

Press Release
6 November 2018

Interim report July–September 2018

A strong quarter

- Net sales increased by 13% to SEK 4,437 million (3,926)
- Organic growth was 6% (6)
- The order backlog was 1% higher at SEK 10,746 million (10,635)
- EBITA increased by 20% to SEK 267 million (223)
- The EBITA margin was 6.0% (5.7)
- Profit after tax was SEK 202 million (164)
- Cash flow from operating activities was SEK -132 million (-144)
- Net debt amounted to SEK -2,062 million (-2,515)
- Two acquisitions were completed in the quarter, adding annual sales of approximately SEK 86 million
- Basic earnings per share were SEK 1.00 (0.81) and diluted earnings per share were SEK 1.00 (0.81)

CEO statement

Sales growth of 13 percent

Bravida's growth in the third quarter was strong, with sales rising by 13 percent and organic growth of 6 percent. Growth was positive in all countries, with strong growth in Finland and Denmark. Our service business is continuing to perform well, with growth of 11 percent for the quarter. Growth within service is bolstering our long-term business as the majority of our service relationships are longstanding and consequently generate recurring revenue.

Profit increased by 20 percent

EBITA rose by 20 percent and the EBITA margin improved to 6 percent. The EBITA margin in Sweden remained unchanged but increased in Denmark and Finland. In Norway the EBITA margin declined, owing to the continued completion of Oras' old projects. I assess that the unprofitable projects that Oras had when it was acquired in May 2017 will be completed in the first quarter of 2019. Oras is now fully operationally integrated into Bravida. The acquisitions of Asentaja and Adison that we recently made in Finland have strengthened the quality of our business by providing us with better geographic coverage and a broader customer offering. In addition, these acquisitions contribute to improved profitability and growth.

Stockholm bypass project

The Swedish Transport Administration has awarded Bravida two contracts that are part of the Stockholm Bypass Project. We have been commissioned to carry out the installation and subsequent service of all electrical, lighting, water and wastewater systems, and fixed fire extinguishing equipment. The order is worth just over SEK 2.7 billion, which is the largest order in Bravida's history. We have previously successfully and profitably provided installation work in several large tunnel projects and this experience is a clear benefit in our work on the Stockholm Bypass Project. The project offers interesting and stimulating work for our employees and it is already attracting new experienced employees to

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Bravida. In addition, recruitment for the project is also helping us strengthen our business in a number of fields. The Swedish Transport Administration's tendering process for water and wastewater and fire extinguishing equipment, which is worth SEK 1.1 billion, is currently subject to an appeal on technical grounds, meaning there is a risk that the tendering process will have to be rerun. (My assessment is that the outcome of the appeal will be positive for Bravida.)

Acquisitions continue to strengthen bravida

So far this year we have made 12 acquisitions, two of which were in October and two in November. The acquisitions increase annual sales by around SEK 800 million. To further bolster our position in Finland, so far this year we have made two acquisitions that increase annual sales by approximately SEK 350 million. These acquisitions strengthen our local market position and expand our customer offering. During the autumn we have strengthened the acquisition team to ensure a continued high pace of acquisitions and good integration of future acquisitions.

Outlook

I believe the technical service and installation market will remain good in Sweden, Norway and Denmark, and stable in Finland. The order backlog remains at a high level, despite decreasing slightly in the quarter. The decrease was due to a number of large projects being registered in Sweden in the second quarter of 2017 and continued completion of the acquired order backlog at Oras. The bulk of the order backlog comprises lots of small and medium-sized installation projects, which together with our large service operations will also continue to support growth.

Mattias Johansson, Stockholm, November 2018

For further information, please contact:

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This information is information that Bravida Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CET on 6 November 2018.

The report will be presented at 09:30 CET by CEO and Group President Mattias Johansson and CFO Nils-Johan Andersson. The presentation will be held in English and can be followed on the web or over the phone. There will be room for questions.

Link to the webcast:

<https://tv.streamfabriken.com/bravida-q3-2018>

Telephone numbers for telephone conference:

SE: +46 8 5033 65 63
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The report and the presentation are available on bravida.se/en/investors/.

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