



A year of successful acquisitions

1 JANUARY – 31 DECEMBER 2017

8 February 2018

Earnings conference call

Presenters: Martin Ellis (CEO) and Jonas Olin (CFO)

The statements about the future in this document contain an element of risk and uncertainty, both in general and specific terms, and this means that actual developments may diverge considerably from the statements about the future.

NORDIC 
WATERPROOFING

We make waterproofing easy

A year of successful acquisitions

Continued strong sales growth

- 5% organic growth (5% LC) and 15% growth from acquisitions
- Net sales of SEK 2,187 m (1,813)
- EBITDA before items affecting comparability amounted to SEK 248 m (248)
- Operating profit (EBIT) before items affecting comparability amounted to SEK 208 m (224)
- Operating cash flow amounted to SEK 164 m (211)
- Earnings per share SEK 5.71 (6.49)
- Profit improvement measures put in place in Installation Services Finland
- The Board of directors proposes an unchanged cash dividend of SEK 3.75 per share



Events after the period

Further addition to our prefabrication business: acquisition Ugilt (DK)

- Taasinge Elementer has acquired assets from Ugilt Savvaerk, integrated in Taasinge Elementer from January 2018
- Ugilt has annual sales of approximately SEK 50 m and 40 employees in northern Jutland
- By the acquisition, Denmark's leading manufacturer of wood-based prefabricated roof and façade elements strengthens its production of high-quality prefabricated wooden roof and facade elements
- Taasinge Elementer now has two production units in Denmark and one in Latvia, with the construction industry as the principal customer category
- Well positioned in its competitive field, not a commodity player
 - Participate in trends toward system offer and prefabrication
 - Excellent logistics
 - Ugilt's operations form a significant part of our expansion plans for the Nordic market, as the geographic location provides us with cost-efficient transport to both Norway and Sweden.



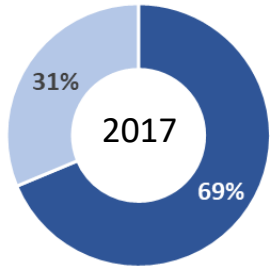
Main focus on product and segment expansion through acquisitions

- Five acquisitions signed in 2017:
 - EPDM Systems BV
 - SPT Painting Oy
 - LA Kattohuolto Oy
 - Taasinge Elementer A/S
 - Ugilt (assets)
- All companies have performed better than expected at the time of the acquisition
- Continued active acquisition pipeline



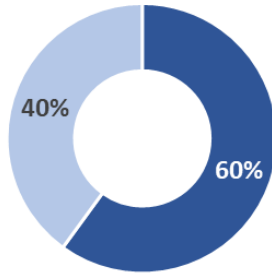
Recap of our footprint

Sales by segment



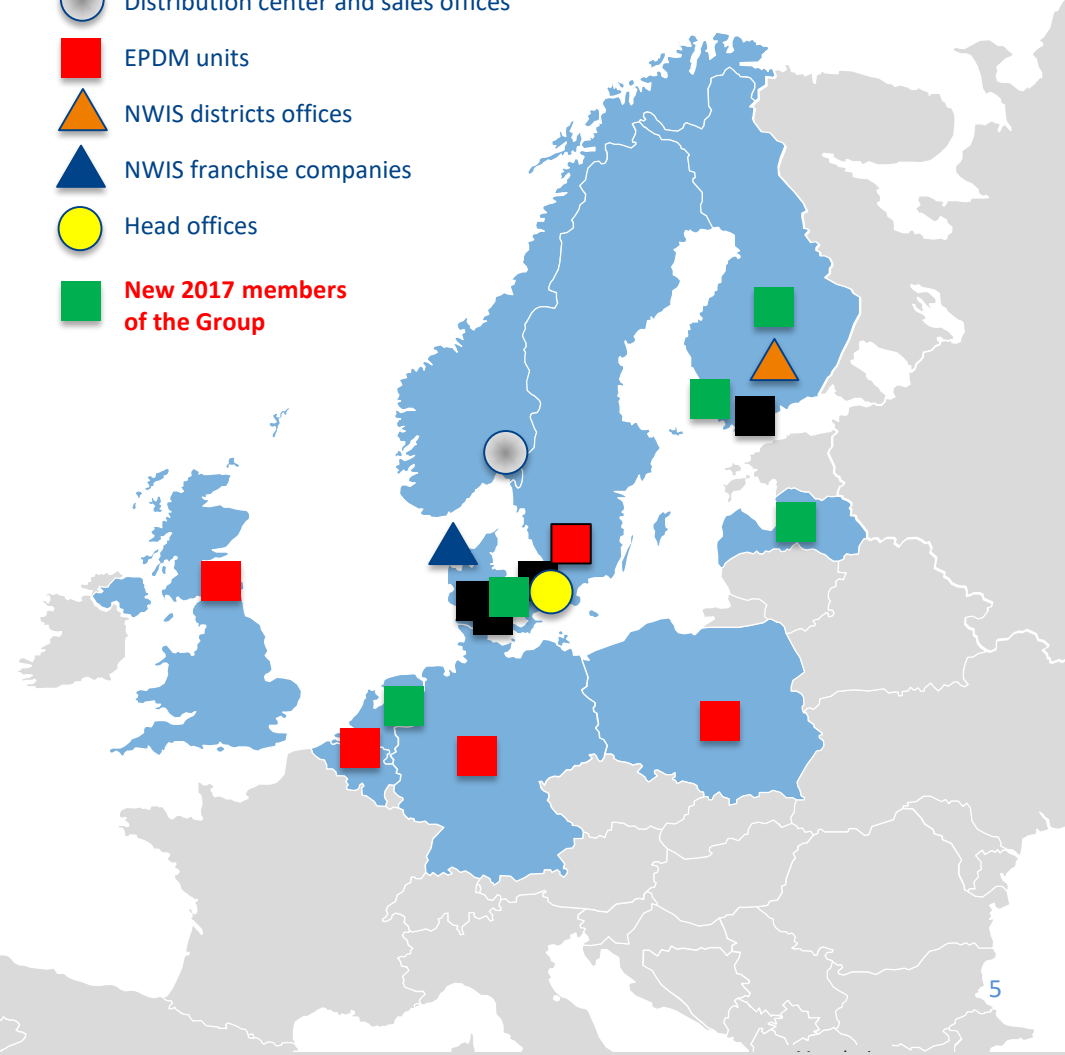
■ Products & Solutions
■ Installation Services

Sales by category



■ Renovation
■ New build

- Bitumen manufacturing units and sales offices
- Distribution center and sales offices
- EPDM units
- ▲ NWIS districts offices
- ▲ NWIS franchise companies
- Head offices
- **New 2017 members of the Group**



Barriers to entry

Local production capacity

Efficient logistics set-up

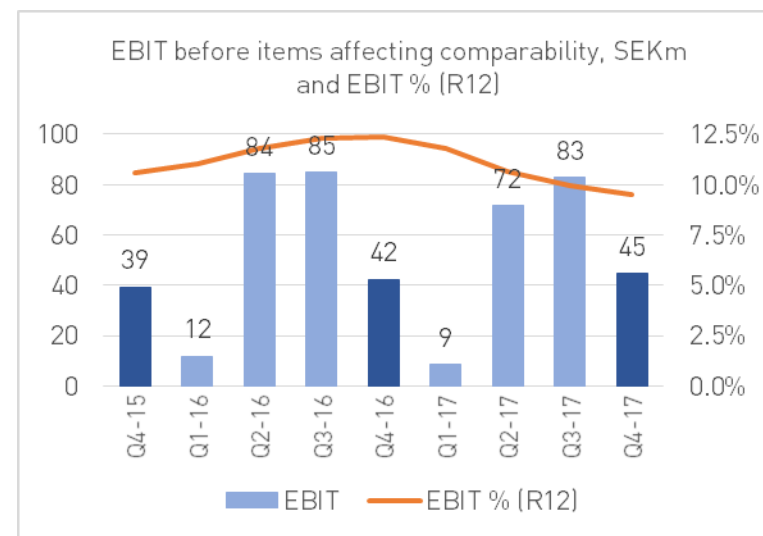
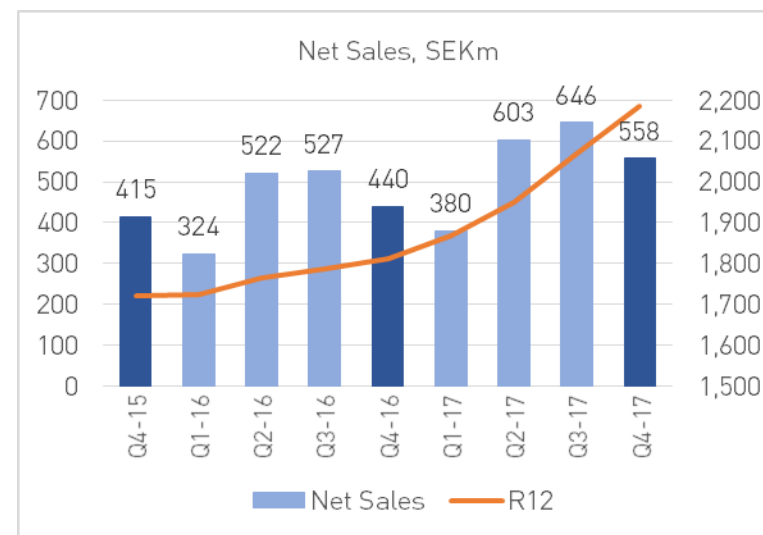
Well established brands

Full support service creates customer loyalty

Fourth quarter report

Good contribution from acquisitions

- Net sales of SEK 558 m (440) up 27%, positively affected by favorable weather conditions
- Growth driven by:
 - Denmark +64% (of which acquisitions +53%)
 - Other Europe +32% (of which acquisitions +34%)
 - Finland +20% (of which acquisitions +13%)
 - Sweden +13%
 - Norway -7% (-2% local currency)
- Operating profit (EBIT) before items affecting comparability increased to SEK 45 m (42)
- EBIT negatively affected (SEK 5 m) by IFRS amortizations, mainly acquired order book in Taasinge



Good demand in most markets

Organic growth in Q4-17 amounted to 6% in local currency

Changes in net sales	Q4-17 %	Q4-16 %	FY 2017 %	FY 2016 %
Organic growth	6%	4%	5%	5%
Structural effects	21%	0%	15%	0%
Currency effects	0%	0%	1%	0%
Total	27%	4%	21%	5%

- Organic growth in most areas of business
 - maintaining strong market position in Denmark
 - favourable weather conditions in Sweden compared with previous year
 - continuing growing demand in Finland within Installation Services
 - SealEco continues enjoying good demand in Europe
 - stronger competition in Norway from European competitors
- Acquisitions contribute as better than expected
 - Integration going well in all acquired companies
 - Taasinge Elementer shows organic growth of 30 percent during Q4-17 (proforma)
- Currency effect
 - EUR, DKK and GBP strengthened during Q4-17

Acquisitions contributed to growth and results

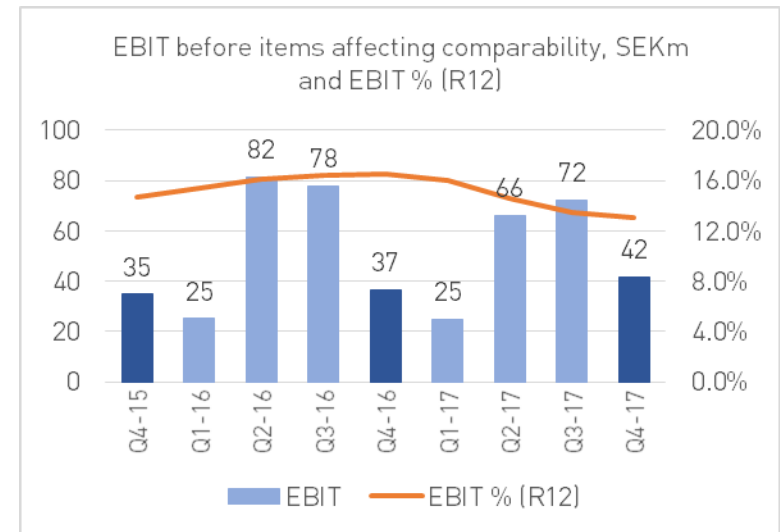
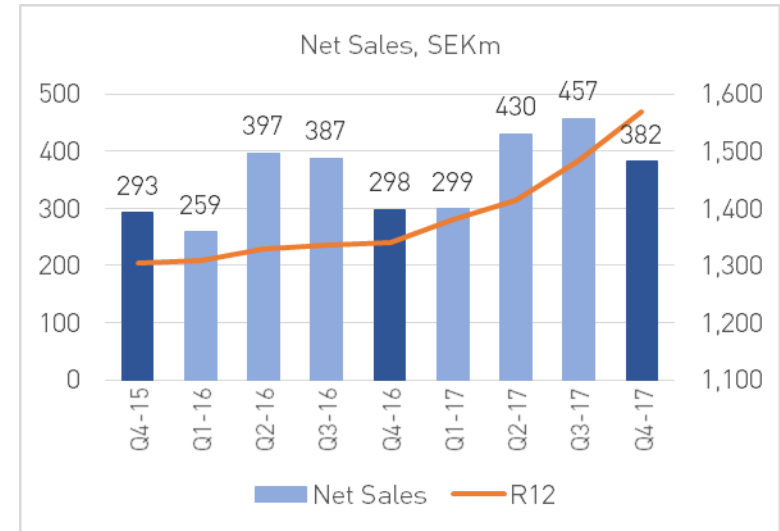
SEKm	Q4-17	Q4-16	Change, %	Full-year 2017	Full-year 2016
Net sales	558	440	+27%	2,187	1,813
Gross profit	137	124	+10%	584	540
EBITDA before items affecting comparability	57	50	+15%	248	248
Operating profit (EBIT) before items affecting comparability	45	42	+5%	208	224
Operating profit (EBIT)	43	39	+12%	194	206
Net finance items	-9	-4	n/a	-19	-13
Profit before tax	34	35	-3%	174	193
Tax	-11	-8	-45%	-37	-37
Profit for the period	23	27	-16%	138	156

- IFRS amortizations of intangible assets relating to acquisitions affects EBIT by SEK -5 m
- Net finance items negatively affected by fair value adjustments of call/put options and additional purchase price in acquired companies by SEK -6 m, as performance have been better than originally anticipated at the time of acquisition

Products & Solutions

Growth supported by acquisitions

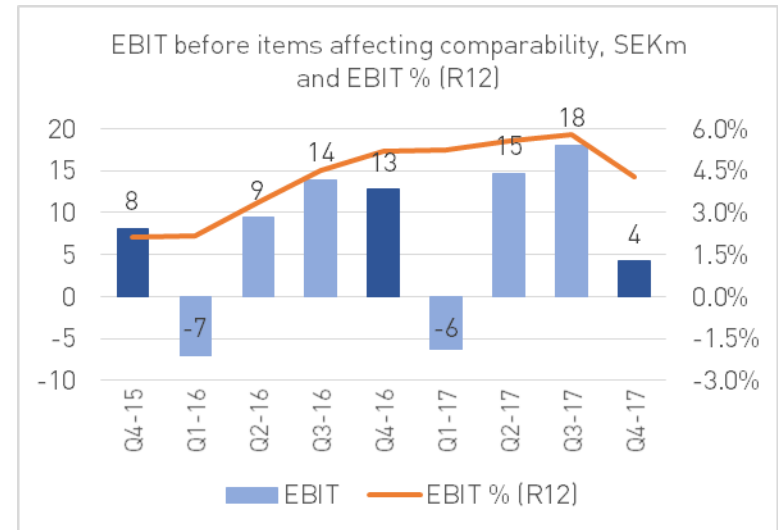
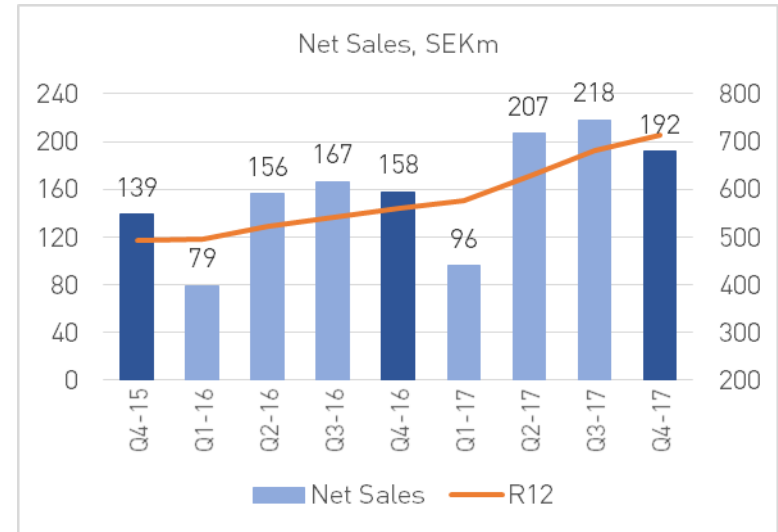
- Net sales increased by 28% compared with Q4-16
 - Strong development in Denmark, Sweden and SealEco, but weaker sales in Norway
 - Acquired operations in 2017 contributed with 23% in the fourth quarter
- Operating profit (EBIT) before items affecting comparability improved compared with Q4-16
 - Full implementation of price increases by the middle of Q3
 - Increased raw material costs offset by increased sales prices
 - Amortization of intangible assets in acquired companies



Installation Services

Strong sales but low profitability in Finland

- Sales in Finland increased 21% compared with Q4-16
 - Acquired operations in 2017 contributed with 14% in the fourth quarter
- Strong order book
 - Finnish order inflow increased 9%
 - Order book end December was up 73% compared with the same period preceding year (+33% for comparable operations)
 - Denmark franchise companies perform well in a strong market
- Operating profit (EBIT) before items affecting comparability decreased compared with Q4-16
 - Negative adjustments in projects estimates as well as organization redundancy costs following the profit improvement program in Finland



Balance sheet allowing expansion

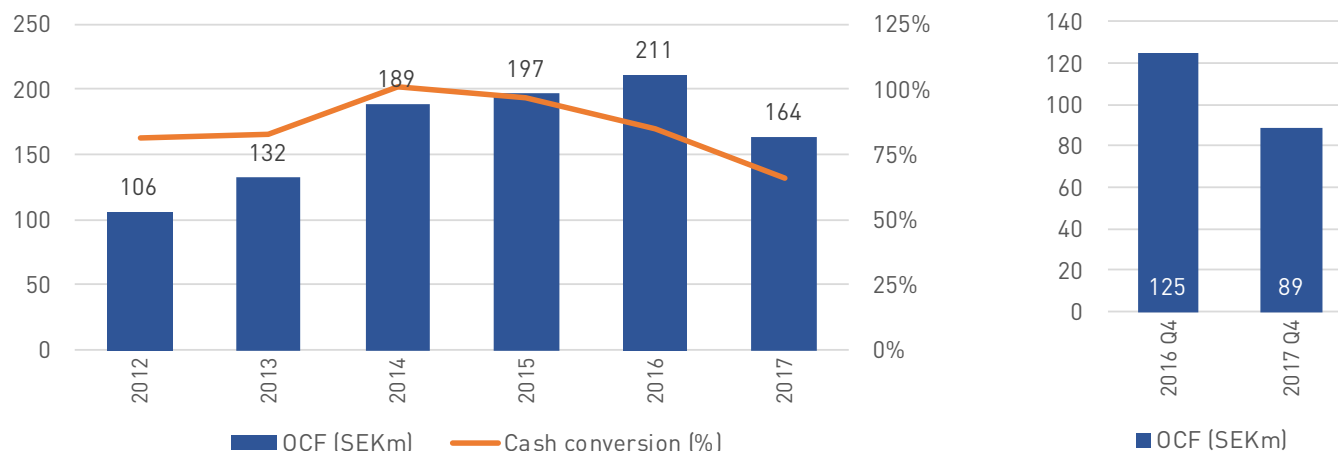
Cash generating operations and available loan facilities

SEKm	2017-12-31	2016-12-31
Non-current assets	1,057	844
Current assets	699	724
Total assets	1,756	1,568
Equity	1,010	964
Non-current liabilities	456	398
Current liabilities	290	206
Total equity and liabilities	1,756	1,568
Capital employed	1,370	1,317
ROCE (before items affecting comparability)	15,5%	18,7%
Net debt	204	25
Equity/assets ratio	58%	62%
Net debt /equity ratio	0.2x	0.0x
Net debt/EBITDA	0.8x	0.1x

- Unchanged suggested cash dividend of 3.75 SEK/share
- Equals approximately SEK 90 m, or around 66 percent of net profit.
- Expected to be paid end-April.
- Continued strong balance sheet allowing further expansion

Operating cash flow

Temporary variations in operating cash flow



- Lower operating cash flow in Q4-17 due to temporarily higher net working capital, meaning cash flow is “delayed” at year-end
 - Higher inventory levels in SealEco to secure deliveries early 2018
 - Higher receivables for on-going installation projects due to stronger activity in the Finnish Installation Services business
 - Previous year was influenced by receipt of an extraordinary dividend from associated companies
- Operating cash conversion for the full-year was temporarily lower at 66% (85%)
 - Lower cash flow in Q4-17 also explains the lower full-year cash flow and cash conversion

Sales growth

NWG's goal is to exceed the growth in the Group's current markets through organic growth.

In addition, the Group expects to grow through selective acquisitions.



Profitability

NWG's goal is to generate a return on capital employed (ROCE) before items affecting comparability exceeding 15 percent.



Capital structure

Net debt in relations to EBITDA before items affecting comparability (R12M basis), excluding temporary deviations, shall not exceed 2.5 times.



Dividend policy

NWG' aims to have an annual dividend of more that 50 percent of its net profit. The pay out decision will be based on the Group's financial position, investment needs, liquidity position as well as general economic and business conditions.



Outlook 2018

For the financial year 2018, general demand is expected to be similar as in 2017 in most markets. Nordic Waterproofing expects to meet its financial targets, and the Group's organic net sales growth is expected to exceed the general growth rate where the Group operates. In addition to organic growth, the Group also expects to continue growing through selective acquisitions. EBIT before items affecting comparability is expected to increase slightly compared with 2017.

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Questions

Further information

- Martin Ellis
- Jonas Olin

www.nordicwaterproofing.com

Q1-report, January–March 2018:
3 May 2018

We make waterproofing easy



Top ten shareholders

Shareholders as per 31 December 2017

Owner	No. of shares	Capital and votes, %
Carnegie funds	2,316,500	9.6
Swedbank Robur funds	2,187,095	9.1
Mawer Investment Management	1,642,737	6.8
Catella funds	1,359,991	5.6
Svolder Aktiebolag	1,207,514	5.0
BMO Global Asset Management	1,168,369	4.9
Norron funds	1,030,212	4.3
Länsförsäkringar funds	877,898	3.6
Third AP-fund	638,916	2.7
Handelsbanken funds	625,000	2.6
Ten largest shareholders	13,054,232	54.2
Other shareholders*	11,029,703	45.8
Total	24,083,935	100.0

* Holdings with depositories are reported within "Other shareholders"

Trading on Nasdaq Stockholm

Ticker symbol	NWG
ISIN code	DK0060738409
Sector	Construction & Materials
Number of shares of DKK 1.00	24,083,935
Own shares	0
Voting & ownership restrictions	None
Current market cap	SEK 1,686 million (7 February 2018)
Contact:	CFO & investor relations, Jonas Olin, +46 708 29 14 54 jonas.olin@nordicwaterproofing.com

Experienced Board of Directors

Nordic Waterproofing Holding A/S – Board of Directors



**Ulf Gundemark,
Chairman**

Relevant experience:
Chairman of Ripasso Energy and Bridge to China. Board member of Papyrus, Lantmännen, Scandi Standard, Constructor Group and AQ Group. (26,500 shares*)



**Christian Frigast,
Board member**

Relevant experience:
Managing Partner at Axcel. Deputy Chairman of the Board in Pandora and DVCA. (23,000 shares*)



**Jørgen Jensen,
Board member**

Relevant experience:
President and CEO of Widex. Board member of DFDS, TCM Group and former Board member of Cheminova. (20,976 shares*)



**Riitta Palomäki,
Board member**

Relevant experience:
Member of the board of directors, chair of the audit committee and member of the remuneration committee at HKScan Oyj, member of the supervisory committee and deputy chair of the audit committee at OP Cooperative. (3,000 shares)



**Mats O. Paulsson,
Board member**

Relevant experience:
Member of the boards of Acando AB, BTH Bygg AB, AB Bösarps Grus & Torrbruk AB and WinGroup AG. (15,000 shares)



**Kristina Willgård,
Board member**

Relevant experience:
CEO of AddLife AB, Chairman of the board of AddLife Development AB, member of the board of Mediplast AB, Serneke Group AB and assignments as board member and partner in Willgård AB. (0 shares)

* Including related parties

Seasoned management team

Nordic Waterproofing Group – Management team



Martin Ellis, CEO Joined NWG in 2011
Previous experience: CEO of NWG 2011-2012 and Chairman 2011-2015. 30 years of experience as CEO and other leading positions including Icopal and Saint Gobain (366,270 shares)



Jonas Olin, CFO & Investor Relations
Joined NWG in 2007
Previous experience: 20 years of experience as CFO and controller including Trelleborg Waterproofing, Abdon Finax and IKEA Industry (50,010 shares)



Petter Holth, Head of NW Norway
Joined NWG in 2012
Previous experience: 30 years of experience of sales and marketing in the building industry, incl. CEO of Nortett Bygg AS (154,395 shares*)



Mats Lindborg, Head of NW Sweden
Joined NWG in 1986
Previous experience: 30 years of experience of sales and marketing including Trelleborg Waterproofing (61,414 shares)



Esa Mäki, Head of NW Finland
Joined NWG in 2017
Previous experience: CEO of Nesco Group and various managerial positions of Icopal Finland and other companies in the building material industry. (4,000 shares)



Paul Erik Rask, Head of NW Denmark
Joined NWG in 1992
Previous experience: 30 years of experience of leading positions and sales and marketing including Trelleborg Phønix A/S (103,683 shares)



Martin Tholstrup, Head of Taasinge Elementer
Joined NWG in 2017
Previous experience: 20 years of experience from development, sales and prefabrication within the construction industry (19,000 shares*)



Thomas Zipfel, Head of SealEco
Joined NWG in 2009
Previous experience: 20 years of experience of managing positions including Trelleborg Waterproofing Polymeric Membranes (90,504 shares)

* Including related parties