



Systemair AB Q3 2016/17

Roland Kasper *CEO*, Anders Ulff *CFO*

Ventilation World Wide

6,1
billion SEK 2015/16

49
countries

5000
employees

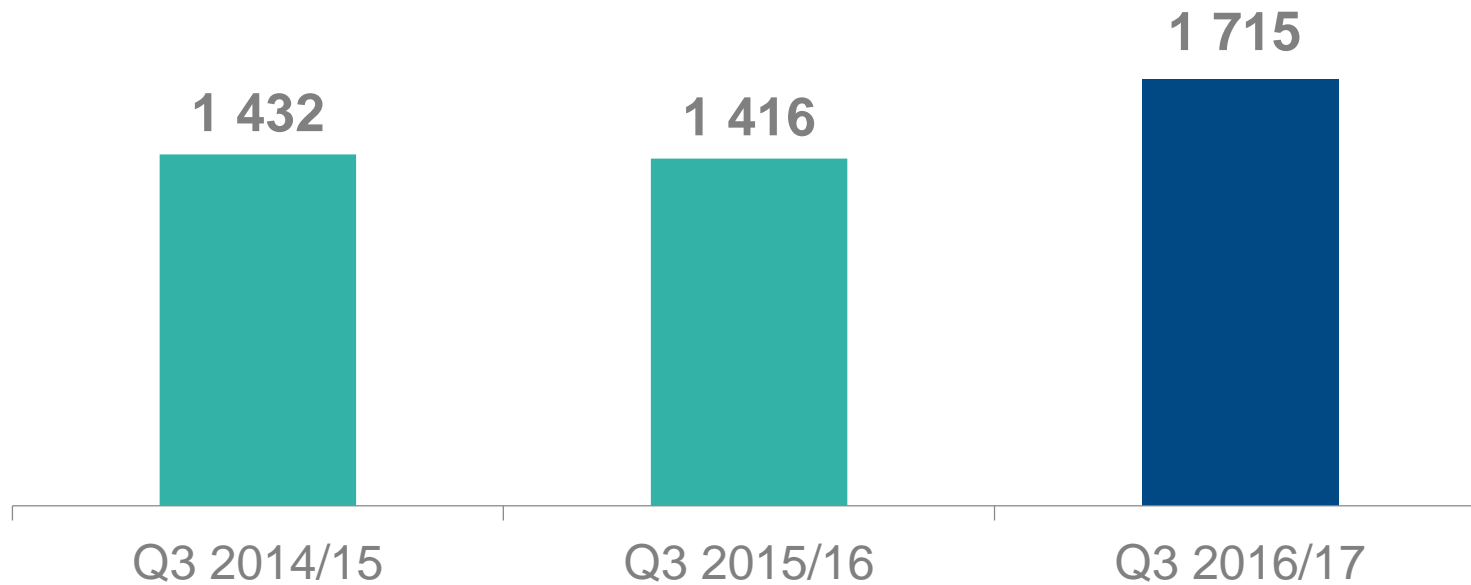
93%
of sales outside Sweden

NASDAQ
OMX Nordic
Exchange

>100
countries exported to

Net Sales – Q3

SEK Millions

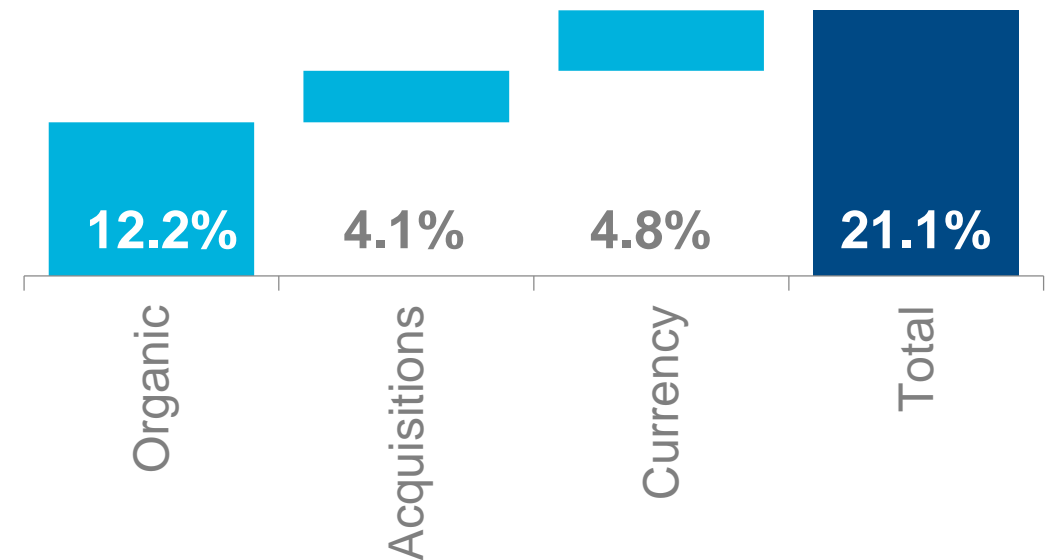


21.1%
Growth

12.2%
Organic Growth

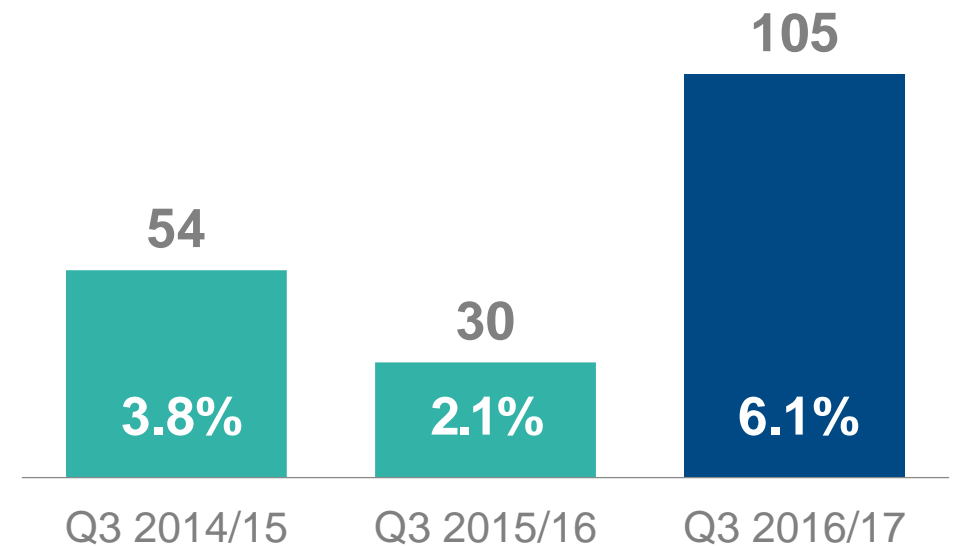
Organic growth in all regions

- Growth was healthy in many countries and especially good in Turkey, Norway, Denmark and France.
- Relatively weak comparative figures
- Several major project deliveries in the Middle East, Turkey and India
- 2VV acquisition helps since September
- Stronger euro and dollar



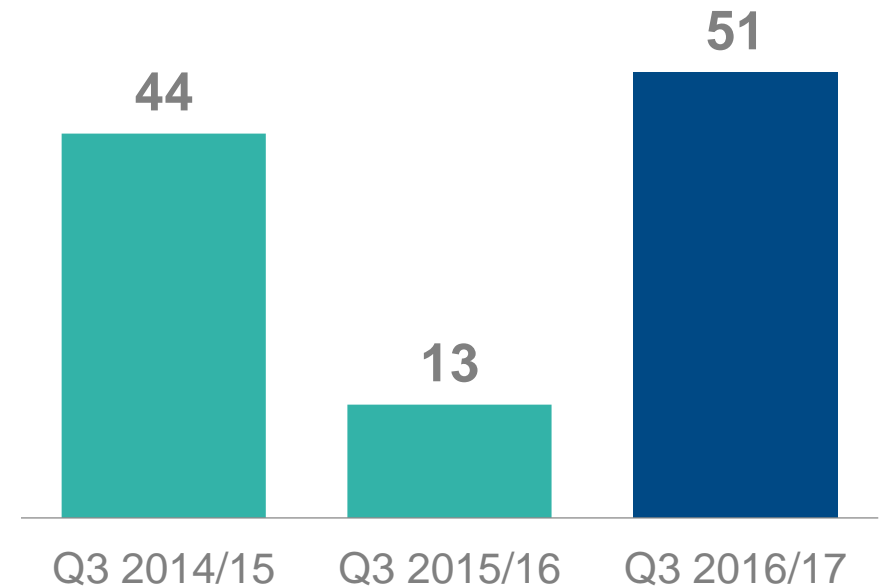
Operating profit – Q3

- Gross margin was 33.7 percent (33.7). Large share of project-related sales do not leverage on the gross margin.
- Adjusted for the restructuring program, operating income for the quarter amounted to 120.3 million and the operating margin to 7.0 percent.
- Restructuring costs amounted to SEK 15.2 million for the quarter. The total cost amounts to SEK 25.7 million.
- Selling and administrative expenses increased by 10.2 percent excluding acquisitions.



Profit after tax – Q3

- For the third quarter, net financial items amounted to SEK -29.9 million (-4.7).
- Currency effects on long-term receivables, loans and bank deposits amounted to a net of SEK -25.7 million (-0.3).
- It is mainly the Turkish Lira weakening and the Russian ruble strengthening, which is the underlying explanation.
- Interest expense for the quarter amounted to SEK -6.2 million (-5.0).



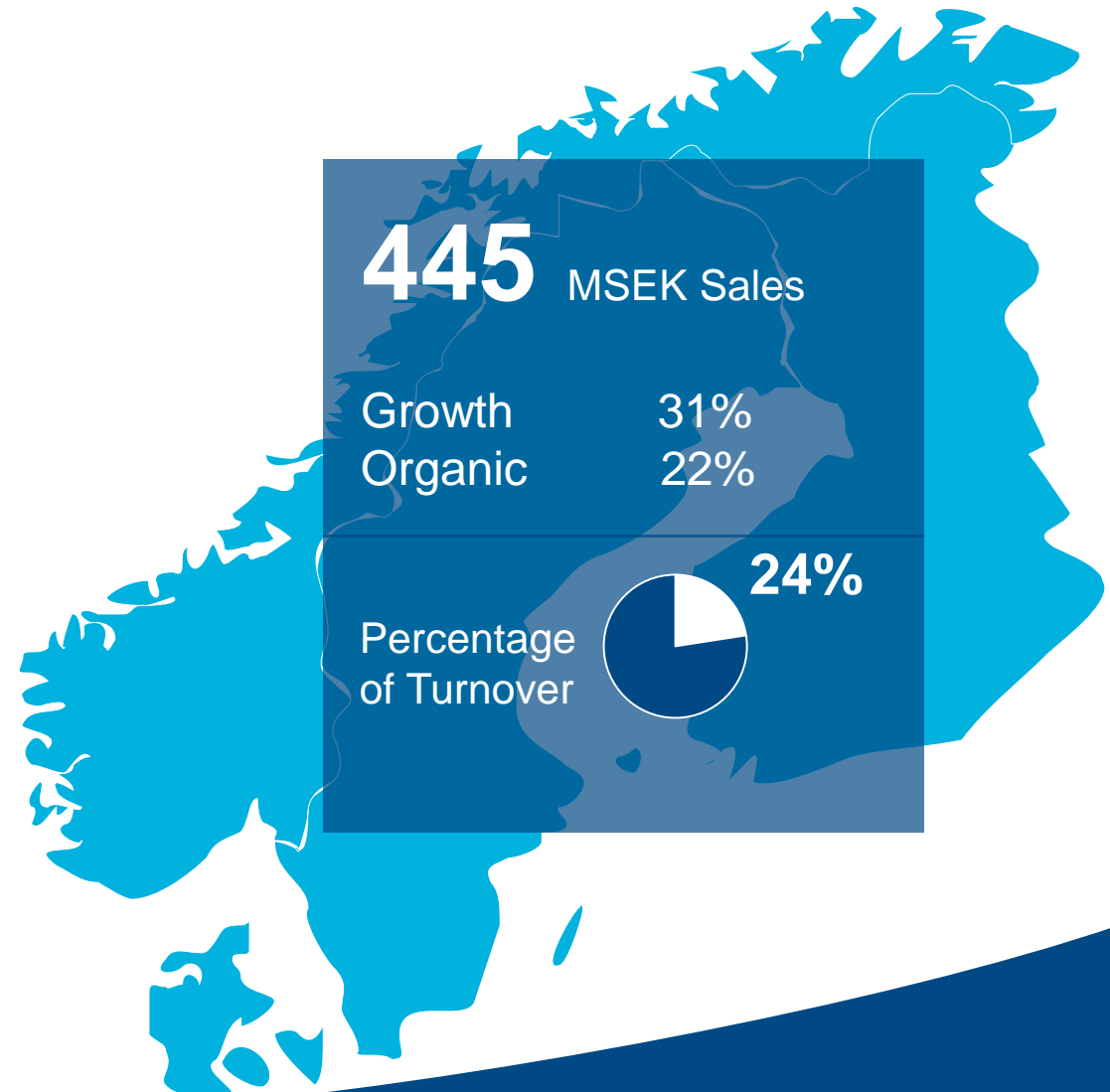
Cash flow analysis – Q3

| | Q3 2016/17 | Q3 2015/16 |
|-----------------------------------------------------------|---------------|---------------|
| Operating profit | 105.1 | 30.1 |
| Changes in working capital | 129.8 | 18.1 |
| Acquisition of subsidiaries | -5.1 | -5.9 |
| From financing activities | -122.9 | -24.6 |
| Cash and cash equivalents at the end of the period | 212.9 | 198.6 |
| Net debt | 1 304.1 | 1 349.5 |

- The improvement in working capital is mainly attributable to the decrease in accounts receivable.

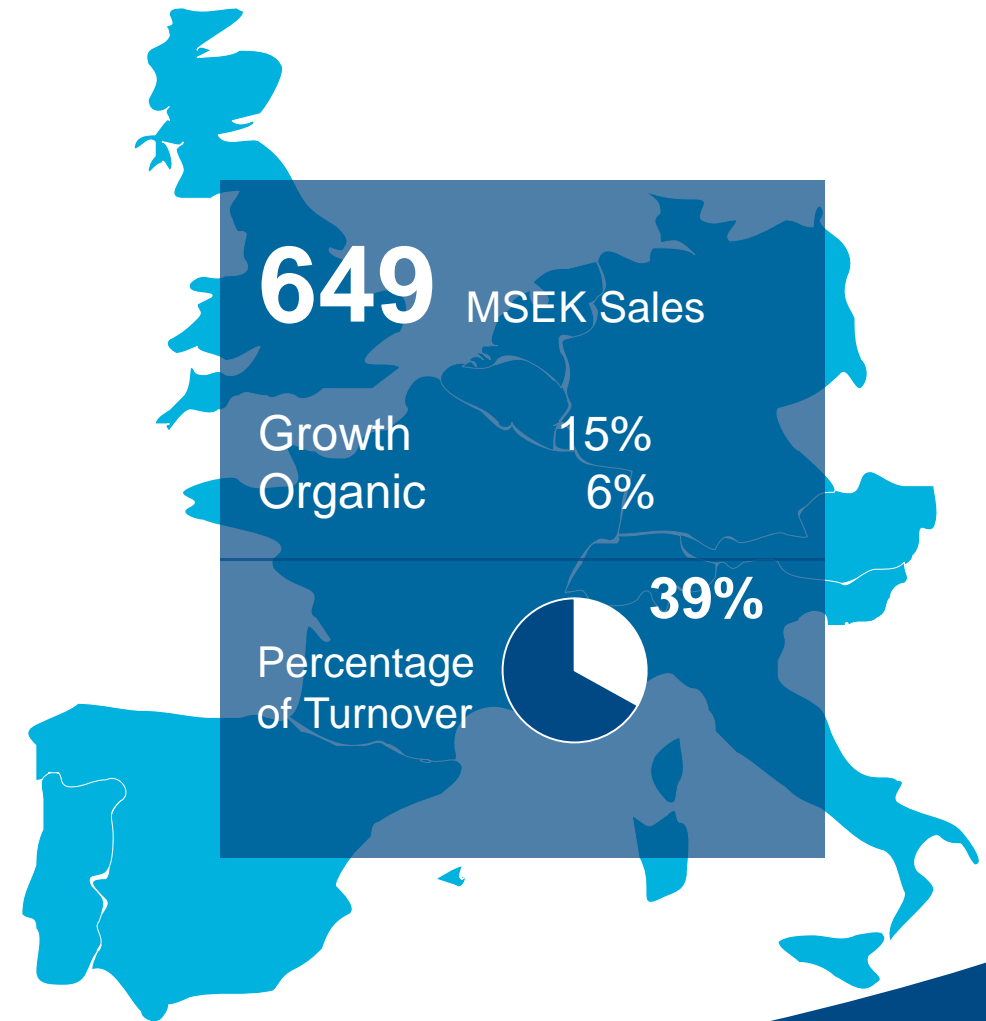
Nordic

- During the third quarter, sales in the Nordic region increased 31 percent from the preceding year
- Adjusted for foreign exchange effects and acquisitions, sales rose 22 percent.
- All Nordic markets performed strongly during the quarter
- In Norway, the development of Menerga and projects in tunnel ventilation been extremely positive, the Danish and Swedish market remains strong.
- A restructuring programme is ongoing in the Swedish sales organization



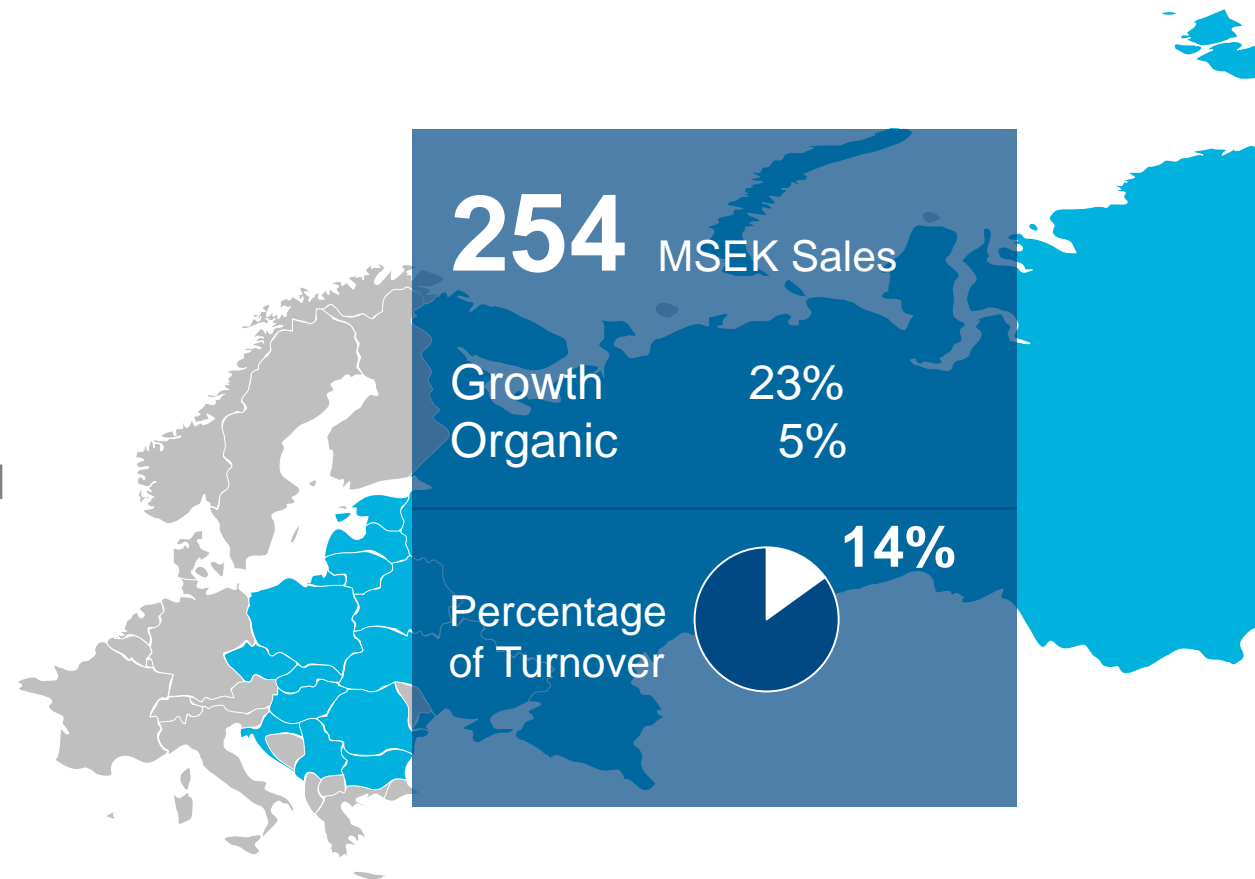
Western Europe

- Generally a bit more positive market situation
- Several markets in the region performed well during the period, such as Belgium, France and the Netherlands
- Continued strong demand in England. The decision of Brexit has not affected the volume, only currency.
- Increased activities in Italy and Spain provide hope for stabilization of the market.



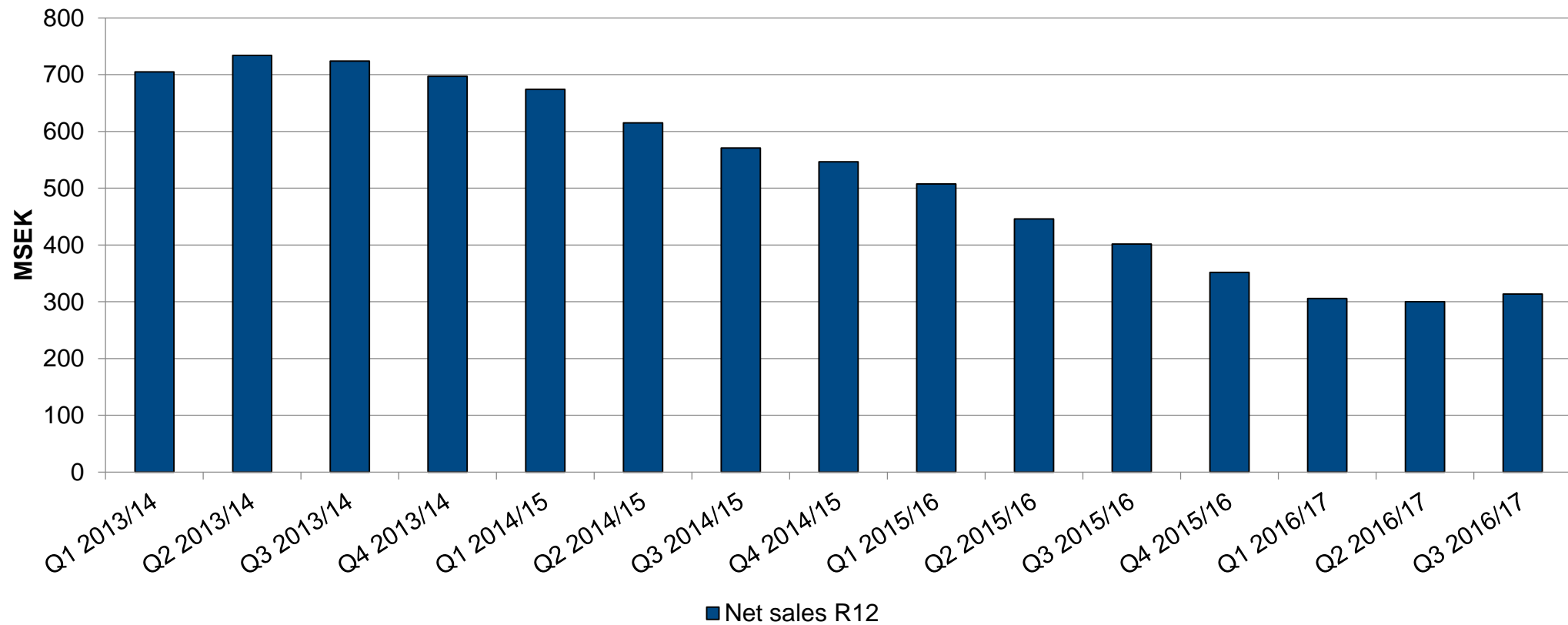
Eastern Europe & CIS

- Adjusted for foreign exchange effects and acquisitions, sales increased 5 percent.
- Continued positive market situation in Poland, Slovakia, Hungary and the Czech Republic.
- During the period, the Russian market accounted for 5 percent (6) of Systemair's total sales but for once in a long time showing a small growth.



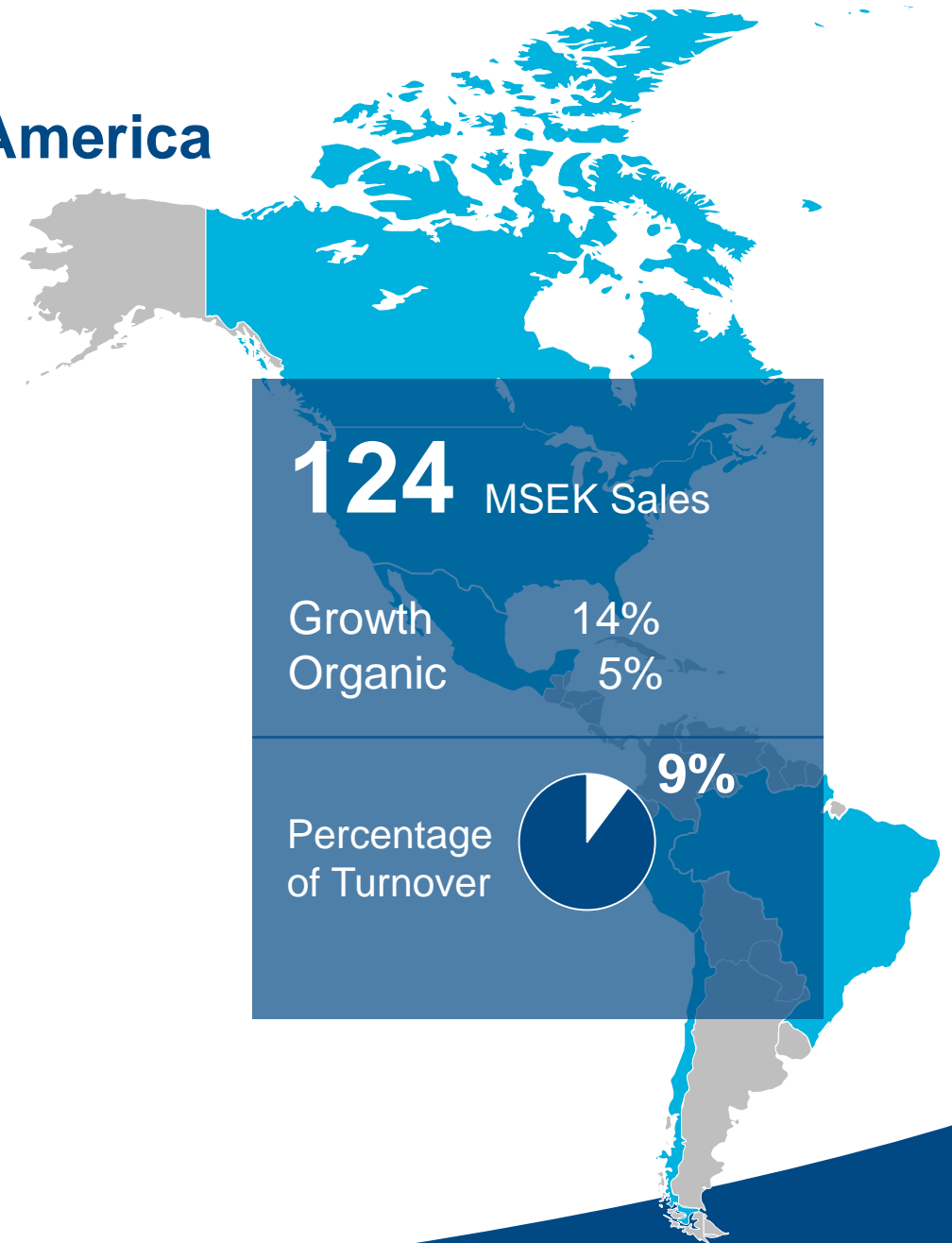
Russia

Net sales R12



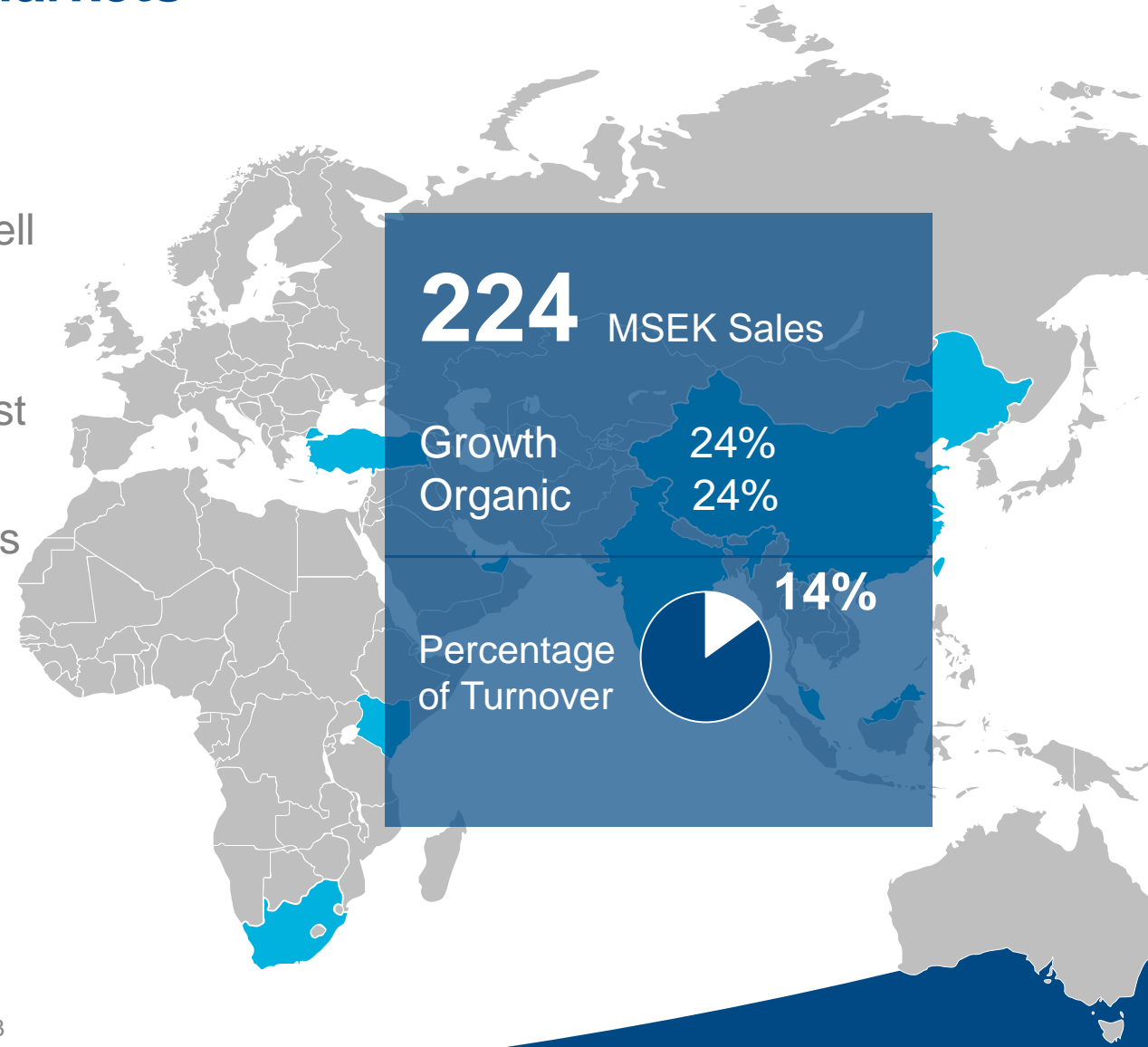
North- and South America

- The U.S. market advanced during the quarter, once again propelled by major projects related to classroom air handling units
- Adjusted for foreign exchange effects and acquisitions, sales increased 5 percent.
- More focus on new applications and technology in Brazil, the launch of new air handling units
- Continued strong export business from North America



Other Markets

- The Turkish market continued to perform very well during the quarter. Continued large deliveries to Bilkent and other Mega Projects
- Sales also increased in Malaysia, the Middle East and India.
- Systemair has run a number of major road shows in Africa with a very good response



Istanbul's new airport chooses Systemair

Systemair in Turkey has received an order for 531 Model FL NG series air handling units and 5630 fan-coil units, of a value of approx. EUR 9.5 million, to the new airport in Istanbul. The new airport is one of the largest ever infrastructure projects in the Turkish Republic.



Systemair moves into new premises in Birmingham

As a result of a positive development Systemair England is moving its headquarters to newly built premises in Birmingham. The 4,080 m² property contains warehouses, offices, product exhibition and training facilities. Systemair also have 14 branch offices in England, all of them with local stock facilities.



Systemair builds new technology center in Skinnskatteberg

Systemair is investing in a new and much larger Technology Center with audio and airflow laboratories also development department, office, prototype workshop and training facilities will be in the same premises.

The new Technology Center is expected to be completed in June 2017.



Restructuring programme within Systemair

- Initiated project in Germany, France, Italy and some smaller loss-making units
- We are implementing efficiency projects in production, purchasing and logistics, focusing on profitability
- We have been able to compensate for material price increases that arose during the fall
- A general price adjustment has been carried out on February 1st 2017 and some price adjustments on selective product groups already in November 2016

10%

EBIT-marginal

Summary

- Continued organic growth and increased profitability
- Technical directives will eventually increase the demand on a number of markets
- Selling and administrative costs are reduced in relation to sales
- The restructuring program of loss-making units is in progress
- Profit improvement program for all functions and departments
- Product development focused on solutions and concepts
- Positive outlook



**Thank you,
welcome with questions!**

Roland Kasper *CEO*, Anders Ulff *CFO*