



Systemair AB

Roland Kasper, CEO

Anders Ulff, CFO

Ventilation World Wide



SEK 6,1
Billion
2015/16

49
countries

4,900
employees

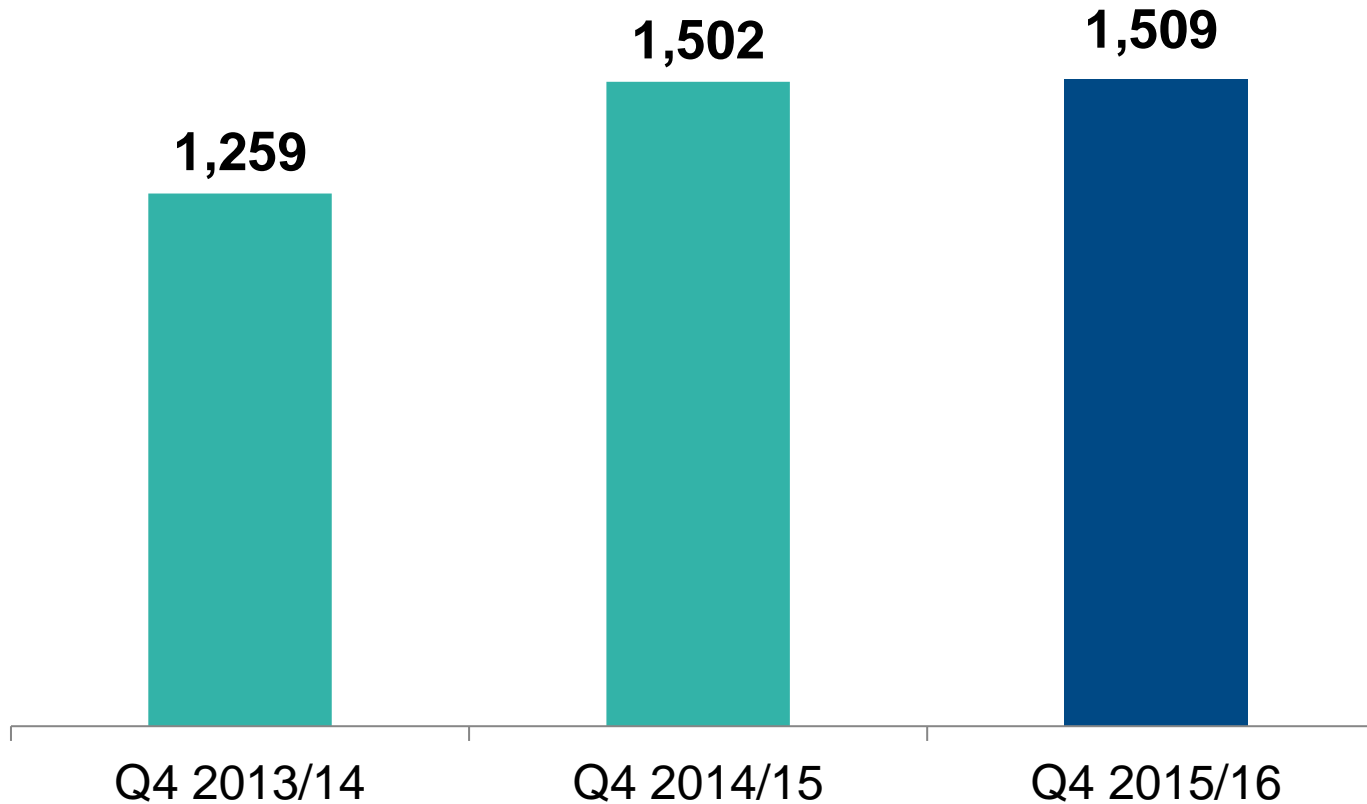
NASDAQ
OMX Nordic
Exchange

Export to
>100
countries

93 % of
sales
outside
Sweden

Net Sales - Q4

Net Sales, MSEK



0.4%

GROWTH

4.0%

**ORGANIC
GROWTH**

Return to organic growth

Organic

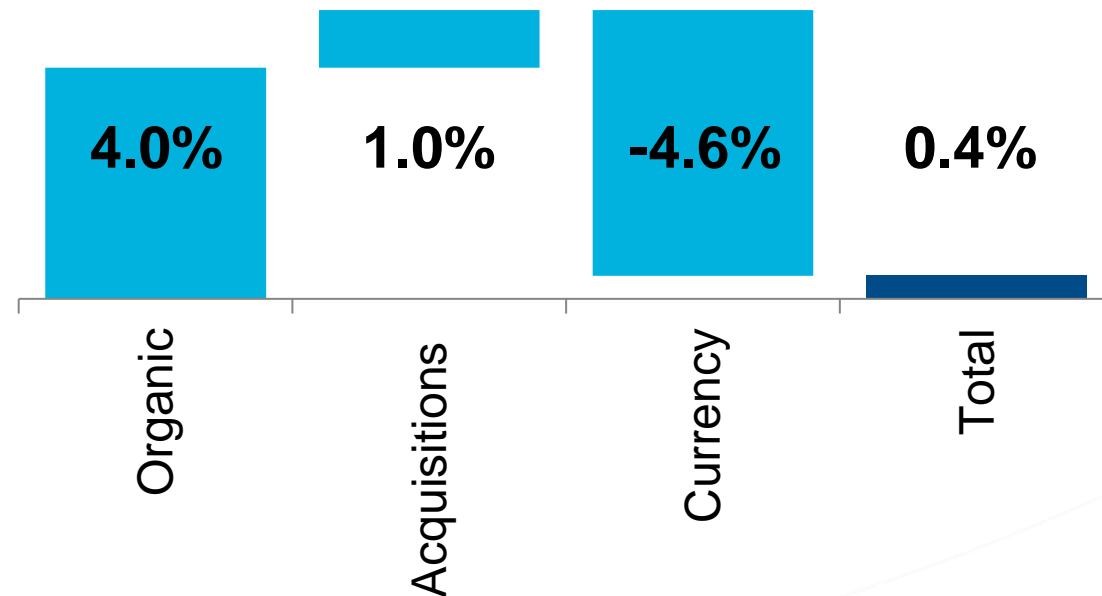
- Continued good development in Scandinavia and North America. Western Europe remained fragmented, Russia -44% in the quarter, India and Turkey finished the year strong

Acquisitions

- Only minor acquisitions during the year

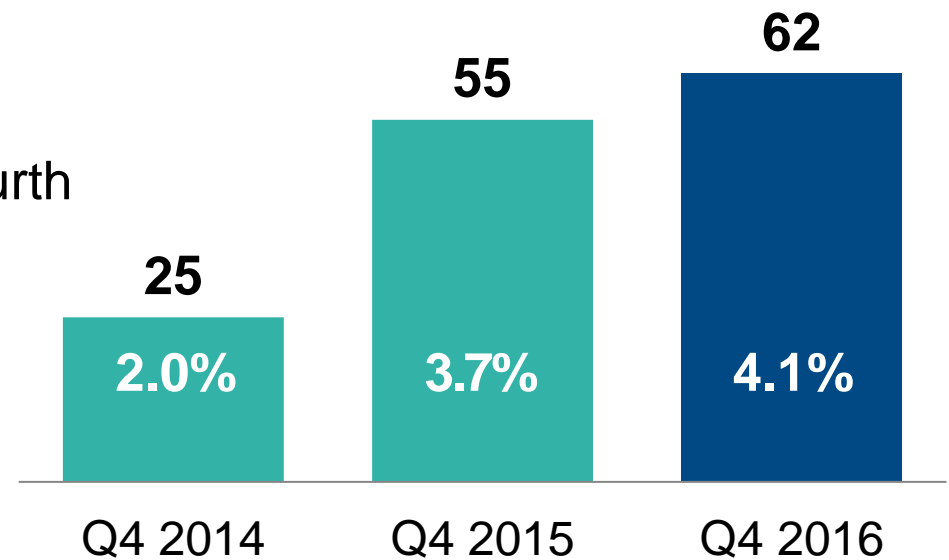
Currency

- Weakened RUB and NOK



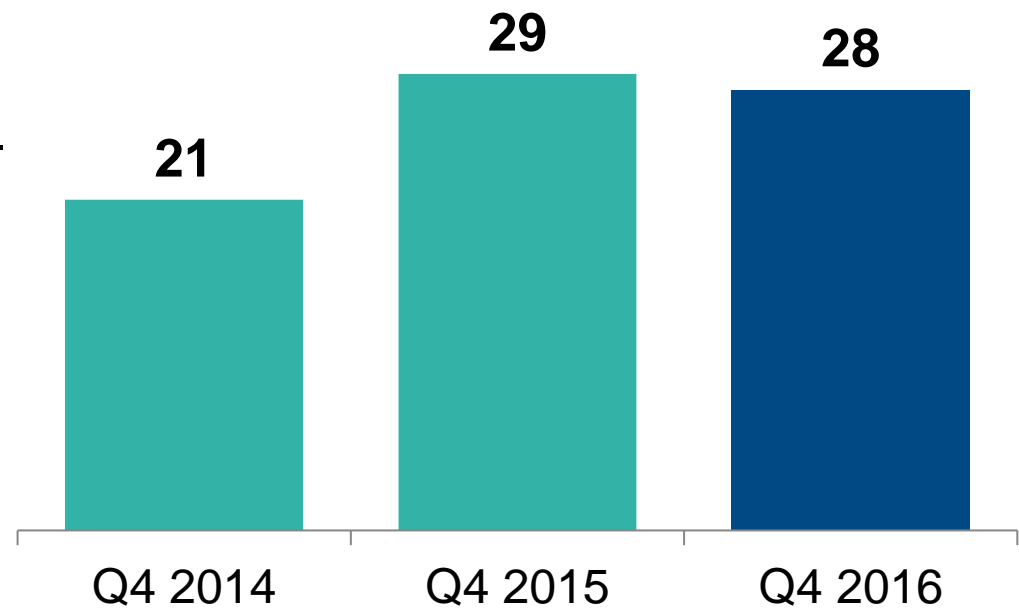
Operating Profit – Q4

- Improved gross margin of 34.1% (33.5)
- Selling and administrative expenses decreases for comparable units, SEK -35 million.
- No restructuring costs during the fourth quarter.



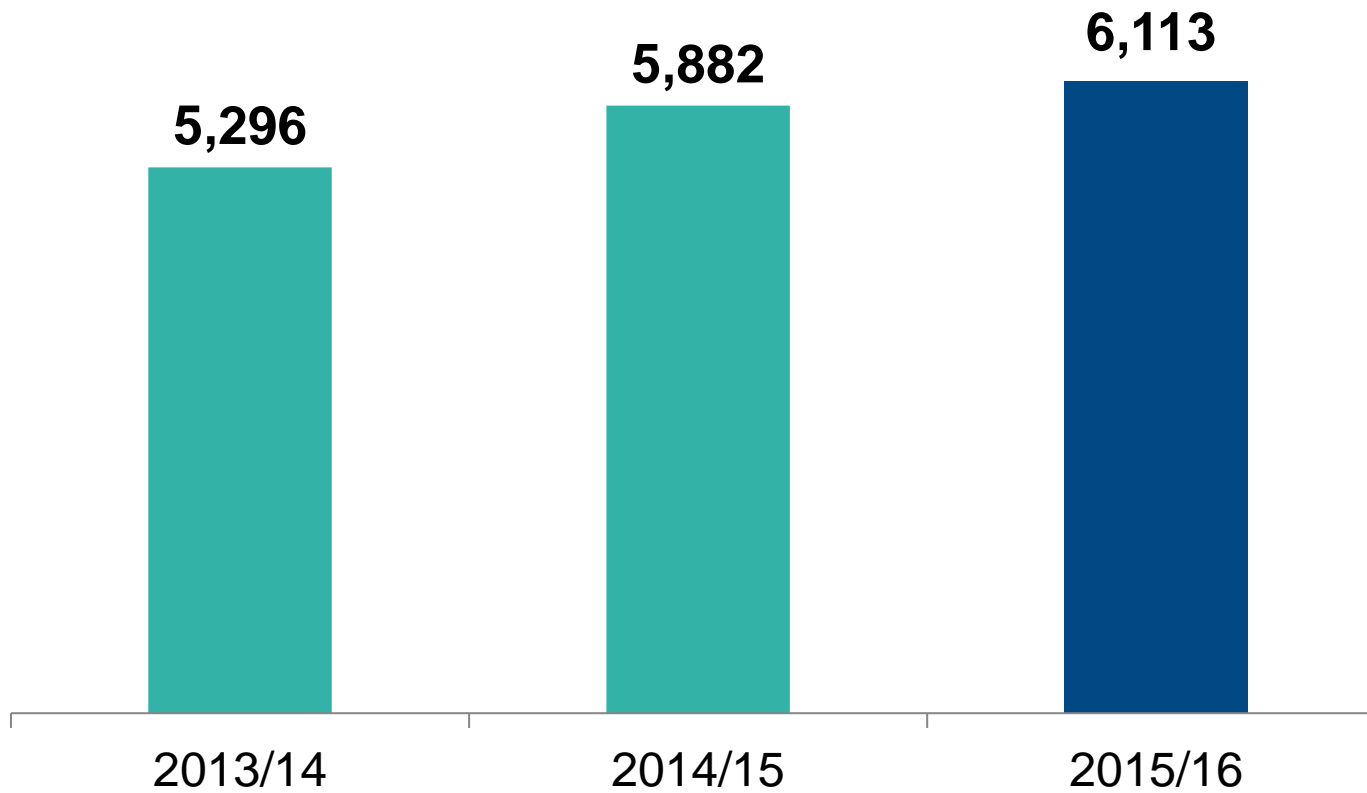
Profit after Tax – Q4

- Net financial items of SEK -10.4 million (-4.4). Explained by the currency effects.
- High tax burden as a result of non-capitalized losses carried forward.



Net Sales – Full Year

Net Sales, MSEK



3.9%

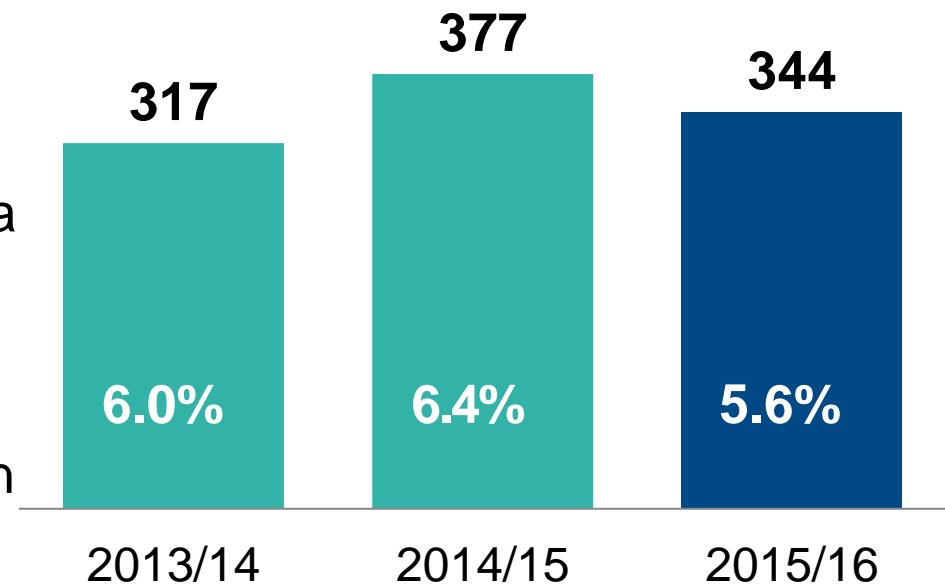
GROWTH

2.6%

ORGANIC
GROWTH

Operating Profit – Full Year

- Unchanged gross margin of 34.4% (34.4)
- Sales and administration costs decreases for comparable units, SEK -7.5 million
- Continued weaker volumes in Russia and several markets below expectations
- Restructuring costs of SEK 10 million for the reduction by 25 people at Menerga in Germany in Q3



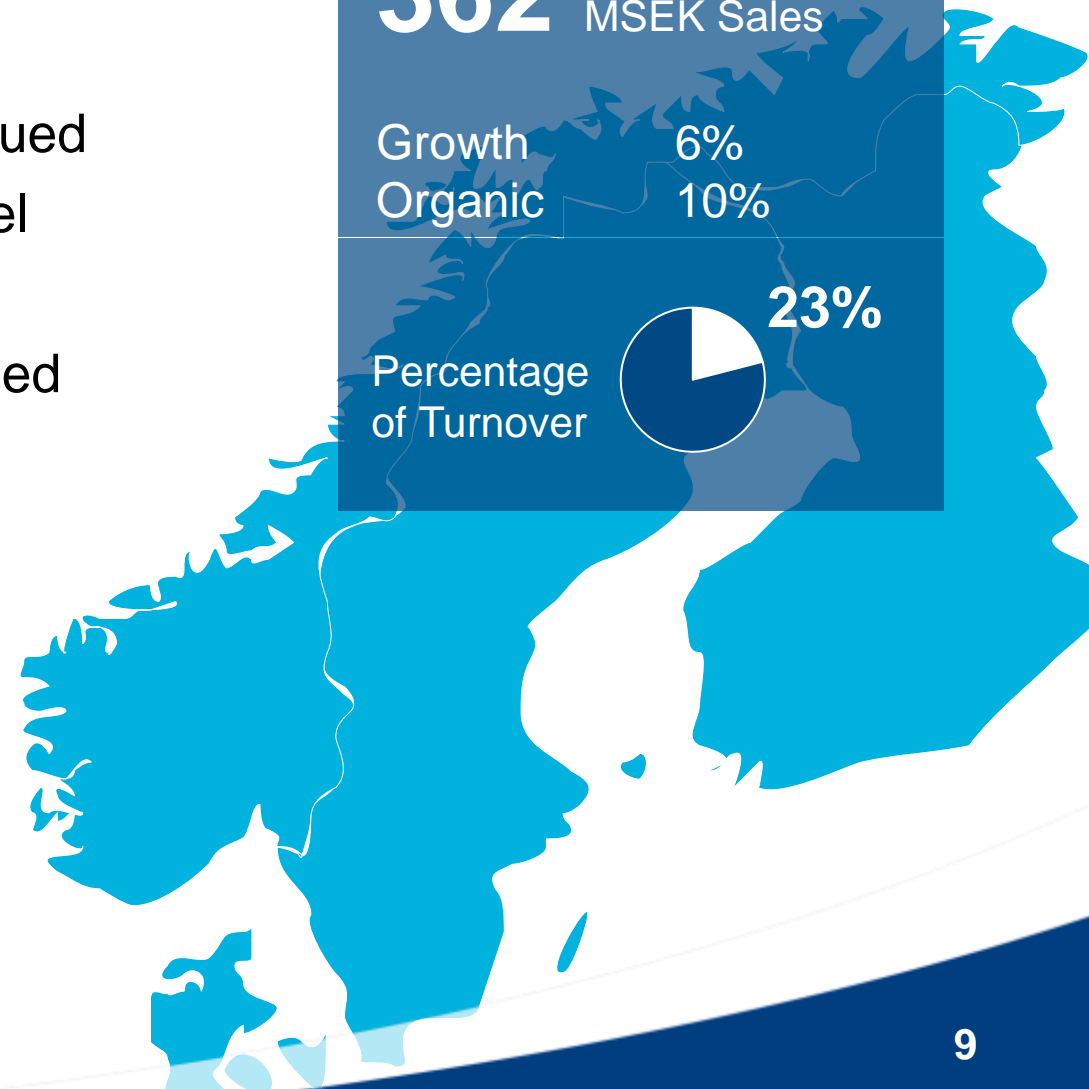
Nordic

- Despite the negative impact on the market environment, Norway continued to do well within industrial and tunnel ventilation
- Danish and Swedish market remained positive
- Finland had a slight growth

362 MSEK Sales

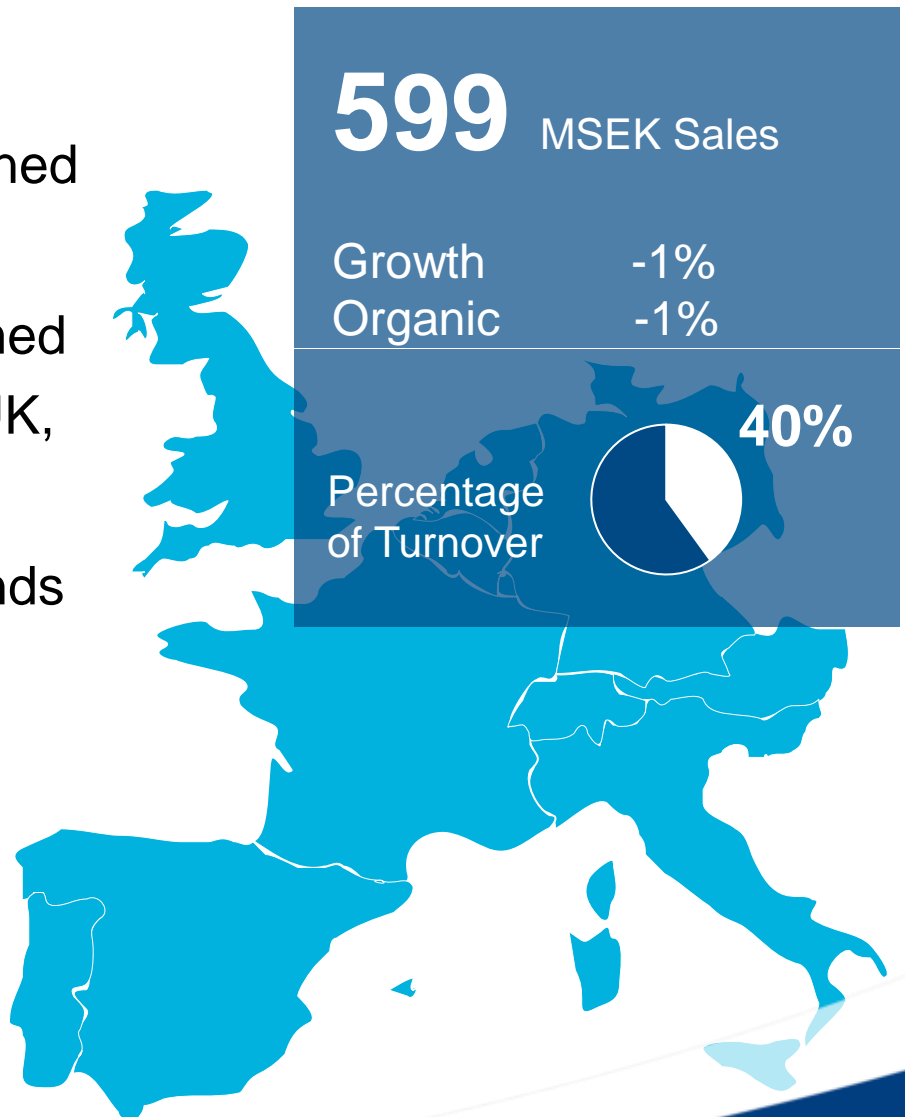
Growth
Organic 6%
10%

Percentage
of Turnover **23%**



Western Europe

- The market in Western Europe remained fragmented
- Several markets in the region performed well during the period, including the UK, Italy and Switzerland
- Sales fell in France and the Netherlands
- Continued growth in the remaining countries



Eastern Europe & CIS

- In Russia, sales declined by 44 percent during the period, stated in Swedish kronor
- The Russian market accounted for 6 percent of Systemair's total sales over the financial year, compared with 9 percent in the previous year
- Other countries in the region are slightly positive

181 MSEK Sales

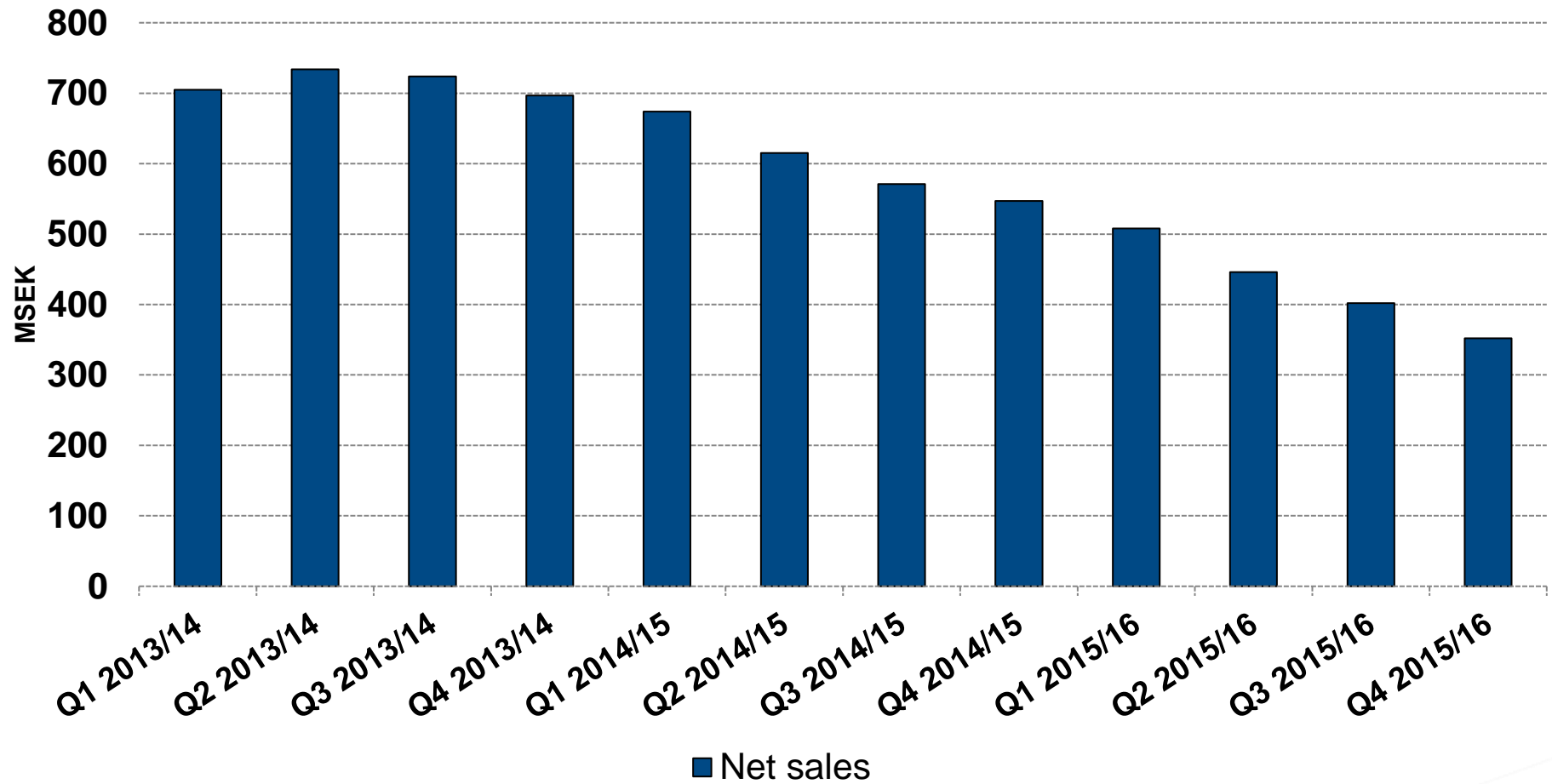
Growth -27%
Organic -20%

Percentage of Turnover **15%**



Russia

Net sales



North- & South America

- The Canadian and US markets performed strongly during the quarter
- Very good development and sales in the US during the end of the fourth quarter as well as good export business to Latin America
- New office in Mexico City opened in April
- Brazilian market on hold due to political reasons

123 MSEK Sales

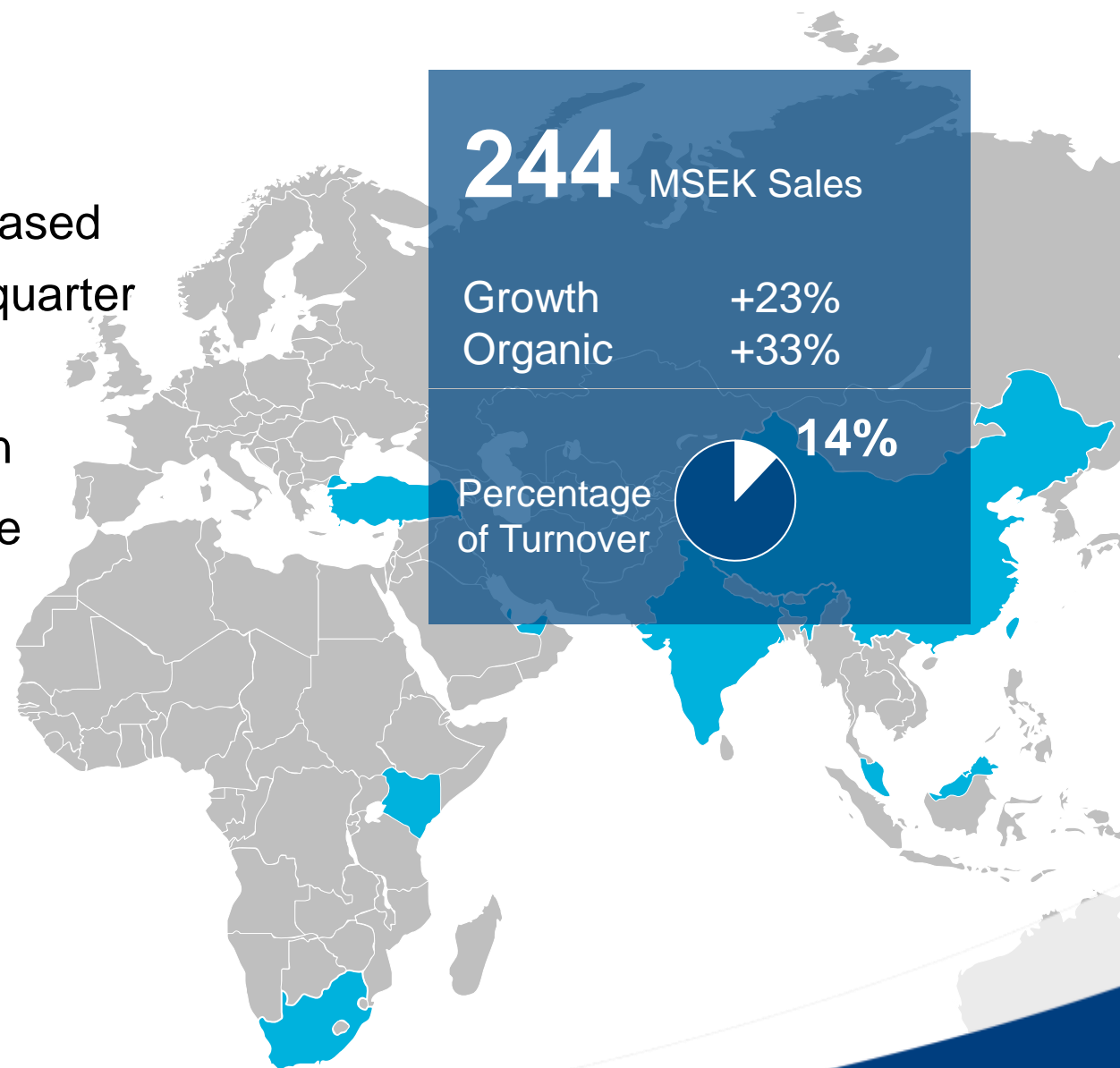
Growth +13%
Organic +12%

Percentage of Turnover 8%

A pie chart with a dark blue background and a white slice representing 8% of the total. The slice is positioned at the top right of the circle.

Other markets

- Dubai, India and Turkey increased sales significantly during the quarter
- New office in East Africa, will cover 6 countries in the region
- ASEAN has continued positive development from Malaysia
- South Africa with a hesitant local market



Acquisitions during the year

| <u>Company</u> | <u>Country</u> | <u>Net Sales</u> | <u>Share Systemair</u> | <u>Date of consolidation</u> |
|-----------------|-------------------------|------------------|------------------------|------------------------------|
| Menerga | Poland | 2.0 MEUR | 75% | Mar 2016 |
| Menerga | Belgium | 4.2 MEUR | 75% | Nov 2015 |
| Kolektor Koling | Slovenia | 3.0 MEUR | - | Oct 2015 |
| Alitis | Belarus/ Kaliningrad | 5.5 MEUR | 90% | Oct 2015 |
| Traydus | Brazil | 3.3 MEUR | - | Sep 2015 |

168 MSEK

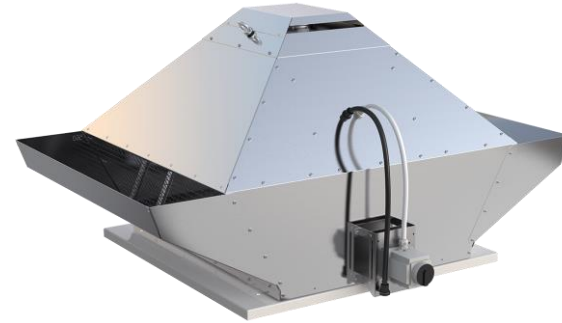
Expertise within hygiene applications: University Hospital in Huddinge, Sweden

- Systemair supplies 22 hygiene certified air handling units
- Order value SEK 1.9 million



Products

- Systemair roof fan DVG EC was voted the best fire safety products in Germany by © FeuerTRUTZ
- In March, Systemair participated in three large exhibitions in Moscow, Milan and Stockholm. More than 20 new products was exhibited at more than 2,500 customer meetings



Restructuring program within Systemair

- In Q3, restructuring activities resulting reduction of 25 people at Menerga Germany. Cost SEK 10 million, saving SEK 12 million.
- In Q4 we initiated a major restructuring concerning the in recent years acquired air conditioning segment and selected loss-making units in various countries.
- The estimated total cost of the program is SEK 45 million and it is calculated to give annual cost savings of SEK 45 million with full effect within two years.
- The program covers capacity adjustment and review of our existing product range (incl make or buy) as well as certain strategic consolidations.

Summary of ongoing profit improving activities

- Focus on profit improvements
- We are implementing efficiency improvement projects within production, purchasing and logistics
- Streamlining the business, looking over our production staffing continuously
- Consolidations within product areas and review of capacity utilization
- Further restructuring has been initiated in a number of areas and countries

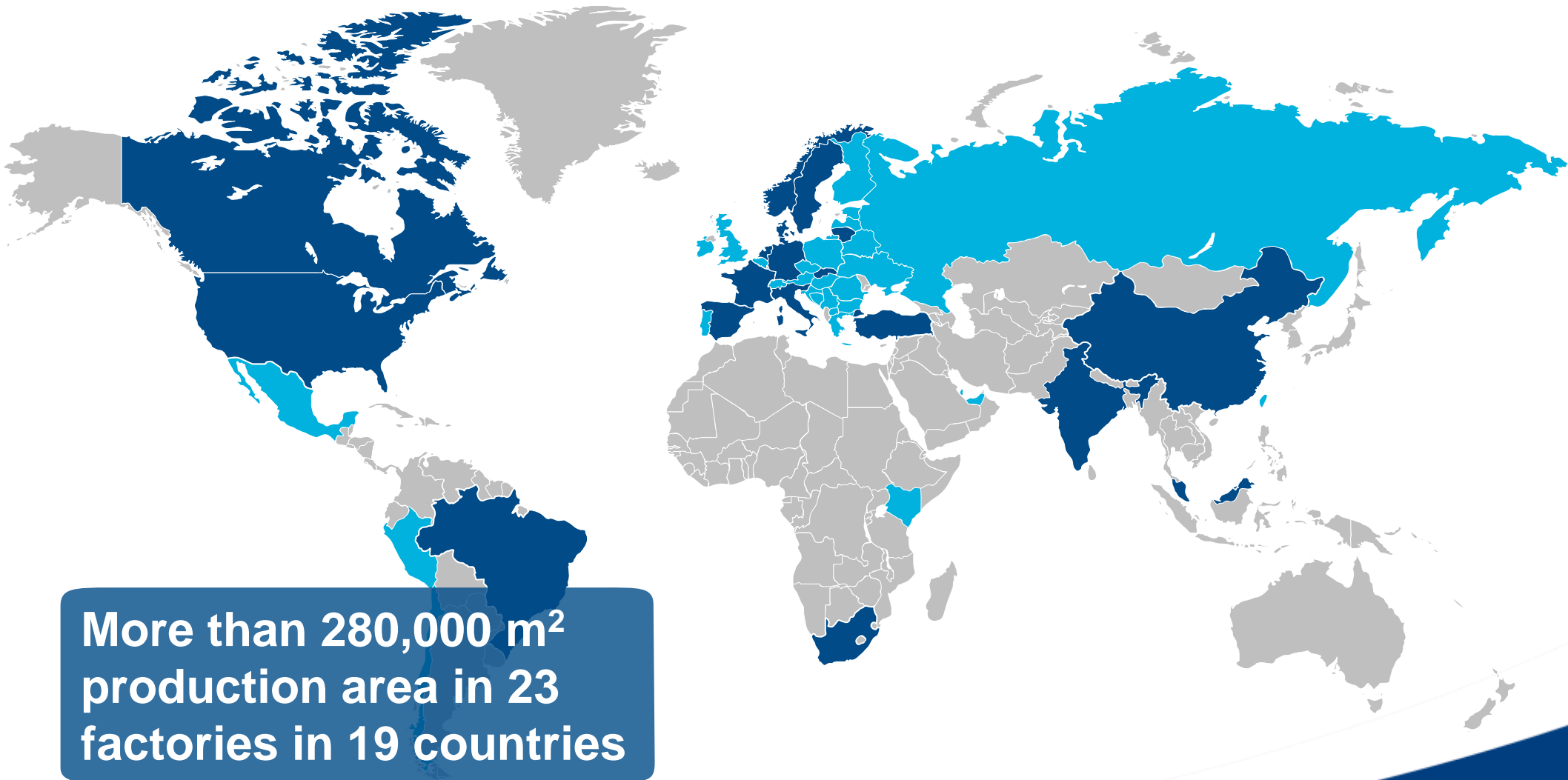


10%

EBIT-margin

Modern and Efficient production Sales Companies in 49 Countries

- Countries with own Sales Companies
- Countries with own Sales Companies and Production



More than 280,000 m²
production area in 23
factories in 19 countries

Summary

- Continued positive outlook in many markets
- Back to organic growth
- Selling and administrative expenses are constantly reviewed and under control
- Initiated restructuring program of loss-making units
- New profit improvement program for all functions and entities



Welcome with questions!

