

Q1 report 2019-20

Roland Kasper CEO, Anders Ulff CFO





Established at HQ in
Skinnskatteberg, Sweden

1974



Turnover
Annual net sales in mill. EUR

830



Number of countries with
own sales companies

50



NASDAQ
OMX Nordic Exchange

2007



Average number of
products on stock at our
main distribution centres

>1,400



Number of
employees

6,200



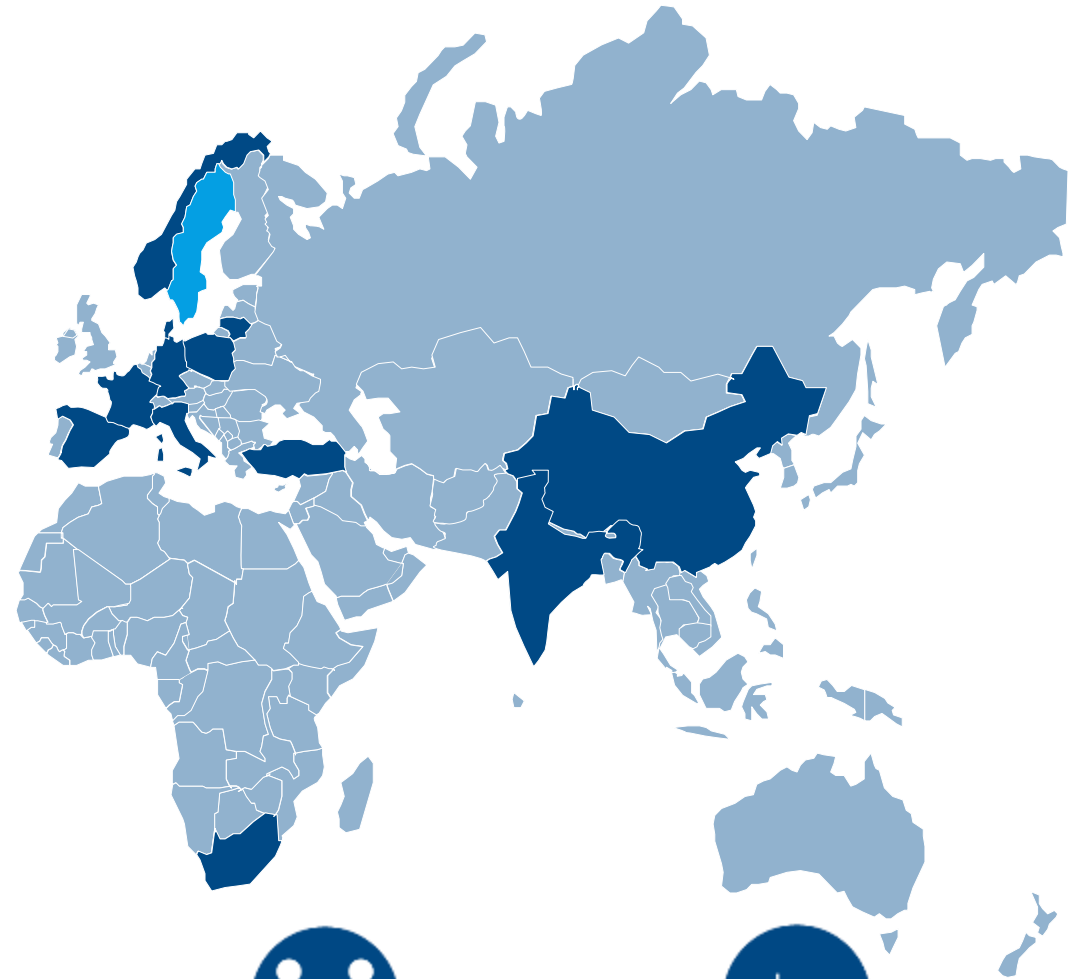
Number of
customers

> 20 300



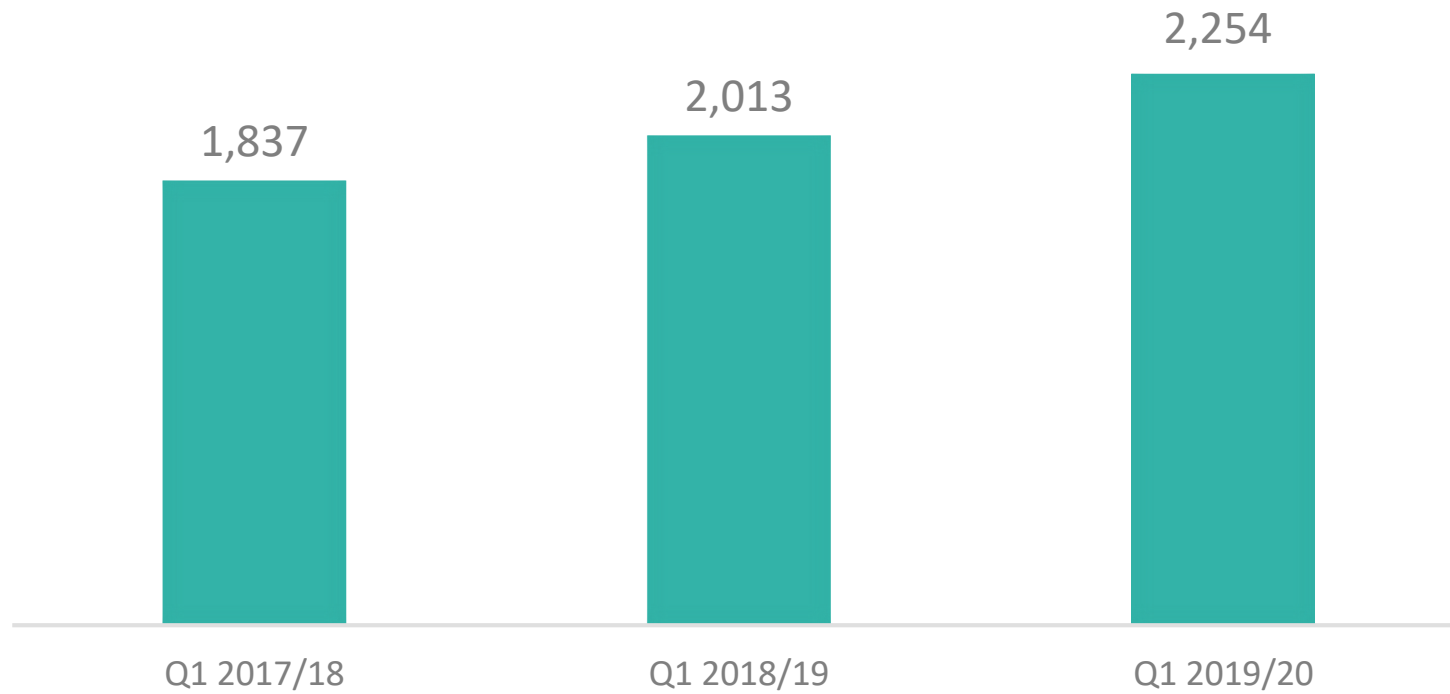
Countries
exported to

>100



Net Sales – Q1

SEK Millions



12.0%
Growth

4.1%
Organic Growth

A good start to the new year

Organic

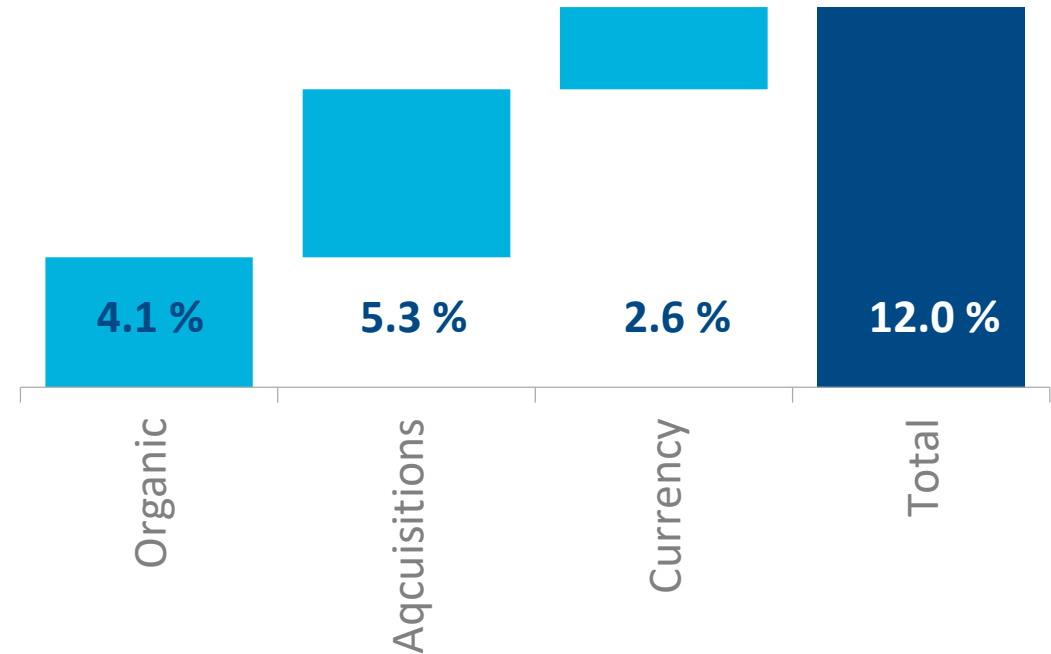
- Good organic growth in Eastern Europe and in North and South America.

Acquisitions

- Mainly effected by the acquisition of Greentek and Koolair

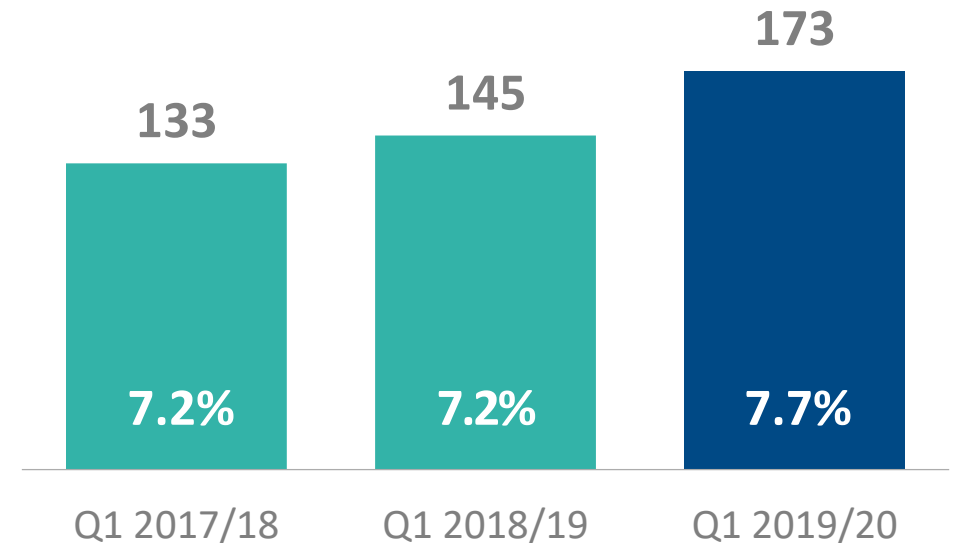
Currency

- Strengthened EUR



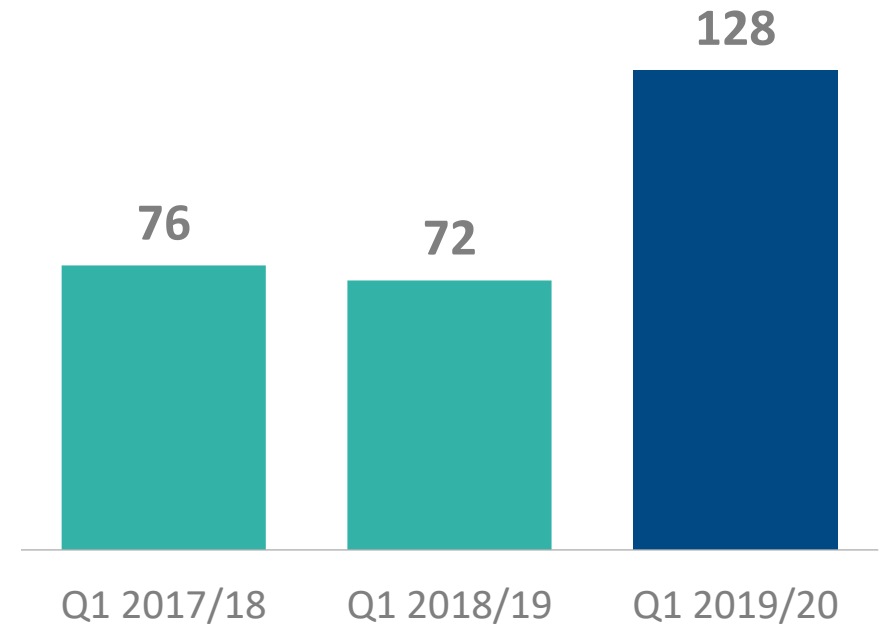
Operating profit – Q1

- Gross margin increased to 34.0 percent (32.3).
- Selling and administration expenses for the quarter increased with 7.9 percent for comparable units.
- Operating profit for the first quarter amounted to SEK 173.0 million (144.9).



Profit after tax – Q1

- For the first quarter, net financial items amounted to SEK +4.0 million (-35.4).
- Currency effects on long term receivables, loans and bank amounted to net SEK +14.8 million (-28.7) net. Relates mainly from long-term liabilities for the strengthen of the Turkish lira towards EUR.
- Interest expenses for the quarter totalled SEK -10.1 million (-6.9).
- Tax for the quarter amounted to -48.5 million or 27.4 percent



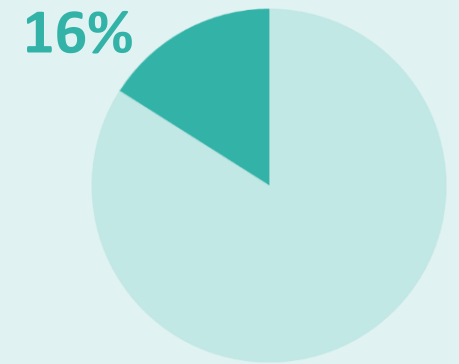
Cash flow analysis – Q1

	Q1 2019/20	Q1 2018/19
Cash flow from operating activities	224.6	120.2
Changes in working capital	-29.4	-45,1
Net Capital Expenditures, excl acquisitions/divestments	-55.4	-103.8
Free cash flow	139.8	-28.7
Net debt	2,281.3	1,814,4

- Negative impact of working capital due to increased inventory and trade receivables
- Investments in machinery and equipment in Sweden, Spain and the Czech Republic

Nordic

- Sales were 10 percent lower than the same period last year.
- The Swedish, Norwegian and Danish markets declined during the quarter, while sales in the Finish market showed growth.
- Adjusted for foreign exchange effects, acquisitions and disposals, sales decreased 11 percent.



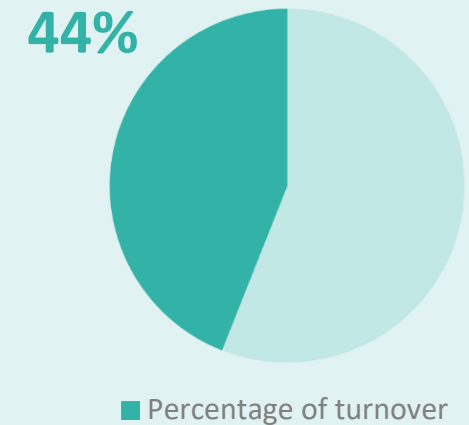
■ Percentage of turnover

368 MSEK Sales

Growth -10%
Organic -11%

Western Europe

- Sales in the West European market were 14 percent higher than in the corresponding period last year.
- The acquisition of Koolair in Spain is having a major impact.
- Adjusted for foreign exchange effects and acquisitions, sales rose by 1 percent.
- Several markets in the region performed well during the period, including France, Italy, Portugal and the UK, while sales slightly declined in Germany, Austria and the Netherlands.



989 MSEK Sales

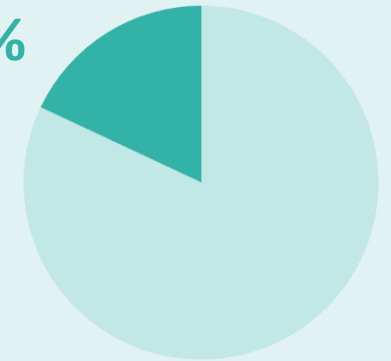
Growth	14%
Organic	1%

Eastern Europe & CIS

- Sales in Eastern Europe and the CIS rose by 25 percent during the quarter.
- Adjusted for foreign exchange effects and acquisitions, sales rose by 22 percent.
- Sales in Russia increased by 17 percent during the quarter, compared with the same period in the preceding year. The Russian market accounts for 6 percent of Systemair's total sales, as against 5 percent in the previous year.
- Major markets showing growth during the period include the Kazakhstan, Slovenia and Hungary.



18%



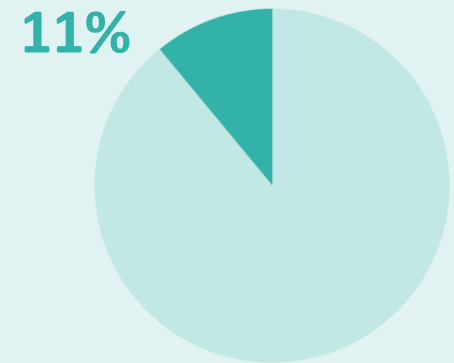
■ Percentage of turnover

405 MSEK Sales

Growth	25%
Organic	22%

North- and South America

- Sales in the North and South America region during the quarter were 33 percent higher than in the same period last year.
- The American market performed well in the quarter, while the Canadian market declined slightly compared to last year.
- Adjusted for foreign exchange effects and acquisitions, sales increased by 16 percent in the region.



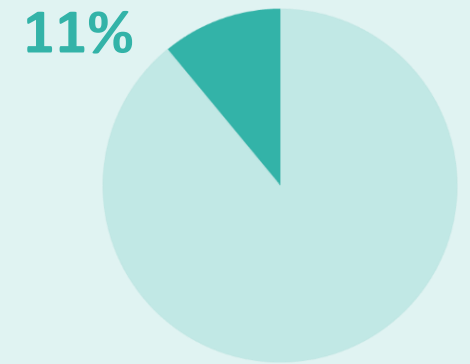
■ Percentage of turnover

243 MSEK Sales

Growth	33%
Organic	16%

Middle East, Asia and Africa

- Sales in these markets increased by 9 percent during the quarter, compared with the same period in the preceding year.
- Foreign exchange effects and acquisitions had marginal effects on sales.
- Sales in Malaysia, Turkey and India increased during the quarter but declined in the Middle East.



■ Percentage of turnover

249 MSEK Sales

Growth	9%
Organic	9%

Pacific Ventilation

Systemair has acquired the ventilation part of the Australian company Pacific HVAC Engineering.

The company, which is headquartered in Melbourne, has an annual turnover of approximately AUD 20 million (SEK 130 million) and is also established in Sydney, Adelaide, Brisbane, Perth, and Auckland in New Zealand.

The company is a distributor of ventilation products and manufactures a range of fans. The number of employees is 60 people and the company will be renamed Pacific Ventilation immediately.



Pacific Ventilation

Systemair receives major order for Cruise Ships

- Systemair in the Netherlands has received an order of air handling units, of a value of approx. EUR 3.3 million, from MAC Hamburg for three new ships.
- The new cruise ships will be built at Meyer Yard in Papenburg Germany. Systemair will deliver 150 air handling units per ship in phases from 2020 till 2022. The units will be placed both in public and technical areas of the ship.



Systemair acquires distributor in Morocco

- Systemair Maroc sells Systemair's products in Morocco and West Africa.
- The company had sales of approximately SEK 70 million in 2018 and has currently 27 employees.
- The sales company with office and warehouse in Casablanca has so far had a license agreement to act under the name Systemair.
- The acquisition represents 60 percent of the total shares in the company with an option to acquire the remaining shares within three years.



Systemair Capital Market Day

September 26, 2019

Systemair provides an update on:

- The company's strategy, focusing on profitability
- Sustainability and smart energy efficient products
- Current market conditions
- Future growth opportunities

The presentations will be held by Roland Kasper, CEO, Anders Ulff, CFO, Olle Glassel, VP Marketing and Sales and Mats Sandor, Senior Technical Director and will conclude with a question session.





**Thank you,
welcome with questions!**