



lindab | we simplify construction

Lindab Group

Q2 2016

Anders Berg, President and CEO
Kristian Aceky, CFO

We simplify construction





Agenda

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- **Financials**
- **Highlights**
- **Outlook**
- **Summary and Q&A**



Summary and overview



Strong organic growth

Key financial highlights Q2 2016

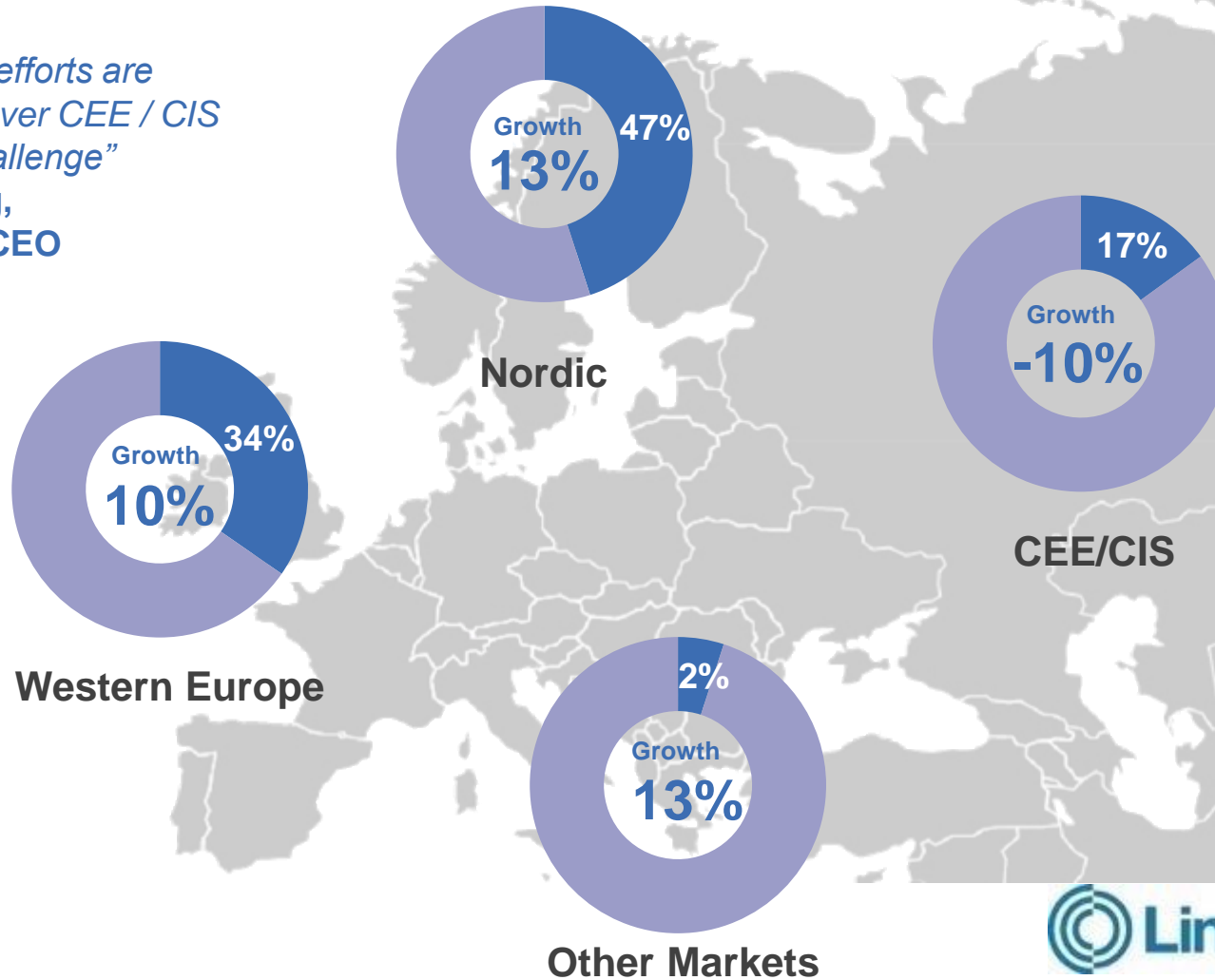
- 8% organic growth, both segments showing strong organic growth.
- EBIT-margin increased to 6.9% (SEK 139 m) from 5.8% (SEK 110 m) prior year, excluding one-off items.
- Highest EBIT and sales for a second quarter since 2008.
- Profit for the period increased to SEK 86 m (68).
- Earnings per share increased with 27% to 1.13 SEK (0.89).
- Cash flow from operations amounted to SEK 187 m (160).
- Net debt SEK 1,716 m (1,957).



Strong growth in large markets

"Good to see that our efforts are continuing to pay-off however CEE / CIS continue to be a challenge"

**Anders Berg,
President and CEO**





Organic growth in both segments

Segment/Product areas	Trend	Comments
Products & Solutions		
Ventilation Products	➔	Good growth in Nordic markets, more modest in Western Europe and weak in CEE / CIS.
Indoor Climate Solutions	➔	Continued good progress in most of the key markets.
Air Movement	➔	Continued strong trend due to strategic activities and integration of acquisition.
Fire and Smoke	➔	Integration of acquisition and strategic focus drives good organic growth.
Rainwater & Building Products	➔	Modest growth in the Nordic region and Western Europe not able to fully compensate for weak sales in CEE / CIS.
Building Solutions	➔	Increased growth rate primarily related to large project sales in Sweden but also good development in second largest market Denmark.
Building Systems	➔	Strong growth driven by Western Europe, CEE and Africa. Strategic focus on reducing market dependence of weak CIS-region.



Financials



Strong organic growth

Lindab Group financial highlights Q2 2016

- Organic growth in both segments.
- EBIT increased with sales as key driver.
- EPS increased to 1.13 (0.89).

SEK m	Q2'16	Q2'15	Chg %
Net Sales	2,016	1,907	6
Organic, %	8		
Structure, %	1		
Currency, %	-3		
EBIT ¹	139	110	26
EBIT ¹ , %	6.9	5.8	1.1 pp
Fin net	-10	-7	43
Tax	-42	-35	20
Net profit	86	68	26

¹⁾ Excluding one-off items of SEK -1 m (0)



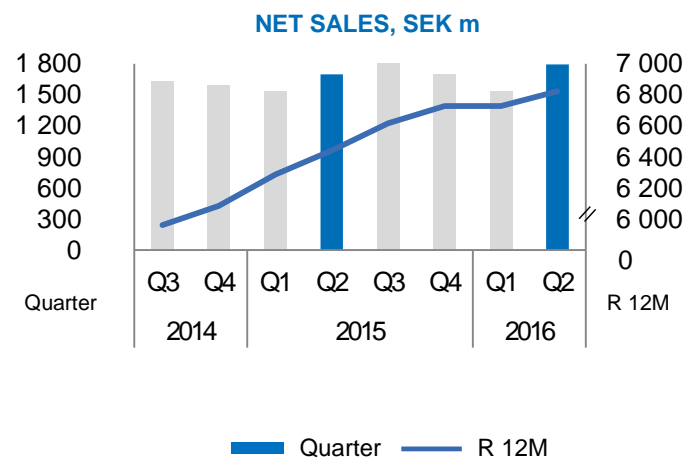
Organic growth in all main markets

Products & Solutions financial highlights Q2 2016

- Strong sales development in the Nordic region and Western Europe.
- Negative currency impact on sales mainly relates to GBP and NOK.
- EBIT increased 14%, as a result of higher sales and improved gross margin.

SEK m	Q2'16	Q2'15	Chg %
Net Sales	1,793	1,699	6
Organic, %	7		
Structure, %	1		
Currency, %	-2		
EBIT ¹	151	132	14
EBIT ¹ , %	8.4	7.8	0.6 pp

¹⁾ Excluding one-off items of SEK 0 m (0)





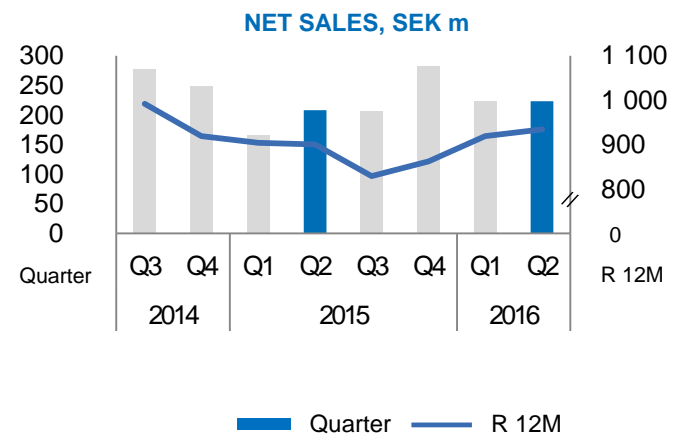
Increased sales and lower costs

Building Systems financial highlights Q2 2016

- Organic sales increased 13%, large shipments to Germany and Poland.
- EBIT margin increased due to higher sales and lower costs.
- Order backlog comparable with same period last year.

SEK m	Q2'16	Q2'15	Chg %
Net Sales	223	208	7
Organic, %	13		
Structure, %	0		
Currency, %	-6		
EBIT ¹	4	-3	n/a
EBIT ¹ , %	1.8	-1.4	3.2 pp

¹⁾ Excluding one-off items of SEK 0 m (0)





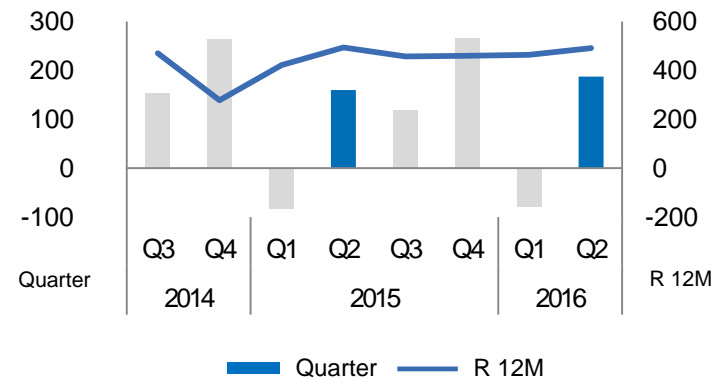
Improved cash flow

Lindab Group cash flow Q2 2016

- Positive impact from working capital.
- Investing activities relatively stable compared to prior year.
- Net debt amounted to SEK 1,716 m (1,957).

SEK m	Q2 '16	Q2 '15
Cash flow from		
- operating activities ¹	173	175
- change in working capital	43	22
- investing activities	-32	-35
- financial net paid	-7	-7
- tax paid	-22	-30
Free cash flow	155	125
Adjusted free cash flow ²	155	135

CASH FLOW FROM OPERATING ACTIVITIES, SEK m



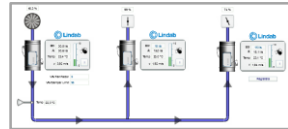
1) Excluding what is specifically stated below in table

2) Adjusted for acquisitions (2015)

Highlights



Some highlights from the quarter



UltraLink pilots
IoT and smart ventilation for
Lindab Ecosystem



Plug-In Hybrids
Lindab company cars go green



Fire dampers on the way
Now on display
across branch
network



Designers on training
Across Europe



Automation in Prague
And productivity enhancements in
warehousing



SEK 17 m
Order Building Systems, Switzerland,
and 3 more above SEK 10 m in the
quarter (Africa, Poland and
Germany)



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the icons above





Lindab at REHVA

World leading congress within HVAC and construction

YouTube

- REHVA World Congress CLIMA 2016 22-25 May in Aalborg, Denmark.
- Leading international scientific congress within HVAC and construction.
- Main focus of the congress energy efficiency and ventilation systems.
- Lindab's Pascal and Solus systems were showcased and our expertise and knowledge were shared.

YouTube

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Distribution Center

Establishment of DC for the Nordic markets

You Tube

- Increased availability of products.
- Increased efficiency in supply chain.
- Total investment approximately SEK 160 m.
- Financed with operational lease.



You Tube

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Outlook



Brexit

Uncertainty remains and volatile financial markets

- UK is our 3rd largest market and represented 9% of external sales 2015.
- GBP significantly weaker after the referendum.
- Continue to follow the development closely to be as agile as possible.

GBP/SEK exchange rate





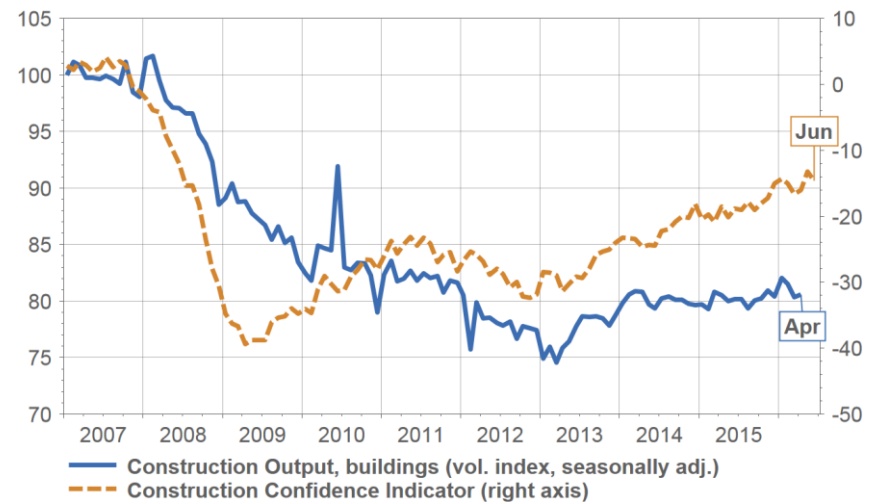
Market development

Continued soft improvement in construction market but with higher degree of uncertainty

- Recovery of the European construction market remains soft.
- Irish and Swedish markets particularly strong while CIS remain challenging.
- Higher market uncertainty after Brexit.
- We continue to improve our customer offering and increase targeted market shares.

Construction output & sentiment in EU

Source: Eurostat & European Commission



Summary and Q&A



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Thank you Q&A

“Lindab’s innovative solutions create ultimate comfort in the buildings of the future.”

