

Coor Service Management

Year-End Report January – December 2015



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Coor is the Nordic market leader in IFM

Business highlights

No.1 in Nordic IFM (Integrated Facility Management)

Tailored customer proposition

Soft FM, hard FM and strategic advisory services

Both self-delivery and subcontracting

Headquartered in Stockholm, Sweden

7,5

bnSEK Net sales¹

374

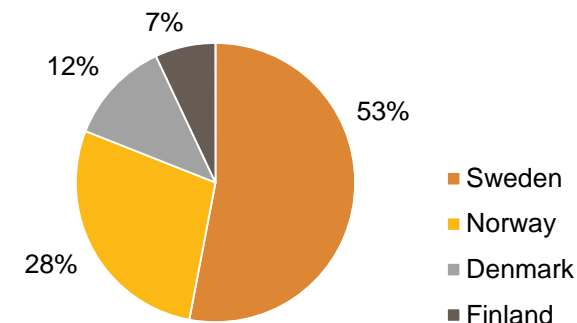
MSEK EBITA¹

6,381

FTEs¹

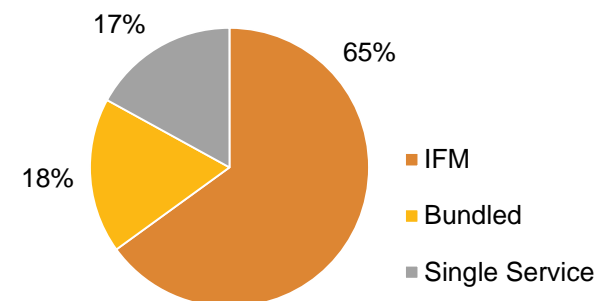
Pan-Nordic footprint

Net sales¹



Focus on IFM

Net sales¹



Note:

1. FY 2015 figures



A strong conclusion to a strong year

Key targets	Q4	FY 2015	Q3	Medium- to long-term
Organic Growth	+6%	+10%	+6%	4-5% <i>Organic net sales growth over a business cycle</i>
EBITA-Margin	5.4%	5.0%	4.2%	~5.5% <i>Adjusted EBITA margin</i>
Cash conversion*	104%	104%	111%	>90% <i>(Adj EBITDA – CAPEX – ΔWC) / Adj EBITDA</i>
Capital structure	2.2x	2.2x	2.8x	<3.0x <i>Net debt / Adjusted EBITDA LTM</i>
Dividend proposal		SEK 2.00 <i>per share</i>		

*Cash conversion values are last twelve months (LTM)

Business Highlights

Business highlights

- Further important contract extensions
 - Saab (SWE)
 - Borealis (SWE)
- 90 percent contract retention rate in 2015
 - Total volumes of 2.9 bnSEK renegotiated in 2015
 - High retention testament to strong customer relations across Nordics
- Steady stream of new small and mid-sized contracts e.g.,
 - L'Oréal (DK), Falck (DK) CGI (SWE), SSAB (SWE), IVO (SWE), Red Cross (NO), etc.
- New digital service solutions released adding on to existing Coor Smart Solutions platform
 - Coor SmartArchive
 - Coor SmartDisplays
- Management changes in Sweden and Norway



SERVICE *with* IQ

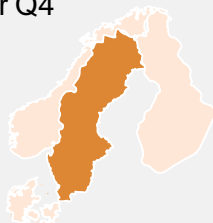


Country by country

Sweden

	Q4	FY15
Net Sales Growth	+5%	+2%
Organic Growth	+5%	+2%
EBITA Margin	8.6%	8.7%

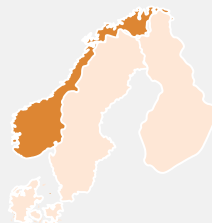
- Strong growth in Q4; ramped-up contracts and project volumes
- Contract wins and prolongations from Q1-Q2 now fully ramped-up
- Margins impacted by previously communicated cutbacks at Ericsson; no effect after Q4



Norway

	Q4	FY15
Net Sales Growth	+3%	+31%
Organic Growth	+11%	+36%
EBITA Margin	6.2%	5.9%

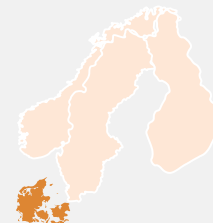
- Continued strong growth
- Margins impacted in Q4 by previously communicated cutbacks at Statoil; no effect after Q4
- Ongoing interest from oil & gas sector



Denmark

	Q4	FY15
Net Sales Growth	+9%	+11%
Organic Growth	+9%	+8%
EBITA Margin	4.9%	3.6%

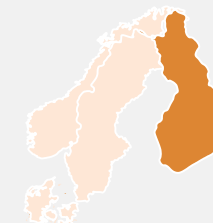
- Continued growth on the back of contract wins in 2014 and 2015
- Efficiencies implemented in major contracts



Finland

	Q4	FY15
Net Sales Growth	-11%	-3%
Organic Growth	-12%	-6%
EBITA Margin	-0.4%	0.9%

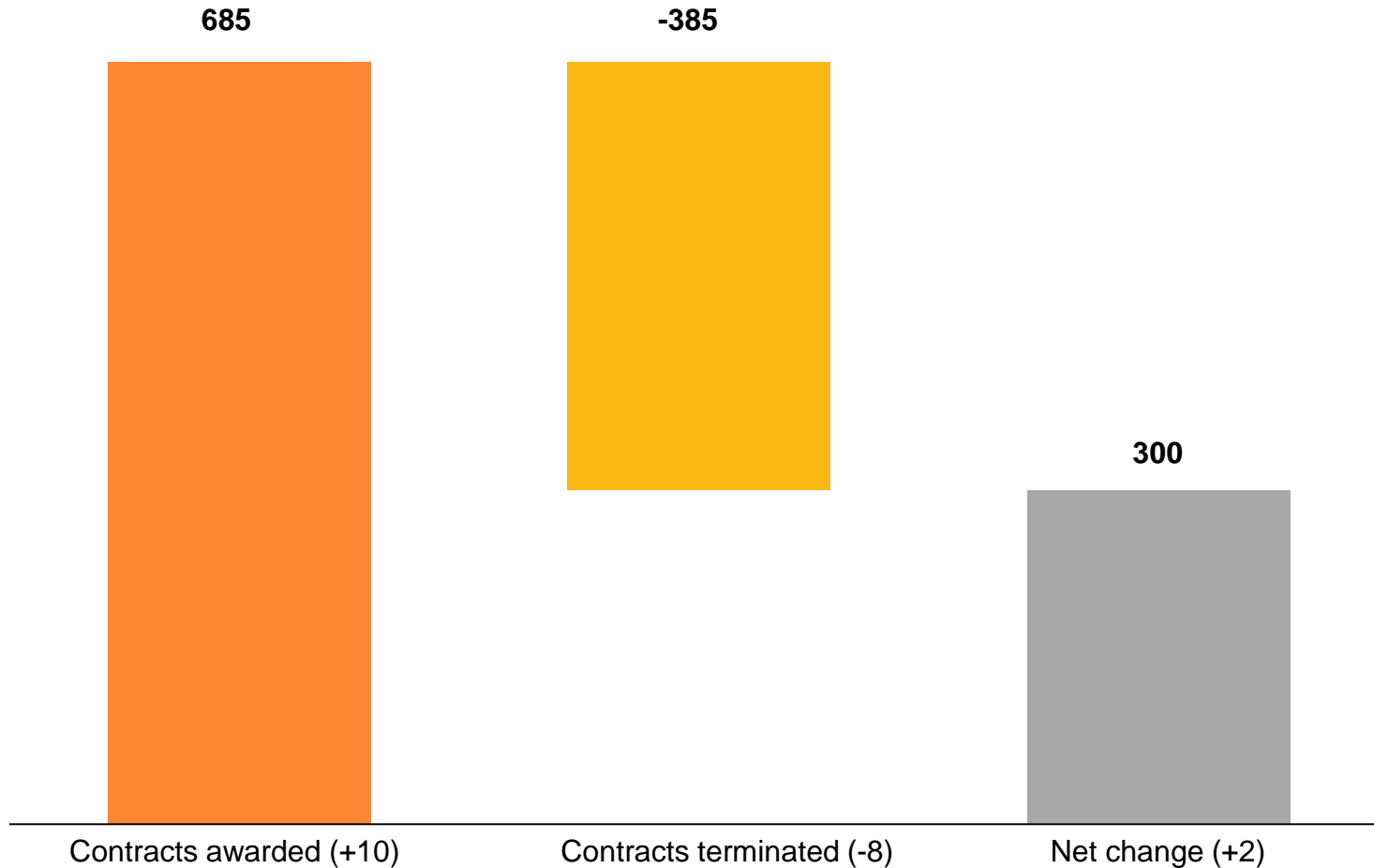
- Finnish market still demanding and focused on single services
- Continued efforts to gain volume and increase efficiency



Contract portfolio development

FY 2015 Contract portfolio changes

MSEK



Profit & Loss Statement

(SEKm)	Q4			FY		
	2015	2014	Chg.	2015	2014	Chg.
Net sales	2 042	1 967	75	7 482	6 844	638
Adjusted Gross Profit	250	227	23	893	809	84
Gross margin	12,2%	11,5%	0,7%	11,9%	11,8%	0,1%
Adjusted EBITA	110	112	-2	374	354	20
EBITA margin	5,4%	5,7%	-0,3%	5,0%	5,2%	-0,2%
IACs	-10	-22	12	-36	-94	58
Transaction cost	-1	-12	11	-79	-12	-67
Amortization and impairment	-44	-175	131	-177	-331	154
EBIT	56	-97	153	82	-82	164
Financial net	3	-73	76	-115	-272	157
Income tax expense	-14	23	-37	234	44	190
Net income	45	-147	192	201	-311	512
Add-back amortization	44	175	-131	177	331	-154
Adjusted Net income	89	28	61	378	20	358



Items Affecting Comparability

(SEKm)	2015 FY	2014 FY
Addici - M&A	0	-6
Statoil	-13	-54
Other	-12	-17
Total integration	-25	-76
Total restructuring	-6	-11
Cinven monitoring fees	-2	-4
Other	-3	-3
Total other	-5	-7
Total IACs	-36	-94
Transaction costs	-79	-12
Total IACs including transaction costs	-115	-106

Balance Sheet

ASSETS (SEKm)	December		EQUITY & LIABILITIES (SEKm)	December	
	2015	2014		2015	2014
Tangible assets	71	78	Total equity	2 733	1 178
Intangible assets	3 867	4 104	Borrowings	1 367	2 805
Financial assets	281	13	Other non-current liabilities	51	63
Total non-current assets	4 219	4 195	Total non-current liabilities	1 419	2 868
Current assets	1 470	1 620	Interest bearing liabilities	14	220
Cash and cash equivalents	428	335	Other current liabilities	1 951	2 024
Total current assets	1 898	1 955	Total non-current liabilities	1 965	2 244
Assets in discontinued operations	0	412	Liabilities in discontinued operations	0	272
Total assets	6 117	6 561	Total equity and liabilities	6 117	6 561
NWC, Continuing Operations	-449	-392	Equity/Assets Ratio	45%	18%
NWC, % of Net Sales (LTM)	-6,0%	-5,7%			

Cash Flow

(SEKm)	Q4			FY		
	2015	2014	Chg.	2015	2014	Chg.
Adjusted EBITDA	123	125	-2	423	403	20
Capex	-14	-10	-4	-50	-32	-18
Changes in working capital	163	185	-22	69	63	6
Adjusted cash flow from operating activities	272	300	-28	442	434	8
Cash conversion (%)	221%	241%	-20%	104%	108%	-3%
IACs and transaction costs incl. Non-P&L	-11	-34	23	-164	-106	-58
Adjustment for items not affecting cash flow	7	-6	13	-4	-58	54
Interest and other financial items	-10	-35	25	-142	-176	34
Income tax paid	-2	-4	2	-5	-11	6
Cash flow from operating activities	256	220	35	127	83	44
Cash flow from investing activities	0	-22	22	0	-23	23
Cash flow from financing activities	-1	-42	41	65	34	31
Cash flow excl. discontinued operations	255	156	99	192	93	98



LTM P&L – Normalized

(SEKm)	FY Actual 2015	FY Normalized
Net sales	7 482	7 482
Adjusted Gross Profit	893	893
Gross margin	11,9%	11,9%
Adjusted EBITA	374	374
EBITA margin	5,0%	5,0%
IACs	-36	-20
Transaction cost	-79	0
Amortization and impairment	-177	-177
EBIT	82	177
Financial net	-115	-35
Income tax expense	234	-33
Net income	201	109
Add-back amortization	177	177
Adjusted Net income	378	286

P&L normalized for:

- Transaction costs
- Statoil integration cost
- Current financing
- Tax asset recognition and normal P&L tax rate of ~23%

LTM Cash Flow – Normalized

(SEKm)	FY Actual 2015	FY Normalized
Adjusted EBITDA	423	423
Capex	-50	-50
Changes in working capital	69	69
Adjusted cash flow from operating activities	442	442
Cash conversion (%)	104%	104%
IACs and transaction costs incl. Non-P&L	-164	-20
Adjustment for items not affecting cash flow	-4	-4
Interest and other financial items	-142	-40
Income tax paid	-5	-30
Cash flow from operating activities	127	348
Cash flow from investing activities	0	0
Cash flow from financing activities	25	-7
Cash flow excl. discontinued operations	152	341

Cash Flow normalized for:

- Transaction costs and IPO related flows
- Statoil integration cost
- Current financing
- Paid tax rate of 8-10%

Summary Q4 and full year 2015

Organic
growth

6% in Q4
10% FY2015



Cash
Conversion

104% FY2015

A strong finish to a strong year

Key targets	Q4	2015
Organic Growth	+6%	+10%
EBITDA-Margin	5.4%	5.0%
Cash conversion	104%	104%
Capital structure	2.2x	2.8x

104%

*Total conversion above and below interest & tax

COOR SERVICE MANAGEMENT

Opportunities

Interesting business
opportunities across
the Nordics



Q & A



SERVICE *with* IQ

Disclaimer

Disclaimer statement

Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors, for example the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products, services and their pricing, product and service development, commercialization and technological difficulties, supply disturbances, and major customer credit losses.