Alimak Group

Q3, 25 October 2017

Tormod Gunleiksrud CEO

Stefan Rinaldo CFO

Alimak – including acquired businesses

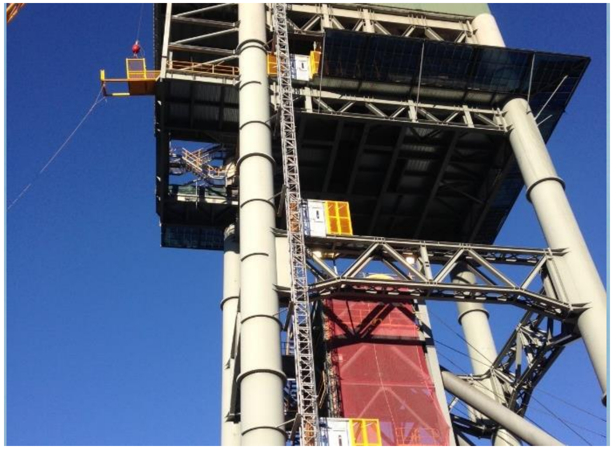
Q3

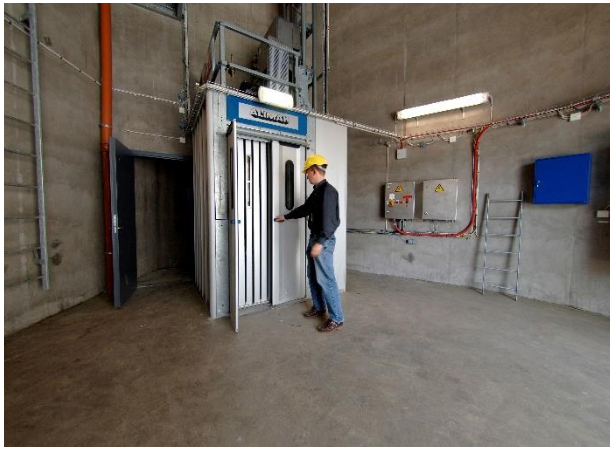
- Avanti Wind Systems was consolidated from 1 February 2017
- Facade Access Group was consolidated from 1 March 2017

Continued good growth for the Group despite a slower quarter for Construction

Q3

- EBITA margin adj. of 10.3% (15.5), EBITA adj. MSEK 101 (73), impacted by a one-time MSEK 17 non-cash PPA adjustment*
- Organic revenue growth was 6%, while reported revenues increased 108%
  - MSEK 980 (471)
- Organic order intake growth was 7%, while reported order intake grew 70%
  - MSEK 869 (512)





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

Organic revenue growth year to date would have been 8%

Organic order intake growth year to date would have been 3%

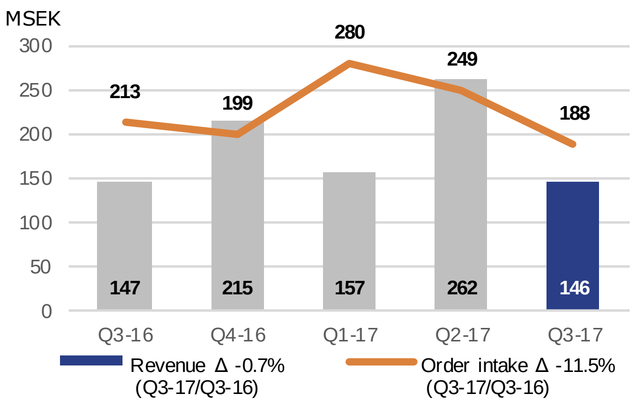
**The adjustment relates to the fair value on acquired inventory in Avanti. Normally this fair value effect impacts the income statement (as a cost) during the period when the inventory is sold. However, as the inventory acquired already has been sold the full effect of MSEK 17 has been recorded as a cost in the third quarter.*

Construction Equipment

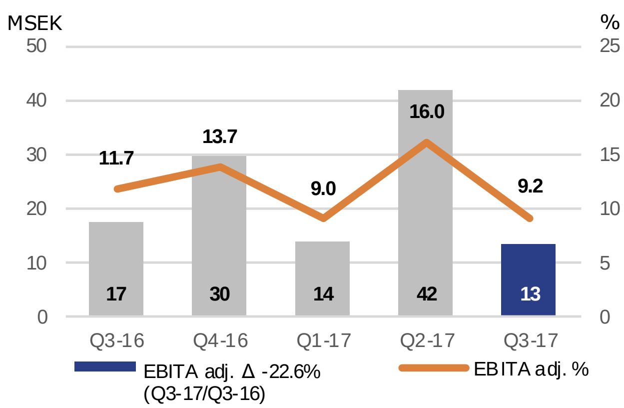
Q3

- EBITA margin adj. of 9.2% (11.7) impacted by lower volumes and product mix
- Revenues of MSEK 146 (147). Organic revenue growth was +4%, a slower quarter following a strong performance in the first six months of the year
- Order intake of MSEK 188 (213)

Order intake & Revenue



EBITA adj. & EBITA margin adj.

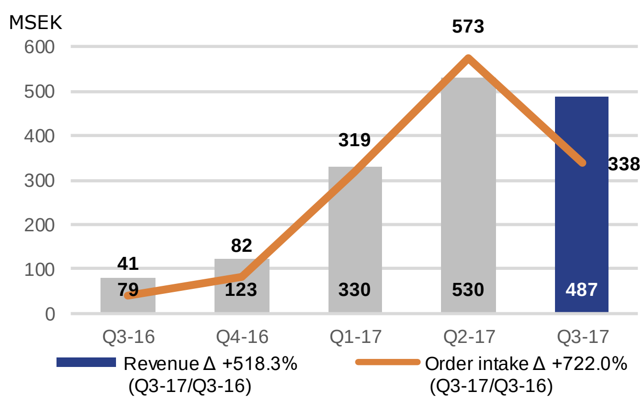


Industrial Equipment

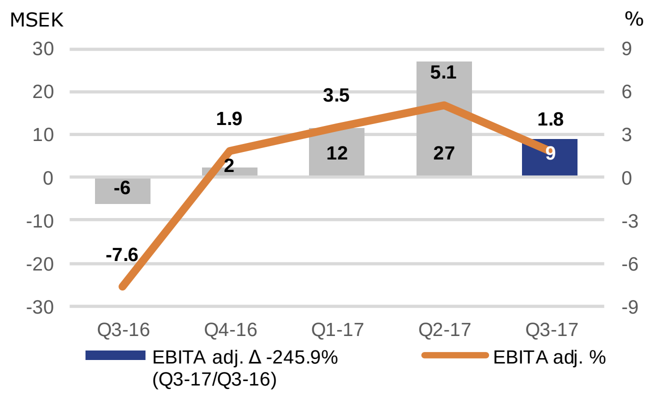
Q3

- Increased EBITA margin adj. of 1.8% (-7.6) with positive impact from the acquired businesses but negatively affected by the PPA adjustment*
- Organic revenue growth, +31%
- Improved organic order intake, +78% from a low level of orders in General Industry in 2016

Order intake & Revenue



EBITA adj. & EBITA margin adj.



**Negatively impacted by MSEK 15, the Industrial share of the MSEK 17 Group PPA adjustment*

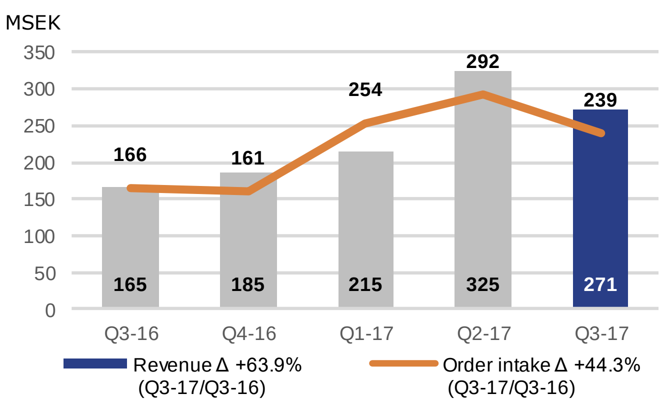
ALIMAK GROUP

After Sales

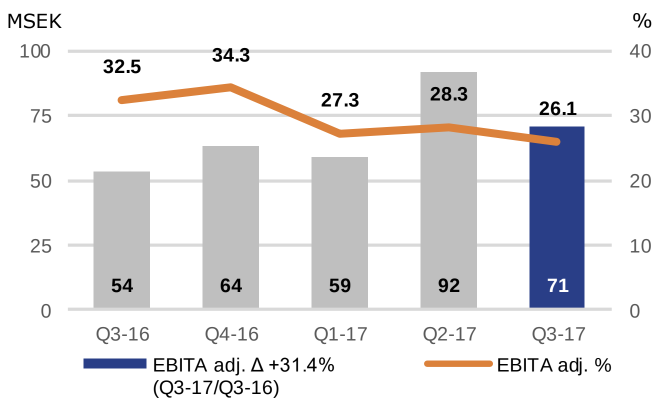
Q3

- EBITA-margin adj. of 26.1%, negatively affected by the PPA adjustment*
- Organic revenue decrease of 4%, while reported revenue growth was 64%
- Organic order intake growth was 1%, while reported order intake growth was 44%

Order Intake & Revenue



EBITA adj. & EBITA margin adj.



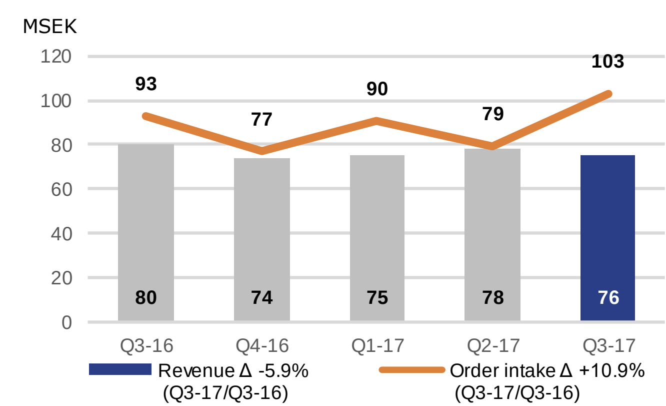
**Negatively impacted by MSEK 2, the After Sales share of the MSEK 17 Group PPA adjustment*

Rental

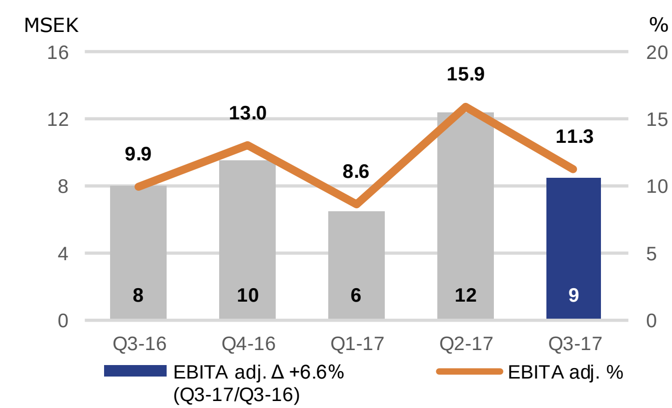
Q3

- Improved EBITA margin adj. of 11.3% (9.9), driven by strong performance in European rental operations
- Organic revenue growth, +1%
- Organic order intake, +17% with strong momentum in most markets

Order intake & Revenue



EBITA adj. & EBITA margin adj.



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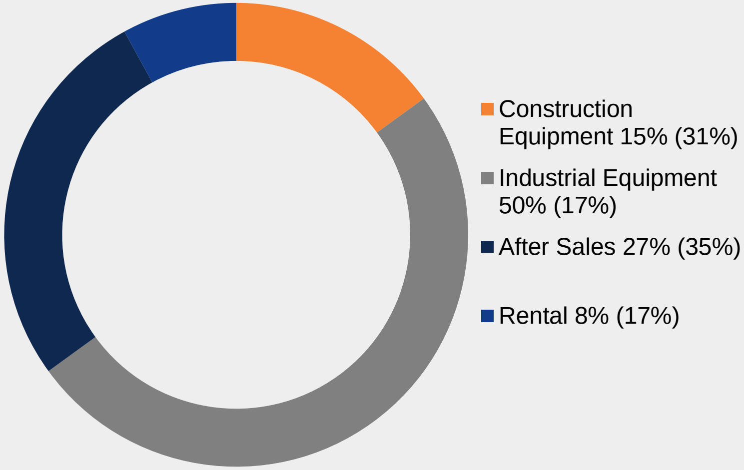
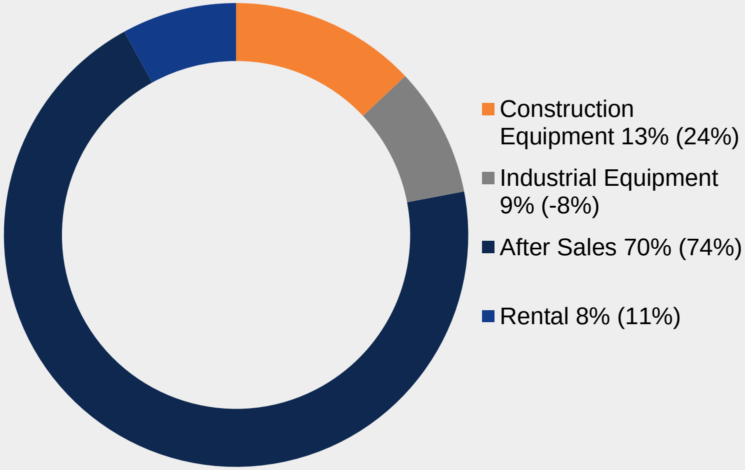
BA´s: Share of total Revenue & EBITA adj. Q3

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

Revenue Q3 2017 – share of group total (Q3 2016)

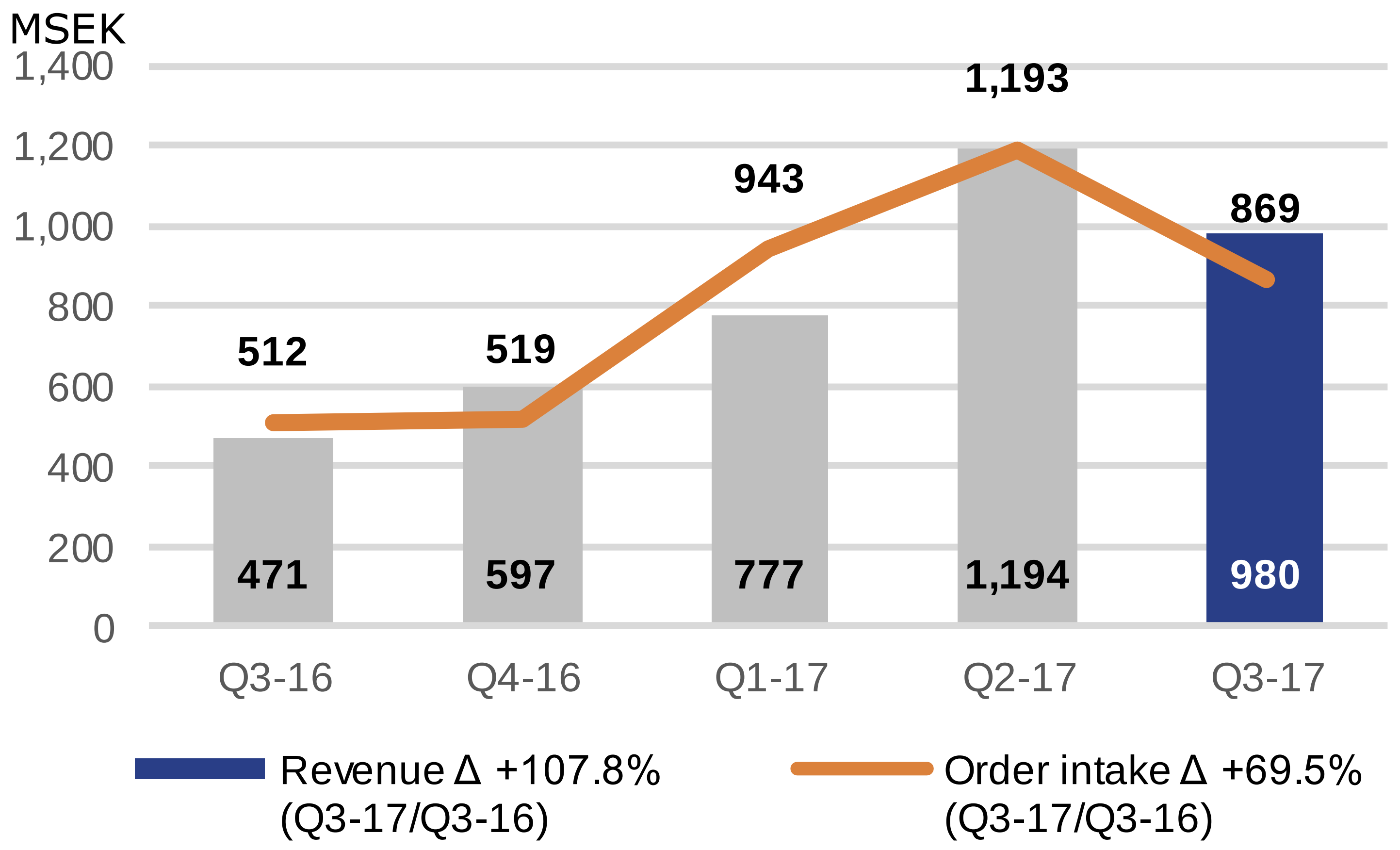


EBITA adj. Q3 2017 – share of group total (Q3 2016)



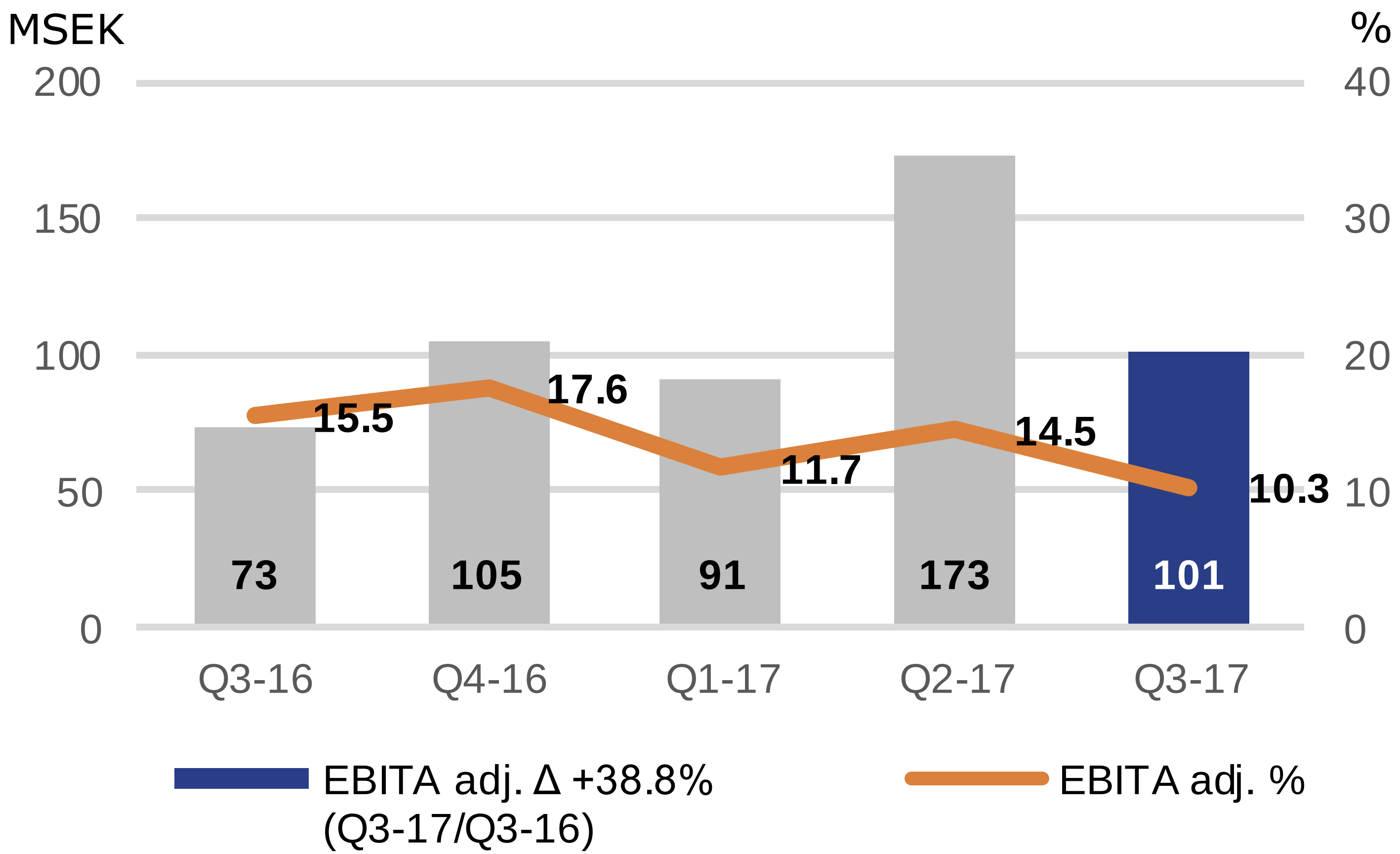
Order Intake & Revenue by quarters

Q3



EBITA adj. & margin by quarters

Q3



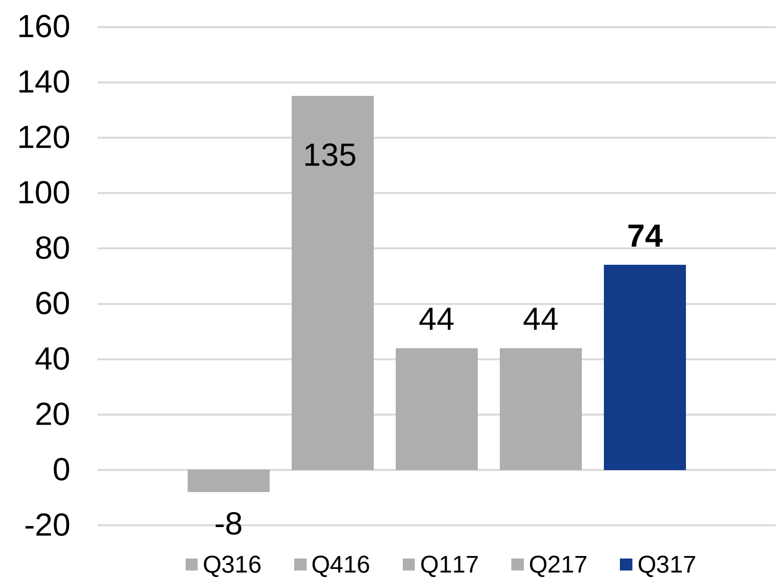
Acquired companies fully consolidated from Q2 2017 impacting margins
Q3 2017 impacted by PPA adjustment of MSEK 17

Cash flow and Net debt

Q3

- Solid financial position
- Cash flow from operating activities was MSEK 74 (-8)
- Net debt MSEK 1,047 (399)
- Leverage (Net debt/EBITDA ratio) at 2.21 (1.02)
  - Due to the completion of the acquisitions - leverage has increased
  - Leverage target: a net debt of around 2x EBITDA

Cash Flow, MSEK

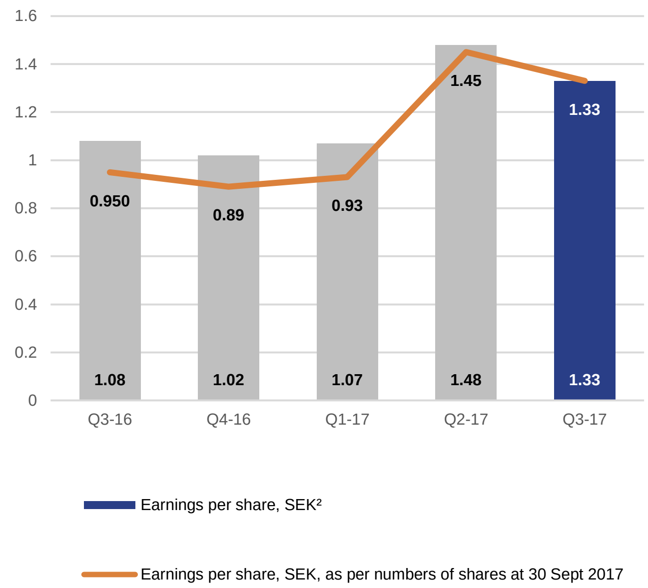


EPS by quarters

Q3

- 54,157,861 shares as of 2017-09-30

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*

Integration plan & progress

Q3

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

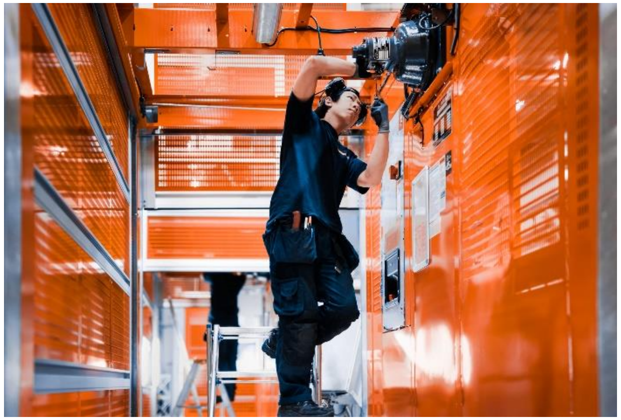
Integration plan

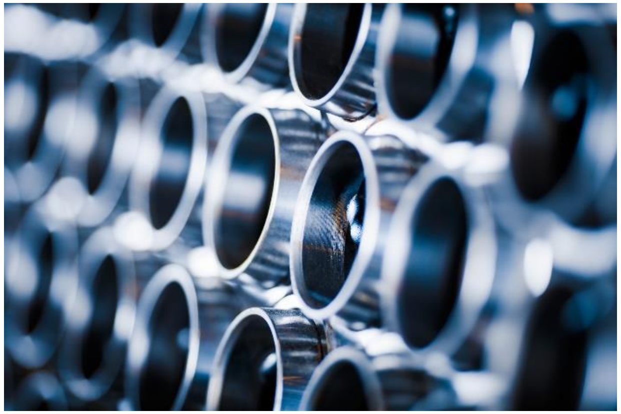
- Transformation ready by 2019
- 15 cross functional work streams with the task to develop the best practice across the organization
- Integration costs ~110 MSEK
  - Costs expected to be incurred in 2017 and 2018

Integration project update

Q3

- After Sales pilot project launched in the US in October establishing
  - Joint sales and service organisation
  - Harmonized services and spare parts offering
- Pilot to be followed by additional markets during 2018 after evaluation and fine-tuning
- Procurement integration project off to a good start, first wave of savings potential identified and under execution
- New country organisations announced. Fully implemented from 1 January 2018. Country managers appointed





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

Q3

- Continued order intake growth for the Group in spite of slower Construction BA
  - 7% organic growth in the quarter
  - Pro forma order intake growth YTD 3%*
- Revenue growth
  - 6% organic growth
  - Pro forma revenue growth YTD 8%*
- EBITA adj. margin of 10.3% in the quarter
- EBITA adj. margin of 12.4% YTD
  - Both impacted by acquired companies and one-time, non-cash, adjustment related to PPA for Avanti
- Integration activities running according to plan

Management assessment

Q&A