



Year-End Report 2018

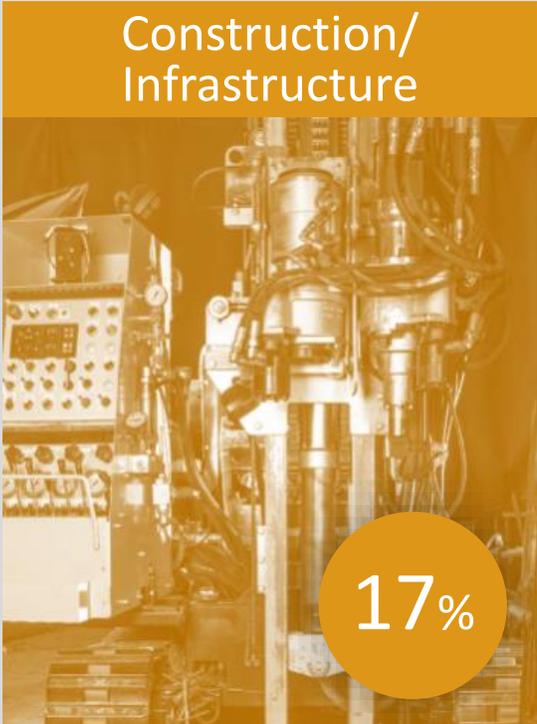
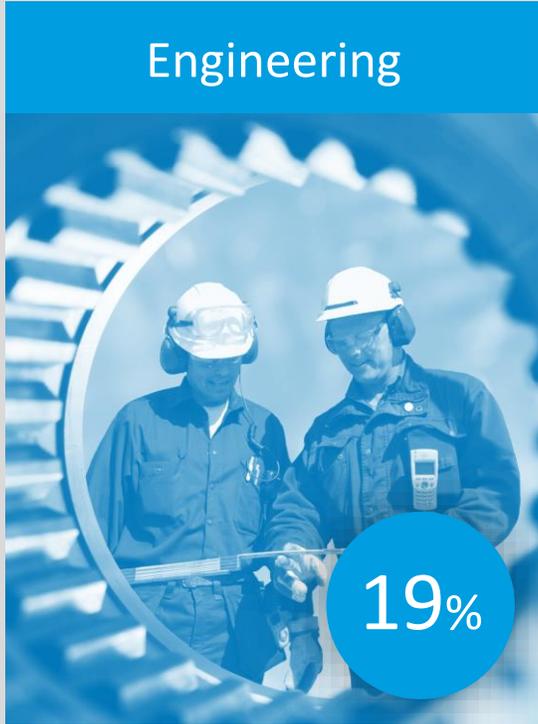
Bo Annvik, CEO
Patrik Johnson, CFO

13 February 2019

Summary 2018

- Strong year with focus on profitable growth - continued execution of successful business model and strategy
- Strong financial performance with all time high EBITA margin
- Strategic initiatives to increase value creation and business performance
- Updated financial targets
- Platform in place with experienced Management Team for Sustainable Profitable Growth
- Board proposes dividend of SEK 4.50

Stability based on diverse segments



No/low segment dependency
Business cycle “hedging”

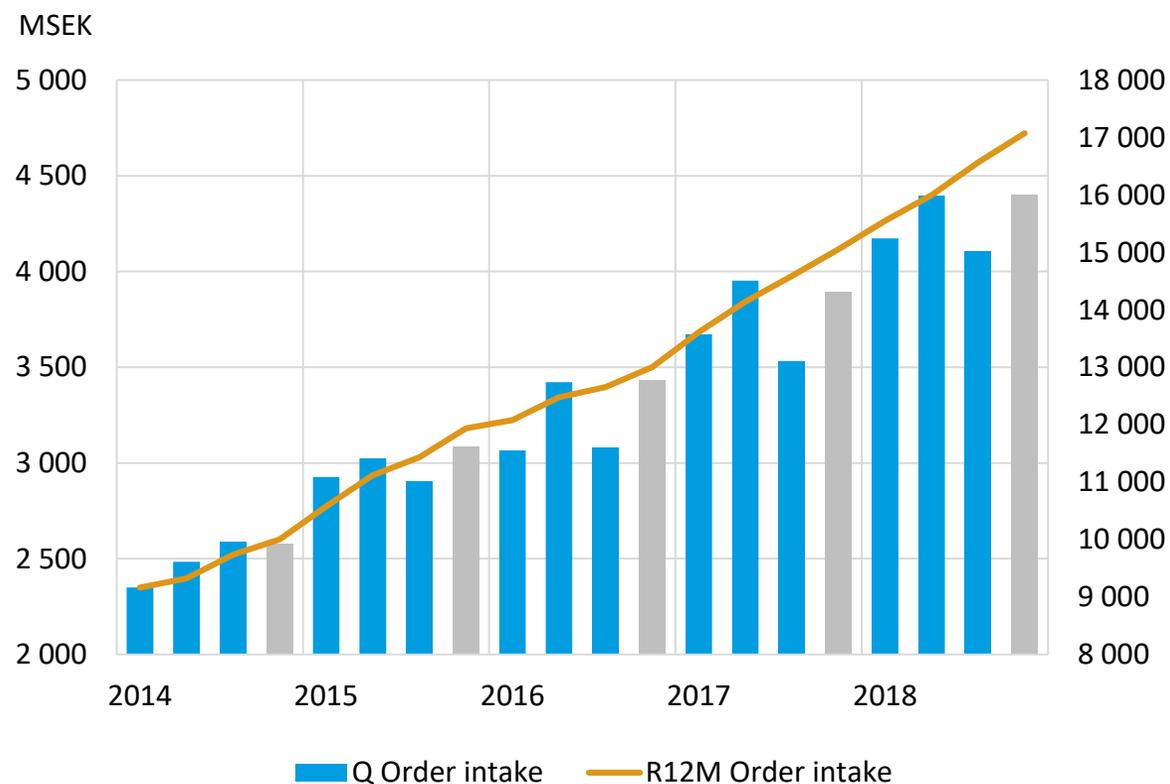
Net sales per customer segment %, financial year 2018



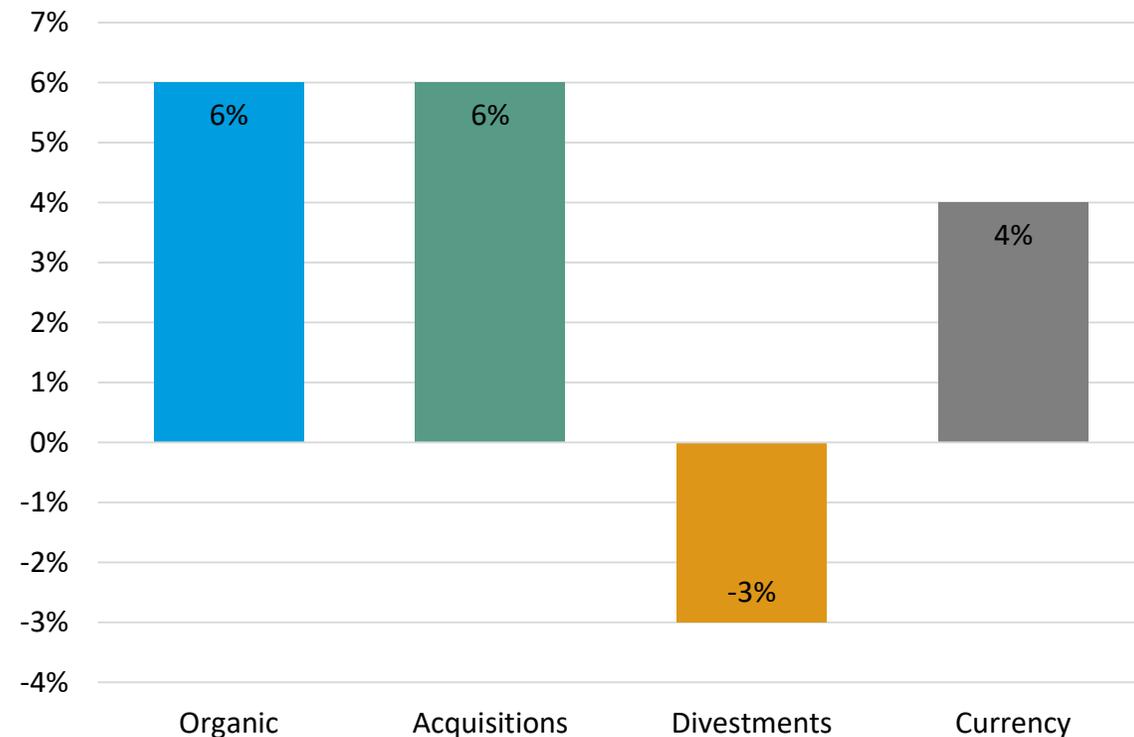
Highlights fourth quarter 2018

- High stable demand with improved organic growth rates
- EBITA margin improvement both organically and through acquisitions
- Good performance in most business areas, particularly in UK and Fluids & Mechanical Solutions
- Acquisition of Thermo Electric and NRG - attractive business model and positive outlook for continued acquisitions
- Cash flow improved during the quarter

Order intake



Q growth



4,403 MSEK

Q GROWTH

+13%

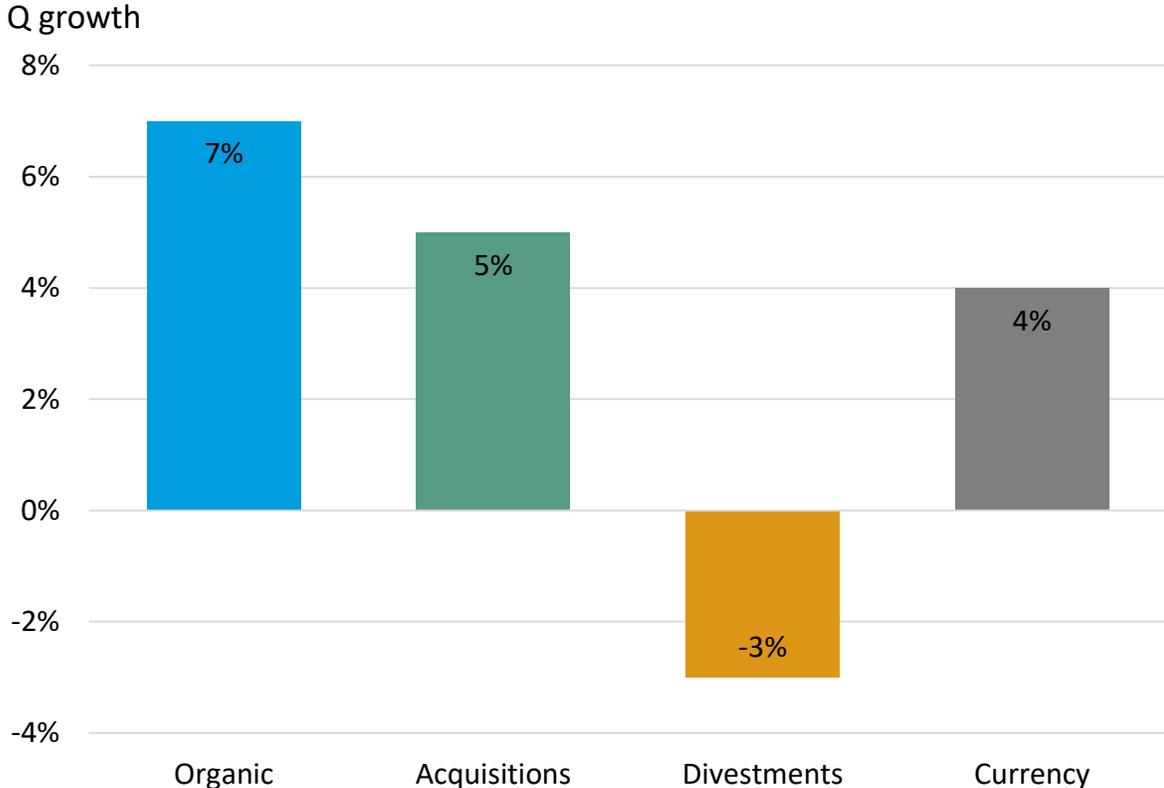
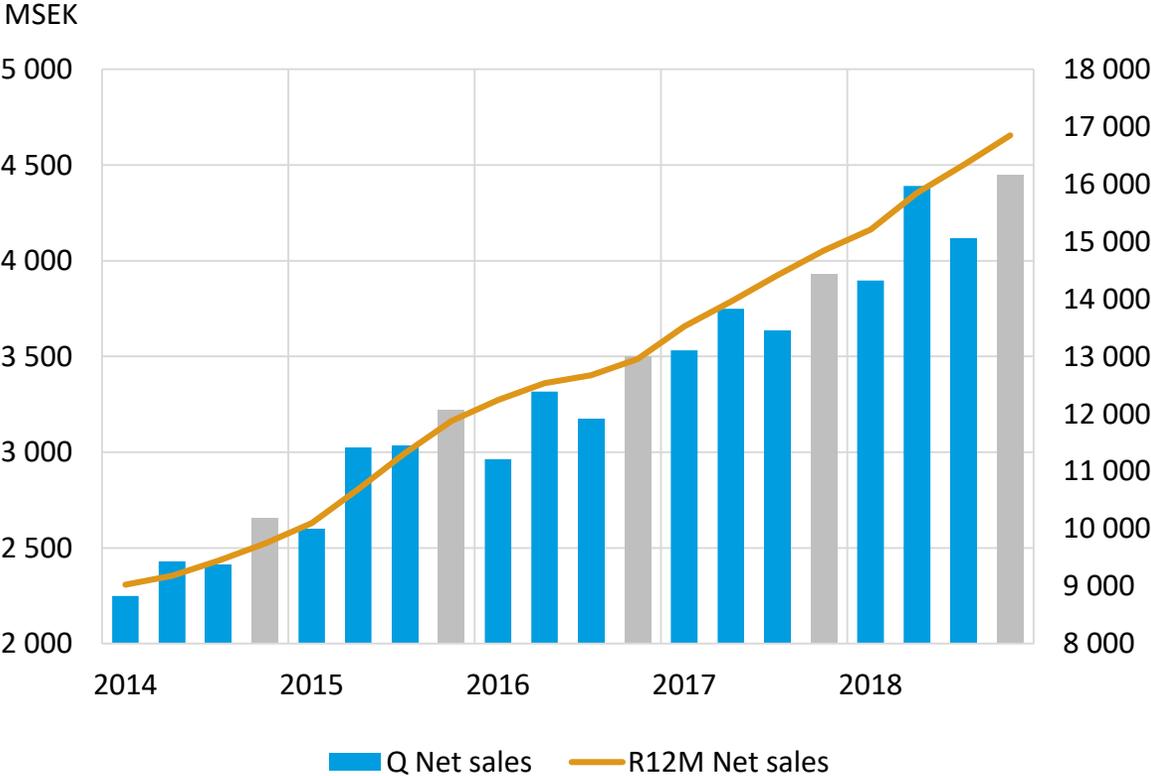
YTD GROWTH

+13%

R3Y CAGR

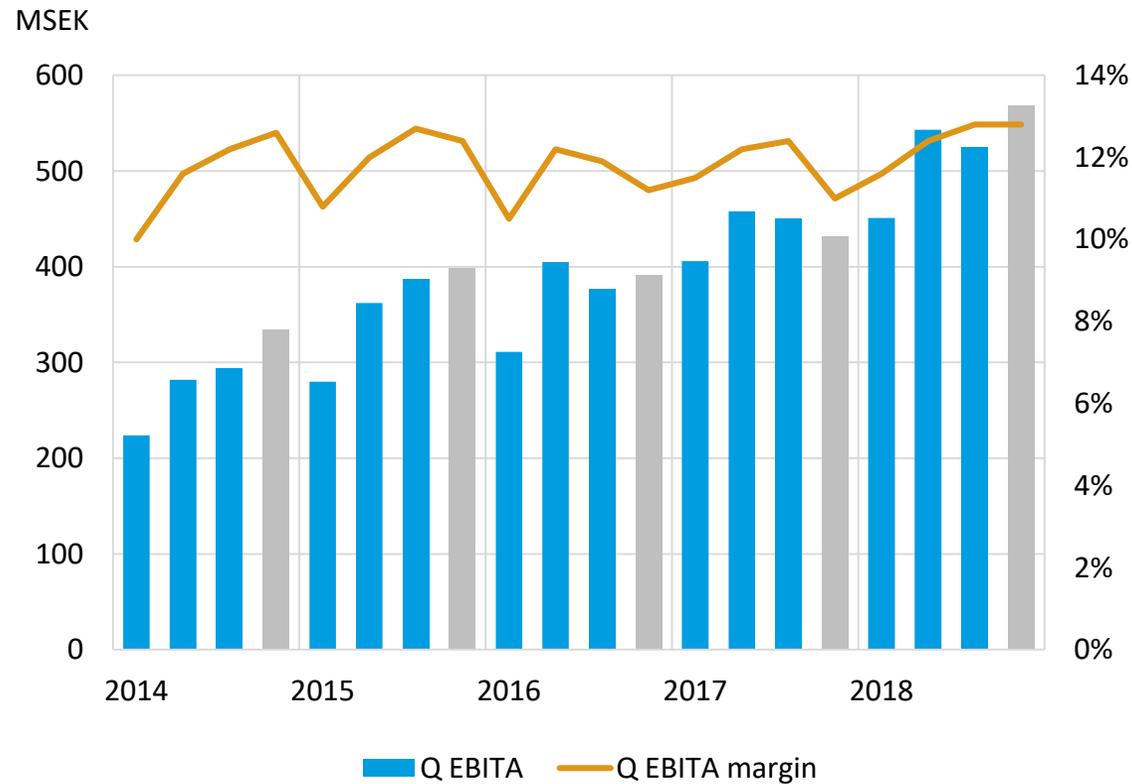
+13%

Net sales

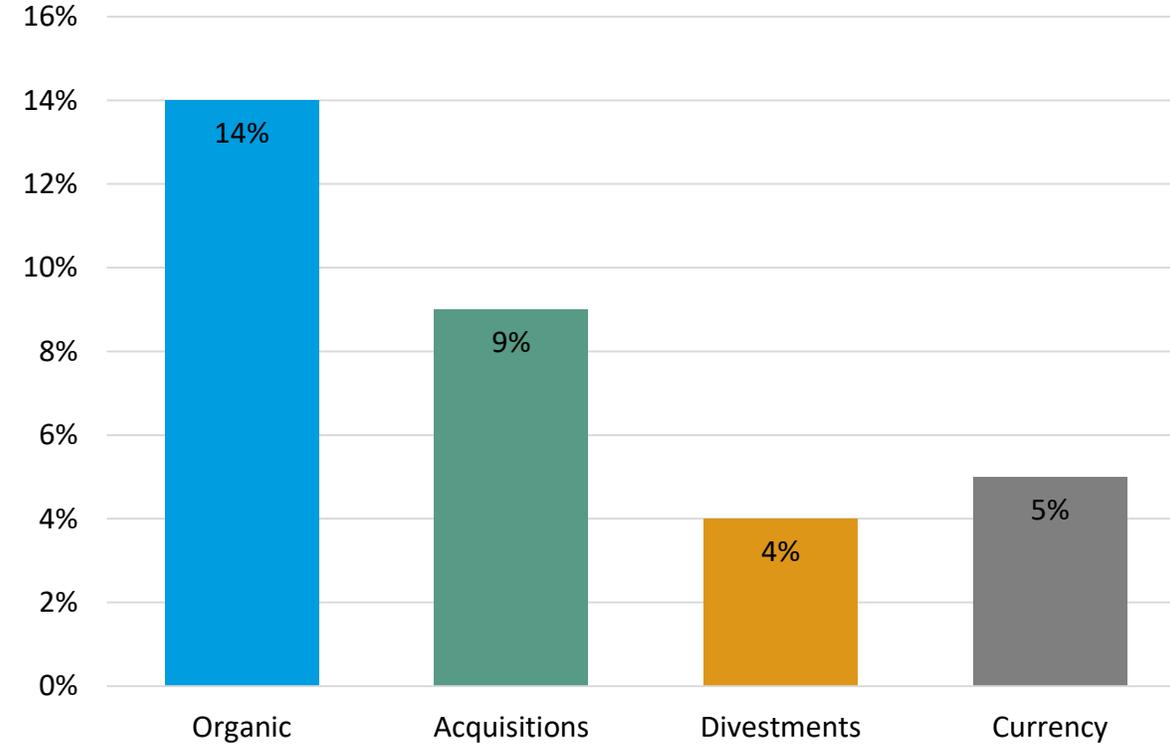


4,446 MSEK	Q GROWTH +13%	YTD GROWTH +13%	R3Y CAGR +11%
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EBITA adjusted *



Q growth



568 MSEK

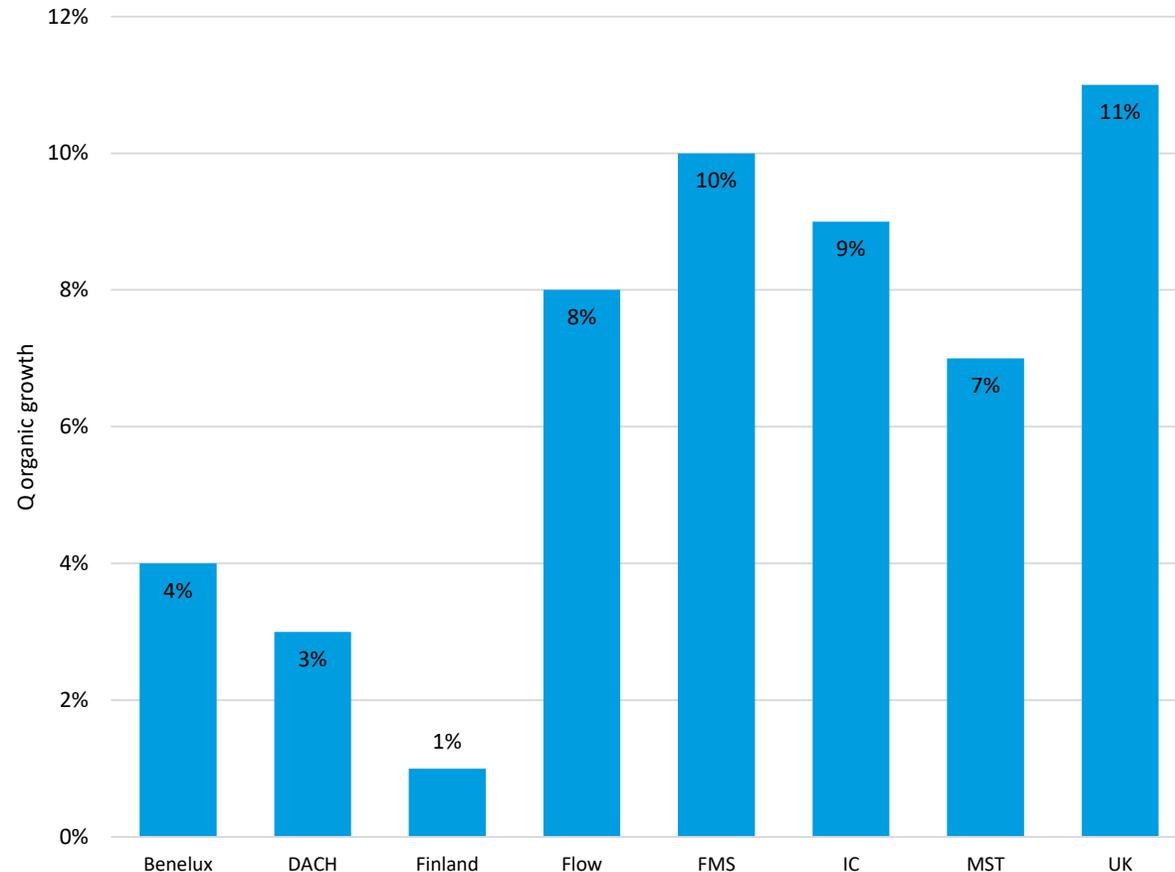
Q GROWTH
+32%

YTD GROWTH
+20%

R3Y CAGR
+13%

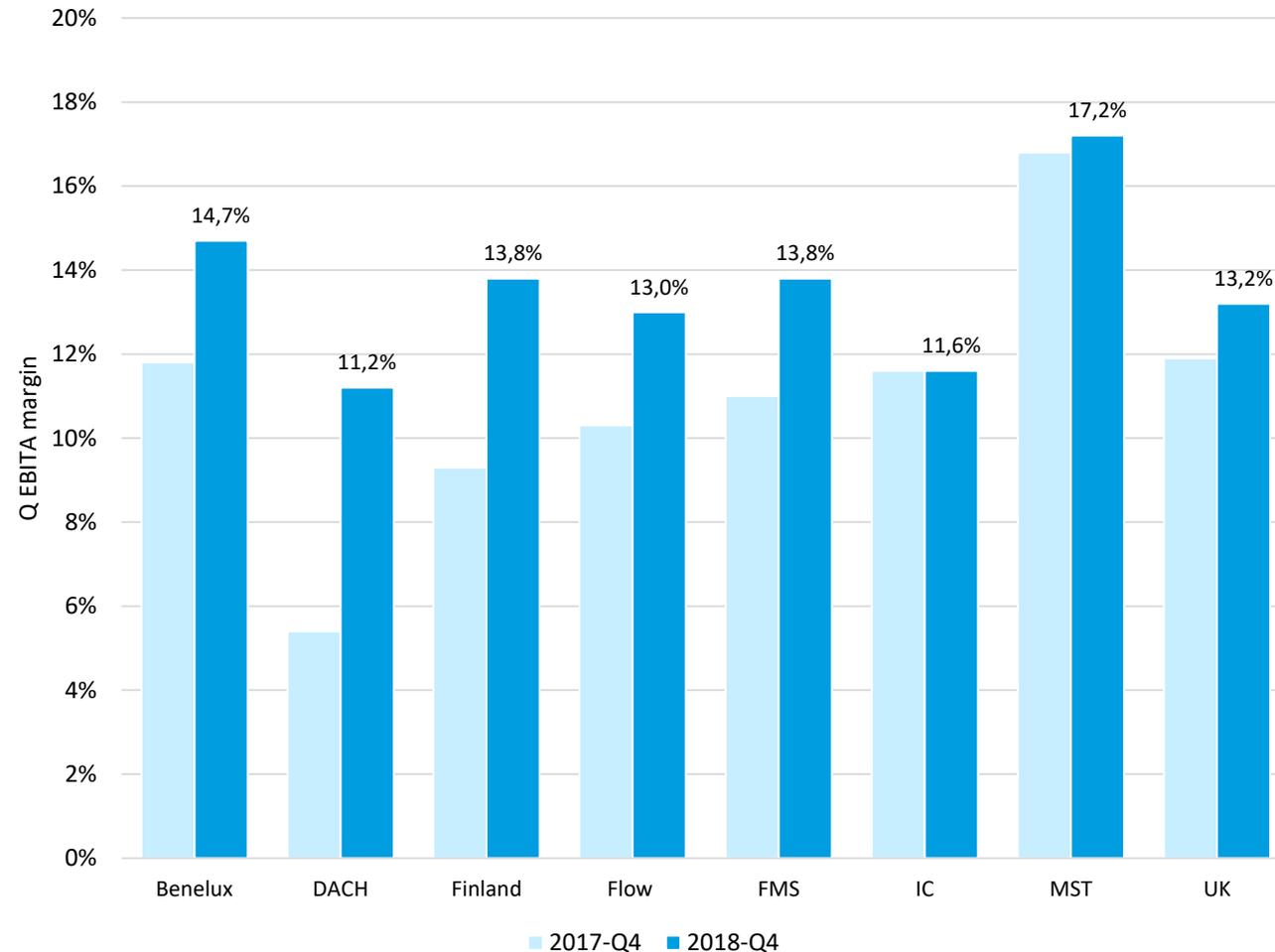
*) Excluding restructuring costs 2017

Organic sales growth by Business Area



- All Business Areas grew organically in the quarter
- Broad strong demand in UK – both domestic and export oriented companies developed positively
- Industry and infrastructure segment companies performed strong in Fluids & Mechanical Solutions
- Continued stable demand in Finland but fewer larger projects compared to last year

EBITA margin by Business Area



- EBITA margin improved in seven out of eight Business Areas, both organically and through structural activities
- Benelux and DACH improvements primarily driven by acquisitions
- Finland benefited from restructuring and divestments
- Improvements in restructured Sander Meson supported Business Area Flow
- Unchanged EBITA margin in Industrial Components due to positive earn out revaluation last year

Acquisitions/divestments 2018

	Acquisitions	BA	Annual Sales
	Zijtveld Gripers B.V.	Benelux	130 MSEK
	RA Howarth Engineering Ltd	UK	20 MSEK
	Gaveco AB	Flow Technology	15 MSEK
	Precision UK Ltd	UK	130 MSEK
	Digitrade GmbH	DACH	15 MSEK
	Norsecraft Tec AS	Industrial Components	55 MSEK
	TXRX	Measurement & Sensor Technology	120 MSEK
	Thermo Electric Instrumentation B.V.	Measurement & Sensor Technology	115 MSEK
	NRG Automation Ltd	UK	60 MSEK
	Divestments	BA	Annual Sales
	Tecalemit companies	Finland/Fluids & Mechanical Solutions	120 MSEK
	Novisol GmbH (Dresden branch)	DACH	90 MSEK
	Recair Oy	Finland	110 MSEK
	UAB Industek	Fluids & Mechanical Solutions	70 MSEK
	Wilhem Sander Fertigung GmbH*	Flow Technology	60 MSEK

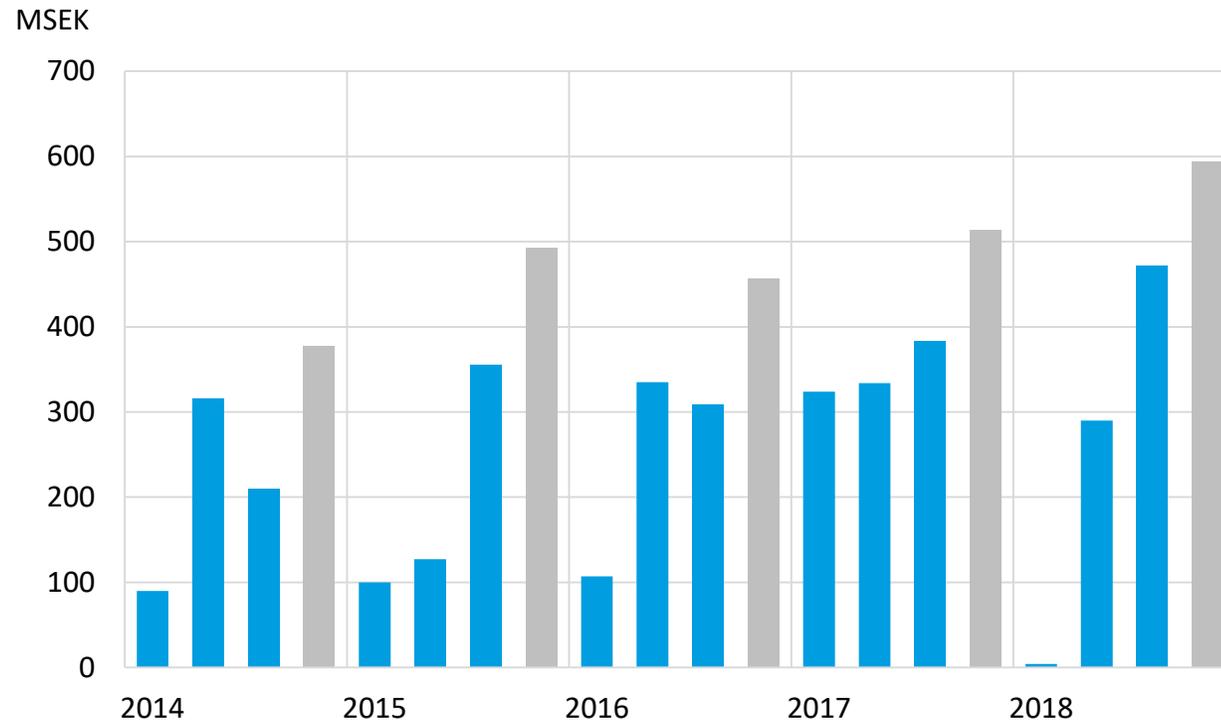
*) Agreement signed Q1 2019



Key data summary

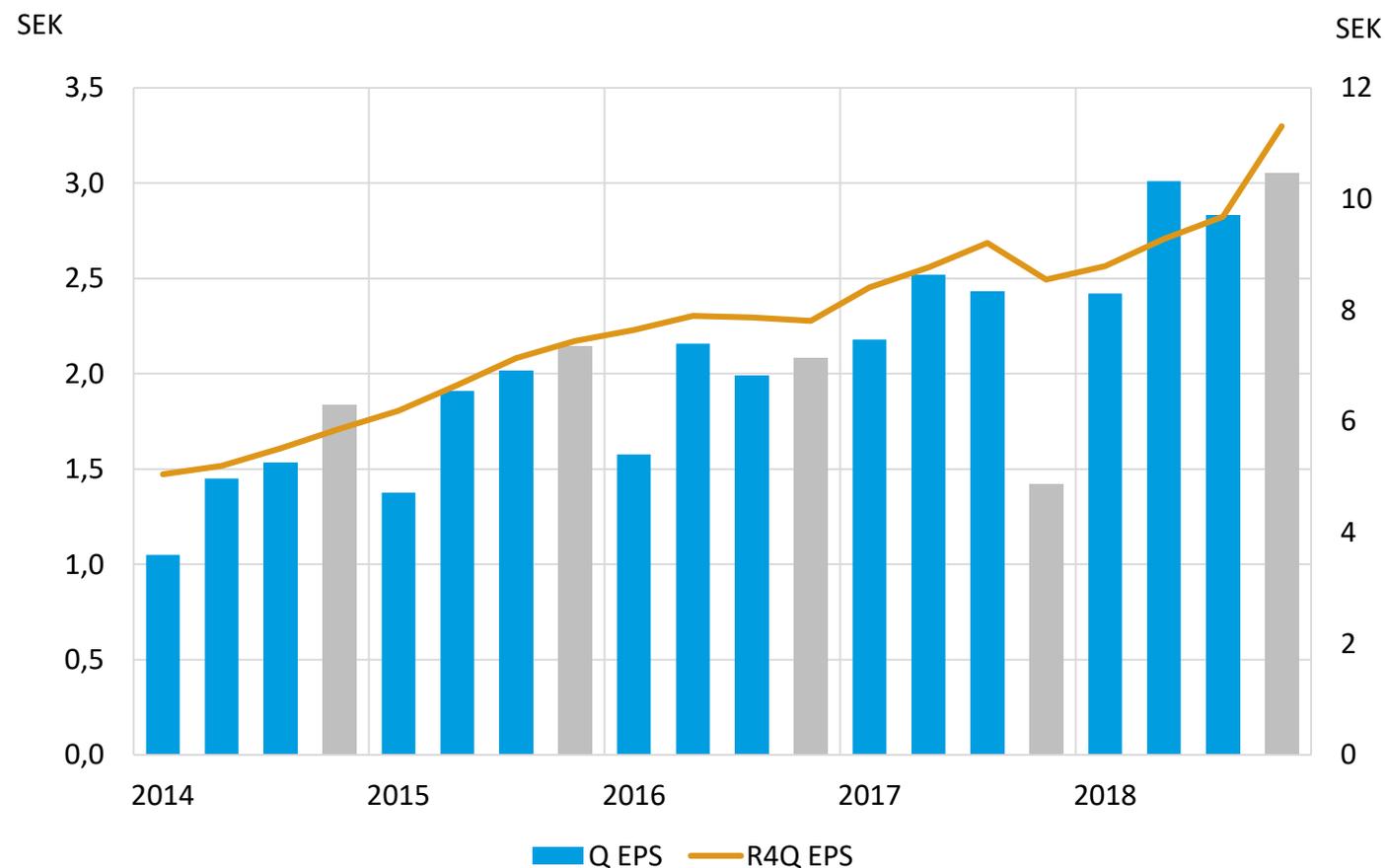
MSEK	2018-Q4	2017-Q4	Change	2018 YTD	2017 YTD	Change
Order Intake	4,403	3,895	13%	17,073	15,051	13%
Net Sales	4,446	3,932	13%	16,848	14,847	13%
Gross margin, %	34.2	33.0		34.1	33.4	
EBITA	568	299	90%	2,087	1 613	29%
EBITA-margin, %	12.8	7.6		12.4	10.9	
Net financial items	-16	-17	-6%	-75	-70	7%
Tax	-115	-49	135%	-382	-280	36%
Earnings per share (before dilution), SEK	3.05	1.42	115%	11.31	8,54	32%
Return On Operating Capital, %	21	19		21	19	
Cash Flow from operating activities	594	513	16%	1,360	1,554	-12%
Net debt / EBITDA, times	1.7	2.1		1.7	2.1	

Cash Flow from operating activities



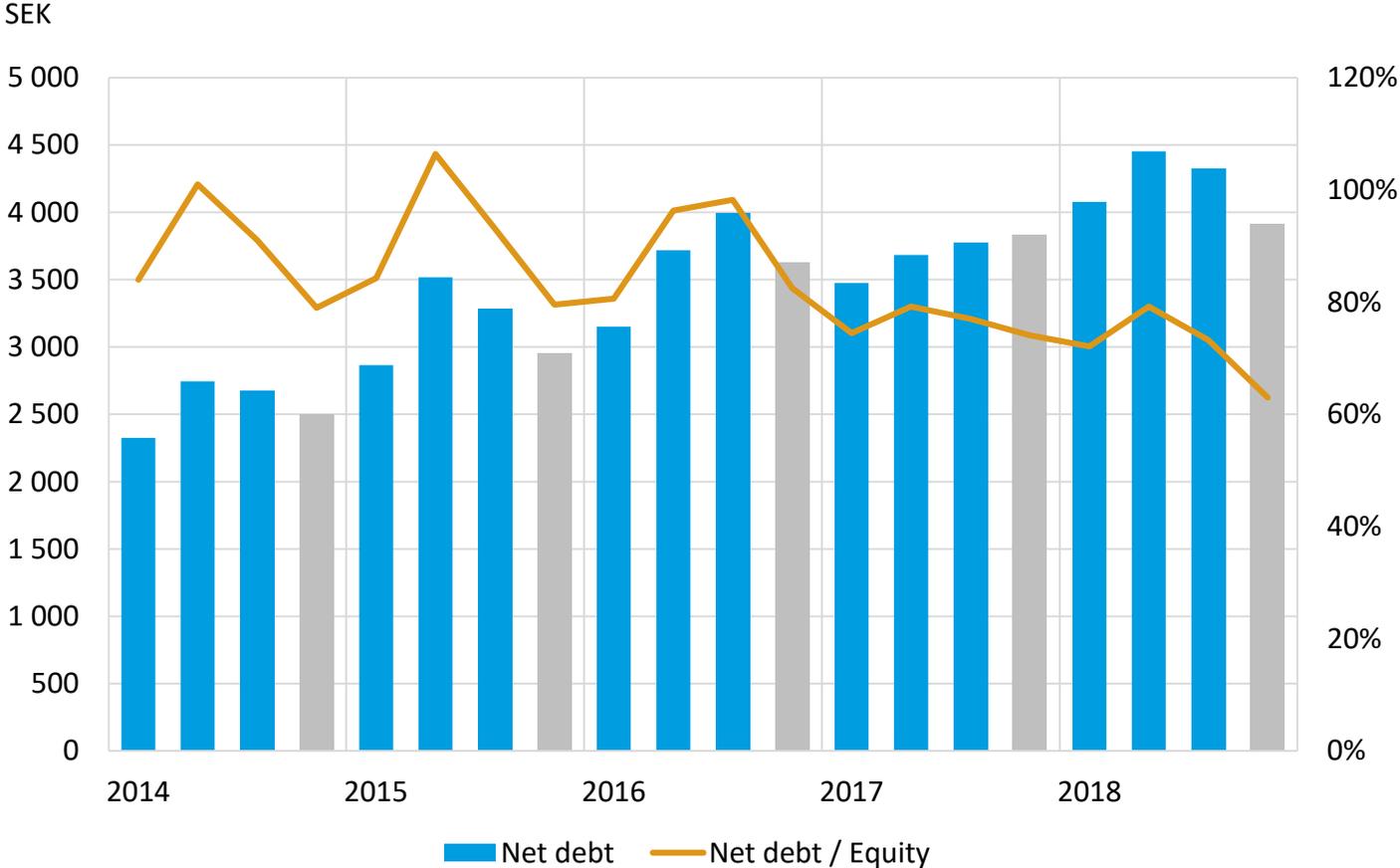
- Cash Flow from operating activities grew with 16% to 594 MSEK, mainly driven by increased profits
- Full year Cash Flow from operating activities lower than last year due to higher working capital
- Working capital increase relates to higher volumes and inventory increases to mitigate longer lead times from suppliers

Earnings per share



- Q4 earnings per share rose 115% to SEK 3.05 (1.42)
- Full year earnings per share rose 32% to SEK 11.31 (8.54)
- Excluding restructuring full year earnings per share rose 20%
- 5 year earnings per share CAGR, excluding restructuring is 18%

Net debt



- The interest bearing net debt end of Q4 increased with 2% versus last year to 3,909 MSEK (3,829)
- Net debt/equity ratio 63% (74%) – lower than last year and quarter

Core Values

People make the difference

Entrepreneurship

with a passion
for business

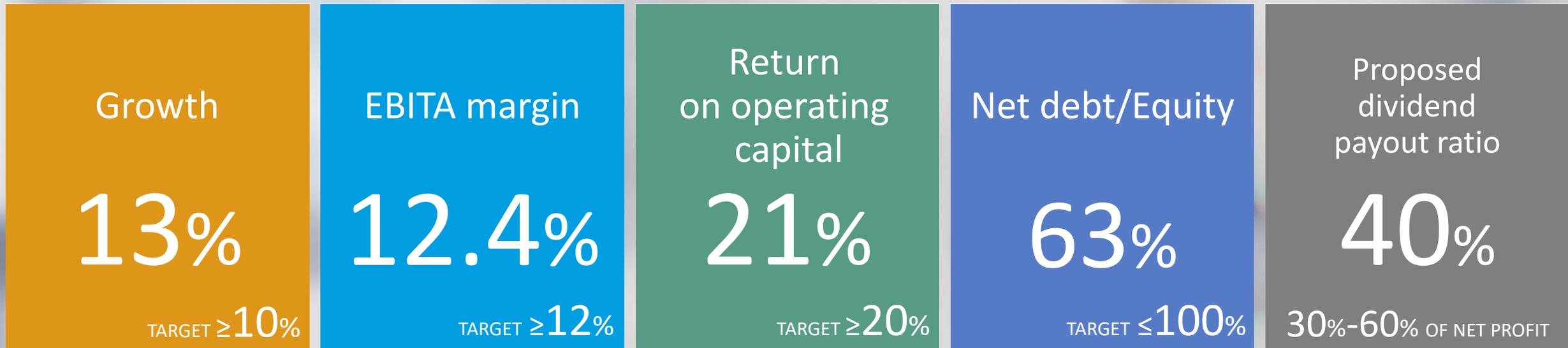
Decentralisation

built
on trust

Long-term

built on
profitable growth

Financial targets and outcome 2018



Targets measured over a business cycle

Key takeaways and outlook

- Continued execution of successful business model and strategy
- Strong quarter with stable, high demand and improved profitability and good organic growth
- 'All time high' EBITA margin for full year 2018
- Diversified group with agile and flexible companies, working closely with their customers
- Scalable – new Business Area organisation has the structure and capability to acquire and take on new companies
- Platform in place with experienced Management Team for Sustainable Profitable Growth





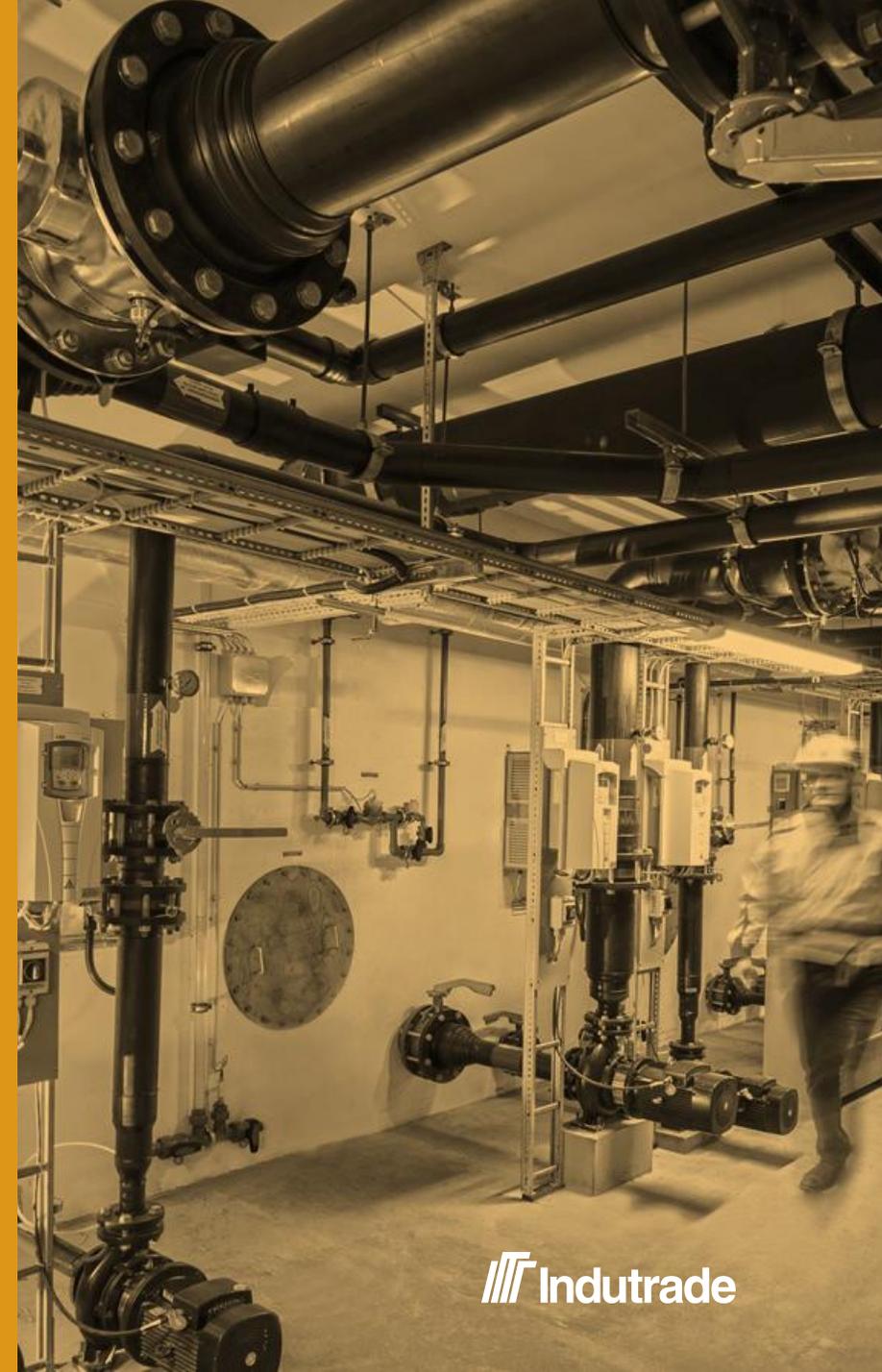
Thank you!

Q&A

Financial Calendar & Contact details

- 25 April 2019
Interim report 1 January – 31 March 2019
- 18 July 2019
Interim report 1 January – 30 June 2019
- 25 October 2019
Interim report 1 January – 30 September 2019

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The logo for Indutrade features a stylized icon on the left consisting of three parallel, slanted vertical bars of varying heights, followed by the word "Indutrade" in a bold, white, sans-serif typeface.

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