
P R E S S R E L E A S E 15 September 2014

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Inwido to be listed in September

Inwido and Ratos have decided to go ahead with the planned IPO and diversify Inwido's ownership base through the sale of existing shares (the "Offering"). Ratos is the selling shareholder in the Offering and intends to divest in total up to 74.7% of the total number of shares in Inwido ("the Company") in connection with the listing, of which 55.0% are included in the base offering, 10.0% in a potential up-sizing of offering, and a further up to 9.7% if an over-allotment option is fully exercised. The price interval for Inwido's shares amounts to SEK 63-74 per share. The board of Directors of Inwido has applied for listing of the Company's shares on Nasdaq OMX Stockholm and the first day of trading is expected to be 26 September 2014. A prospectus is available on www.inwido.com and www.ratos.se.

The Offering in short:

- The Offering is directed to the general public in Sweden and institutional investors.
- The Offering comprises 31,882,143 shares, equivalent to 55.0% of the total number of shares in the Company.
- Ratos has reserved the right to increase the Offering and sell an additional maximum of 5,796,525 shares, corresponding to a maximum 10.0% of the total number of shares in the Company. Further, Ratos has issued an over-allotment option of up to 5,651,796 additional shares, equivalent to up to 15.0% of the total shares in the Offering (up to 9.7% of the total shares in the Company).
- If Ratos decides to increase the Offering in full and if the over-allotment option is fully exercised, the Offering comprises a total of 43,330,464 shares, representing 74.7% of the total number of shares in the Company.
- The price interval is SEK 63-74 per share, equivalent to a market value of all shares issued by Inwido of approximately SEK 3.7-4.3 billion. The Offering price is expected to be announced on 26 September 2014.
- The application period of the Offering to the general public in Sweden is expected to take place between 16 September-24 September 2014.
- The bookbuilding period for institutional investors is expected to take place between 16 September-25 September 2014.
- A prospectus with full terms and conditions is available on www.inwido.com and on www.ratos.se as well as at Carnegie, Handelsbanken and Avanza.

Susanna Campbell, CEO of Ratos:

"During our ten years as owners, Inwido has gone from being the leading window and door manufacturer in Sweden, to become leading in Europe. Over the last couple of years many significant improvement initiatives have been completed to strengthen profitability and efficiency. Now that Inwido enters its next phase, where the effects of the initiatives will be fully leveraged, it is our, and the Company's, belief that it is a suitable time to list the Company and thereby increase the visibility of Inwido and its brands in their continued journey."

Håkan Jeppsson, President and CEO of Inwido:

“A listing fits well in to the phase where we currently find ourselves. We are a profitable, market leader looking forward to develop further, now in a listed environment.”

“We believe we are well prepared for an upturn in the markets. We are currently the largest window player in Europe, with several well-recognised, local brands in our portfolio. We are also beginning to see the first results from the significant improvement initiatives to streamline production, develop product platforms and improve processes.”

Arne Frank, Chairman of the Board of Directors of Inwido:

“It is time for Inwido to perform in a listed environment. CEO Håkan Jeppsson and his team have both the capabilities and experience from public markets to complete the next stage in the business plan. The plan is focused on continuous improvements of the operations and continued growth on the strong home markets in the Nordics and selected European markets.”

Financial effects for Ratos

Ratos's exit gain in connection with the listing day is, calculated at the midpoint of the price interval, expected to amount to approximately SEK 1,180m. As Inwido will, following the completion of the transaction, change from a subsidiary to an associate company, Ratos must, according to IFRS, revalue the entire holding to fair value, based on the listing price. The exit gain is therefore based on the realised value of sold shares and on the appreciation in value in connection with the revaluation of the shares retained. The final exit gain will, among others, be affected by Ratos's profit share from Inwido during the time period leading up to the listing. Ratos has invested (net) approximately SEK 1,125m in Inwido and, calculated at the midpoint of the price interval, the average annual return (IRR) amounts to approximately 15%. Ratos has received approximately 3.3 times the investment.

Ratos's ownership share in Inwido will, after the listing, amount to a minimum of 21.5% (assuming the Offering is fully increased and the over-allotment option is fully exercised) and not more than 41.3% if only the base offering is used. Ratos's ownership share currently amounts to 96.7%.

Background and motives

Inwido was formed in 2004 when Ratos acquired the Swedish Elitfönster Group. Through a large number of acquisitions and organic initiatives, Inwido has subsequently developed into Europe's largest supplier of innovative, environmentally adapted windows and doors with associated services and accessories – products that facilitate smart homes that can improve people's everyday lives. The Company has more than 20 brands, several of which are among the most established and well-known brands for windows and doors in their markets, including Elitfönster in Sweden, Diplomat in Norway, Pihla in Finland and KPK in Denmark. The Company has operations in Sweden, Finland, Denmark, Norway, the UK, Poland, Austria and Ireland. Inwido is the market leader in Sweden and Finland.

Under Ratos's ownership, Inwido has implemented some thirty acquisitions in the Nordic region and other parts of Europe, and these have been successfully integrated with the Company's operations. A number of strategic initiatives have been implemented, particularly in recent years, to strengthen Inwido's business model and increase operational efficiency and competitiveness. Thanks to a strong focus on profitability over volumes, a major initiative to centralise purchasing and improved operational efficiency, Inwido has maintained good profitability despite the difficult market conditions of recent years. The measures that have been implemented mean that Inwido may today be considered to be well positioned to deliver growth with improved profitability and has the potential to benefit from the expected recovery in the market.

Inwido's strong position and the positive market trend have resulted in favourable development over the first two quarters of the year. During the period, Inwido's sales and adjusted EBITA have improved by 10% and 75% respectively, while order bookings have risen 20% compared with the corresponding period in the preceding year.

Ratos's business concept is to acquire and develop non-listed companies and, after a number of years, when predetermined targets have been reached, to sell the holding. Together with Inwido's current management, Ratos has implemented a large number of changes and acquisitions, where Ratos's long-term approach and transparency as principal owner have been of great importance in being able to implement these efficiently. Ever since Ratos's acquisition of Inwido, Inwido's Board of Directors and Ratos have had a possible listing of the Company in mind. With large parts of the most extensive changes now being complete, Inwido is entering the next phase, in which it will derive the full benefit of the changes that have been implemented.

Consequently, Ratos and Inwido's Board of Directors consider now to be an appropriate time for Ratos to reduce its ownership and for the Company to be listed. Having the Company's shares listed on Nasdaq OMX Stockholm will offer Inwido, with its consumer-driven strategy, an additional important opportunity to market itself. This will also give Inwido the opportunity to use the Swedish and international capital markets to broaden the Company's options for financing continued selective acquisitions.

Prospectus and application form

A prospectus has been published today 15 September 2014. The prospectus can be obtained from Carnegie or branches of Handelsbanken, as well as ordered from Inwido. The prospectus is also available on Inwido's website (www.inwido.com), Ratos's website (www.ratos.se), Carnegie's website (www.carnegie.se) and Handelsbanken's website (www.handelsbanken.se). Applications can also be made via Avanza (www.avanza.se).

Indicative timetable

16 September – 24 September 2014	Application period for the general public in Sweden
16 September – 25 September 2014	Bookbuilding process for institutional investors
26 September 2014	Announcement of the final Offering price
26 September 2014	First day of trading on Nasdaq OMX Stockholm
1 October 2014	Settlement day

About Inwido

Inwido is Europe's largest supplier of innovative, environmentally friendly, wood-based window and door solutions. The company has operations in Sweden, Denmark, Finland, Norway, Poland, the UK, Austria and Ireland, as well as exports to a large number of other countries. The Group markets some 20 strong local brands including Elitfönster, SnickarPer, Hajom, Hemmafönster, Outline, Tiivi, Pihla, Diplomat and Sokolka. Inwido has approximately 3,100 employees and the group's headquarters are located in Malmö, Sweden. For further information, please visit www.inwido.com.

In the first half of 2014, the Company had net sales of SEK 2,208m and operating profit (adjusted EBITA) adjusted for costs affecting comparability amounted to SEK 155m, equivalent to an operating margin of 7.0%. Order bookings increased by 14%. In 2013, Inwido's net sales amounted SEK 4,300m and EBITA adjusted for costs affecting comparability amounted to SEK 345m, equivalent to an operating margin of 8.0%.

Advisors and further information

Carnegie and Handelsbanken Capital Markets are Joint Lead Managers and Joint Bookrunners, and SEB is Co-Lead Manager in connection with the Offering. Mannheimer Swartling Advokatbyrå is legal adviser and Sundling & Wärn Partners financial adviser.

For more information regarding Inwido's listing, refer to www.ratos.se or www.inwido.com.

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IMPORTANT INFORMATION

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The offer and sale of the shares in Canada will only be made in the Provinces of Ontario and Québec or to residents thereof and not in, or to the residents of, any other Province or Territory of Canada. Such offers and sales will be made only under exemptions from the requirement to file a prospectus with the Ontario Securities Commission and/or the Autorité des marchés financiers and will be made only by authorized dealer representatives of the international managers that are properly registered under the laws of the Provinces of Ontario and/or Québec or, alternatively, are entitled to rely on exemptions from the dealer registration requirements in the Provinces of Ontario and/or Québec.

In member states within the European Economic Area (EEA) (other than Sweden) which have implemented Directive 2003/71/EC (the “Prospectus Directive”), this press release is directed only at qualified investors as defined in the Prospectus Directive.

This press release may contain certain forward-looking statements that reflect Ratos’s and/or Inwido’s current views on future events as well as financial and operational performance. Words such as “intend”, “assess”, “expect”, “may”, “plan”, “believe”, “estimate” and other expressions entailing indications or predictions of future development or trends, and which are not based on historical facts, constitute forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements information is not a guarantee of future results or performance, and the actual outcome may differ materially from the information set forth in the forward-looking statements.

A prospectus prepared in accordance with the Prospectus Directive has been published by Inwido and is, with certain restrictions, available at www.inwido.com and www.ratos.se.

Financial calendar from Ratos:

Interim report January-September 2014	7 November 2014
Year-end report 2014	19 February 2015
Annual General Meeting 2015	16 April 2015
Interim report January-March 2105	7 May 2015
Interim report January-June 2015	14 August 2015
Interim report January-September 2015	6 November 2015

Ratos is a private equity conglomerate. The company’s mission is to maximise shareholder value over time through the professional, active and responsible exercise of its ownership role in primarily medium to large unlisted Nordic companies. Ratos’s holdings include AH Industries, Aibel, Arcus-Gruppen, Biolin Scientific, Bisnode, DIAB, Euromaint, GS-Hydro, Hafa Bathroom Group, HENT, HL Display, Inwido, Jätul, KVD, Mobile Climate Control, Nebula, Nordic Cinema Group and SB Seating. Ratos is listed on Nasdaq OMX Stockholm and market capitalisation amounts to approximately SEK 18 billion.