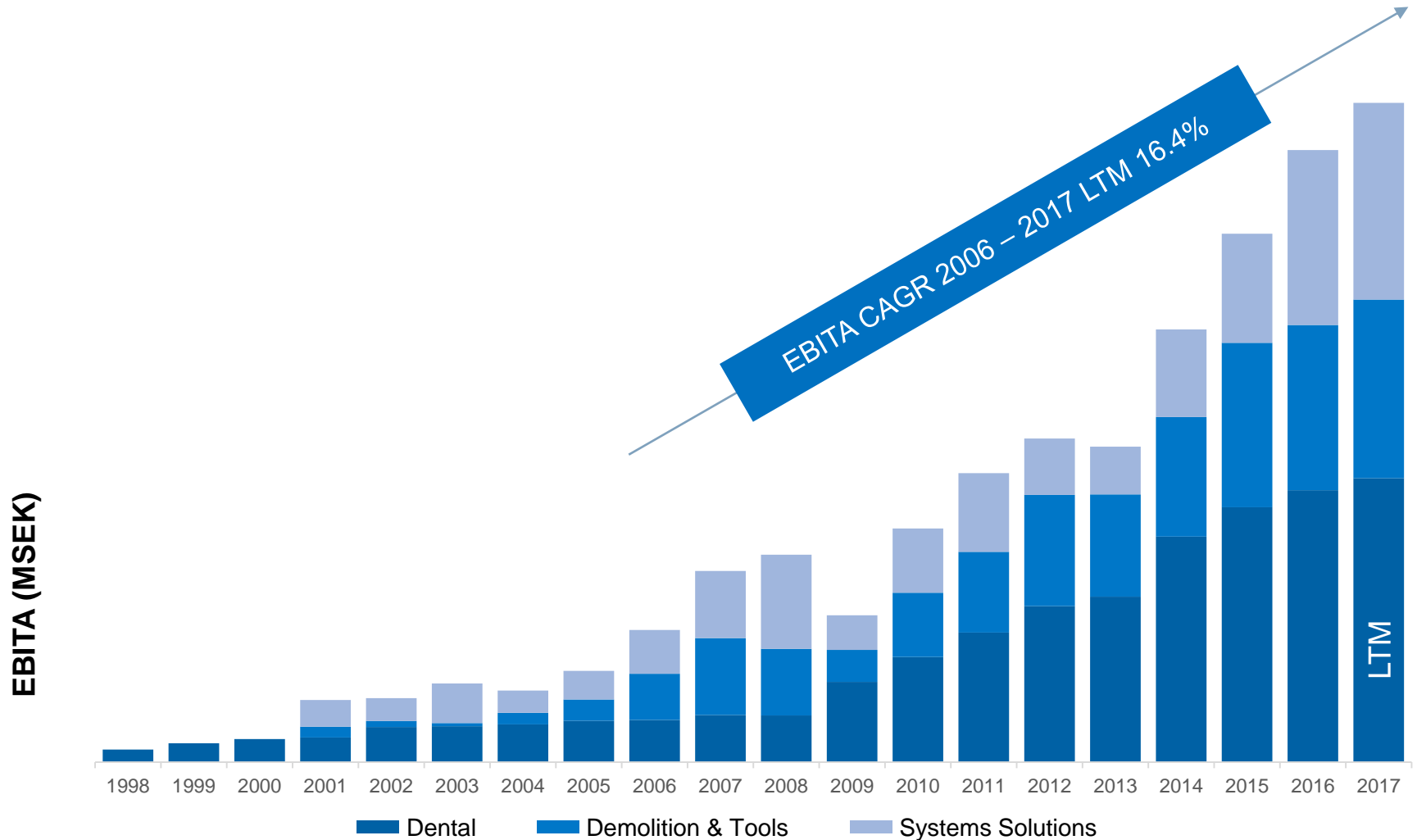


LIFCO

INTERIM REPORT JANUARY-MARCH 2017

4 MAY 2017

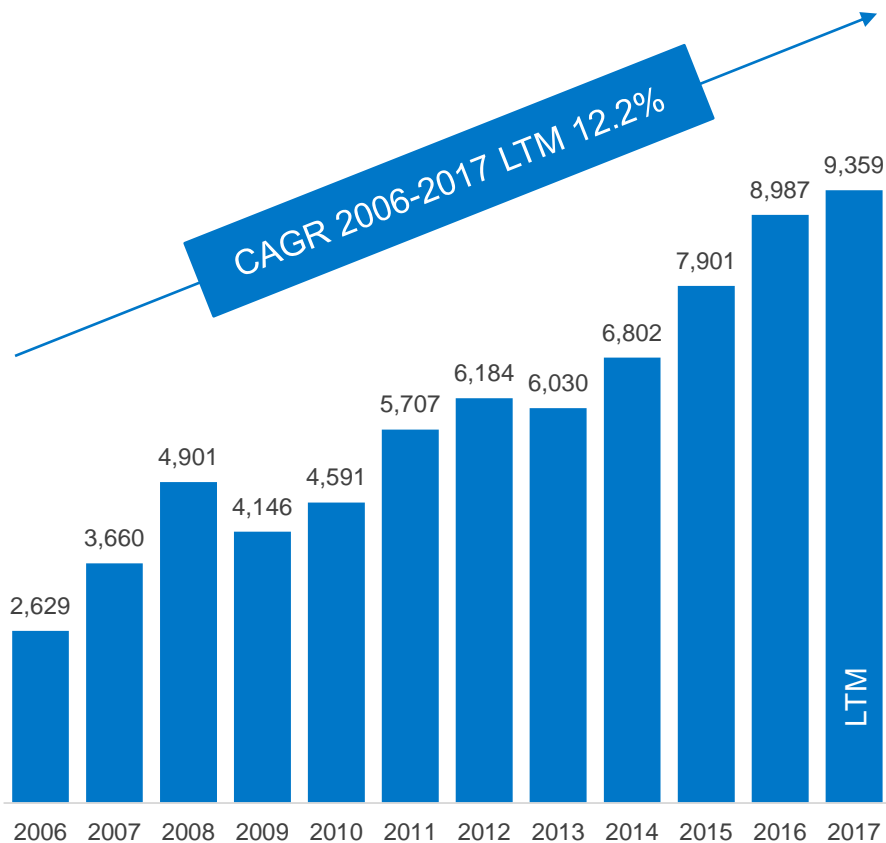
ONE TARGET: TO INCREASE PROFITS EVERY YEAR



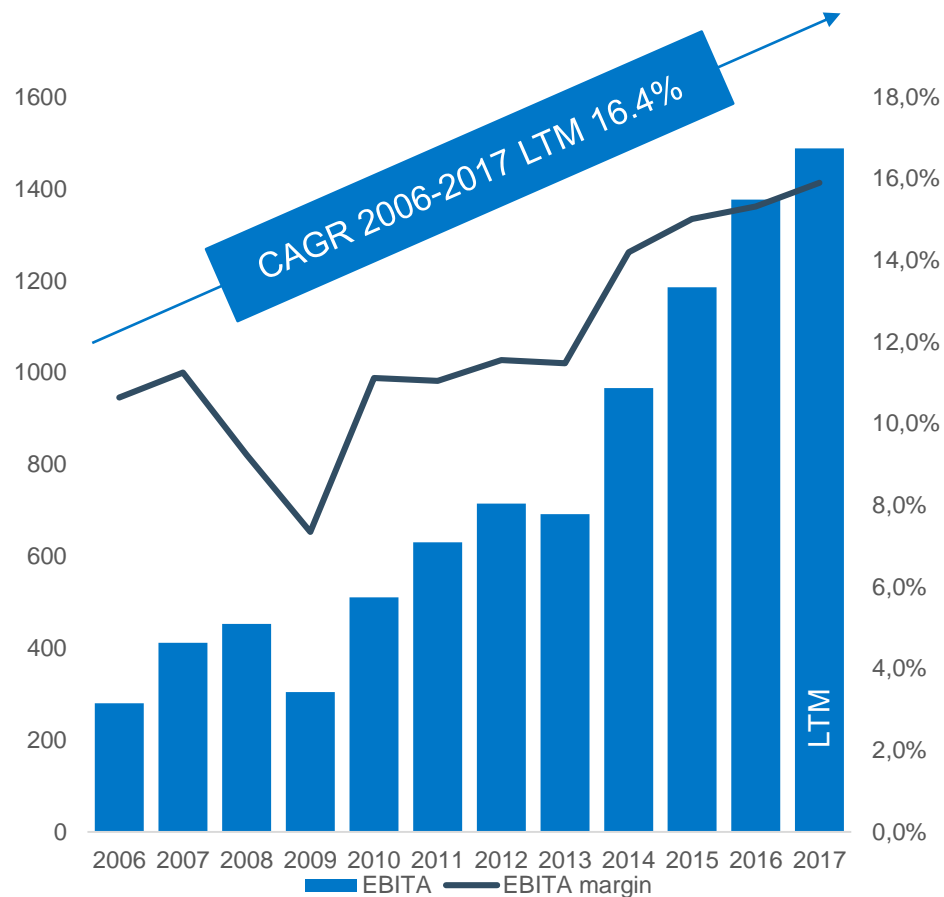
Note: IFRS accounting since 2012, prior years Swedish GAAP.

LIFCO GROUP FINANCIAL OVERVIEW

Sales (MSEK)



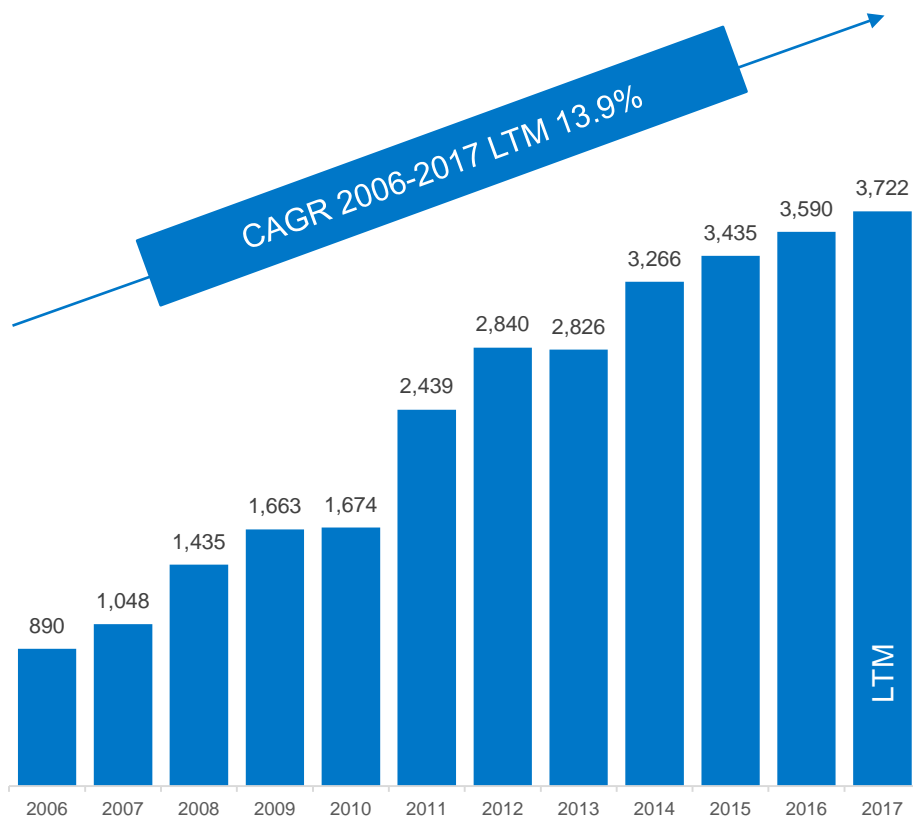
EBITA (MSEK) and EBITA margin



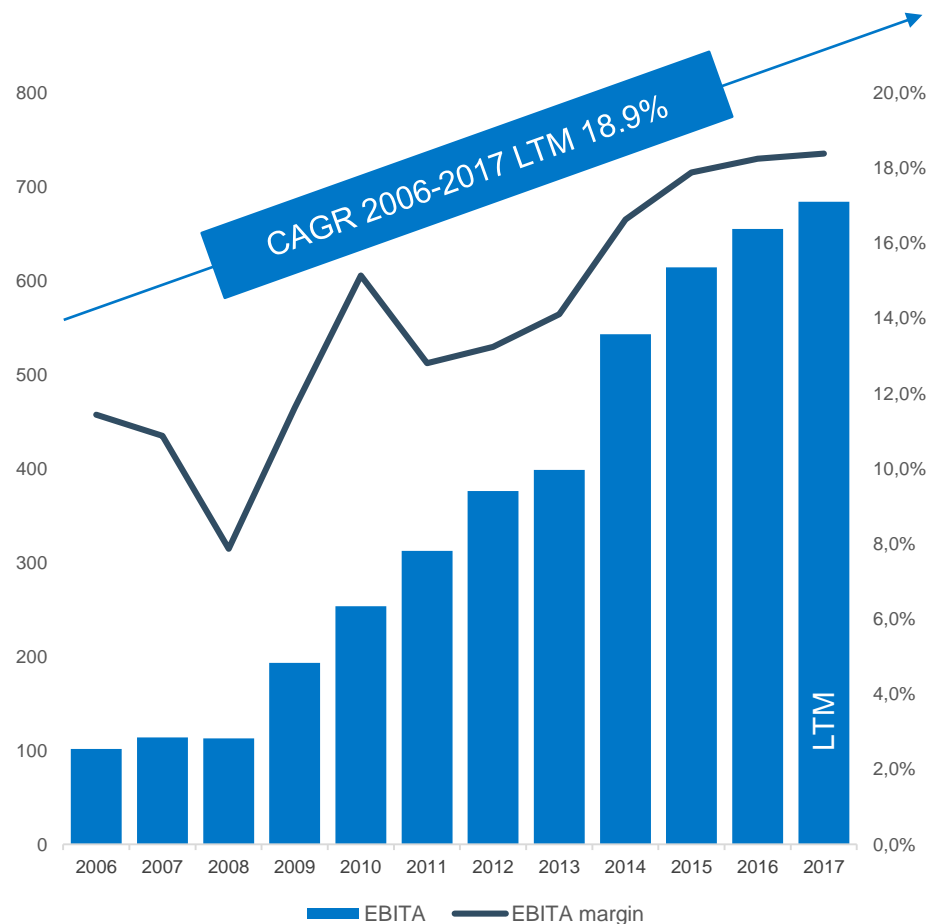
DENTAL FINANCIAL OVERVIEW



Sales (MSEK)



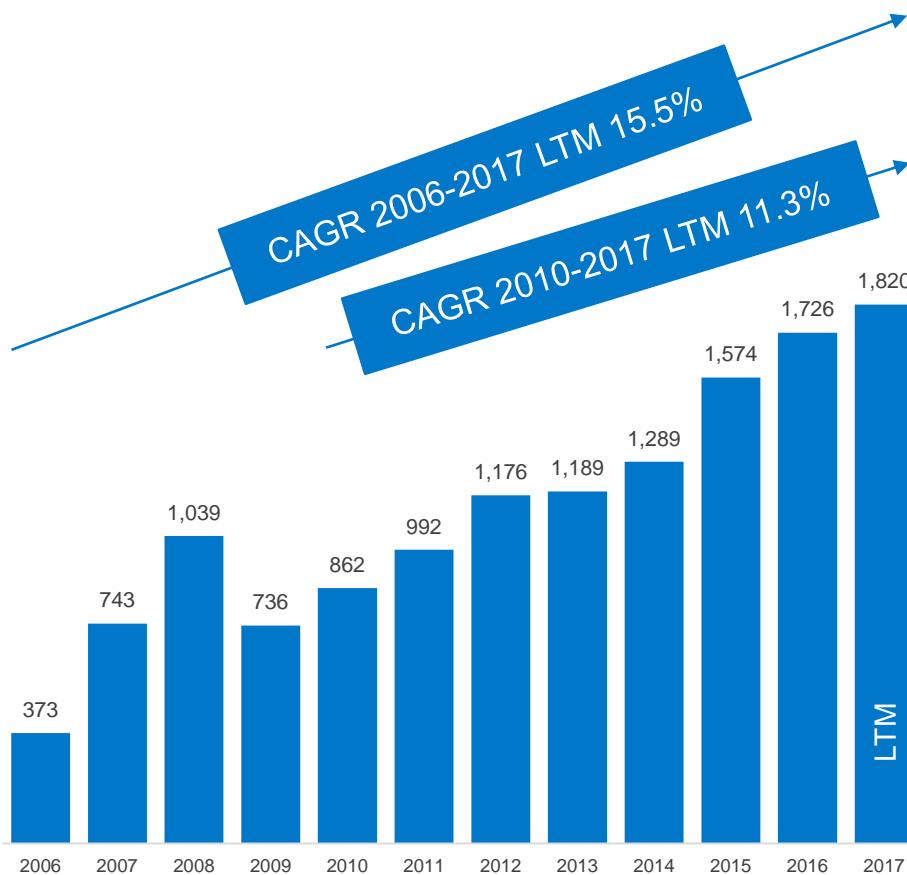
EBITA (MSEK) and EBITA margin



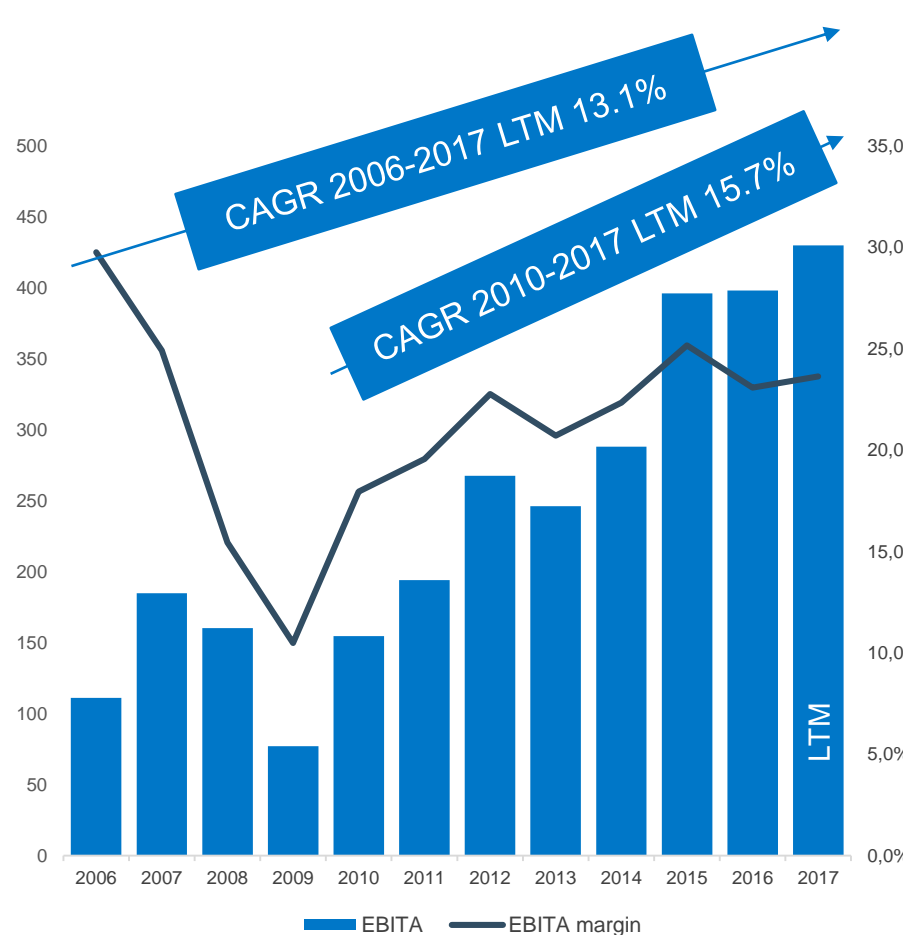
DEMOLITION & TOOLS FINANCIAL OVERVIEW



Sales (MSEK)



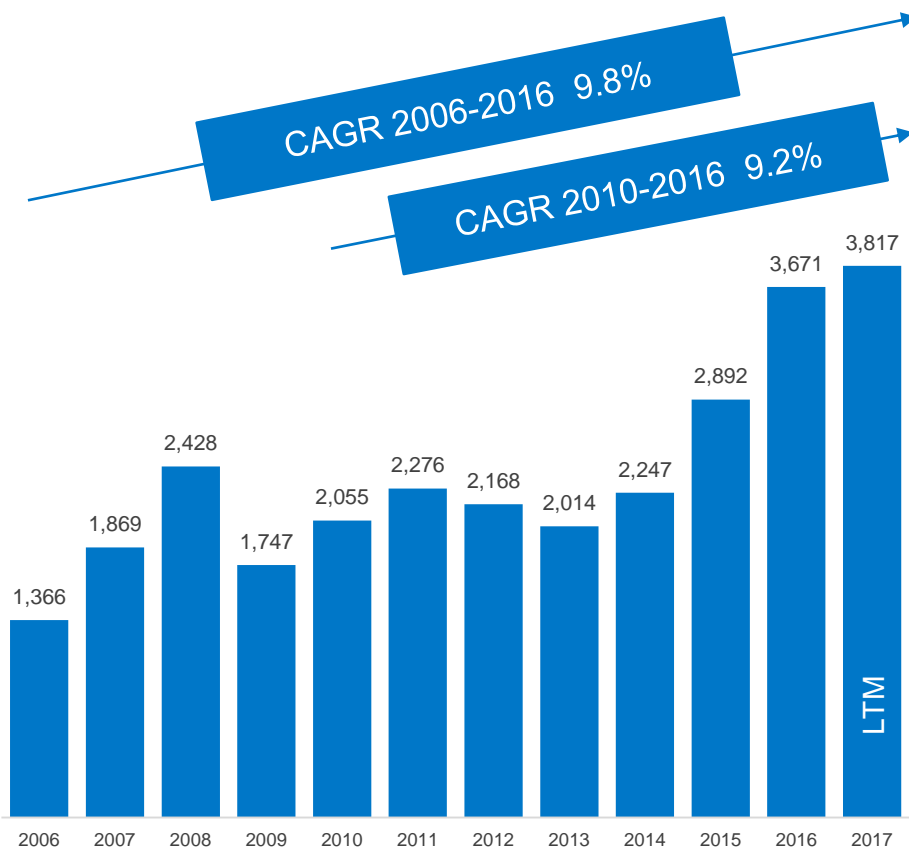
EBITA (MSEK) and EBITA margin



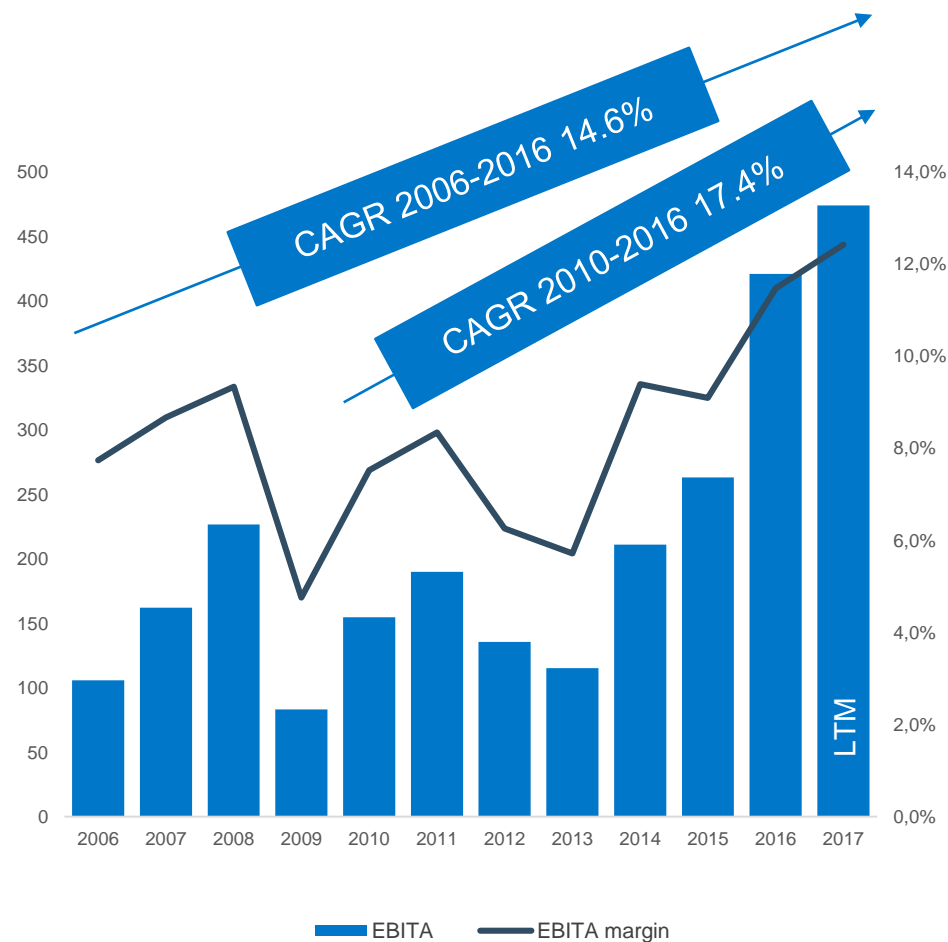
SYSTEMS SOLUTIONS FINANCIAL OVERVIEW



Sales (MSEK)



EBITA (MSEK) and EBITA margin



THE GROUP'S FINANCIAL PERFORMANCE

MSEK	2017 LTM	2016	Change	Q117	Q116	Change
Net sales	9,359	8,987	4.1%*	2,423	2,051	18.1%*
EBITA**	1,488	1,377	8.1%	385	274	40.6%
EBITA-margin**	15.9%	15.3%	0.6	15.9%	13.4%	2.5
Profit before tax	1,308	1,219	7.4%	333	243	36.9%
Net profit for the period	994	927	7.3%	250	182	36.9%
Earnings per share	10.72	9.99	7.3%	2.72	1.99	36.7%
Return on capital employed	19.2%	18.7%	0.5	19.2%	19.6%	-0.4
Return on capital employed, excl. goodwill	146%	141%	5	146%	128%	18

* Organic impact of +2.5% in 2016 and +7.5% in Q117.

** Before restructuring, integration and acquisition costs.

THE BUSINESS AREA'S FINANCIAL PERFORMANCE

DENTAL

MSEK	2017 LTM	2016	Change	Q117	Q116	Change
Net sales	3,722	3,590	3.7%	1,000	868	15.1%
EBITA*	684	655	4.5%	185	155	19.0%
EBITA-margin*	18.4%	18.2%	0.2	18.5%	17.9%	0.6

DEMOLITION & TOOLS

MSEK	2017 LTM	2016	Change	Q117	Q116	Change
Net sales	1,820	1,726	5.5%	479	384	24.6%
EBITA*	430	398	8.1%	111	79	40.9%
EBITA-margin*	23.6%	23.0%	0.6	23.2%	20.6%	2.6

SYSTEMS SOLUTIONS

MSEK	2017 LTM	2016	Change	Q117	Q116	Change
Net sales	3,817	3,671	4.0%	944	799	18.3%
EBITA*	474	421	12.5%	116	64	82.9%
EBITA-margin*	12.4%	11.5%	0.9	12.3%	8.0%	4.3

* Before restructuring, integration and acquisition costs.

LIFCO GROUP BALANCE SHEET

Comments

- Interest bearing net debt increased 411 MSEK from year-end to 3,429 MSEK due to acquisitions of 515 MSEK
- At the end of the quarter, Lifco had significant financial scope for new acquisitions and still keep Net debt/EBITDA below 3x
- ROCE excluding goodwill and other intangible assets 146% (141% Dec 31, 2016) – target >50%
- Net debt/EBITDA 2.1x (target 2-3x)

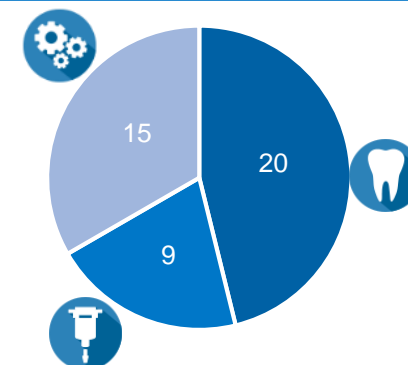
Balance sheet

	31 Mar 2017	31 Dec 2016	31 Mar 2016
Intangible fixed assets	7,265	6,824	5,983
Tangible fixed assets	511	464	437
Financial assets	112	109	88
Inventory	1,214	1,155	1,135
Accounts receivable	1,222	1,046	1,026
Other receivables	293	236	266
Cash and cash equivalents	255	293	438
Total assets	10,872	10,127	9,373
Shareholders' equity	4,988	4,758	4,174
Interest-bearing liabilities	3,684	3,311	3,234
Other liabilities and provisions	661	597	489
Accounts payable	595	507	549
Other short-term liabilities	944	954	927
Total equity and liabilities	10,872	10,127	9,373
Net debt	3,429	3,018	2,779
Net debt/EBITDA	2.1x	2.0x	2.1x
Capital employed excl. goodwill and other intang. assets	1,017	974	952
ROCE excl. goodwill and other intangible assets	146%	141%	128%
Capital employed incl. goodwill and other intang. assets	7,744	7,381	6,203
ROCE incl. goodwill and other intangible assets	19.2%	18.7%	19.6%

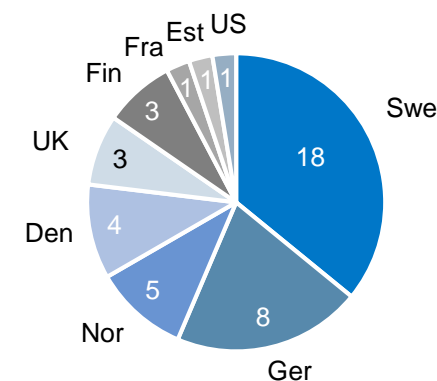
OVERVIEW OF ACQUISITIONS 2006-2012

Year	Company	Description	Type	Country	Sales at acquisition	Total sales MSEK
2006	Darda	Producer of attachments for demolition robots	Demolition & Tools	Germany	MEUR 8	132
	Dental Prime	Distributor of dental equipment and services	Dental	Finland	MEUR 3	
	Elektronikprodukter i Järlåsa	Producer of high quality electronics	Systems Solutions	Sweden	MSEK 30	
2007	Hekotek	Producer of sawmill equipment	Systems Solutions	Estonia	MEUR 13	1,328
	Kinshofer	Producer of tools for excavators and cranes	Demolition & Tools	Germany	MEUR 66	
	Oriola Dental	Distributor of consumables and equipment	Dental	Finland	MEUR 45	
	Plass Data Dental	Producer of IT-systems for dental clinics	Dental	Denmark	MDKK 7	
	Proline	Relining of plumbing systems	Systems Solutions	Sweden	MSEK 120	
	Safe Dental	IT services to dental clinics	Dental	Sweden	MSEK 2	
	Zetterströms Rostfria	Producer of quality products in stainless steel	Systems Solutions	Sweden	MSEK 50	
2008	Endomark	Distributor of consumables and equipment	Dental	Sweden	MSEK 9	184
	Tevo	Producer of interiors for vehicles	Systems Solutions	UK	MGBP 8	
	XO Care Denmark A/S	Distributor of dental equipment and services	Dental	Denmark	MDKK 77	
2009	Aponox	Producer of tools for excavators and cranes	Demolition & Tools	Finland	-	53
	Ellman Produkter	Distributor of consumables	Dental	Sweden	MSEK 43	
	Interdental	Distributor of prosthetics	Dental	Norway	MSEK 10	
2010	ATC	Distributor of Brokk machines	Demolition & Tools	France	MEUR 5	48
2011	EDP	Distributor of consumables and equipment	Dental	Germany	MEUR 119	1,460
	NETdental	Distributor of consumables	Dental	Germany	MEUR 20	
	RF-System	Producer of tools for excavators and cranes	Demolition & Tools	Sweden	MSEK 80	
	Wintech	Producer of high quality electronics	Systems Solutions	Sweden	MSEK 125	
2012	Ahlberg Cameras	Producer of camera systems for the nuclear industry	Demolition & Tools	Sweden	MSEK 73	73

Segment split - # of acquisitions 2006-2017



Country split - # of acquisitions 2006-2017



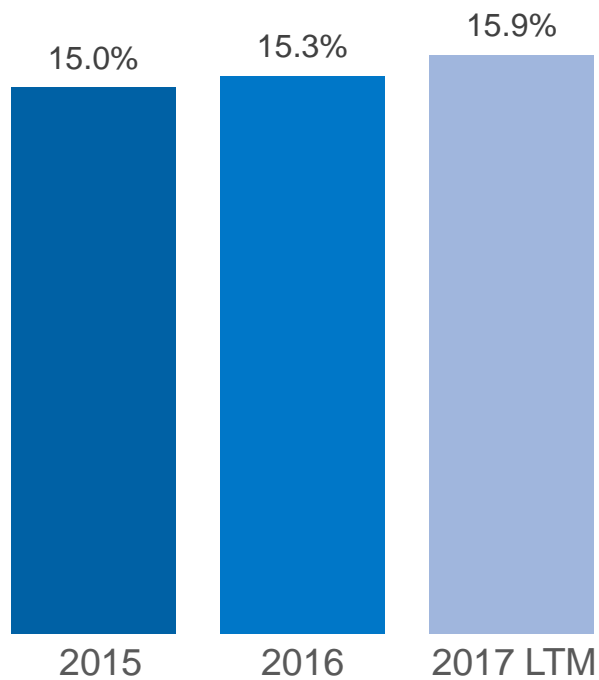
OVERVIEW OF ACQUISITIONS 2014-

Year	Company	Description	Type	Country	Sales at acquisition	Total sales MSEK
2014	MDH	Producer of dental prosthetics	Dental	Germany	MEUR 44	400
2015	Auger Torque	Producer of earth drills	Demolition & Tools	UK	MGBP 10	485
	J.H. Orsing	Dental products	Dental	Sweden	MSEK 20	
	Preventum Partner	Accounting services & quality systems	Dental	Sweden	MSEK 10	
	Rapid Granulator	Manufacturer of granulators	Systems Solutions	Sweden	MSEK 300	
	Sanistål interior for vehicles	Producer of interiors for vehicles	Systems Solutions	Denmark	MDKK 25	
	Smilodent	Dental products	Dental	Germany	MEUR 4.8	
	Top Dental	Manufacturer of disinfectants	Dental	UK	MGBP 3.4	
2016	Aqua Systems	Manufactures hydro-demolition robots	Demolition & Tools	Sweden	MSEK 60	1,210
	Auto-Maskin	Diesel control units for marine use	Systems Solutions	Norway	MNOK 130	
	Cenika AS	Electrical equipment for low voltage	Systems Solutions	Norway	MNOK 160	
	Dens Esthetix	Prosthetics	Dental	Germany	MEUR 1.4	
	Design Dental	Imports and manufactures prosthetics	Dental	Denmark	MDKK 13	
	Endodonti products	Dental products	Dental	Sweden	MSEK 10	
	Nordesign	Supplier of LED-lighting	Systems Solutions	Norway	MNOK 64	
	Parkell	Manufactures and sells dental consumables	Dental	USA	MUSD 29	
	Praezimed	Service of dental instruments	Dental	Germany	MEUR 2.5	
	Redoma Recycling	Producer of recycling machines for cables	Systems Solutions	Sweden	MSEK 25	
TMC/Nessco	Supplier of marine compressors and spare parts	Systems Solutions	Norway	MNOK 525		
2017	Haglöf Sweden	Professional forest inventory instruments	Systems Solution	Sweden	MSEK 60	330
	Hultdins	Manufactures tools for forest machines	Demolition & Tools	Sweden	MSEK 152	
	Silvent	Energy optimization and work environment	Systems Solutions	Sweden	MSEK 120	

Majority of acquisitions have been add-ons to existing companies – but most continue to be operated autonomously

...WHILE MAINTAINING FOCUS ON CAPITAL EMPLOYED

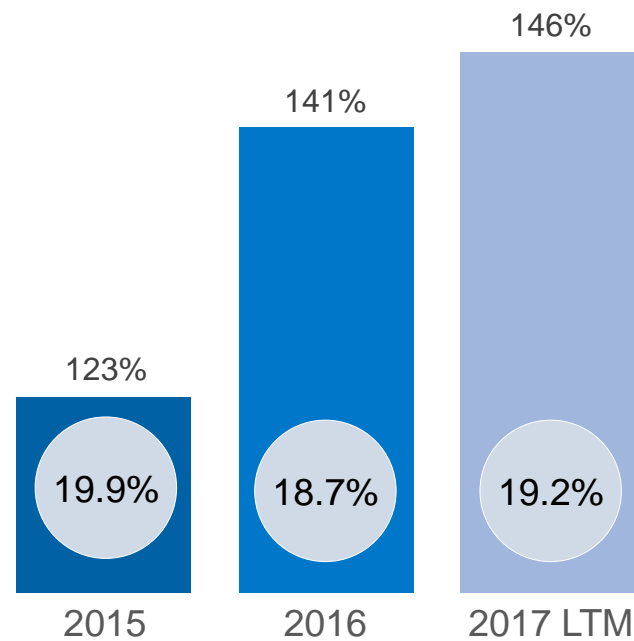
EBITA margin



ROCE excl. goodwill and other intang. assets

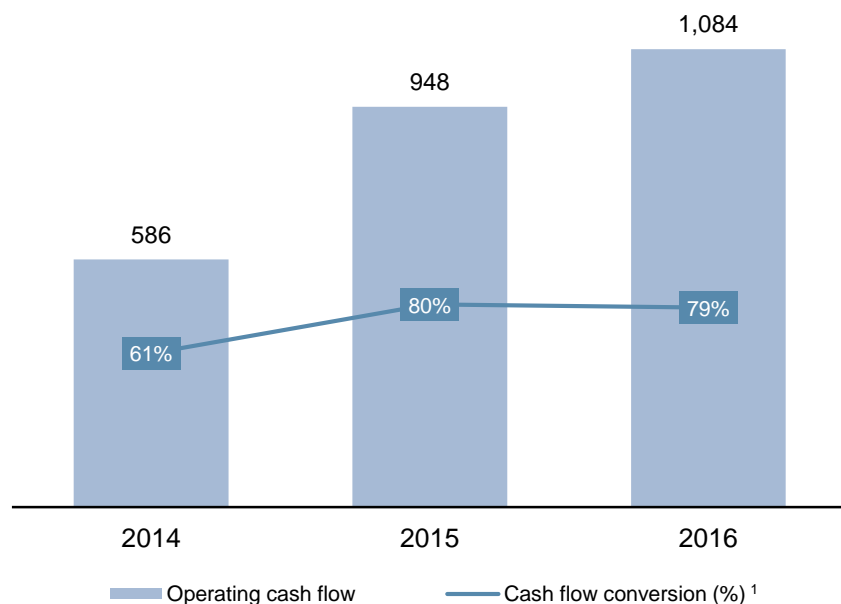
x.x%

ROCE incl. goodwill and other intangible assets



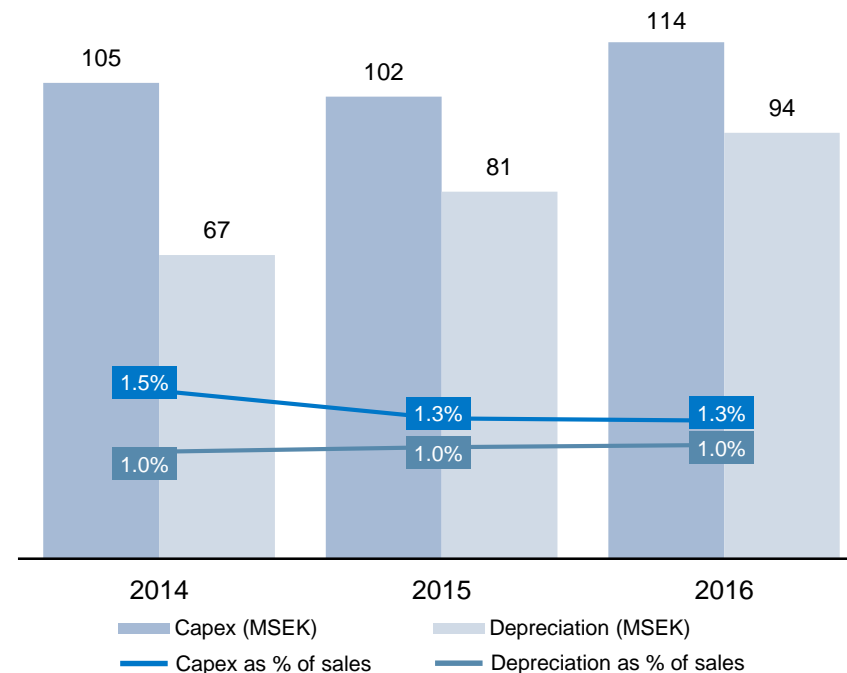
STRONG CASH FLOW GENERATION

Operating cash flow after tax, before investments



- High cash conversion as a result of focus on asset light operations combined with tight control of working capital

Capex and depreciation²



- Low required maintenance capex within the group
- Due to outsourcing of a large share of basic manufacturing, investments in subsidiaries with own production can be minimised

1) Cash flow conversion defined as operating after tax cash flow divided by EBITA
 2) Refers to investments in and depreciation of tangible fixed assets

FINANCIAL TARGETS

Growth in EBITA

- Organic growth in EBITA in excess of GDP growth in relevant geographies
- Acquisitions to add additional growth

EBITA/Capital employed¹

- More than 50%

Net debt/EBITDA

- Normally in the range 2-3x

Dividend policy as % of net profit

- Distribute 30-50% of net profit

1) Excluding goodwill and other intangible assets

GROWTH OR PROFIT?

PROFIT GROWTH!

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