

A close-up, low-angle shot of a complex mechanical assembly, likely a turbine or engine component, featuring numerous parallel, cylindrical blades or vanes. The lighting is dramatic, with strong highlights and deep shadows, creating a sense of depth and texture. A pair of glasses with thin frames is resting on one of the blades in the lower right quadrant. The overall color palette is dominated by cool blues and greys, with some warmer tones from the lighting on the metal surfaces.

Alimak Group

Q1 2019, 26 April 2019

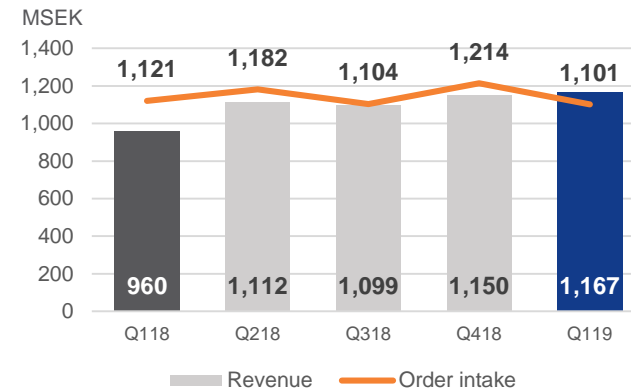
Tormod Gunleiksrud, CEO

Tobias Lindquist, CFO

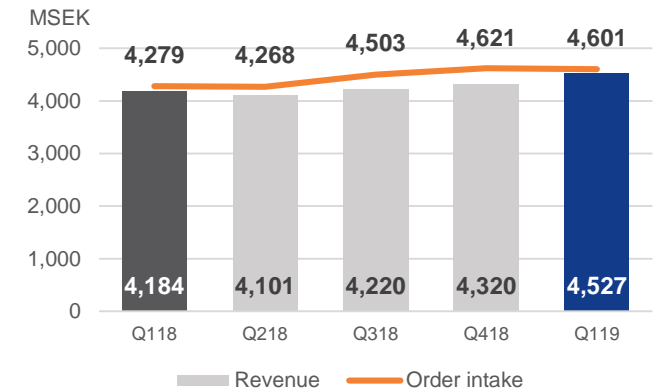
Quarterly highlights: Double-digit growth

- Strong revenue growth in all business areas
- Order intake slightly lower Y-o-Y
- EBITA margin adj. at 13.2% (11.6%) with biggest improvement in Industrial and Construction Equipment
- New acquisition makes way for strong vertical access IoT offering

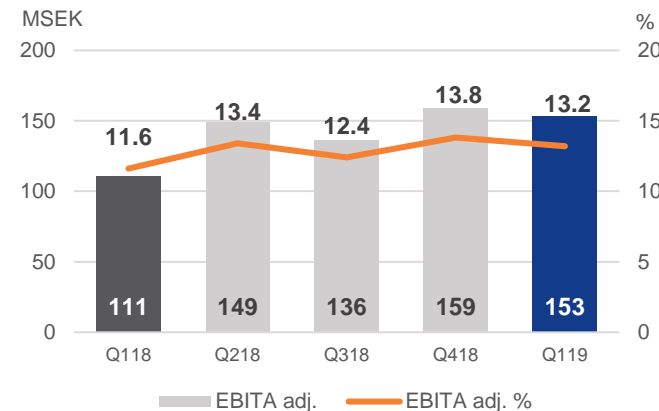
Order intake & Revenue by Quarters



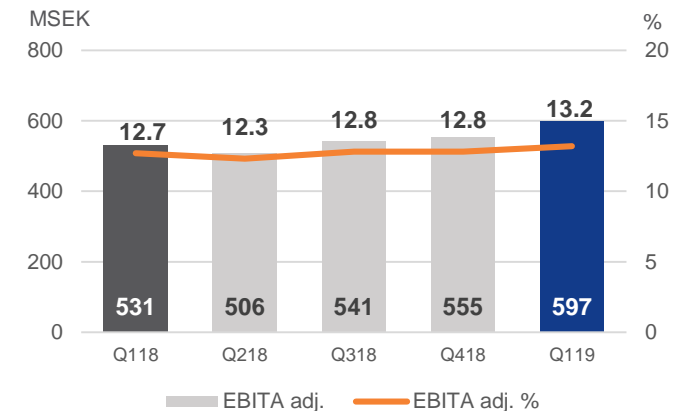
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



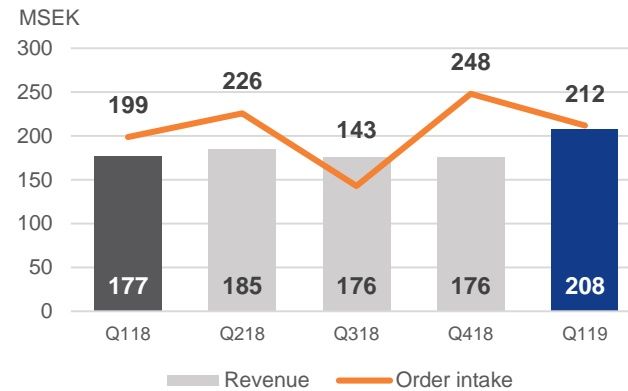
EBITA adj. & EBITA margin adj. by R12M



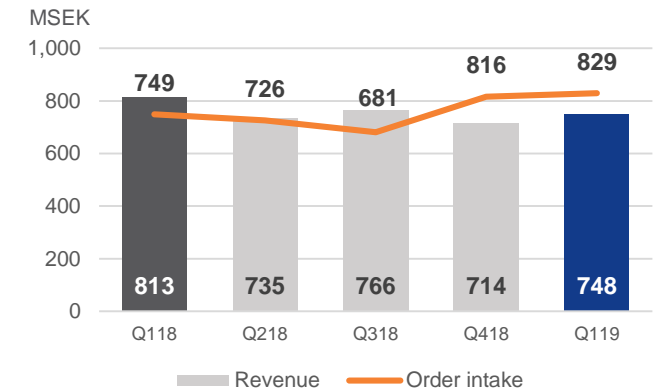
Construction Equipment

- Robust demand across markets
 - US going strong
 - SEA and ME coming back
 - Europe slightly weaker versus previous quarters
- Order intake increase by 7%, -1% organic, to MSEK 212 (199)
- Revenue of MSEK 208 (177), 18% growth, 8% organic
- EBITA adj. improved to MSEK 30 (17), margin 14.5% (9.5%)

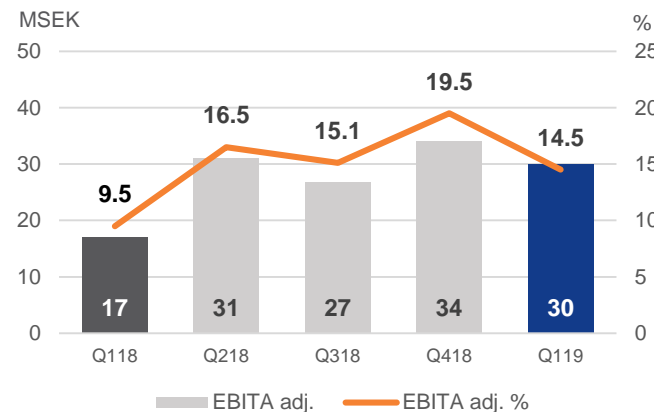
Order intake & Revenue by Quarters



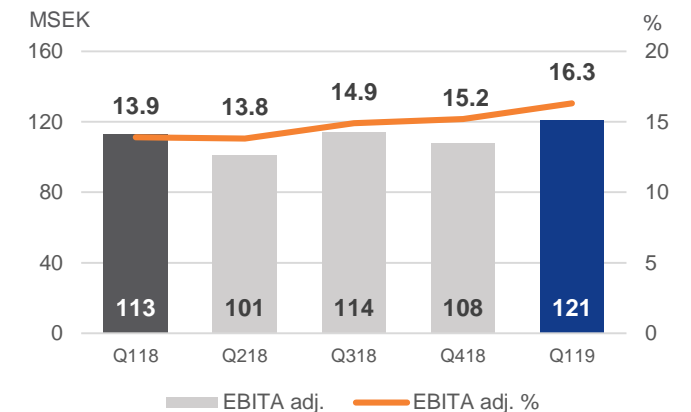
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



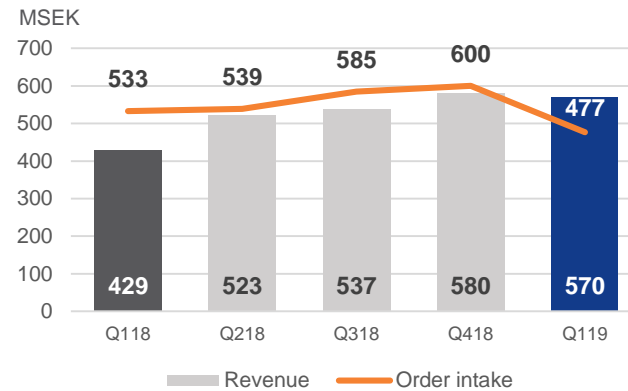
EBITA adj. & EBITA margin adj. by R12M



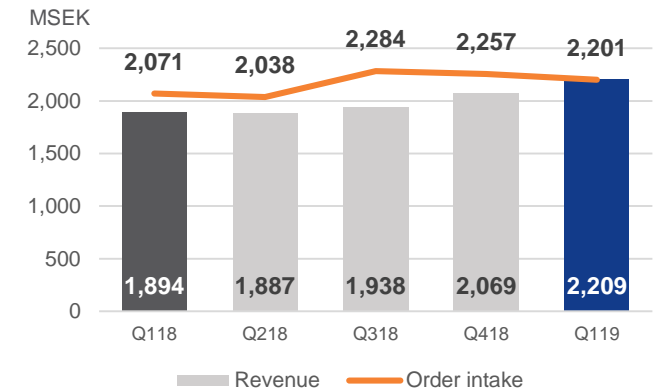
Industrial Equipment

- Order intake decreased 11%, 17% organically, to MSEK 477 (533)
 - More competitive market conditions for the Wind business unit in China
 - Stricter internal conditions for booking orders in the BMU business
- Revenue growth of 33%, 24% organic, to MSEK 570 (428)
- EBITA adj. of MSEK 34 (11), margin 5.9% (2.5%)

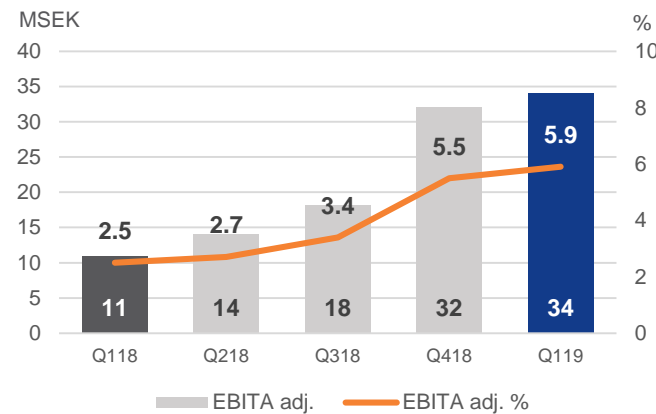
Order intake & Revenue by Quarters



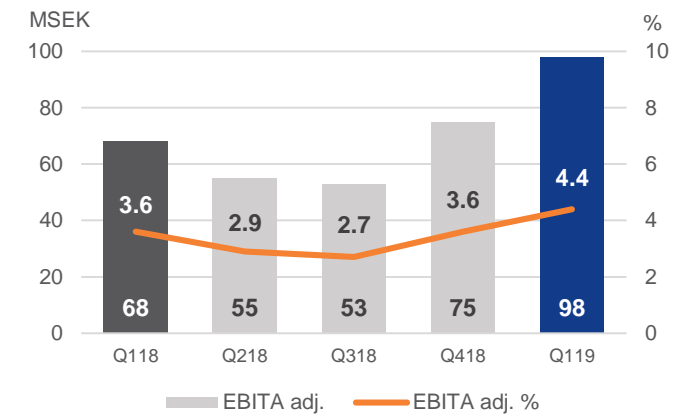
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



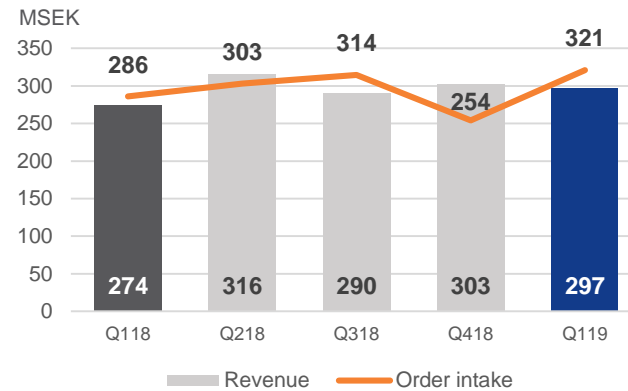
EBITA adj. & EBITA margin adj. by R12M



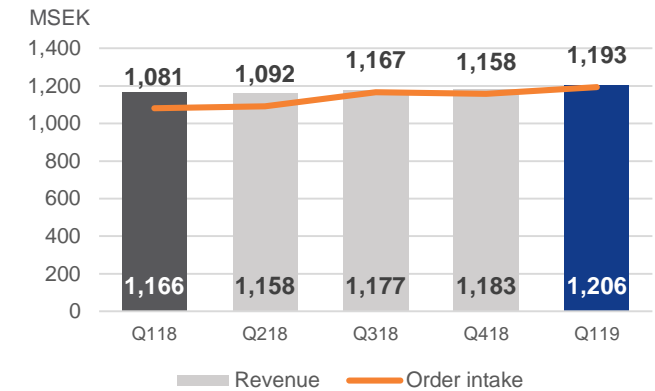
After Sales

- Order intake increase of 12%, 5% organic, to MSEK 321 (286)
- Revenue growth of 9%, 1% organic, to MSEK 297 (274)
- EBITA adj. at MSEK 78 (74), a margin of 26.2% (27.2)

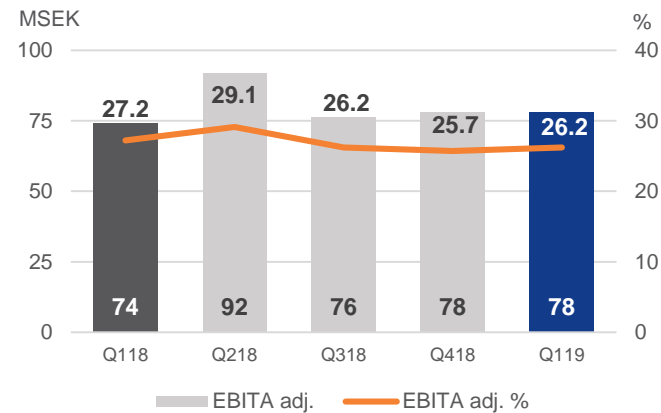
Order intake & Revenue by Quarters



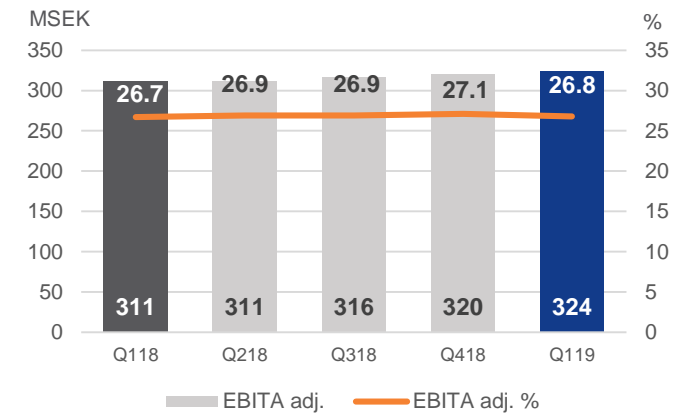
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



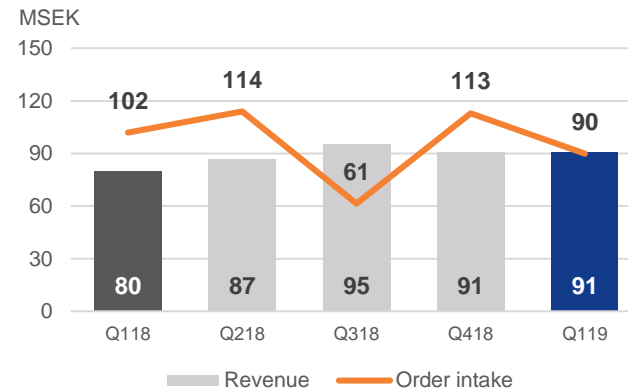
EBITA adj. & EBITA margin adj. by R12M



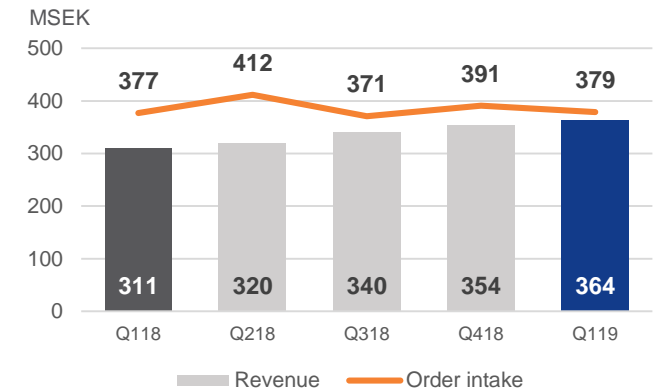
Rental

- Order intake of MSEK 90 (102) in the quarter, a decrease of 12%, organic decrease 15%
- Revenue growth of 14%, 10% organic, to MSEK 91 (80),
- EBITA adj. at MSEK 12 (9), margin 13.0% (11.6%)

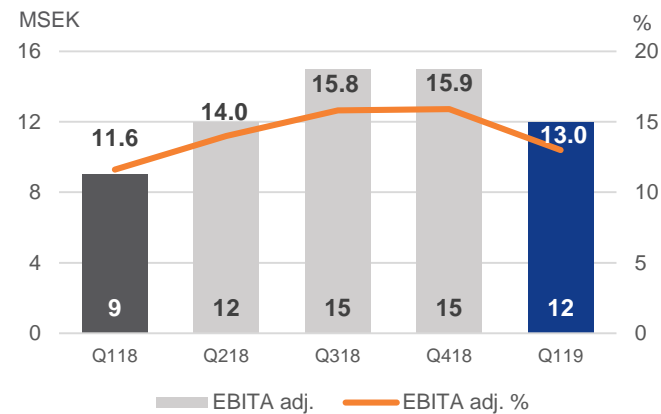
Order intake & Revenue by Quarters



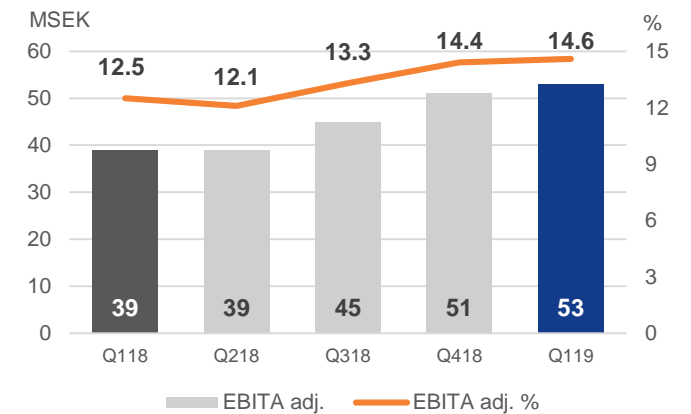
Order intake & Revenue by R12M



EBITA adj. & EBITA margin adj. by Quarters



EBITA adj. & EBITA margin adj. by R12M



Earnings summary

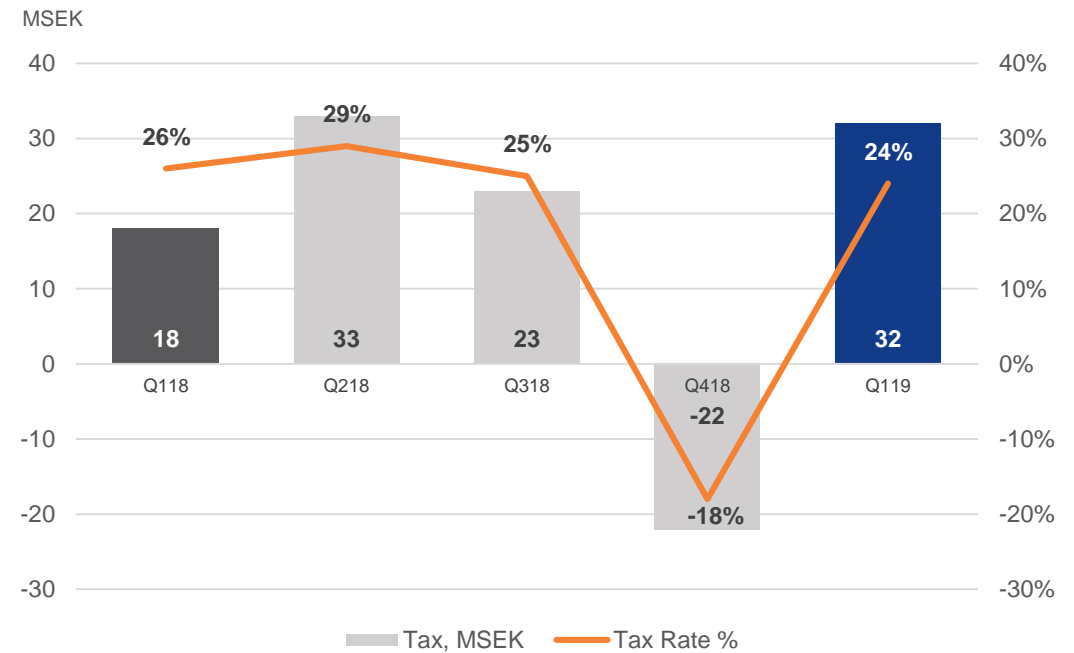
- EBITA adj. +38%
- Result for the period +87%
- Items affecting comparability – Dataline acquisition
- Amortisation – Some intangible assets fully amortised in 2018
- Financial net – IFRS 16 effect of MSEK -2.1,
- Taxes – Tax rate 24% (26%)

MSEK	Q1 2019	Q1 2018	△
EBITA adj.	153.4	111.3	+42.1
Items affecting comparability	(2.4)	(16.9)	+14.5
EBITA	151.0	94.4	56.6
Amortisations	(11.1)	(14.3)	+3.2
EBIT	139.9	80.1	+59.8
Financial net	(9.5)	(9.2)	-0.3
EBT	130.4	70.9	+59.5
Taxes	(31.9)	(18.2)	-13.7
Result for the period	98.5	52.7	+45.8

Tax Expense

- Tax expense for the quarter was MSEK 32 (18) and the tax rate was 24% (26%)
- There was no material change in deferred tax assets in the quarter

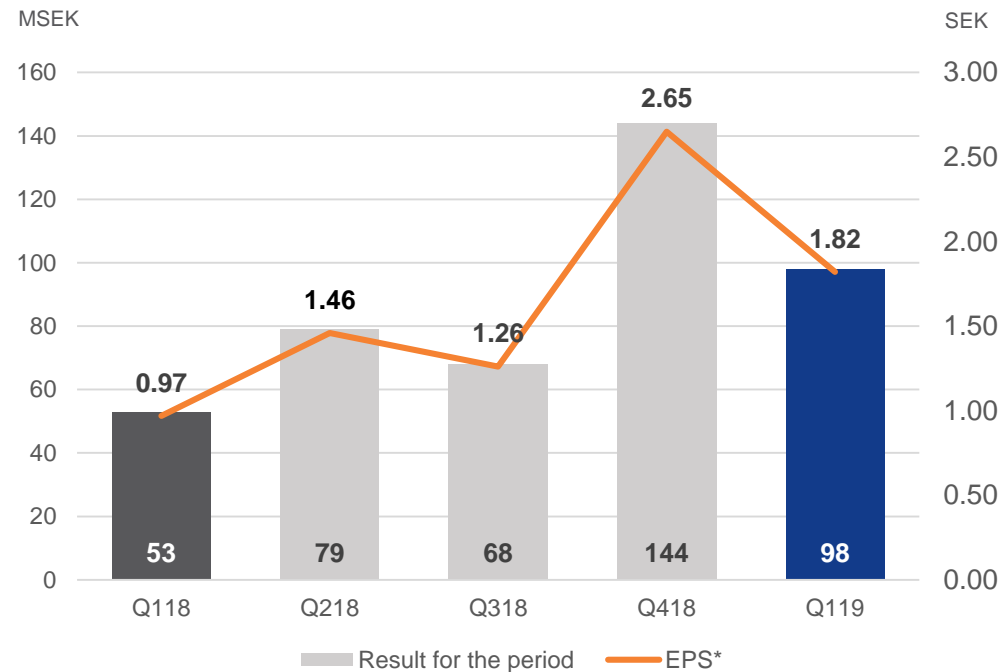
Tax expense and Tax rate by Quarter



Result for the period and EPS

- Result for the period MSEK 98 (53)
- EPS for the period SEK 1.82 (0.97)
- Both up 87%, driven by EBITA adj. result

Result for the period and EPS

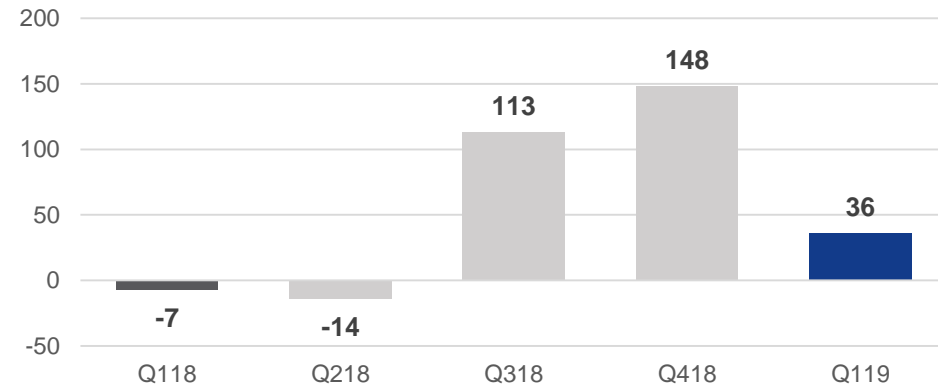


*) Calculated on numbers of shares
at 2019-03-31: 54,157,861

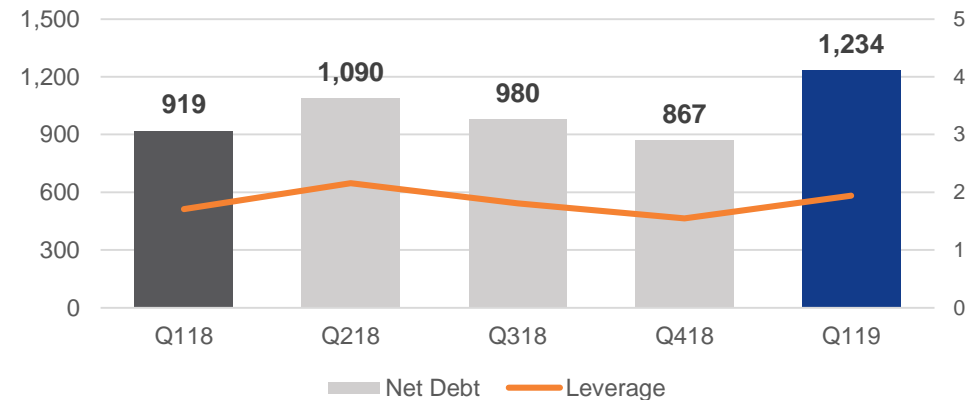
Cash flow and Net debt

- Cash flow from operations MSEK 36 (-7)
- Working capital increased by MSEK 112 (87)
 - Contract assets BMU projects
 - Receivables, growth in revenue
- Net debt totalled MSEK 1,234 (867 as of December 31, 2018)
 - IFRS 16 impact of MSEK 363
- Leverage at March 31, 2019 was 1.94 (1.55 as of December 31, 2018)
 - Leverage 1.37 excluding IFRS 16 impact

Cash flow, MSEK by Quarter



Net debt, MSEK and Leverage by Quarter



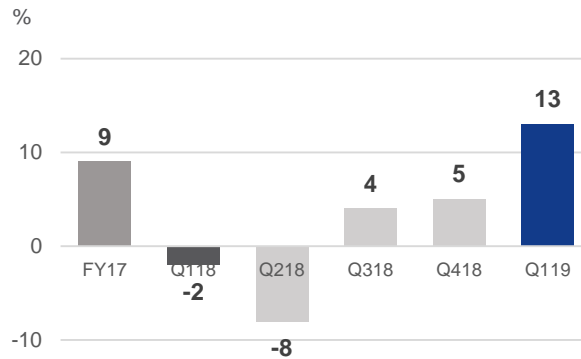
Mid-term Financial Targets

Revenue growth target

6%

The Group's mid-term target is to have an average annual organic revenue growth of at least 6%.

Organic revenue growth

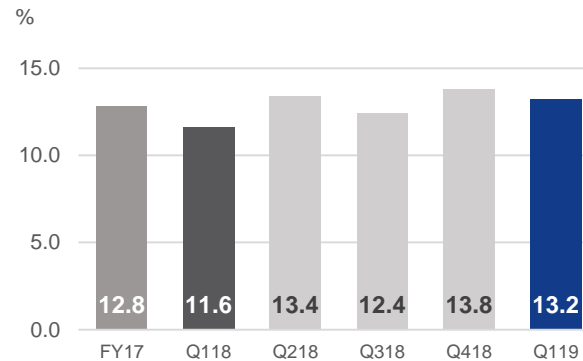


EBITA margin target

15%

The Group's mid-term target is to reach an operating EBITA margin of at least 15%.

EBITA margin adj. %

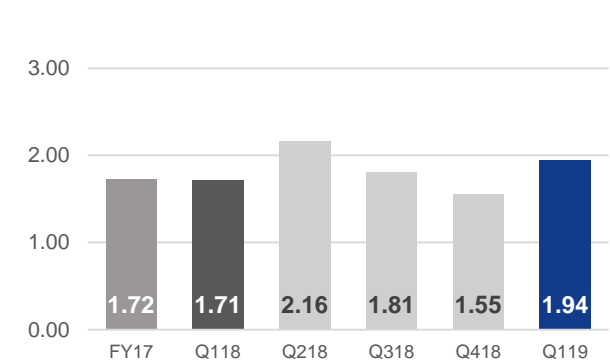


Leverage target (Net debt/EBITDA)

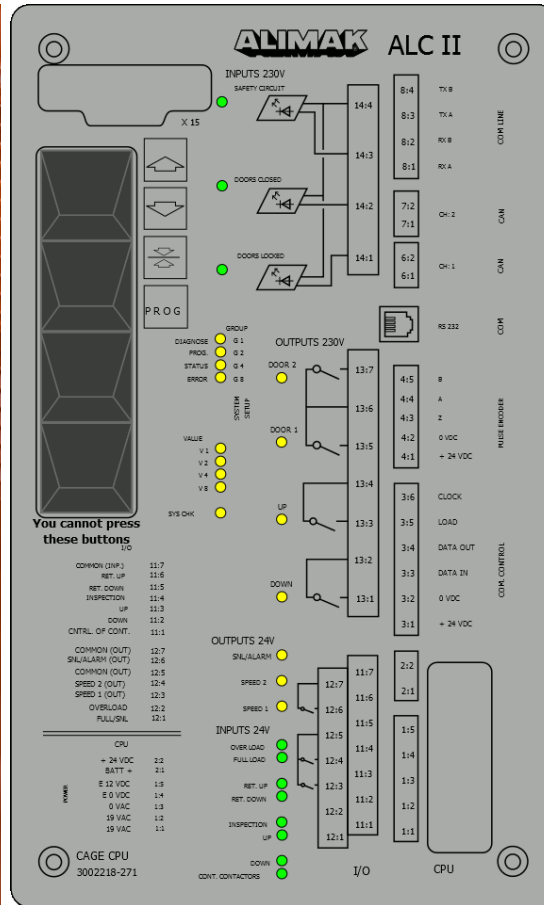
2.0x

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.

Leverage



Acquisition of Dataline



April 2, 2019, Alimak Group announced the acquisitions of Dataline i Borås AB

- An important supplier of control systems for construction hoists and permanent lifts
- The first step for Alimak Group to establish an IoT development hub for an enhanced product and service offering
- Expected closing end of April

Summary

- Double digit organic revenue growth with good contributions from all business areas
- Slightly lower order intake mainly stemming from Industrial Equipment
- Significant earnings improvement
- Planning for a more digital future – acquisition of Dataline
- Alimak Group well positioned to capture the opportunities in delivering and servicing safe and innovative vertical access solutions and we continue to improve our financial performance towards our mid-term targets





Q&A

