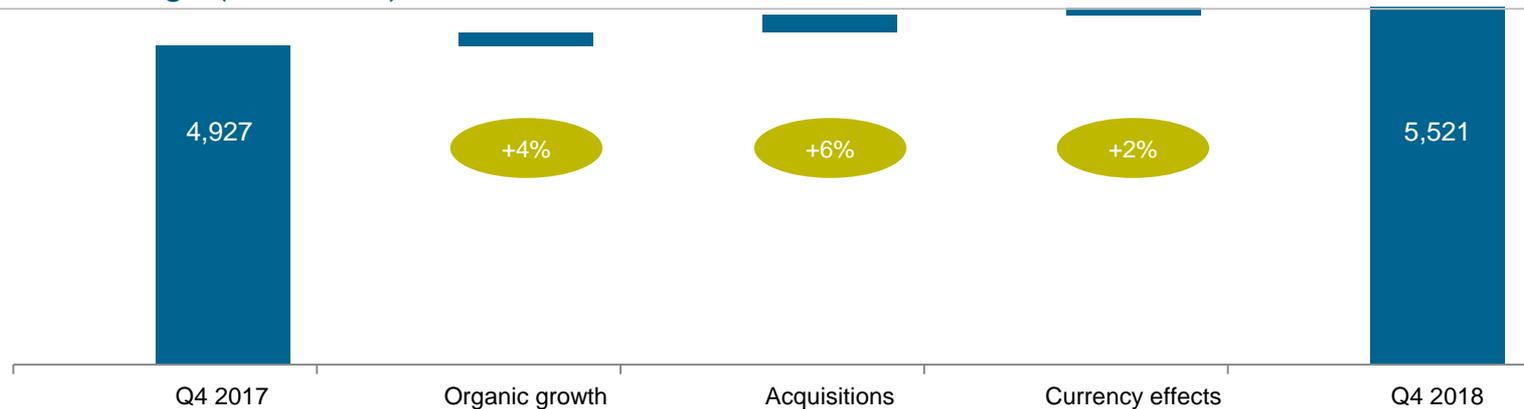
- ✦ 2 acquisition completed in Finland adding approx. SEK 350m in annual sales
- ✦ 7 acquisitions completed in Sweden, adding approx. SEK 344m annual sales
- ✦ 2 acquisitions completed in Denmark, adding approx. SEK 101m annual sales
- ✦ 1 acquisition completed in Norway, adding approx. SEK 11m in annual sales
- ✦ 2 acquisitions completed in Sweden and 1 in Denmark in January 2019 adding SEK 105m
- ✦ Continued strong pipeline
- ✦ Acquisitions still at attractive multiples
- ✦ Reinforced acquisition group established

12
acquisitions
2018

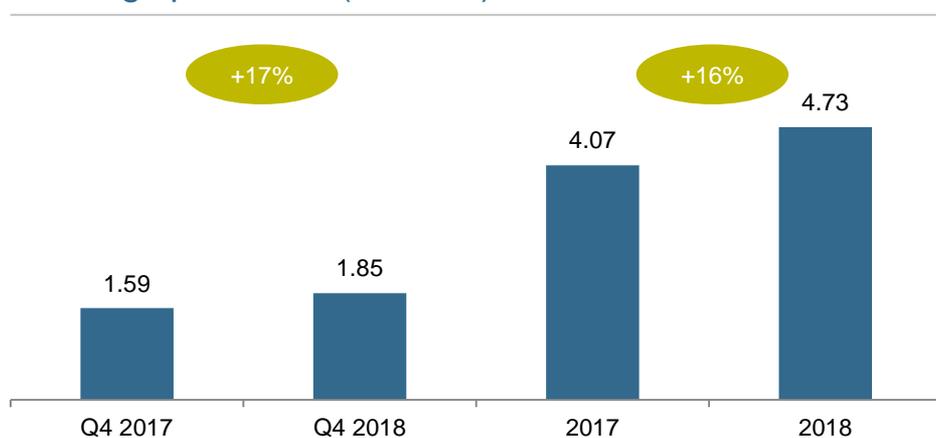
SEK ~800m
acquired sales
2018

Financial performance Q4 2018

Sales bridge (SEKm, %)



Earnings per share (SEK, %)



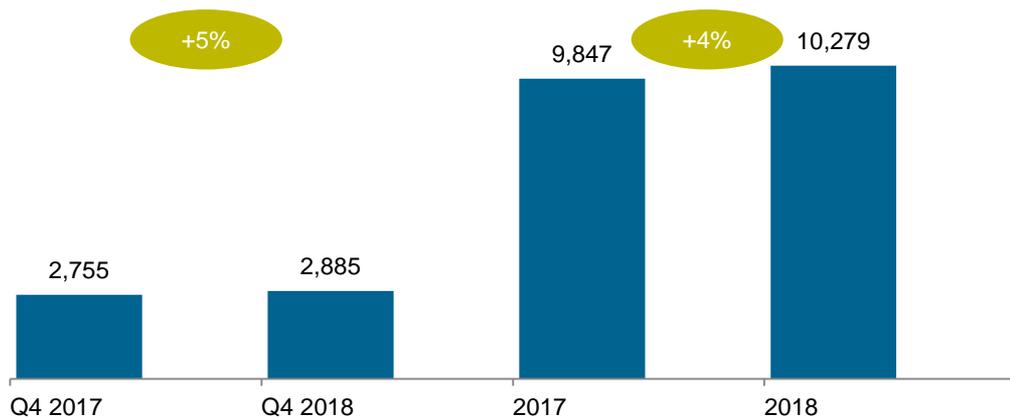
Key highlights in Q4

- ✦ Net sales growth 12%
- ✦ Organic growth 4%
- ✦ EBITA increased by 12%
- ✦ EBITA-margin unchanged 7.9%
- ✦ Finance net improved to SEK +10m (-15), positive due to currency effects
- ✦ Earnings per share increased by 17%

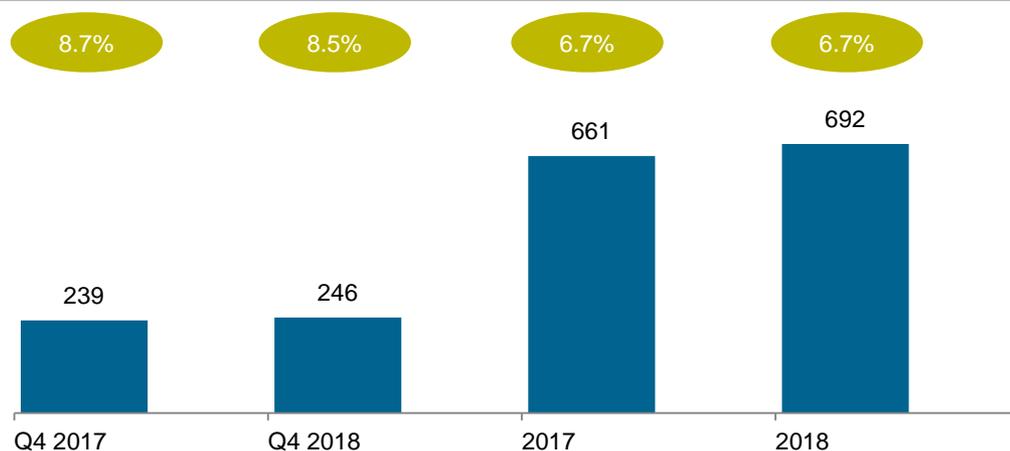
Source: Company information

Sweden

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Source: Company information

Key highlights

Improved net sales but somewhat lower EBITA- margin

- ✦ Sales +5% in Q4
- ✦ EBITA-margin 8.5% (8.7) lower due to a positive one-off 2017 related to payback of pensions

Good market conditions

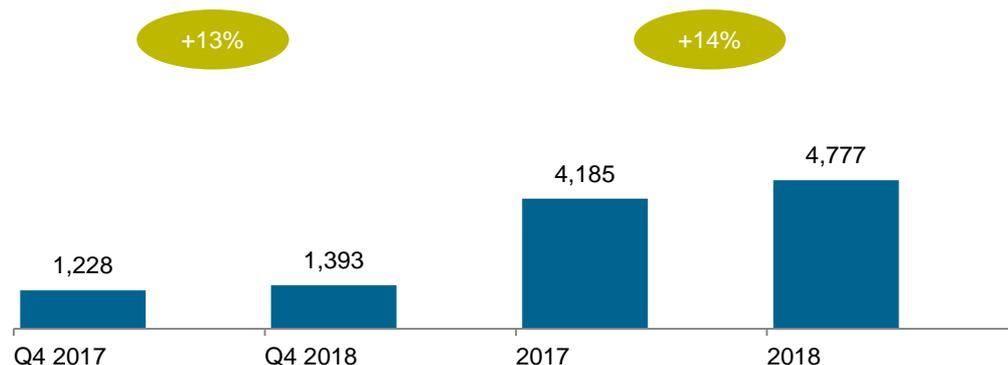
- ✦ Order intake +91% YoY, the first Stockholm Bypass Project order entered, SEK1,597m
- ✦ Growth in order intake excluding Stockholm Bypass Project order, +27%
- ✦ Many small and mid-sized orders
- ✦ Order backlog +32% YoY, growth in all divisions excluding Stockholm Bypass Project
- ✦ Order backlog growth YoY excluding Stockholm Bypass Project +2%

+5%
Q4 2018
sales

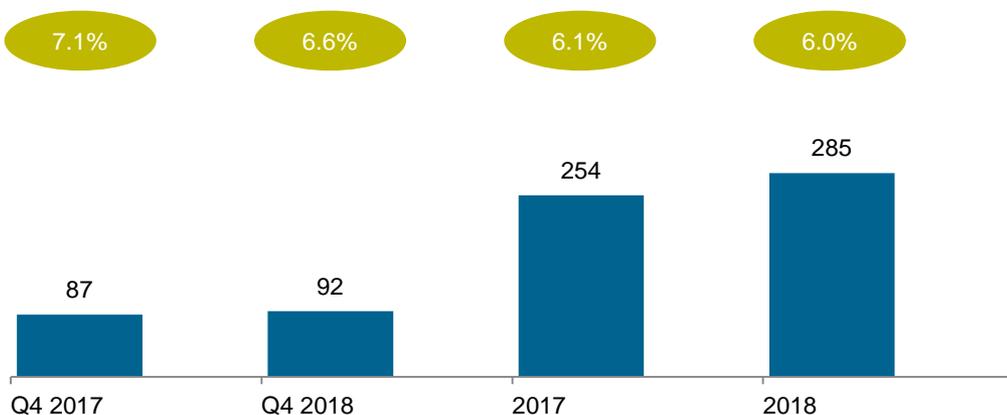
+4%
Q4 2018
EBITA

Norway

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Key highlights

Sales growth but lower EBITA-margin

- Sales growth +13% in Q4
- Phasing out poor performing projects in Oras had a negative effect on EBITA margin
- The EBITA margin slightly lower at 6.6% (7.1)

Lower order backlog

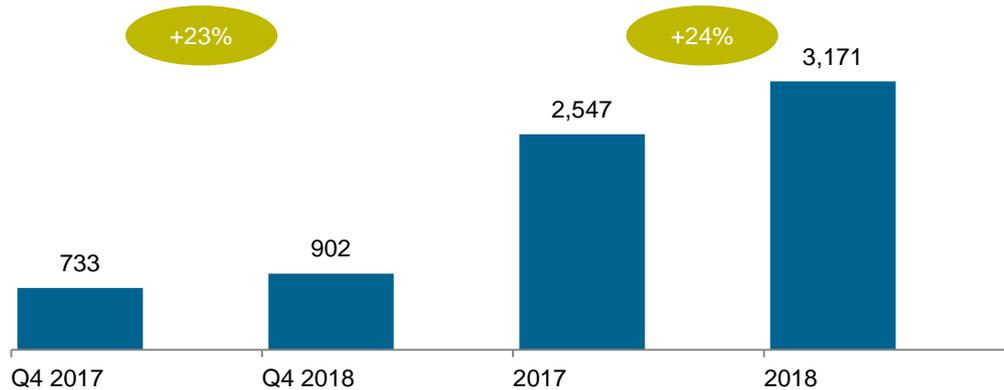
- Order intake -29% YoY, many small and mid-sized orders
- Order backlog -9% YoY, due to phasing out Oras' old low profit orders and high production in one large infrastructure project
- Order backlog at good level

+13%
Q4 2018
sales

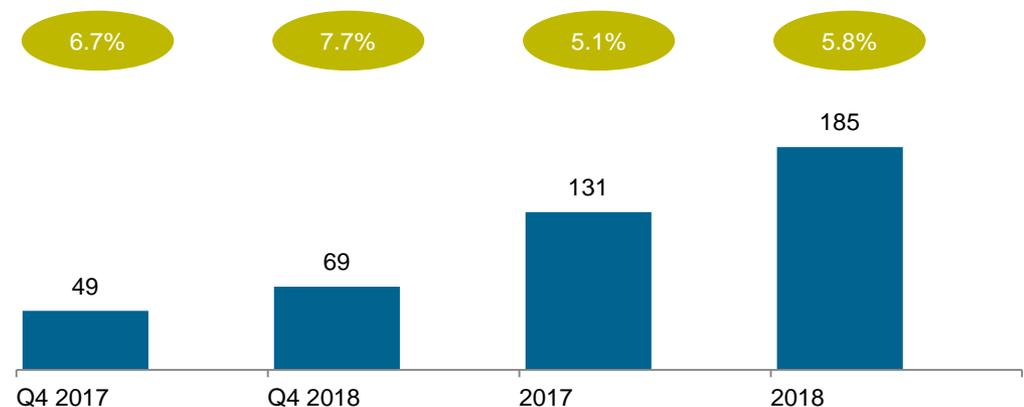
+6%
Q4 2018
EBITA

Denmark

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Key highlights

Good sales growth and improved EBITA

- Sales growth +23% related to the installation business, 2 large projects in production
- EBITA improved 40% to SEK 69m and margin to 7.7% due to improved production and administration

Order backlog at a good level

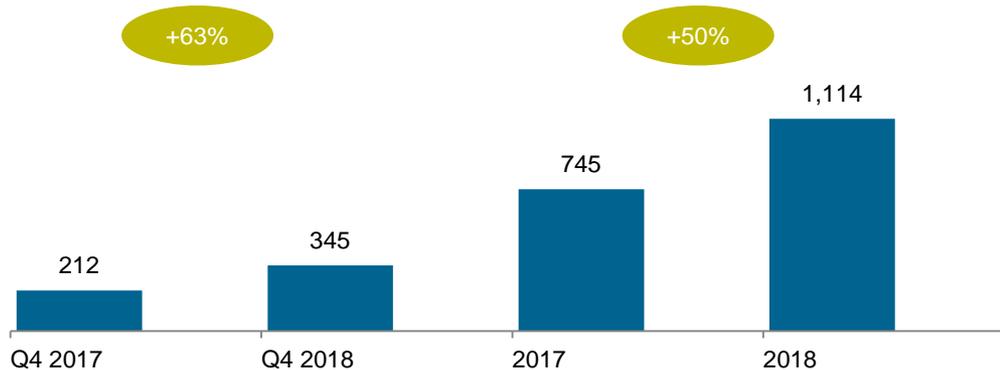
- Order intake -5% YoY
- Order backlog +2% YoY
- Many small and mid-sized orders

+23%
Q4 2018
sales

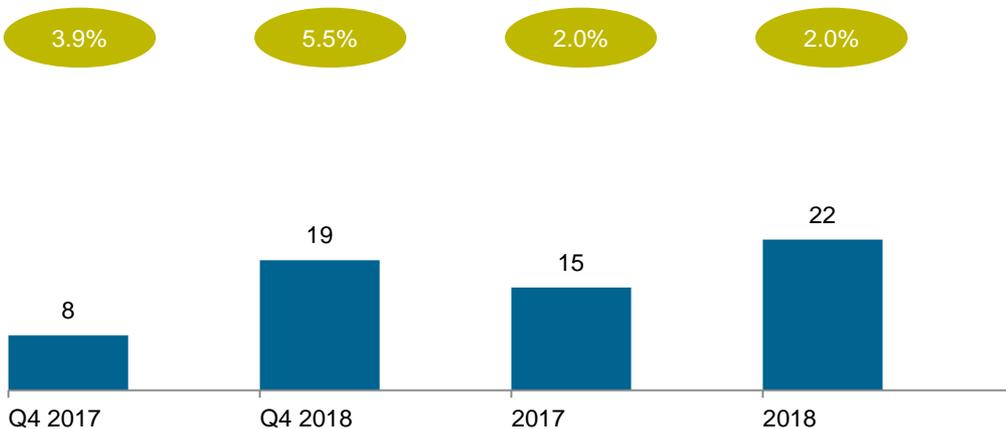
+40%
Q4 2018
EBITA

Finland

Sales & YoY reported growth (SEKm, %)



EBITA & margin (SEKm, %)



Source: Company information

Key highlights

Good sales growth and improved EBITA

- Sales growth +63% mainly explained by the acquisition of Adison and Hangö Elektriska
- Adison acquired January 1 and Hangö Elektriska acquired October 1
- EBITA improved +132% to SEK 19m and margin improved to 5.5%

Order intake and backlog improved

- Order intake +65% YoY
- Many small and mid-sized orders
- Order backlog +62% YoY

+63%
Q4 2018
sales

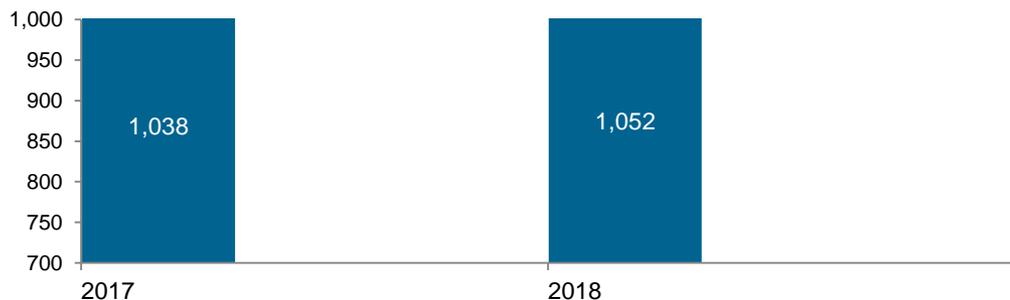
+132%
Q4 2018
EBITA

Net debt and cash flow

Financial position

SEKm	Q4 2018
Cash balances	735
Term loan, RCF, Commercial paper	-2,100
Overdraft facilities and other	-
Net debt	-1,365
LTM EBITDA	1,241
Net debt/LTM adjusted EBITDA	1.1x

LTM operating cash flow (SEKm)



Source: Company information

Key highlights

- SEK 2,800m financing package
 - Term loan SEK 1,300m
 - RCF SEK 1,500m
- STIBOR +1.25% margin
- Maturity 2020-10-16
- Commercial paper programme SEK 2,000m whereof SEK 800m issued
- Proposed dividend SEK 2.00 per share, 42% of EPS and an increase by 29%
- IFRS 16 effect on net debt SEK 1,038m, capital structure 0.4X and EBITA margin +0.1 percent unit
- Cash conversion 102% (106)
- Operating cash flow negatively affected by higher tax payments 2018 SEK 219m (95)

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 1.3bn term loan (Stibor +125 bps subject to ratchet)
 - SEK 1.5bn multi-currency overdraft facility
 - SEK 2.0bn Commercial paper programme

Strong performance

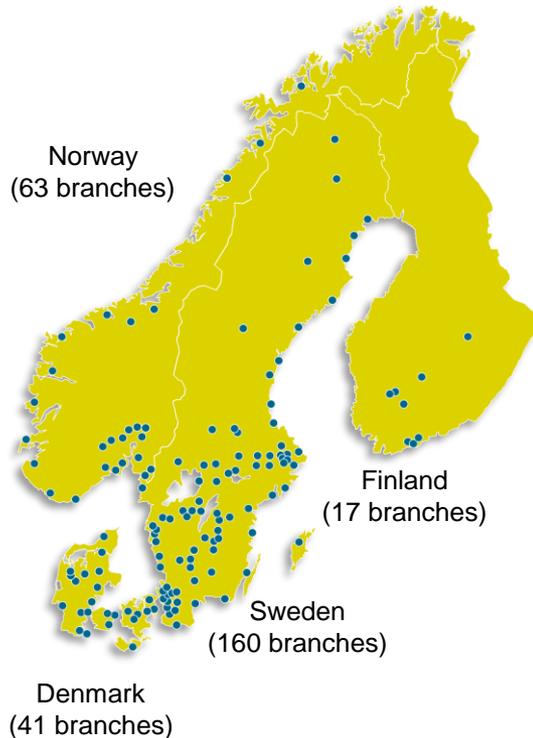
Summary Q4

- Sales increase 12%, organic growth 4% and acquisitions 6%, well in line with financial target
- Installation order backlog at good level, SEK 11,992m, and continued good business momentum for service will support organic growth coming quarters
- EBITA-margin stable at 7.9%
- Improvements in Finland and Denmark
- M&A execution on track with a healthy pipeline, 12 acquisitions completed 2018 and SEK 800m added in sales
- Net debt/adj. EBITDA 1.1x
- LTM operating cash flow improved compared to last year
- Cash conversion above financial target at 102%
- Proposed dividend SEK 2.00 per share, increase by 29% and 42% of EPS
- 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 93bn market)	No. 1	11%	Bravida 11% Assemblin 7% Caverion 5%
Norway (SEK 76bn market)	No. 1	6%	Bravida 6% Caverion 5% Gunnar Karlsen 5%
Denmark (SEK 49bn market)	No. 2	5%	Kemp & Lauritzen 6% Bravida 5% Wicotec 4%
Finland (SEK 55bn market)	No. 5	2%	ARE 7% Caverion 6% OMG 3%

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

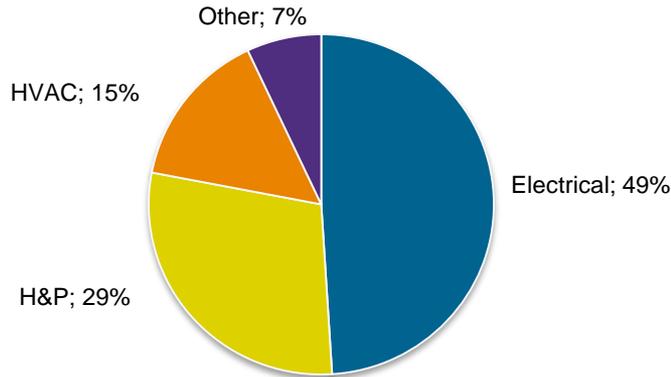
- ✦ Proprietary training and certification programme
- ✦ Best practice sharing
- ✦ Continuous focus on cost and cash

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

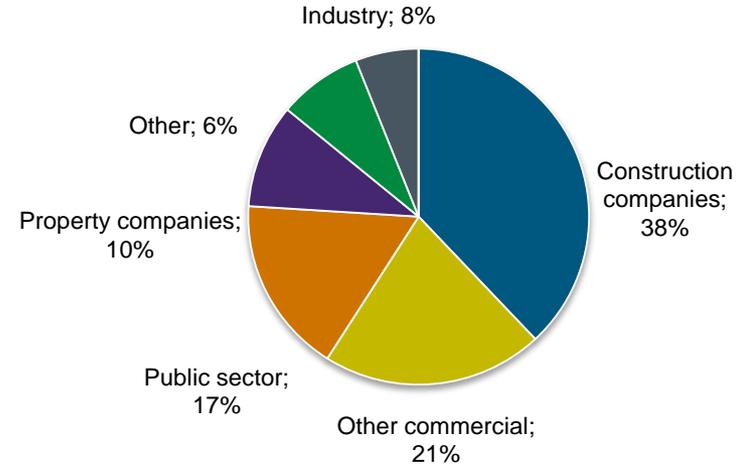
Bravida at a glance

“Bringing buildings and infrastructure to life”

Net sales by area of technology



Net sales by customer group



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 2018 sales
Source: Company information

Bravida at a glance (cont'd)

Service

46% of sales



Monitoring / supervision on-site operations and improvements

Renovation & redevelopment

16% of sales



Renovation or larger maintenance projects

New build

38% of sales



New build or major redevelopment

Note: Split based on 2018 sales
Source: Company information