

BERGMAN & BEVING

Presentation - Second Quarter

1 April – 30 September 2020

Second quarter

- Revenue increased by 4 percent to MSEK 1,013 (970).
 - Revenue increased by 8 percent in local currency, of which 4 percent was organic and 4 percent was from acquisitions.
 - Exchange-rate fluctuations had a negative impact of 4 percent on revenue.
- EBITA increased by 25 percent to MSEK 66 (53), corresponding to an EBITA margin of 6.5 percent (5.5).
- Cash flow from operating activities amounted to MSEK 133 (13).

Six months

- Revenue increased by 6 percent to MSEK 2,110 (1,994).
 - Revenue increased by 10 percent in local currency, of which 4 percent was organic and 6 percent was from acquisitions.
 - Exchange-rate fluctuations had a negative impact of 4 percent on revenue.
- EBITA increased by 14 percent to MSEK 130 (114), corresponding to an EBITA margin of 6.2 percent (5.7).
- Cash flow from operating activities amounted to MSEK 266 (94).

1 April – 30 September 2020

- Bergman & Beving performed well also during the second quarter and the Group posted its highest-ever quarterly results as an independent company, with positive contributions from all divisions.
 - Revenue increased by 8 percent in local currency, of which 4 percent was organic.
 - Operating profit (EBITA) increased by 25 percent to MSEK 66 and the operating margin improved to 6.5 percent.
- The business demonstrated its strength by delivering cash flow of MSEK 133.
- Demand from industrial customers recovered gradually during the period, though the rate of recovery varied between regions.
- Demand from construction customers remained strong, as well as for personal protective equipment.
- At the same time, earnings were impacted by negative currency effects, primarily related to a weaker NOK.

1 April – 30 September 2020

- The Group delivered organic growth for the third consecutive quarter.
 - The pandemic forced a delay in the implementation of previously won customer contracts, but work on these is now well under way.
 - Sales to new customers increased and investments in product development and broadening the customer portfolio continued.
- Restructuring measures completed had a positive effect and we now have a better balance between income and expenses.
 - Decentralising continued with a focus on the relevant profit centres and our various companies have implemented different measures on an ongoing basis to address their unique situations.
- Overall, it is satisfying that the divisions consistently improved their operating profit and strengthened their operating margins.
 - BM and WS had a successful first half of the year, with high organic growth and a good earnings performance.
 - It is gratifying that TC reversed the trend after the first quarter and once again improved its earnings despite weaker demand.
- Considering the special market conditions, the Group's overall performance was positive.
 - Even though we did not reach the long-term profitability level we are striving for.

1 April – 30 September 2020

- Our long-term focus on investments in sales and marketing of our strong products and brands continued and we have advanced our positions, even in the current market.
- Acquisitions remain an important part of our strategy for growth and it is gratifying that the newly acquired companies contributed positively to the earnings performance.
- Our cash flow and strong financial position give us continued opportunity to act forward and we intend to complete more value-generating acquisitions going forward.

Building Materials

MSEK	Three months	Six months	Year 19/20
Revenue	295	644	1,143
EBITA	21	54	53
EBITA margin (%)	7.1	8.4	4.6



- The construction season remained strong and demand in Sweden and Norway was higher than in the preceding year.
- Demand from industrial customers remained low, but gradually recovered.
- Sales volumes in combination with efficiency improvements in operations contributed to the strong earnings and all units within the division improved their earnings during the quarter.
- ESSVE had a favourable first half of the year, which contributed positively to the division's growth.
- The acquired units contributed positively as well.

Workplace Safety

MSEK	Three months	Six months	Year 19/20
Revenue	356	788	1,401
EBITA	26	66	95
EBITA margin (%)	7.3	8.4	6.8



- Demand for personal protective equipment remained strong.
- Skydda, Guide and Zekler continued to deliver personal protective equipment to best meet the needs in society and the increased volumes contributed to the positive earnings performance.
- Demand from industrial customers remained at a lower level, however.
- Completed efficiency improvements in operations yielded the expected results.
- The newly acquired companies contributed to the positive growth.

Tools & Consumables

MSEK	Three months	Six months	Year 19/20
Omsättning	371	698	1,565
EBITA	20	13	73
EBITA-marginal (%)	5.4	1.9	4.7



MILLER'S
BESLAG SEDAN 1903


LIMIT measuring technology
LUNA GROUP
LINDAHL & NERMARK

MARELD
PRO LIGHTING*


TENG TOOLS


LIDÉN WEIGHING


UVECO

BELANO MASKIN AB

- Demand recovered during the second quarter but remained at a low level.
- Sales for Teng Tools in the UK and elsewhere in Europe, which were negatively affected by lockdowns, recovered gradually.
- Measures taken at the subsidiary Luna to adapt operations to the current market contributed to the earnings performance.