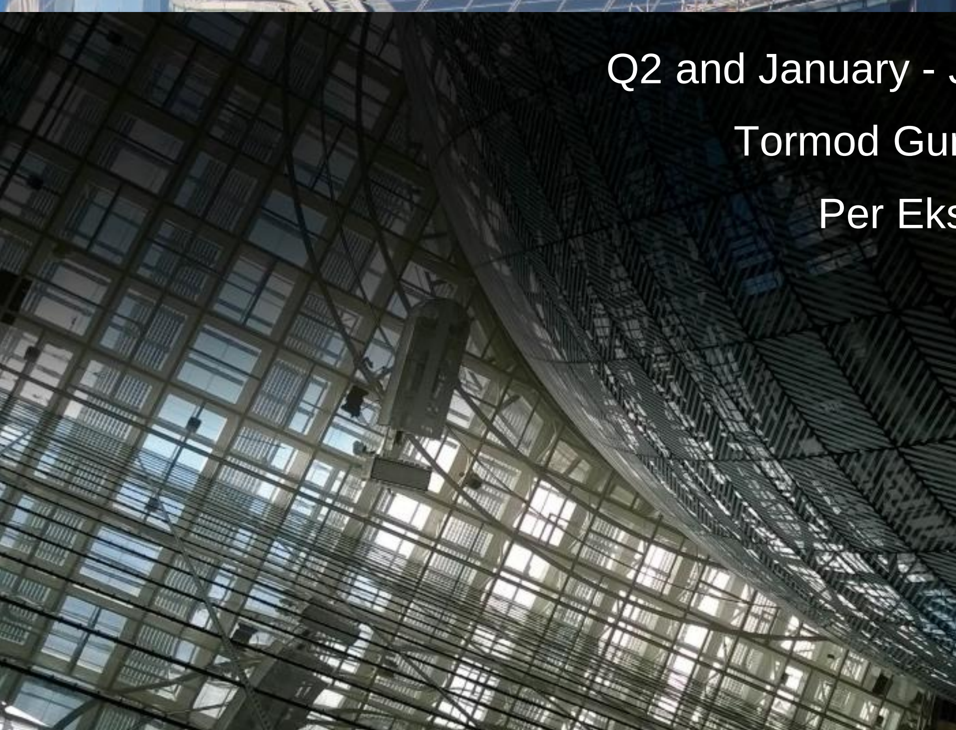



Alimak Group




Q2 and January - June, 17 August 2017

Tormod Gunleiksrud, CEO

Per Ekstedt, CFO

Strong growth in the quarter

Q2

- Solid order intake, revenue and result
- Continued strong performance in Construction Equipment and After Sales
- Integration according to plan and significant contribution on order intake and revenues from acquired businesses

Strong growth in the quarter

Q2

- EBITA margin (adj.) of 14.5% (17.6), due to expected lower margin levels in acquired companies
  - EBITA adj. MSEK 173 (92)
- Organic revenue growth was 20%, while reported revenues increased 128%
  - MSEK 1,194 (524)
- Organic order intake growth was 14%, while reported order intake grew 120%
  - MSEK 1,193 (543)

Management assessment, if the acquired companies would have been fully consolidated by 1 January 2016:

Order intake growth during January-June 2017 would have been 17%

Revenue growth during January-June 2017 would have been 10%

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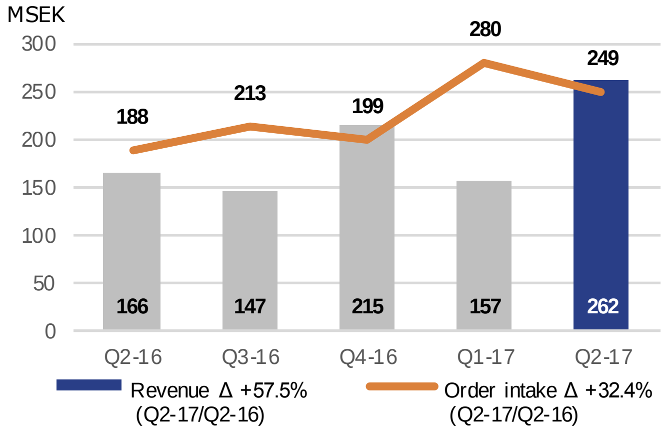
Construction Equipment

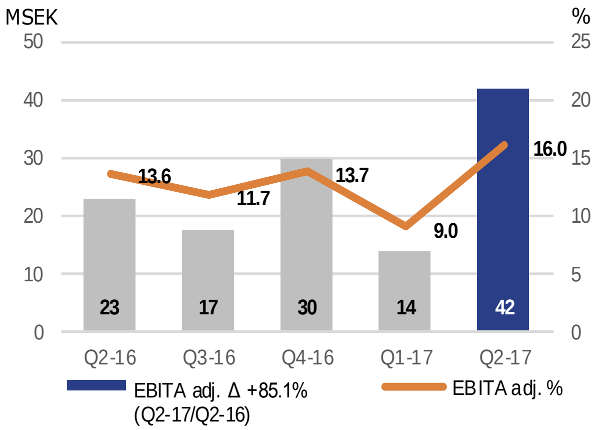
Q2

- EBITA adj. was MSEK 42 (23). EBITA margin adj. of 16.0% (13.6) mainly driven by higher volumes and favorable product mix
- Organic revenue growth of +55%
- Organic order intake growth of +30% driven by strong underlying demand in all markets

Order intake & Revenue



EBITA adj. & EBITA margin adj.

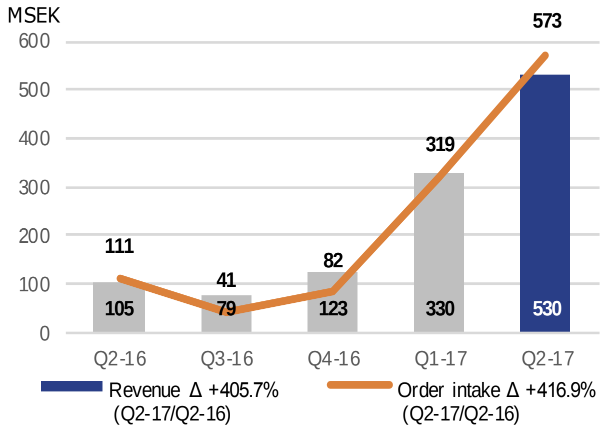


Industrial Equipment

Q2

- EBITA adj. increased to MSEK 27 (2). EBITA margin adj. of 5.1% (1.6) with significant impact from the acquired businesses
- Organic revenue growth was 6%, while reported revenue increased 406%
- Organic order intake declined 20%, while reported order intake increased 417%

Order intake & Revenue



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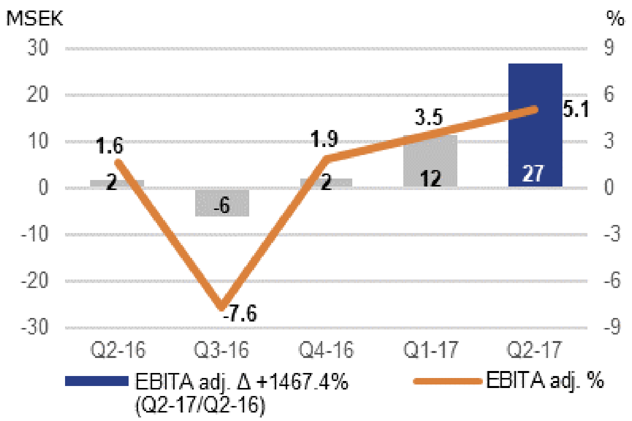

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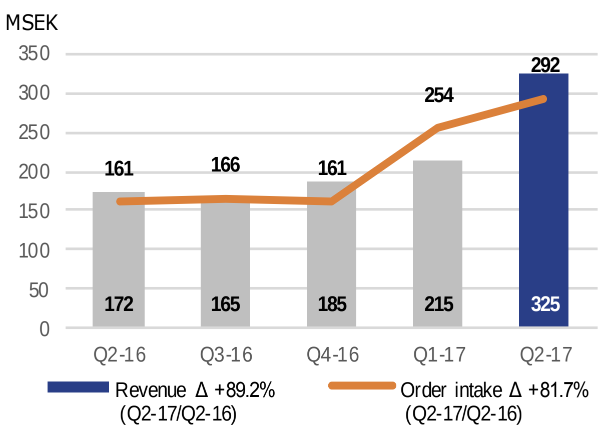
After Sales

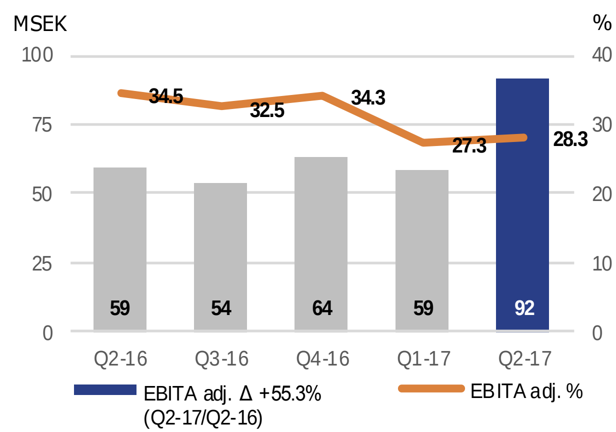
Q2

- EBITA adj. increased to MSEK 92 (59). EBITA margin adj. was 28.3% (34.5), due to expected lower margins in the acquired businesses
- Organic revenue growth was 6%, while reported revenue increased 89%
- Organic order intake growth was 28%, while reported order intake increased 82%

Order Intake & Revenue



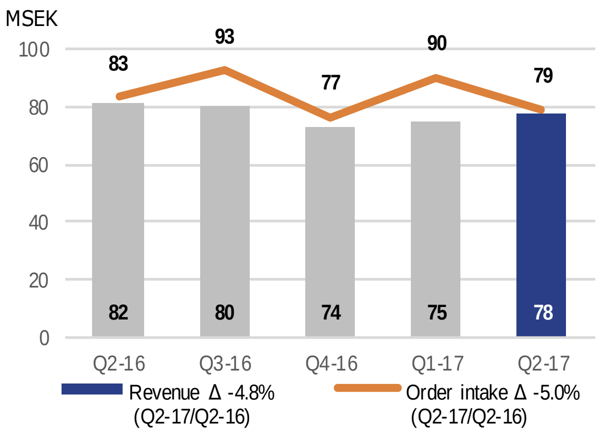
EBITA adj. & EBITA margin adj.



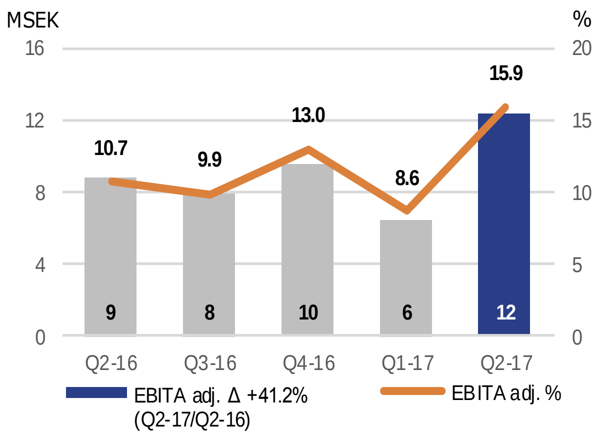
Rental

- EBITA adj. increased to MSEK 12 (9). EBITA margin adj. was 15.9% (10.7), driven by higher utilisation
- Organic revenue declined by 1%
- Organic order intake declined by 6% due to lower levels in Australia

Order intake & Revenue



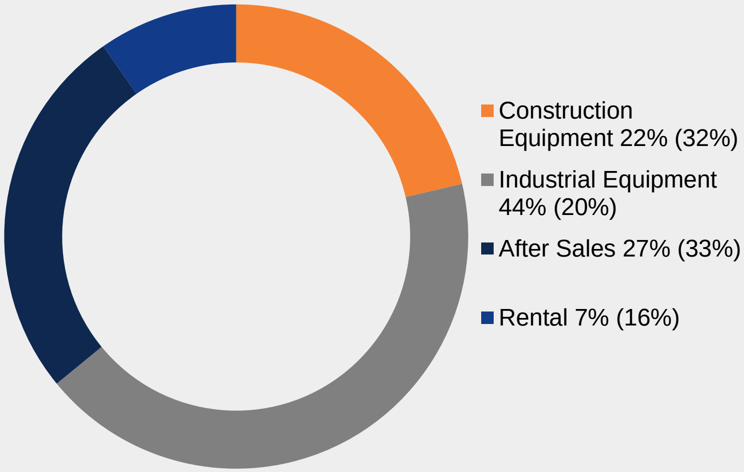
EBITA adj. & EBITA margin adj.



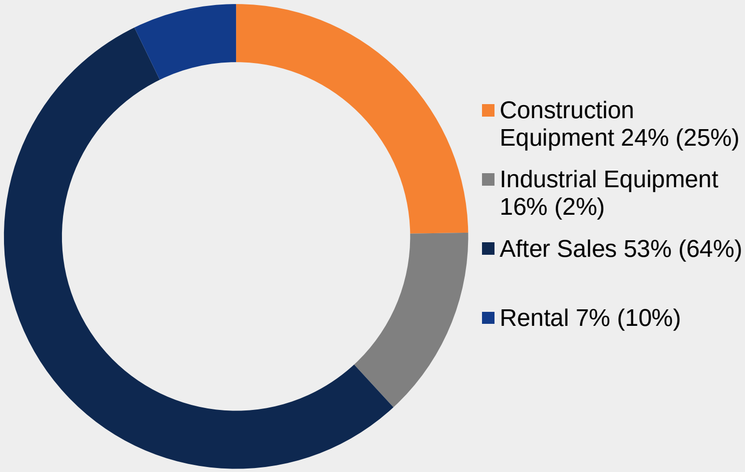
BA´s: Share of total Revenue & EBITA adj. Q2

- Acquired companies integrated into business area Industrial Equipment & After Sales

Revenue Q2 2017 – share of group total (Q2 2016)

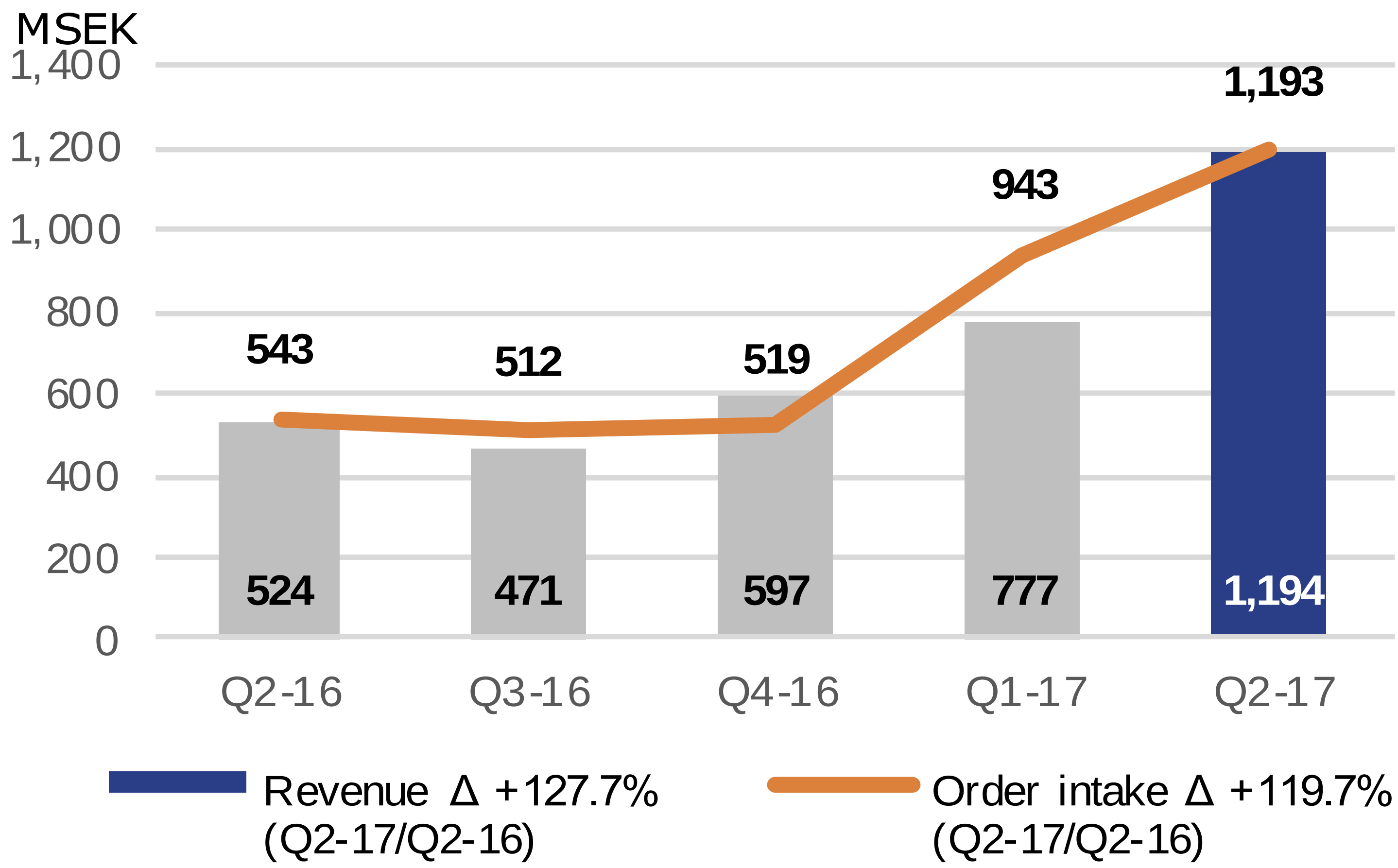


EBITA adj. Q2 2017 – share of group total (Q2 2016)



Order Intake & Revenue by Quarters

Q2



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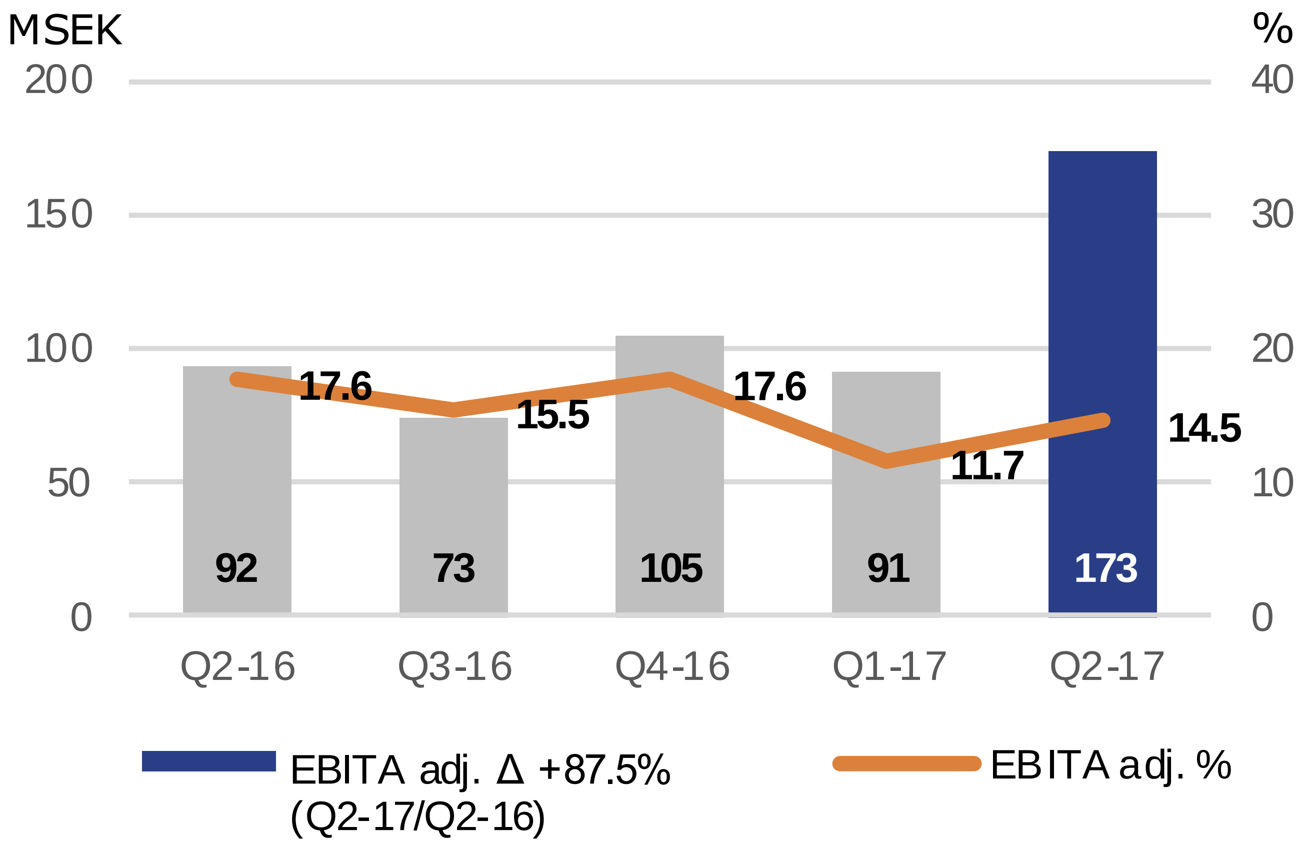
EBITA adj. & margin by Quarters

Q2

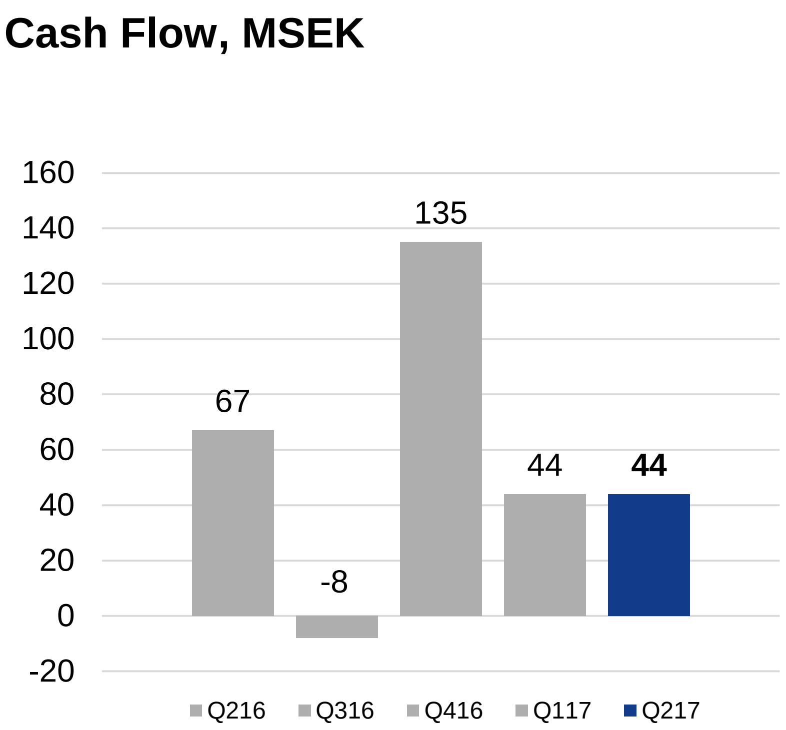


Acquired companies fully consolidated in Q2 2017 impacting margins

Cash flow and Net debt

Q2

- Solid financial position
  - Rights issue fully subscribed (MSEK 791 before issue costs)
- Cash flow from operating activities was MSEK 44 (67)
- Net debt MSEK 1,140 (385)
- Leverage (Net debt/EBITDA ratio) at 2.44 (1.02)
  - Due to the completion of the acquisitions - leverage has increased
  - Leverage target: a net debt of around 2x EBITDA

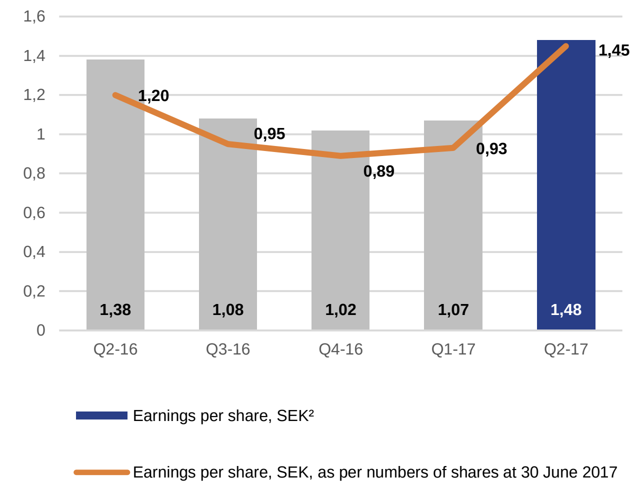


EPS by Quarters

Q2

- EPS SEK 1.48 (1.38)
  - EPS impacted by higher tax in acquired companies
- 54,157,861 shares as of 2017-06-30

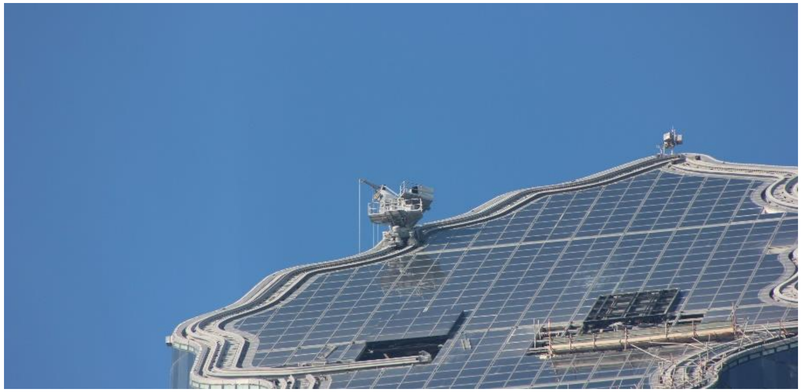
EPS, SEK *



* Previous periods have been adjusted to take into account the change in the number of shares after completion of the rights issue in Q2 2017. The staples in the graph represent regulatory information while the line represents EPS calculated by the numbers of shares by 30 June 2017.

Mid Term Financial Targets

Revenue growth target	EBITA margin target	Leverage target (net debt/EBITDA)
6%	**15%**	**2.0x**
The Group's mid-term target is to have an average annual organic revenue growth of at least 6%.	The Group's mid-term target is to reach an operating EBITA margin of at least 15%.	The company will maintain an effective capital structure with a net debt of around 2.0x EBITDA. The capital structure will be flexible and allow for strategic initiatives.



Integration plan & progress

Q2

Synergy potential

- Synergies of 2 percentage points (baseline 12.0%, actual proforma 2016) on the EBITA margin with full effect 2019
  - Procurement and manufacturing optimization
  - After Sales
    - Increased footprint, size and utilization
    - Improved structure and service levels
  - Strengthened organization and structure

Integration plan

- Transformation ready by 2019
- 15 cross functional work streams with the task to develop best practice across the organization
- Integration costs ~110 MSEK
  - Costs expected to be incurred in 2017 and 2018

Summary

Q2

- Solid order intake growth during the quarter
  – 14% organic
- Strong revenue growth
  – 20% organic
- EBITA adj. margin of 14.5% reflects a solid margin in Construction Equipment, After Sales and Rental
- Challenges in Oil & Gas and General Industry but level of enquiries has increased
- Acquired companies performing in line with expectations
- Integration activities according to plan

Management assessment, if the acquired companies would have been fully consolidated by 1 January 2016:

Order intake growth during January-June 2017 would have been 17%

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Q&A