

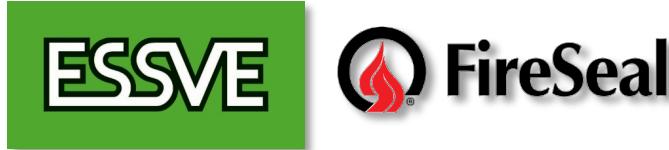
BERGMAN & BEVING

Presentation – Third Quarter

Introduction

Bergman & Beving develops, acquires and provides strong brands for the manufacturing and construction sectors

Building Materials



- Own proprietary brands 95%
- Market leading in the Nordics in fastening products and fastening solutions
- Strong position in soft fire sealing systems

Workplace Safety



- Own proprietary brands 70%
- Market leading in the Nordics in protective shoes, gloves, fall protection and distribution of personal protective equipment (SKYDDA)
- Significant position in technical protection and work clothes

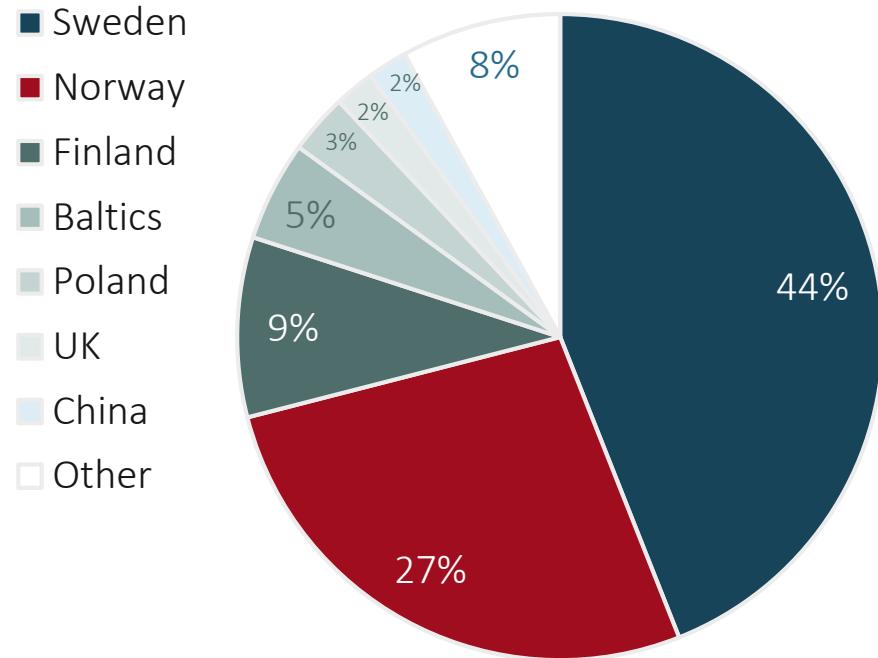
Tools & Consumables



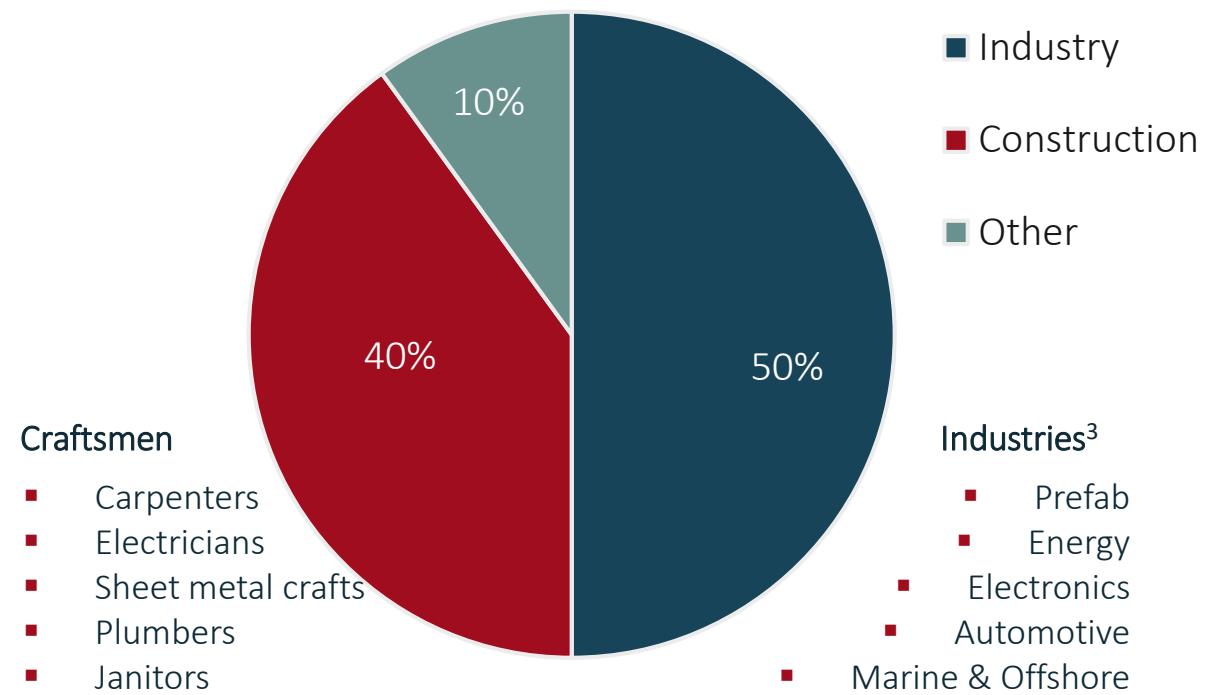
- Own proprietary brands 35%
- Market leading distributor in the Nordics of tools and consumables (Luna)
- Strong position in hand tools

Revenue per geography and customer segment 2017/2018

Revenue by geography 2017/2018¹



Revenue by customer segment 2017/18²



Not: 1) Based on customers' domicile. 2) Refers to the proportion of external revenue, rounded to the nearest five percent. 3) Other industries classified as general industry.

Business model focusing on resellers and user support

Bergman & Beving develops and provides leading brands for Manufacturing & Construction Professionals



Our offer consists of

- High proportion of own products (goal 70%)
- Strong brands with focus on innovation and quality
- Competence, information and related services

We support sales with

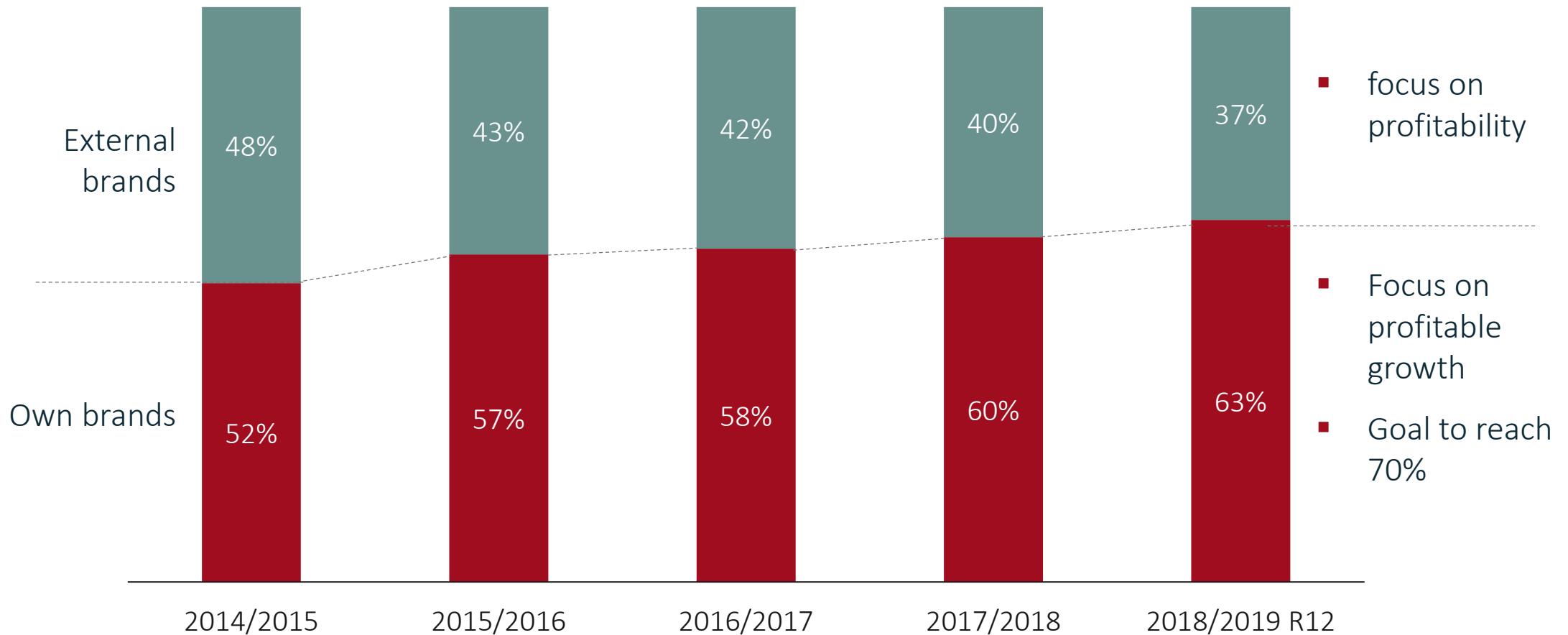
- Product information and digital interface
- Selling store concepts, training and technical sales support
- High availability and store deliveries

We work close to our users by

- Marketing for knowledge and preferences of our brands
- Pricing (RRP)
- Close dialogue and tight relationship with different professional groups
- Advice on solutions and applications
- Direct deliveries

Sales of own proprietary brands now amount to 63% of revenue

Development of product mix - share of own proprietary brands and share of external brands



Interim Report Q3

Interim report, third quarter 2018

Third quarter

- Revenue amounted to MSEK 994 (954)
 - Corresponding for comparable units -1%
 - Acquisitions increased revenue by 3%
 - Exchange-rate fluctuations impact of 2%
- EBITA amounted to MSEK 64 (55) corresponding to an EBITA margin of 6.4 procent (5.8)
- Cash flow from operating activities for the period amounted to MSEK 110 (118)

Nine months

- Revenue amounted to MSEK 2,950 (2,873)
 - Corresponding for comparable units -2%
 - Acquisitions increased revenue by 2%
 - Exchange-rate fluctuations impact of 3%
- EBITA amounted to MSEK 192 (171) corresponding to an EBITA margin of 6.5 procent (6.0)
- Cash flow from operating activities for the period amounted to MSEK 299 (130)

Interim report, third quarter 2018

- The result for the third quarter was strengthened compared to previous year
 - EBITA amounted to MSEK 64 (55) and the operating margin was strengthened
- Revenue from proprietary product brands increased and the initiatives to widen the consumer base began to generate results
 - Overall, the proportion of own brands continued to rise and amounted to 63 percent
- Overall, we experienced stable demand in our main markets in the Nordic region, without any major effects from the uncertain market
 - As before, demand in the Norwegian market displayed a positive trend
 - We also experienced early signs of increased demand from the Swedish renovations market

Interim report, third quarter 2018

- Building Materials division increased its sales and consolidated its leading market position in the Nordic region while we also made progress in our aim to grow the business geographically
- Sales in the Workplace Safety division were favourable but with a temporary negative margin impact due to start-up costs associated with new customer contracts and targeted growth initiatives for our strong brands
- The ongoing changes within the Tools & Consumables division remained positive during the quarter and the profit increased
 - We are not yet satisfied with the results in the subsidiary Luna and we continue our efforts to further improve profitability

Interim report, third quarter 2018

- Acquisitions remain an important part of our strategy for growth
 - During the quarter, a minor acquisition was completed that complements our current position within the weighing niche
 - We are continuing to actively pursue appropriate additions to the Group and see good opportunities to acquire attractive companies in the future, not least given our strong financial position

Building Materials

MSEK	Three months	Nine months	Year 17/18 ¹
Revenue	227	780	1,009
EBITA	12	68	94
EBITA margin (%)	5.3%	8.7%	9.3%



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- Demand from customers in the construction sector remained stable
- Customers in the Swedish market acted with some caution while demand in the Norwegian and Baltic markets developed positively
- Demand from shipyard customers increased from a low level
- The subsidiary ESSVE launched its new e-commerce platform during the quarter

¹ Exclusive items affecting comparability

Workplace Safety

MSEK	Three months	Nine months	Year 17/18 ¹
Revenue	369	1,020	1,317
EBITA	36	97	111
EBITA margin (%)	9.8%	9.5%	8.4%



- Demand for personal protective equipment in the market remained favourable and the establishment of our strong brands as independent units continued according to plan
- The quarter's gross margin was negatively affected by start-up costs associated with the introduction of new customer contracts
- Targeted initiatives for the geographic expansion of our strong brands impacted earnings negatively

ARBESKO
Skomakare sedan 1839

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FOR PROFESSIONALS WORKING AT HEIGHTS

GUIDE
THE RIGHT GLOVES

ZEKLER
LBRADOR[®]
PROTECT YOUR SENSES

SKYDDA
PROTECTING PEOPLE

¹⁾ Exclusive items affecting comparability

Tools & Consumables

MSEK	Three months	Nine months	Year 17/18 ¹
Revenue	418	1,182	1,504
EBITA	22	42	34
EBITA margin (%)	5.3%	3.6%	2.2%



- Demand from industrial customers within our primary markets remained at a high level
- The structural measures implemented in the subsidiary Luna continued to generate positive results and efforts to further improve profitability went according to plan
- The other units in the division reported favourable earnings trends and strengthened their margins



¹⁾ Exclusive items affecting comparability