

RATOS



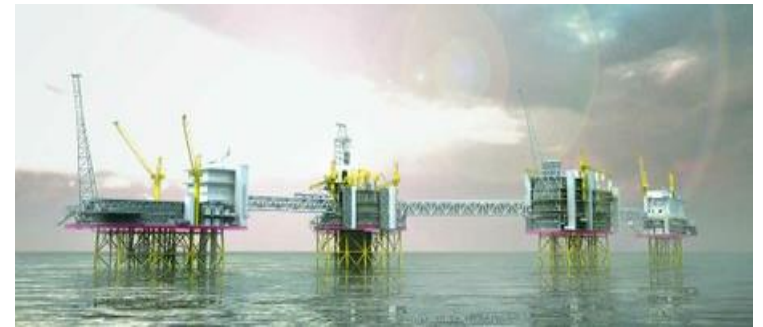
Q2 report 2018

Jonas Wiström

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Highlights Q2

- Positive sales development, +8%
- Improved profit
 - Reported EBITA increased from SEK 728m to SEK 798m
- Cashflow, SEK 870m (890)



Continued challenges in the company portfolio

- Improved profit in
 - HL Display
 - Aibel
 - Bisnode
 - Plantasjen
 - HENT (divestment of HENT Eiendomsinvest)
- Underperformers
 - Diab
 - EBITA-development, SEK -29m
 - Weak wind power segment
 - Weak efficiency
 - Kvdbil
 - TFS



Performance in the companies

Q2 2018, SEKm, adjusted for the size of Ratos's holdings

EBITA, company portfolio

	2018 Q2	2017 Q2	Change ¹⁾
Aibel	37	20	83%
airteam	13	12	4%
Bisnode	75	62	21%
Diab	-16	13	-
Gudrun Sjödén Group	6	7	-16%
HENT	108	43	154%
HL Display	32	11	198%
Kvdbil	4	11	-66%
Ledil	17	21	-20%
Oase Outdoors	29	32	-10%
Plantasjen	493	488	1%
Speed Group	4	5	-29%
TFS	-2	3	-
Total	798	728	10%

¹⁾ Comparison with corresponding period last year and for comparable companies.

Performance in the companies

Q2 2018, SEKm, adjusted for the size of Ratos's holdings

	SEKm	Change ¹⁾
Sales in the portfolio	6,456	+8%
The portfolio's EBITA	798	+10%
Adjusted EBITA in the portfolio ²⁾	764	+3%

¹⁾ Comparison with corresponding period last year and for comparable companies.

²⁾ Excluding items affecting comparability.

New financial targets



Increase
profit each
year

The earnings of the
company portfolio
should increase each
year



Leverage
< 2.5x

A conservative leverage
in the portfolio companies
with an aggregated debt
ratio including Ratos AB
less than 2.5x (Net debt /
EBITDA)



Total share return
should outperform
index

Total return of the Ratos
share should over time
outperform the average
on Nasdaq Stockholm

~~IRR > 15%~~

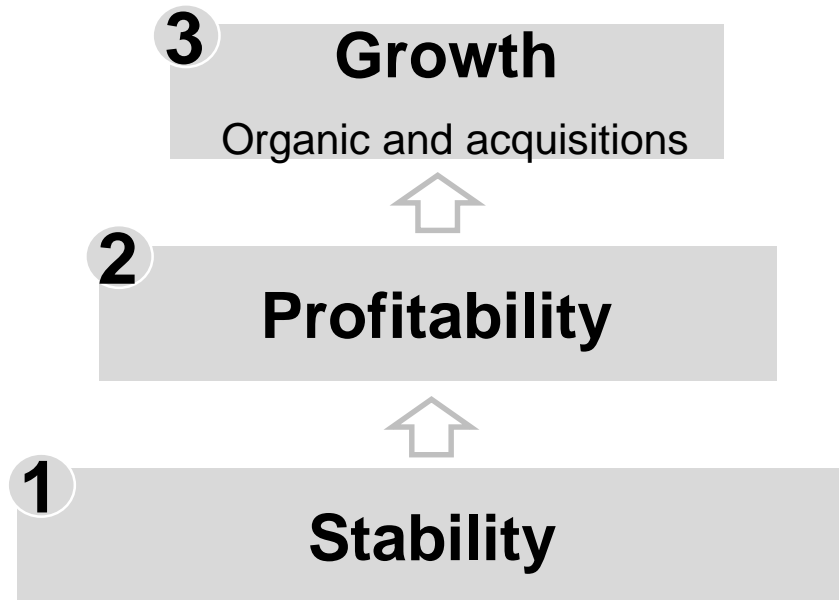
HENT
+106 MNOK
Kvdbil
SEK -100m

Leverage
3,0x
(3,1x)

Continue to focus on current portfolio

Focus on the current portfolio until our profit trend is positive

Ratos priority



Underperforming companies

Action list on underperforming companies

- Governance
- Management
- Indirect costs, gross-margin and organic growth



Top 3 priorities for turn-around

Summary Q2

- Aibel, final contract signed with Equinor, 8 bn NOK. Total order intake 10 bn NOK
- Capital Markets Day 2018
 - New financial targets
 - Focus areas going forward
 - Criteria for long term holdings and new investments
- Improved EBITA and sales
- Challenges remain in the company portfolio



Q&A