Alimak Group

Q1, 26 April 2017

Today's presenters

Q1

Tormod Gunleiksrud
President and CEO

- 30 years of industry experience / In Alimak since 2012
- 2010 – 2012:
  ABB, Business Unit Management Robotics, Switzerland
- 2007 – 2010:
  ABB, Head of Robotics, China & North Asia
- Various leadership positions in ABB Automation & Power

Per Ekstedt
CFO

- 25 years of industry experience / In Alimak since 2016
- 2012 – 2016: Mycronic, CFO
- 2006 – 2011: Selecta, CFO
- 2002 – 2006: Group 4S, CFO
- 1989 - 1999: Siemens, business controller and CFO

Alimak – including acquired businesses

Q1

Avanti Wind Systems was consolidated from 1 February 2017

Facade Access Group was consolidated from 1 March 2017

Solid performance

Q1

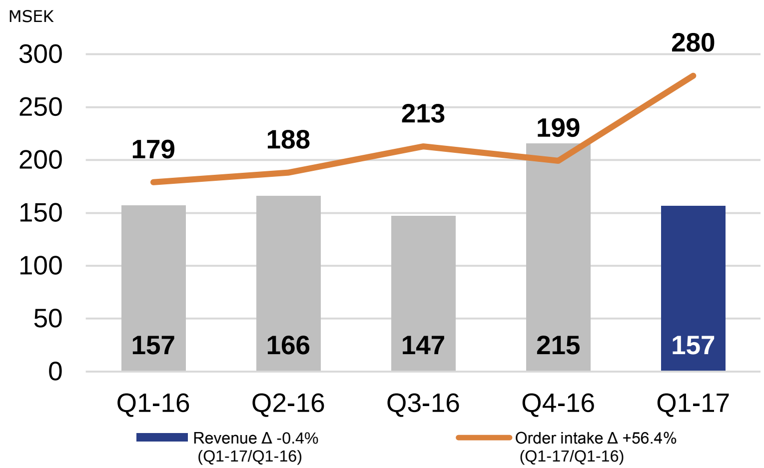
- EBITA margin (adj.) of 11.7% (13.2), due to lower margin levels in acquired companies, and in line with company expectations
  - MSEK 90.9 (60.3)
- Organic revenue growth was 6%, while reported revenues increased 71%
  - MSEK 776.6 (455.3)
- Organic order intake growth was 14%, while reported order intake grew 66%
  - MSEK 942.8 (569.4)
- *Management assessment: If the acquired companies would have been fully consolidated by 1 January 2016:*
  - *Organic order intake growth YoY would have been 26%*
  - *Organic revenue growth, YoY, would have been 3%*

Construction Equipment

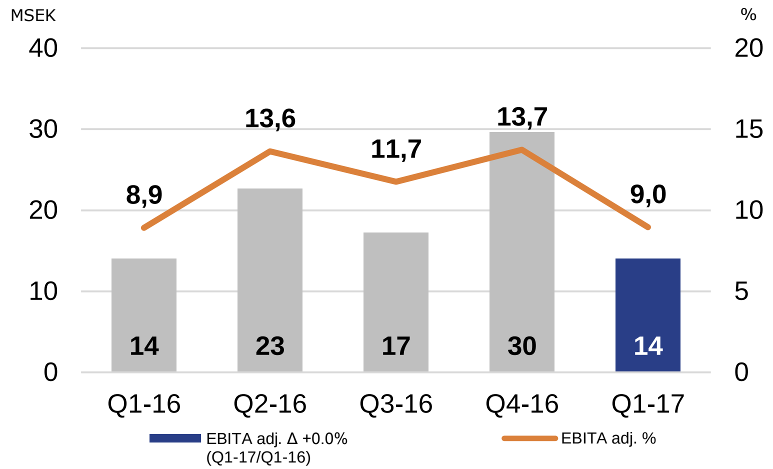
Q1

- EBITA margin adj. of 9.0% (8.9)
- Stable revenue of MSEK 156.6 (157.2), impacted by the timing of large projects
- Continued strong order intake of +56%, consisting of solid underlying demand
- Business area is not affected by acquisitions

Order intake & Revenue



EBITA adj. & EBITA margin adj.



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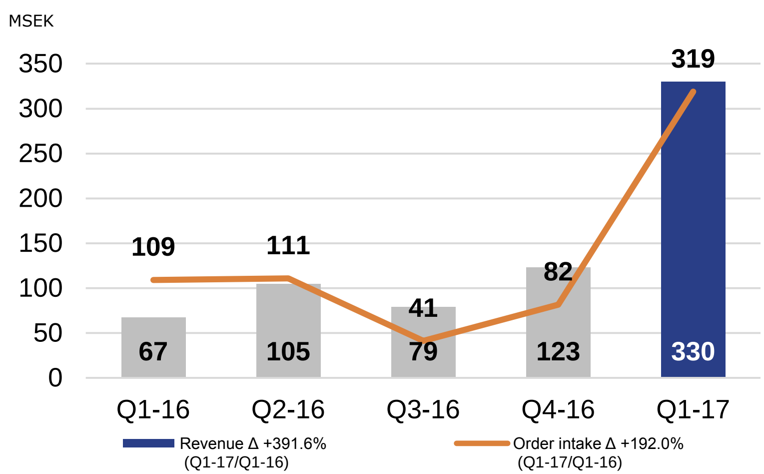
Industrial Equipment

- Increased EBITA margin adj. of 3.5% (-16.7)
  - positively affected by the acquired businesses
  - higher volumes in oil & gas and general industry
- Organic revenue growth was 27% (reported increase of 392%)
- Organic order intake declined 16% (reported increase of 192%)

Order intake & Revenue



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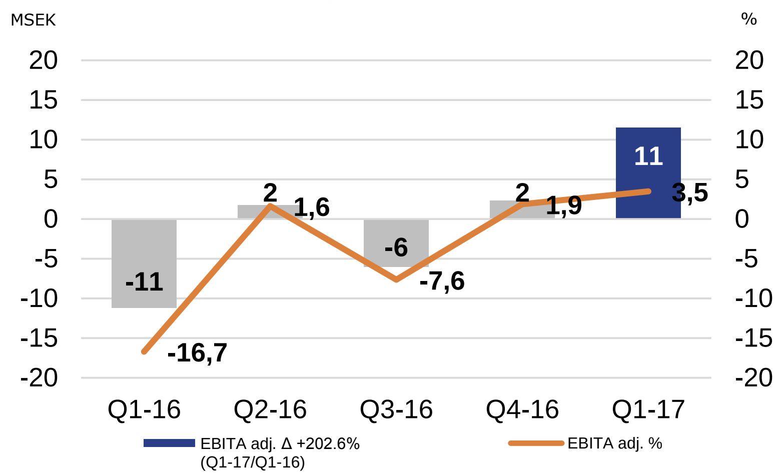
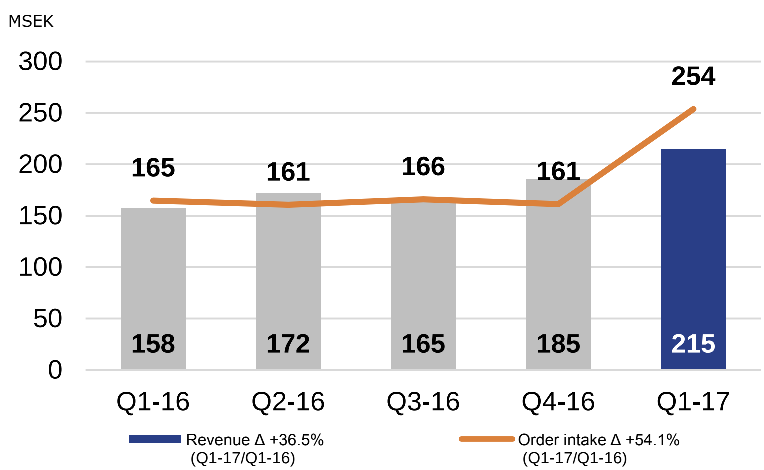


After Sales

Q1

- EBITA margin adj. declined to 27.3% (30.1), caused by lower margins in acquired businesses
- Organic revenue growth was 5% (reported increase of 37%)
- Organic order intake growth was 11% (reported increase of 54%)

Order Intake & Revenue



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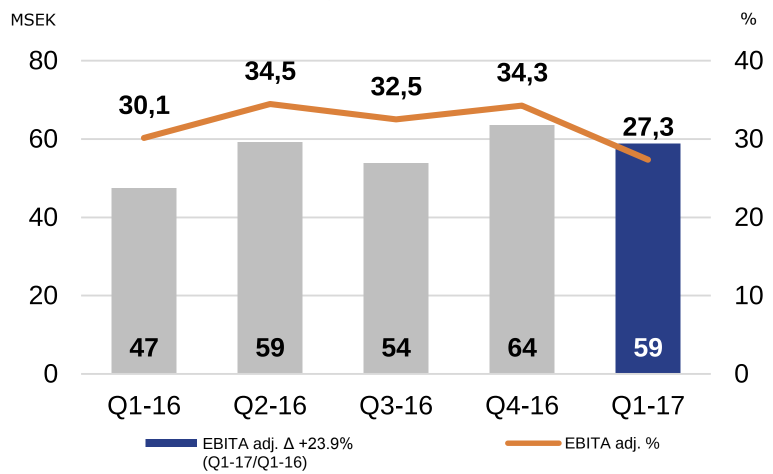
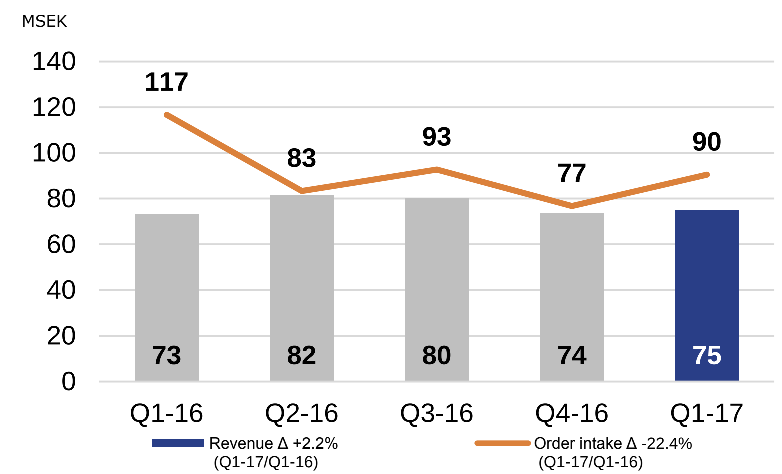


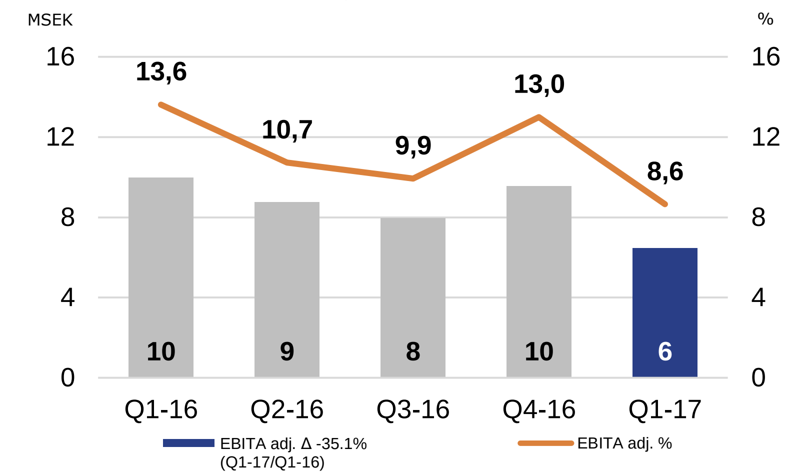
Rental

- EBITA margin adj. decreased to 8.6% (13.6), mainly due to introduction of new products and delay of new customer projects
- Revenue increased by 2% to MSEK 75.0, despite the impact of -9%, due to the divestment of the US Rental operation
- Order intake declined 22%, impacted by high comparable in Q1 2016, and including the impact of -9% related to the divestment of US Rental operation
- Business area is not affected by acquisitions

Order intake & Revenue



EBITA adj. & EBITA margin adj.



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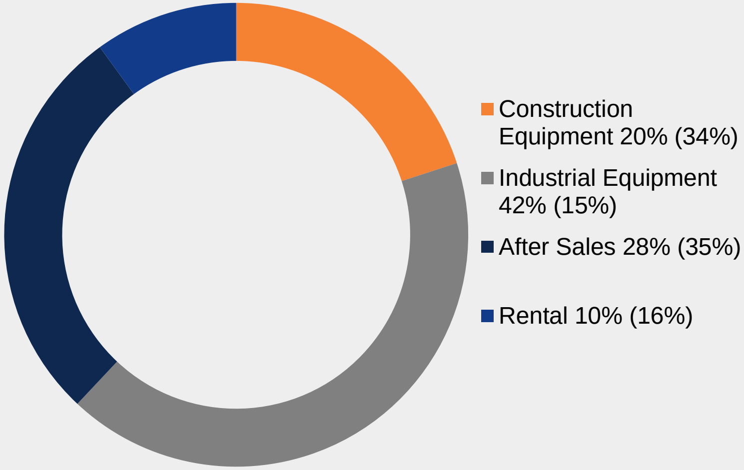
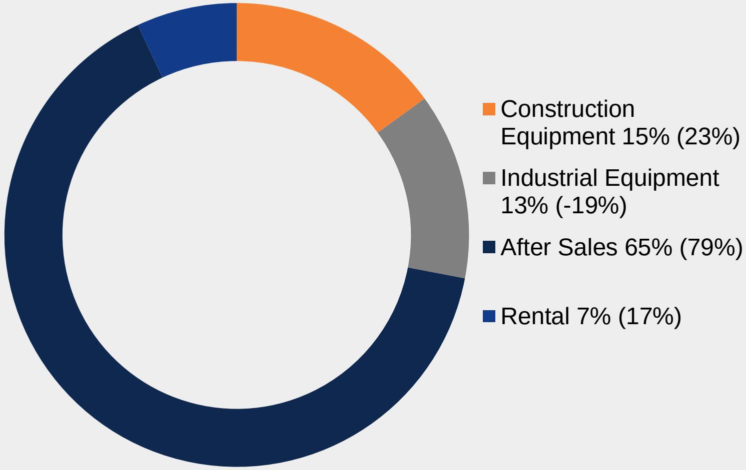
BA´s: Share of total Revenue & EBITA adj. Q1

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

Revenue Q1 2017 – share of group total (Q1 2016)

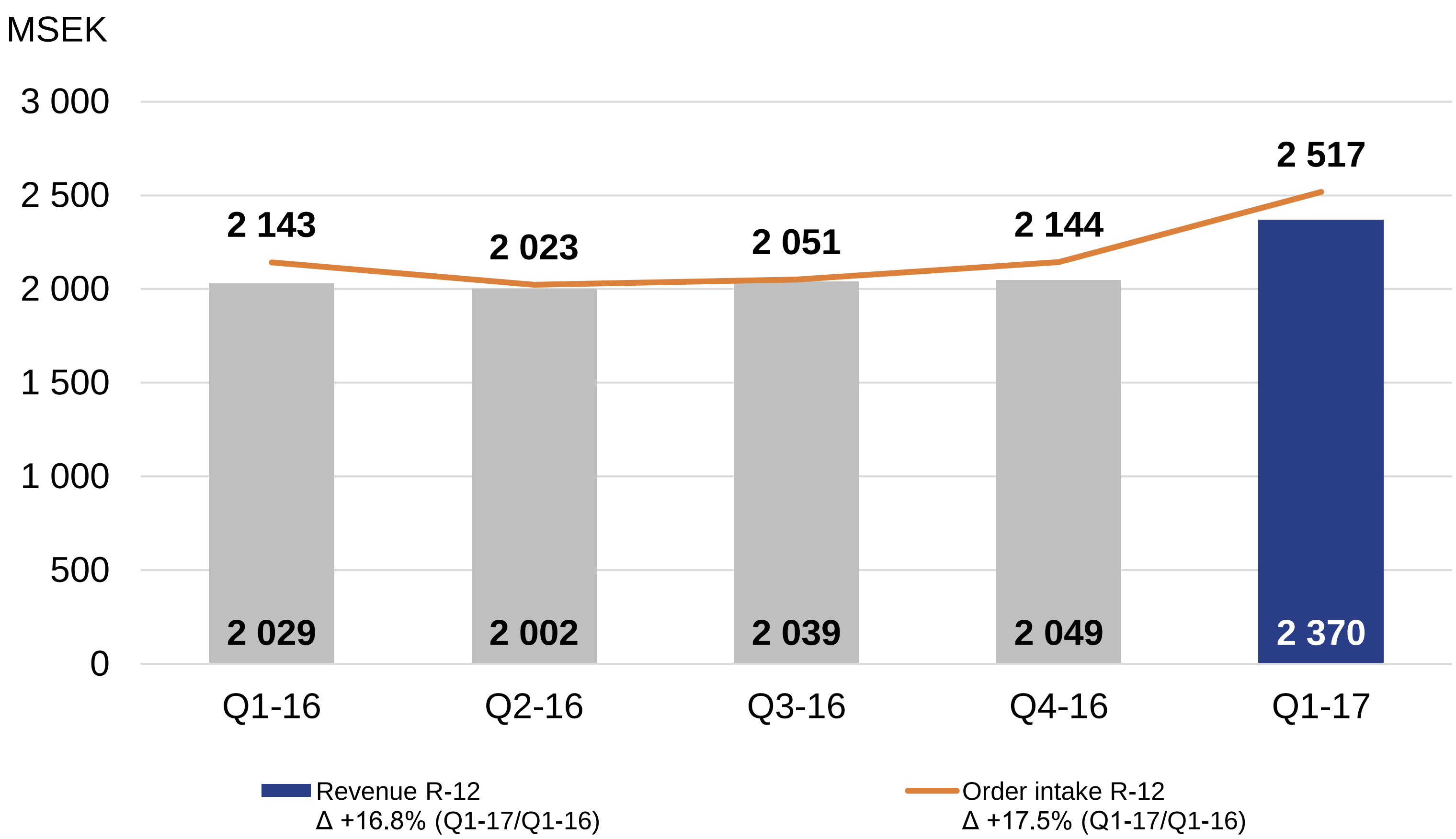


EBITA adj. Q1 2017 – share of group total (Q1 2016)



Order Intake & Revenue R12

Q1



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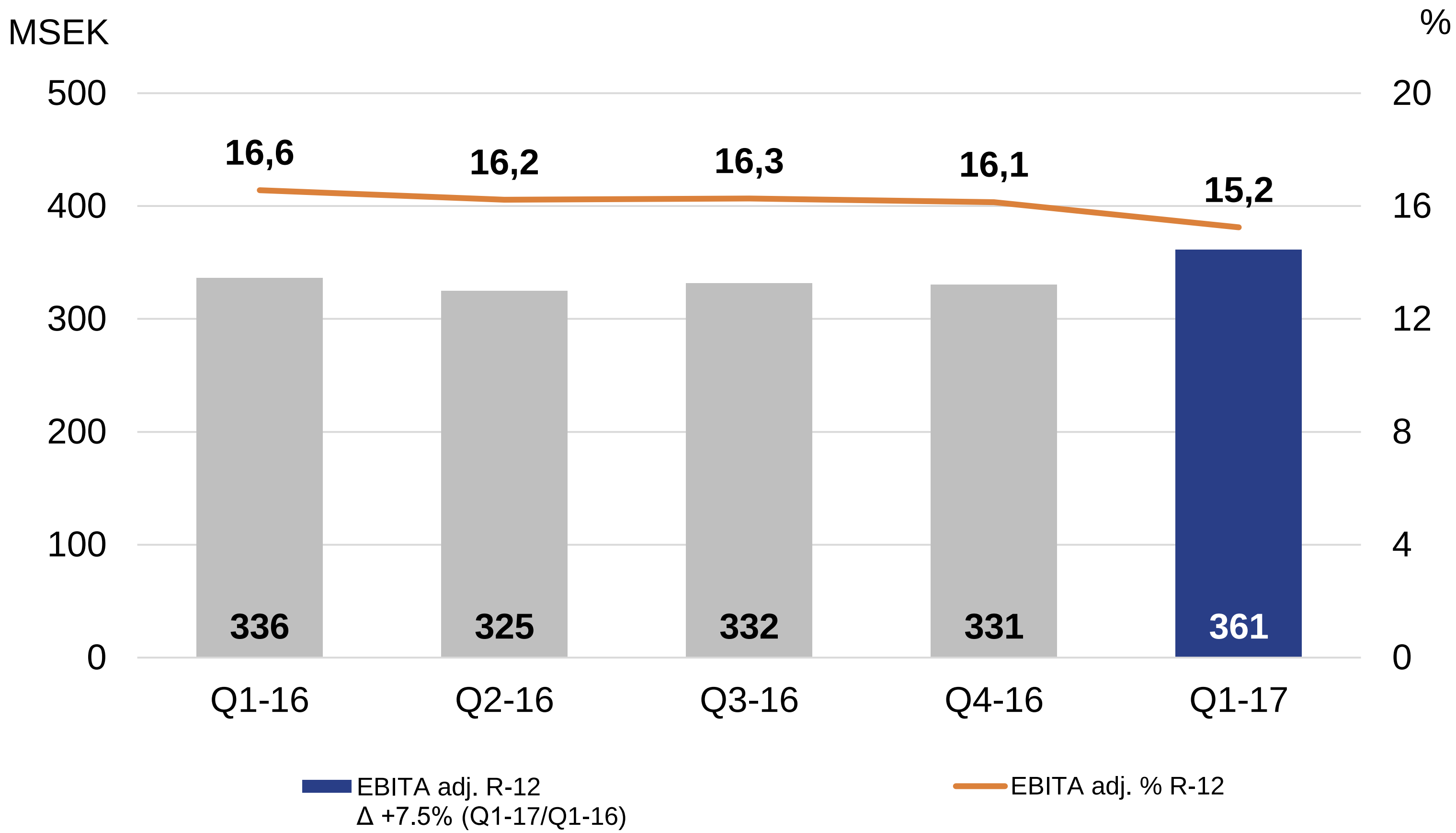
EBITA adj. & EBITA margin adj. R12

Q1



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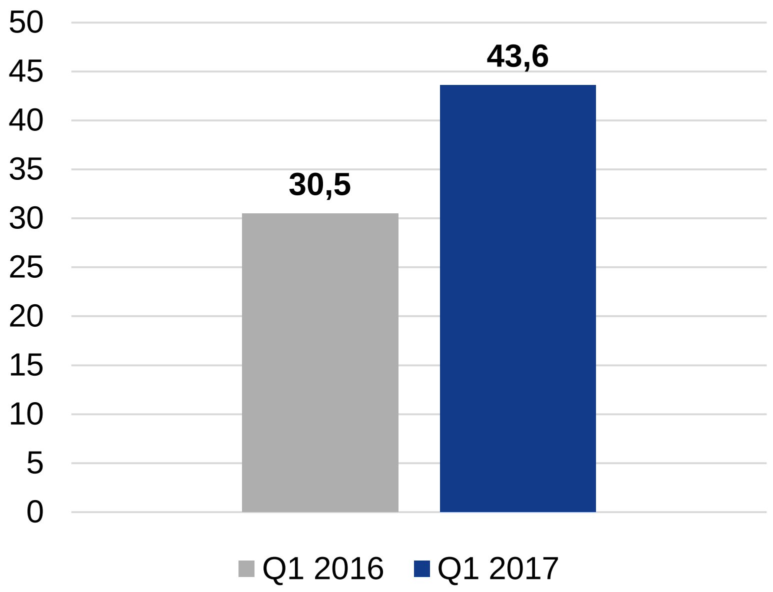
Cash flow and Net debt

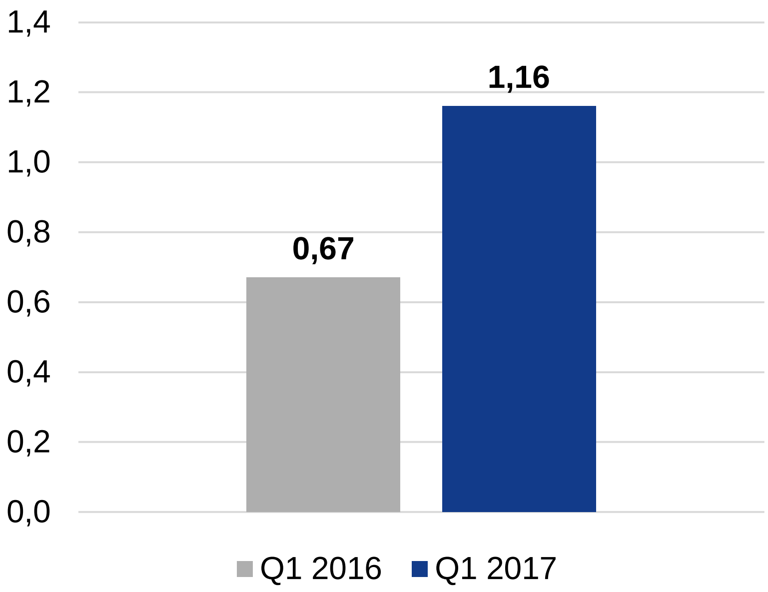
Q1

- Comfortable financial position
- Cash flow from operating activities was MSEK 43.6 (30.5).
- Net debt MSEK 1,905.6 (350.6)
- Leverage (Net debt/EBITDA ratio) at 2.91(1.04)
  - Due to the completion of the acquisitions - leverage has increased
  - Leverage target: a net debt of around 2x EBITDA

Cash Flow, MSEK



EPS



- As of 2017-03-31, 43,326,289 shares

Integration plan & progress

Q1

Synergy potential

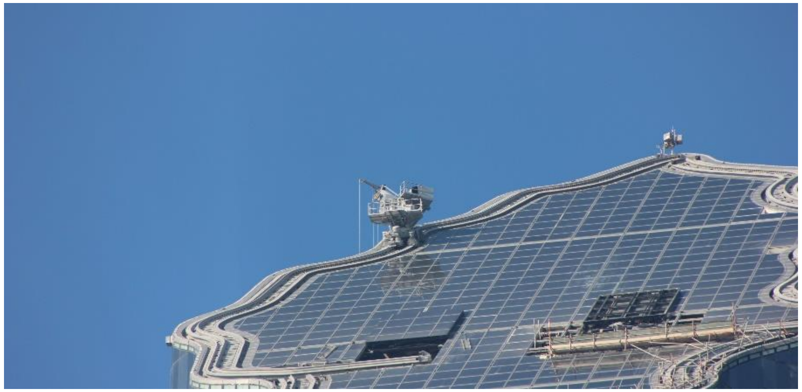
- Synergies of 2 percentage points (baseline 12.0%, actual proforma 2016) on the EBITA margin with full effect 2019
- Procurement and manufacturing optimization
- After Sales
  - Increased footprint, size and utilization
  - Improved structure and service levels
- Strengthened organization and structure

Integration plan

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

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.



Summary

Q1

- 26% increase in order intake
  (including acquired businesses proforma 1 January 2016)
- Stable After Sales revenue & margin
- All time high in order intake in Construction Equipment. Lower revenue impacted by the timing of large projects
- Acquired companies performing in line with expectations
- Integration activities according to plan
- Successful rights issue – fully subscribed. Approximately MSEK 790.

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Q&A