

# Q2 Report 2017



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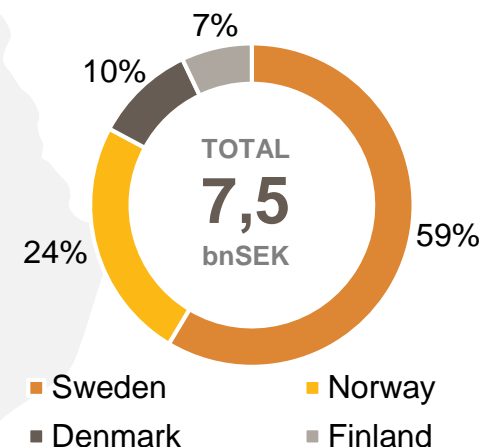
July 20, 2017



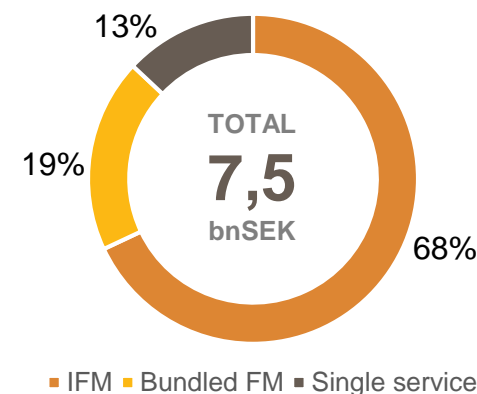
# Coor is the Nordic market leader in IFM

- No.1 in Nordic IFM (Integrated Facility Management)
- Tailored customer proposition - **SERVICE with IQ**
- Soft FM, hard FM and strategic advisory services
- Both self-delivery and subcontracting

TURNOVER BY COUNTRY



TURNOVER BY CONTRACT TYPE



Note: All figures are Q2 2017 LTM and excludes Damage Service

# Improved profitability in all Nordic countries

KEY TARGETS	Q2 2017	Q2 2016	LTM	MID-LONG TERM
<b>Organic Growth</b>	<b>3%</b>	<b>9%</b>	<b>1%</b>	<b>4-5%</b> <i>Organic net sales growth over a business cycle</i>
<b>EBITA-Margin</b>	<b>6.1%</b>	<b>6.0%</b>	<b>6.1%</b>	<b>~5.5%</b> <i>Adjusted EBITA margin</i>
<b>Cash Conversion</b>	<b>98%</b>	<b>99%</b>	<b>98%</b>	<b>&gt;90%</b> <i>(Adj EBITDA – CAPEX – ΔWC) / Adj EBITDA</i>
<b>Capital structure</b>	<b>1.8x</b>	<b>2.3x</b>	<b>1.8x</b>	<b>&lt;3.0x</b> <i>Net debt / Adjusted EBITDA LTM</i>

# Business highlights Q2

## BUSINESS HIGHLIGHTS Q2

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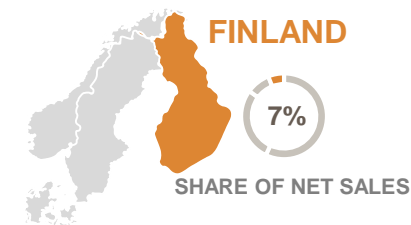
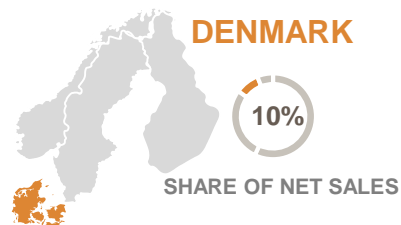
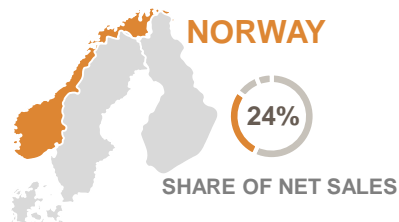
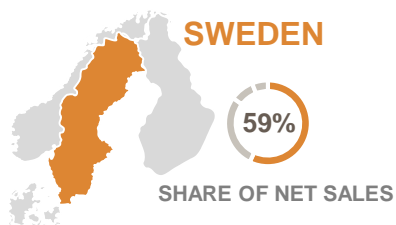


- Continued integration of large Nordic IFM-agreements underway
  - ABB (New agreement: Sweden, Norway, Finland)
  - NKS (Agreement under ramp-up in Sweden)
- Steady stream of small and mid-sized contracts signed in all countries. Total early volume 265 MSEK signed in first six months (e.g. NKS, APL, Attendo, F-Secure in Q2)
- First European launch of next generation cleaning robot
- Damage services in Norway to be divested

— SERVICE *with* IQ —



# Country by country



	Q2 17	Q2 16
Organic Growth	3%	11%
EBITA Margin	10.2%	10.2%

	Q2 17	Q2 16
Organic Growth	-1%	25%
EBITA Margin	6.6%	6.4%

	Q2 17	Q2 16
Organic Growth	10%	-17%
EBITA Margin	2.7%	2.5%

	Q2 17	Q2 16
Organic Growth	13%	-9%
EBITA Margin	1.2%	0.6%

- Continued growth from expanding contracts (e.g. NKS and VCC) and project volumes
- Maintained margin from strong Q2 LY

- Growth coming down from Q2 2016
- Margin expansion driven by efficiency improvements
- Damage services now excluded

- Continued growth from new mid-size contracts
- Internal efficiencies continue to drive up margins, despite new volumes with initially lower margins

- Significant growth with the start-up of ABB in Q2
- Continued efforts to gain volume and increase efficiency paying off

# Contract portfolio development

## H1 2017 CONTRACT PORTFOLIO CHANGES

MSEK

300

250

200

150

100

50

0

265

265

0

New contracts awarded (+7)

Contracts terminated (0)

Net change (+7)

# Profit & Loss Statement

P&L (SEK m)	Q2			YTD			LTM	FY
	2017	2016	Chg.	2017	2016	Chg.	Q2	2016
<b>Net sales</b>	<b>1 900</b>	<b>1 808</b>	<b>92</b>	<b>3 757</b>	<b>3 575</b>	182	<b>7 453</b>	<b>7 272</b>
<b>Adjusted EBITA</b>	<b>115</b>	<b>109</b>	<b>7</b>	<b>238</b>	<b>216</b>	22	<b>458</b>	<b>435</b>
<i>Adjusted EBITA margin</i>	<i>6,1%</i>	<i>6,0%</i>	<i>0,1%</i>	<i>6,3%</i>	<i>6,0%</i>	<i>0,3%</i>	<i>6,1%</i>	<i>6,0%</i>
<b>EBIT</b>	<b>68</b>	<b>61</b>	<b>7</b>	<b>144</b>	<b>122</b>	22	<b>264</b>	<b>242</b>
Financial net	0	-20	19	-6	-39	33	-41	-75
Income tax expense	-16	-11	-5	-32	-21	-10	-54	-44
<b>Net income</b>	<b>51</b>	<b>30</b>	<b>22</b>	<b>107</b>	<b>62</b>	45	<b>168</b>	<b>123</b>
Add-back amortization	42	43	-1	84	86	-2	175	176
<b>Adjusted Net income</b>	<b>94</b>	<b>73</b>	<b>21</b>	<b>191</b>	<b>148</b>	43	<b>343</b>	<b>300</b>

# Cash flow

## CASH FLOW H1 2017

**MSEK**

1000

900

800

700

600

500

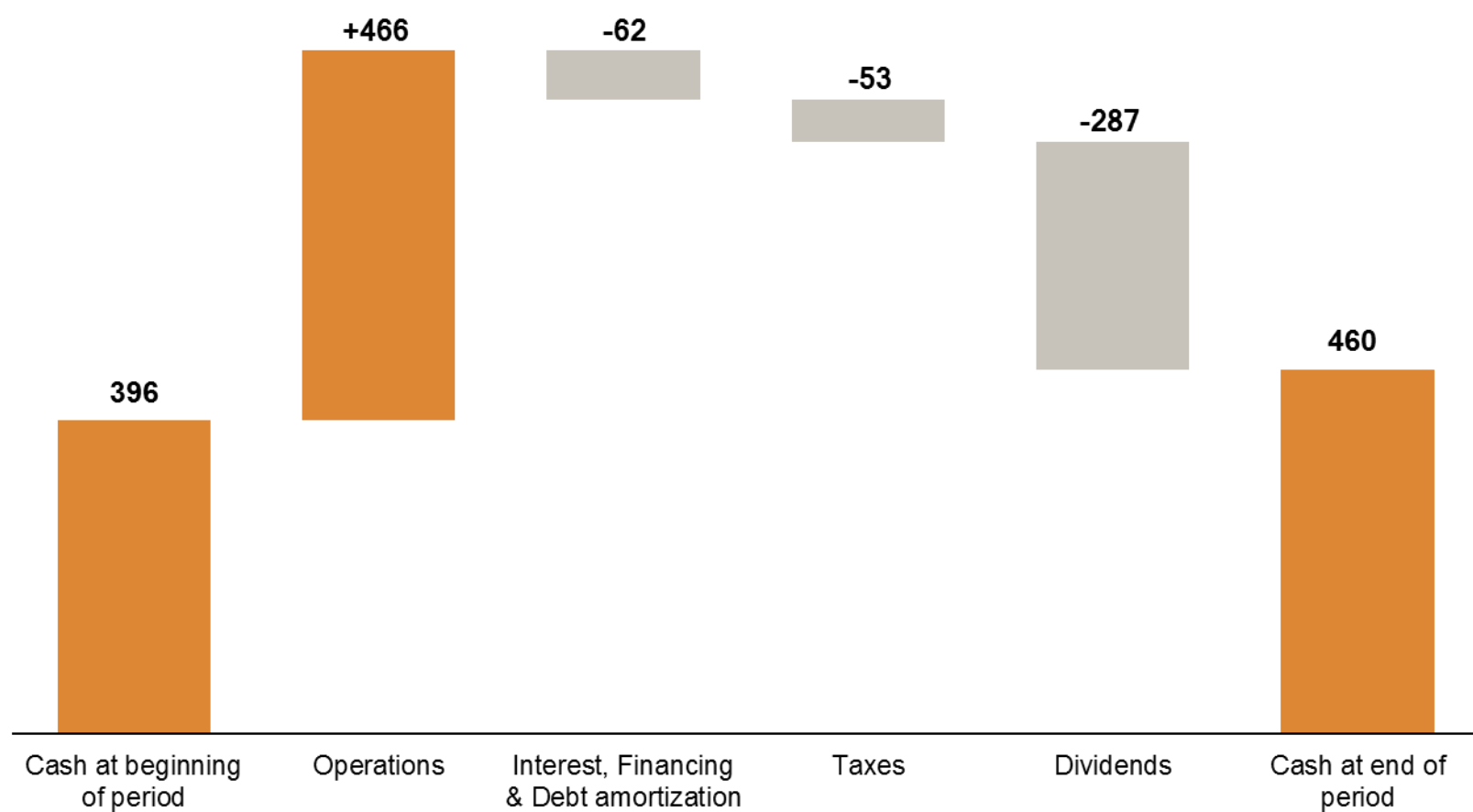
400

300

200

100

0





# Cash flow

(SEKm)	Q2			LTM
	2017	2016	Chg.	Q2 2017
<b>Adjusted EBITDA</b>	127	117	10	504
Capex	-19	-24	5	-64
Changes in working capital	35	61	-27	55
<b>Adjusted operating cash flow</b>	<b>143</b>	<b>154</b>	<b>-12</b>	<b>495</b>
<b>Cash conversion (%)</b>	<b>112%</b>	<b>131%</b>	<b>-19%</b>	<b>98%</b>
Other operating items	-24	-20	-4	-110
<b>Cash flow from operations</b>	<b>119</b>	<b>135</b>	<b>-16</b>	<b>385</b>
<b>Cash flow from investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash flow from financing</b>	<b>-294</b>	<b>-174</b>	<b>-120</b>	<b>-315</b>
<b>Total cash flow</b>	<b>-175</b>	<b>-39</b>	<b>-136</b>	<b>70</b>
<b><i>Total cash flow excl. dividend</i></b>	<b>112</b>	<b>152</b>	<b>-40</b>	<b>357</b>

# Balance Sheet

	Jun		Dec
(SEK m)	2017	2016	2016
<b>Net Working Capital</b>	<b>-532</b>	<b>-473</b>	<b>-552</b>
<b><i>NWC, % of NS (LTM)</i></b>	<b><i>-7,1%</i></b>	<b><i>-6,5%</i></b>	<b><i>-7,6%</i></b>
<b><i>Equity/Assets Ratio</i></b>	<b><i>42%</i></b>	<b><i>46%</i></b>	<b><i>44%</i></b>
<b>Cash</b>	<b>460</b>	<b>396</b>	<b>603</b>
<b>Net debt</b>	<b>930</b>	<b>1 015</b>	<b>807</b>
<b><i>Leverage</i></b>	<b><i>1,84x</i></b>	<b><i>2,33x</i></b>	<b><i>1,70x</i></b>

# Summary Q2 2017

## Growth

**3%** net sales growth  
**6%** EBITA growth



## Cash conversion

**98%** LTM

Improved profitability and good market prospects

KEY TARGETS	Q2 2017	Q2 2016	LTM	MID-LONG TERM
Organic Growth	3%			
EBITA-Margin	6.1%			
Cash Conversion	98%			
Capital Structure	1.8x	2.3x	1.8x	<3.0x

**98%**

## Opportunities

Interesting business opportunities across the Nordics



# Q & A



SERVICE *with* IQ