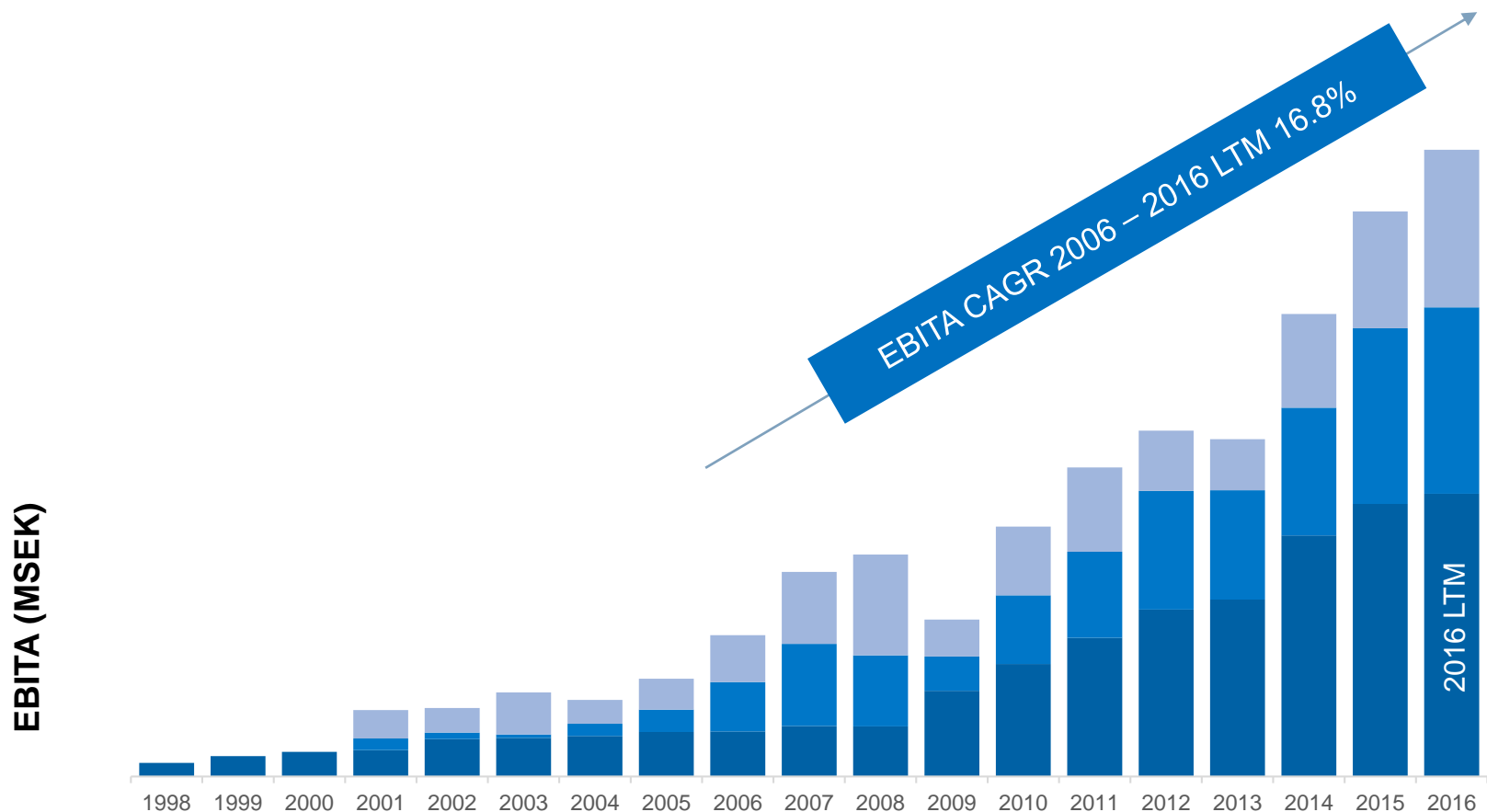


LIFCO

INTERIM REPORT JAN-SEP 2016

25 OCTOBER 2016

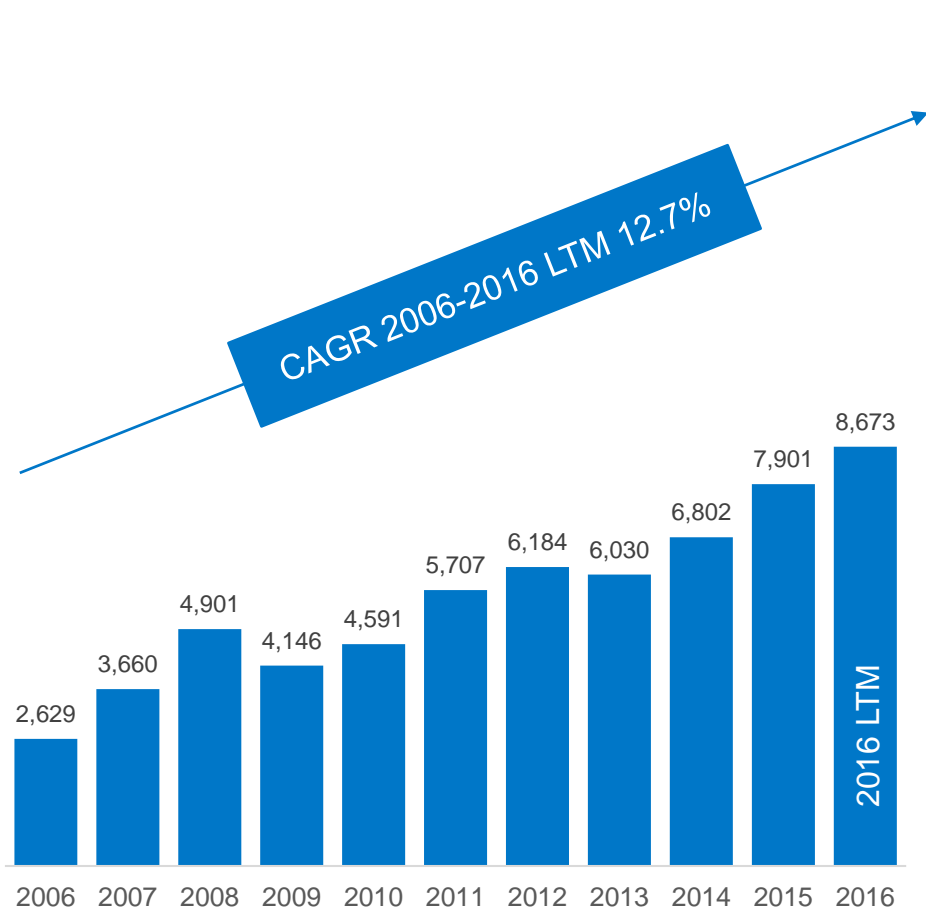
ONE TARGET: TO INCREASE PROFITS EVERY YEAR



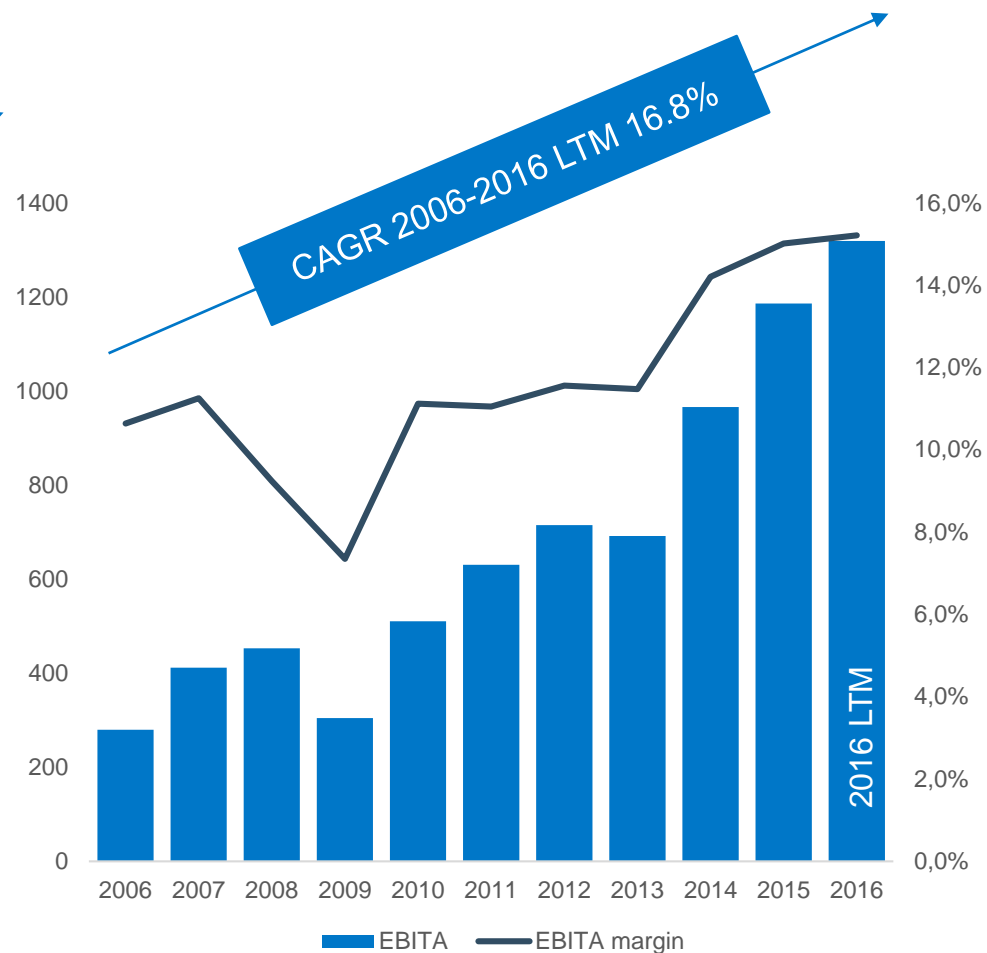
Note: IFRS accounting since 2012, prior years Swedish GAAP.

LIFCO GROUP FINANCIAL OVERVIEW

Sales (MSEK)



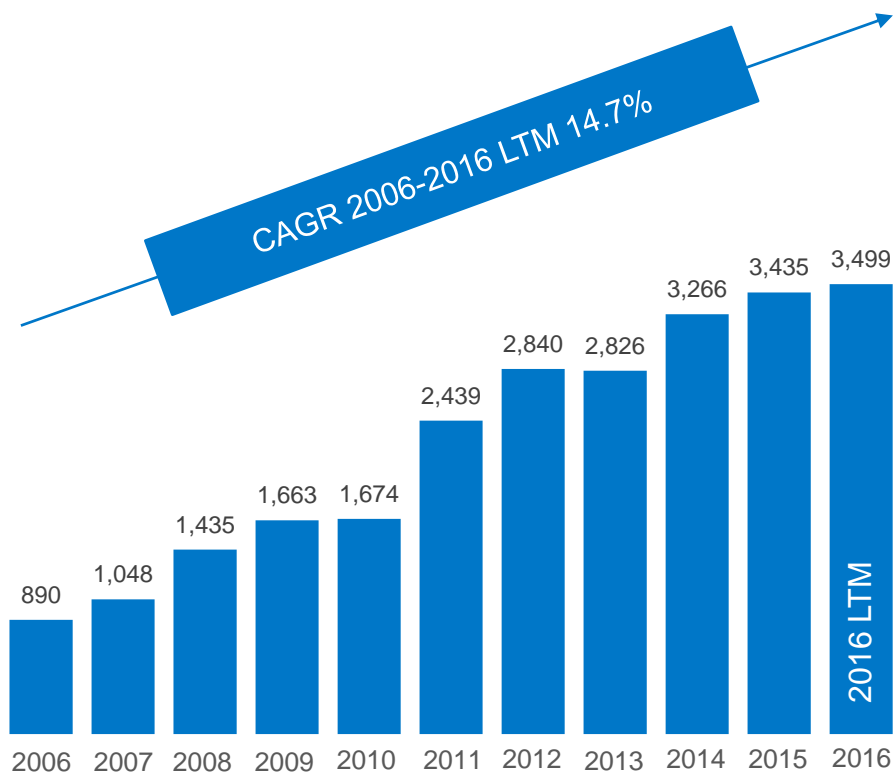
EBITA (MSEK) and EBITA margin



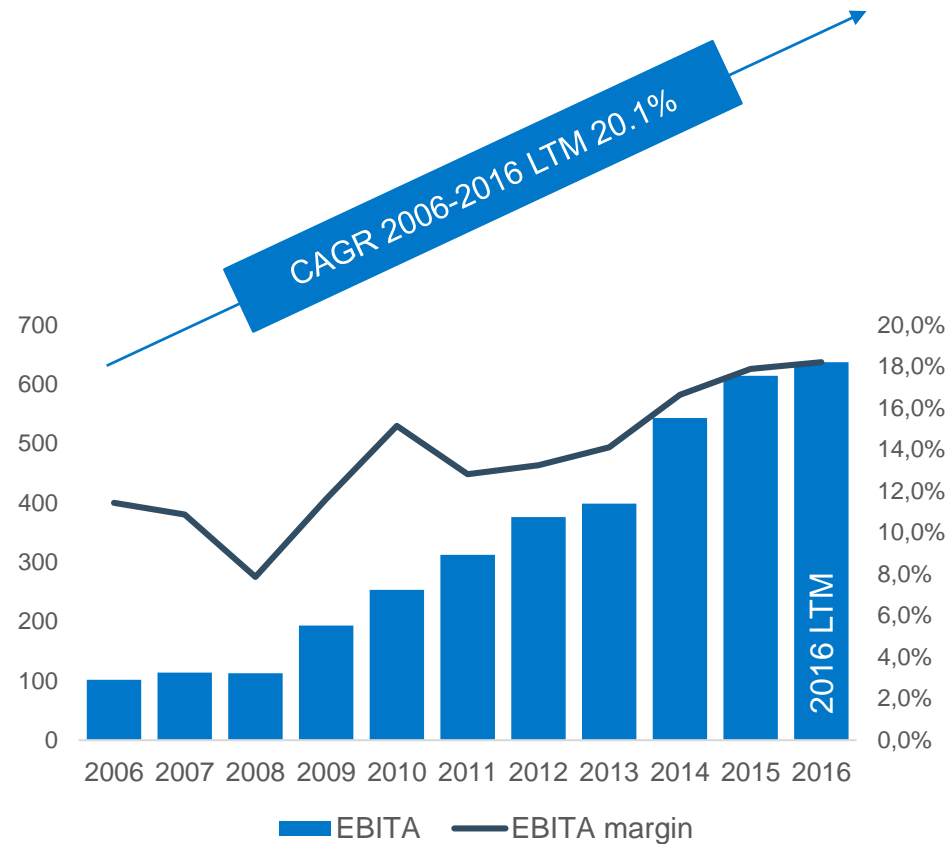
DENTAL FINANCIAL OVERVIEW



Sales (MSEK)



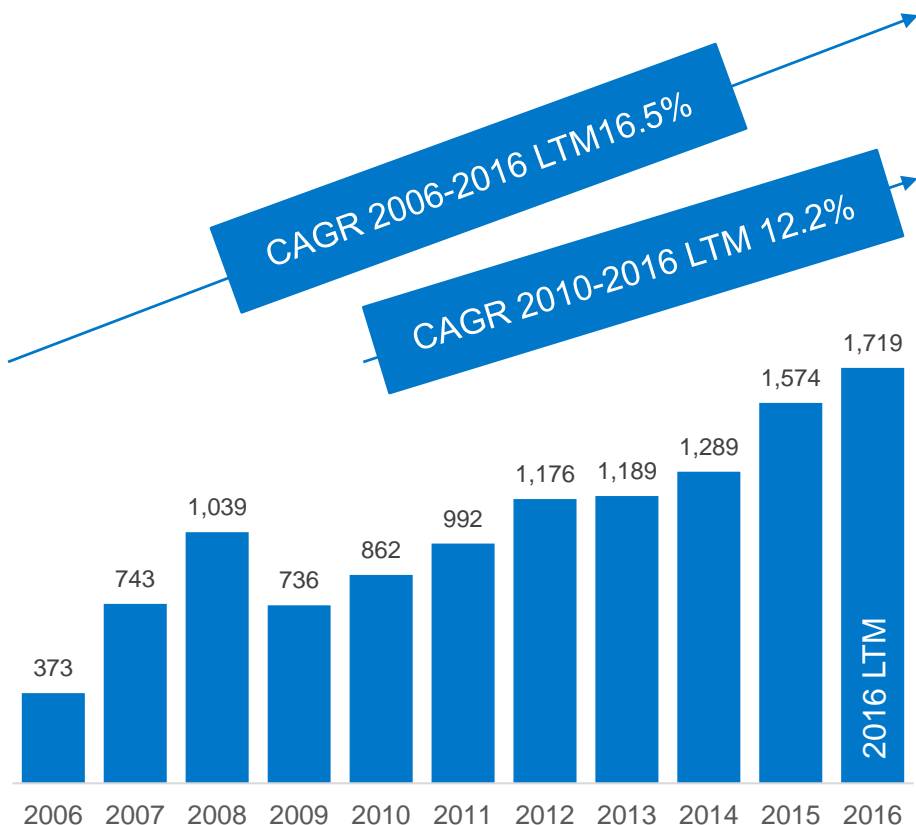
EBITA (MSEK) and EBITA margin



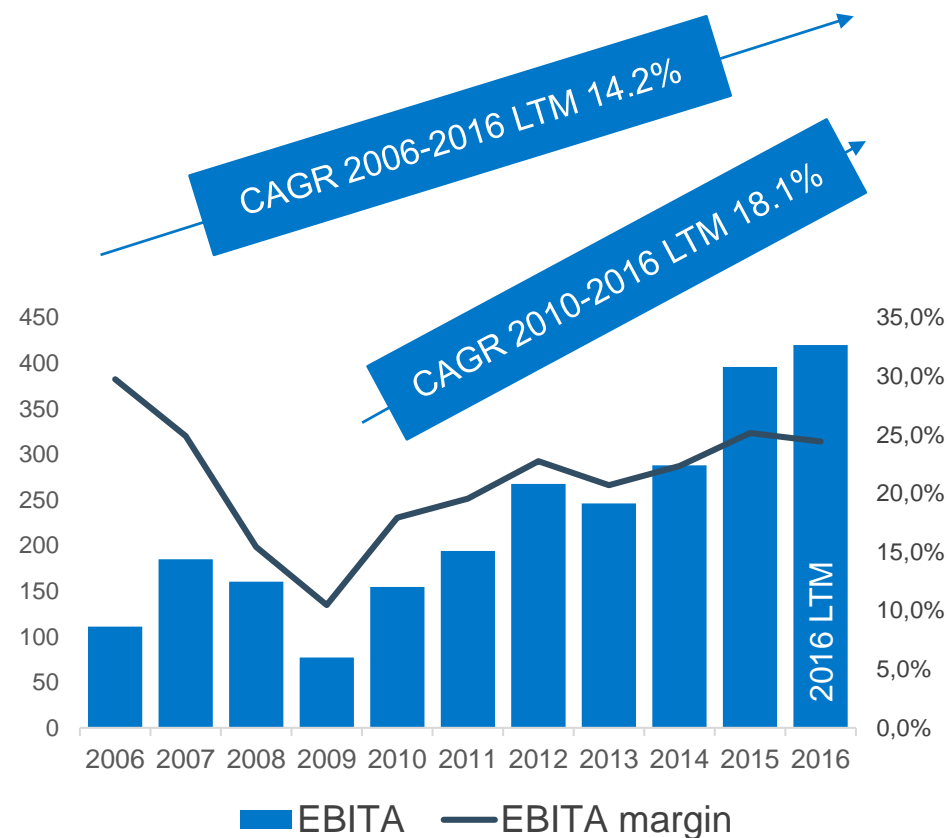
DEMOLITION & TOOLS FINANCIAL OVERVIEW



Sales (MSEK)



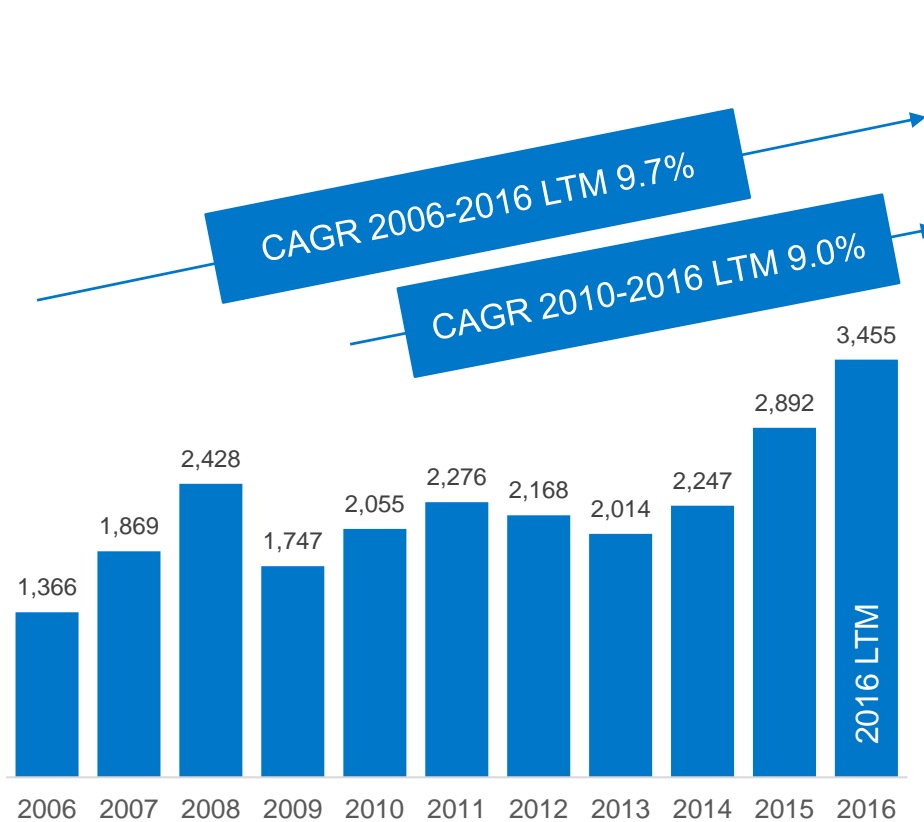
EBITA (MSEK) and EBITA margin



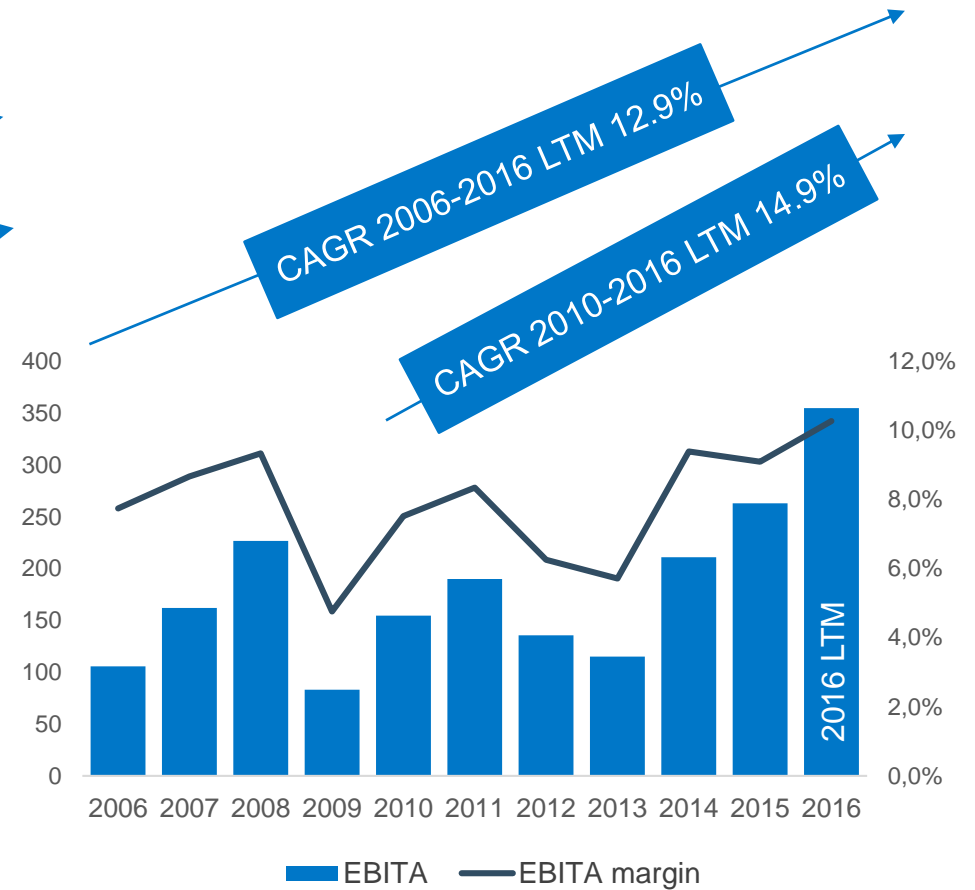
SYSTEMS SOLUTIONS FINANCIAL OVERVIEW



Sales (MSEK)



EBITA (MSEK) and EBITA margin



FINANCIALS FY, Q3 AND JAN-SEP 2016

GROUP	FY 2014	FY 2015	Change	Q3 2016	Q3 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change
Net sales, MSEK	6,802	7,901	16.2%	2,128	1,910	11.4%	6,552	5,780	13.4%
EBITA, MSEK	966	1,186	22.8%	316	280	12.6%	997	863	15.5%
EBITA margin	14.2%	15.0%	0.8	15.2%	14.7%	0.5	15.2%	14.9%	0.3

DENTAL	FY 2014	FY 2015	Change	Q3 2016	Q3 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change
Net sales, MSEK	3,266	3,435	5.2%	804	750	7.2%	2,576	2,513	2.5%
EBITA, MSEK	543	614	13.0%	144	127	13.5%	472	450	5.0%
EBITA margin	16.6%	17.9%	1.3	17.9%	16.9%	1.0	18.3%	17.9%	0.4

DEMOLITION & TOOLS	FY 2014	FY 2015	Change	Q3 2016	Q3 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change
Net sales, MSEK	1,289	1,574	22.1%	431	379	13.8%	1,284	1,138	12.8%
EBITA, MSEK	288	396	37.5%	104	89	16.6%	297	273	8.8%
EBITA margin	22.3%	25.1%	2.8	24.1%	23.5%	0.6	23.1%	24.0%	-0.9

SYSTEMS SOLUTIONS	FY 2014	FY 2015	Change	Q3 2016	Q3 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change
Net sales, MSEK	2,247	2,892	28.7%	893	781	14.3%	2,692	2,129	26.4%
EBITA, MSEK	211	263	25.0%	88	85	3.0%	296	204	44.9%
EBITA margin	9.4%	9.1%	-0.3	9.8%	10.9%	-1.1	11.0%	9.6%	1.4

LIFCO GROUP BALANCE SHEET

Comments

- Interest bearing net debt increased 1,345 MSEK to 3,295 MSEK due to acquisitions of 1.5 BSEK
- 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 136% (123% Dec 31, 2015) – target >50%
- Net debt/EBITDA 2.3x (target 2-3x)

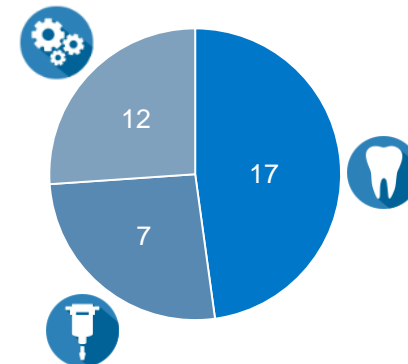
Balance sheet

	30 Sep 2016	30 Sep 2015	31 Dec 2015
Intangible fixed assets	6,756	5,050	5,010
Tangible fixed assets	459	423	417
Financial assets	105	60	87
Inventory	1,163	998	960
Accounts receivable	1,119	929	863
Other receivables	354	341	257
Cash and cash equivalents	410	645	464
Assets hold for divestment	26	-	-
Total assets	10,392	8,446	8,058
Shareholders' equity	4,516	3,795	3,964
Interest-bearing liabilities	3,721	2,914	2,444
Other liabilities and provisions	518	323	371
Accounts payable	528	438	370
Other short-term liabilities	1,109	976	909
Total equity and liabilities	10,392	8,446	8,058
Net debt	3,295	2,238	1,950
Net debt/EBITDA	2.3x	1.8x	1.5x
Capital employed excl. goodwill and other intang. assets	969	964	966
ROCE excl. goodwill and other intangible assets	136%	118%	123%
Capital employed incl. goodwill and other intang. assets	6,922	5,879	5,965
ROCE incl. goodwill and other intangible assets	19.1%	19.3%	19.9%

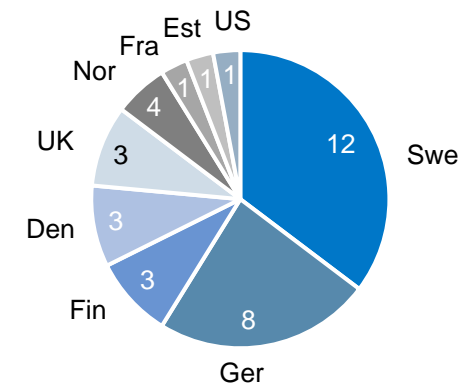
OVERVIEW OF ACQUISITIONS 2006-2014

Year	Company	Description	Type	Country	Sales at acquisition
2006	Darda	Producer of attachments for demolition robots	Demolition & Tools	Germany	MEUR 8
	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
	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
	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	-
	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
2011	EDP	Distributor of consumables and equipment	Dental	Germany	MEUR 119
	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
2014	MDH	Producer of dental prosthetics	Dental	Germany	MEUR 44

Segment split - # of acquisitions



Country split - # of acquisitions



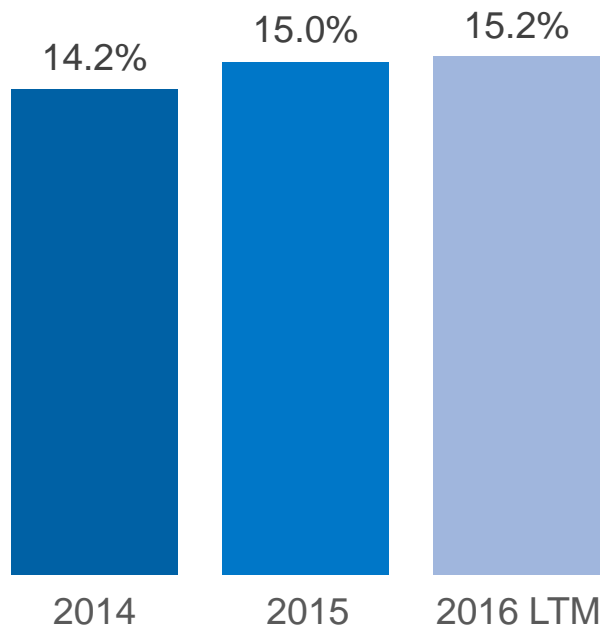
- Majority of acquisitions have been add-ons to existing companies – but most continue to be operated autonomously

OVERVIEW OF ACQUISITIONS 2015-

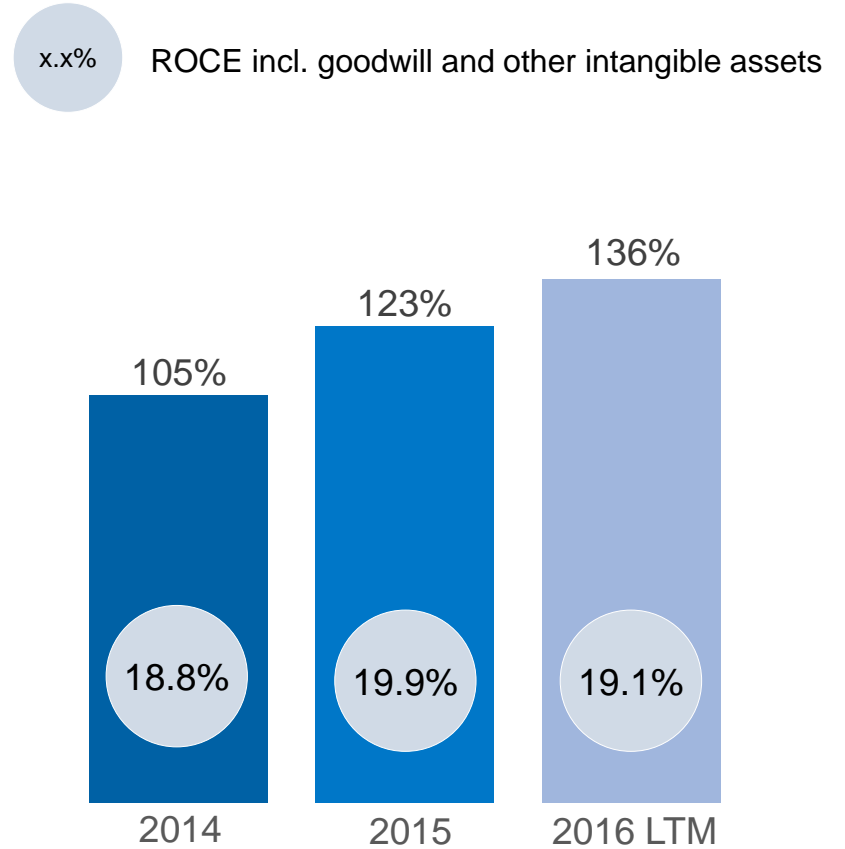
Year	Company	Description	Type	Country	Sales at acquisition
2015	Auger Torque	Producer of earth drills	Demolition & Tools	UK	MGBP 10
	Auto-Maskin	Diesel control units for marine use	Systems Solutions	Norway	MNOK 130
	Endodonti products	Dental products	Dental	Sweden	MSEK 10
	J.H. Orsing	Dental products	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	Cenika AS	Electrical equipment for low voltage	Systems Solutions	Norway	MNOK 160
	Dens Esthetix	Prosthetics	Dental	Germany	MEUR 1.4
	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
	Nordesign	Supplier of LED-lighting	Systems Solutions	Norway	MNOK 64
	Parkell	Manufactures and sells dental consumables	Dental	USA	MUSD 29

MAINTAINED FOCUS ON CAPITAL EMPLOYED

EBITA margin

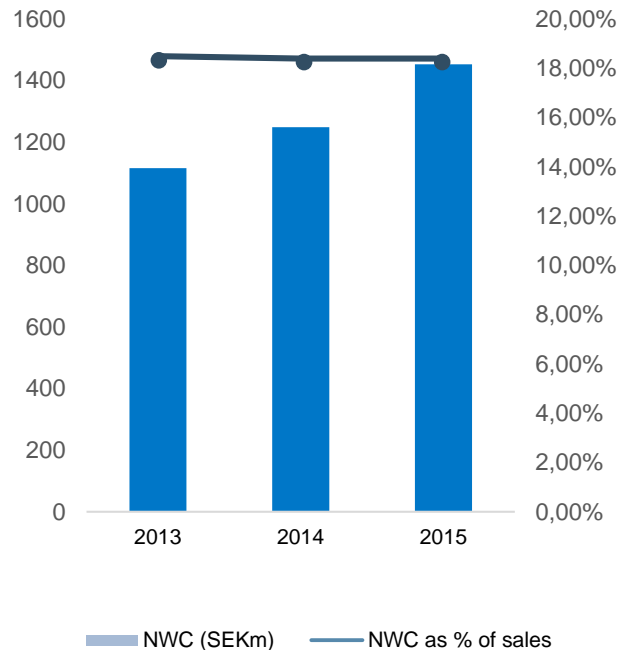


ROCE excl. goodwill and other intang. assets



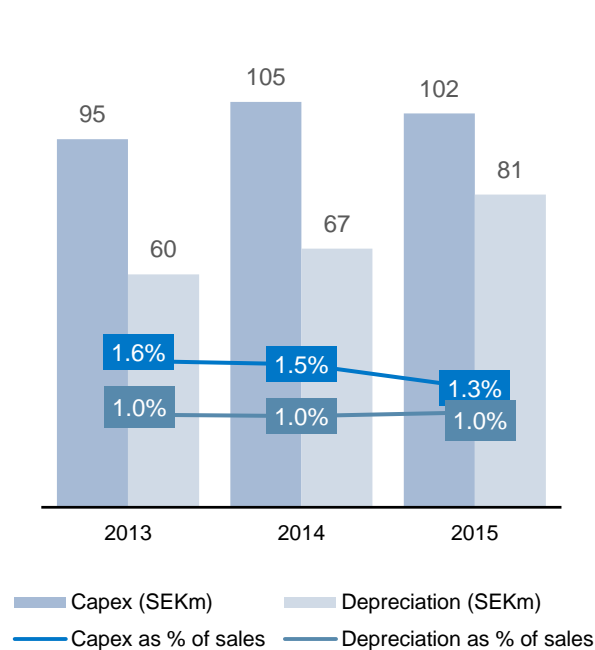
STRONG CASH FLOW GENERATION

Core net working capital¹



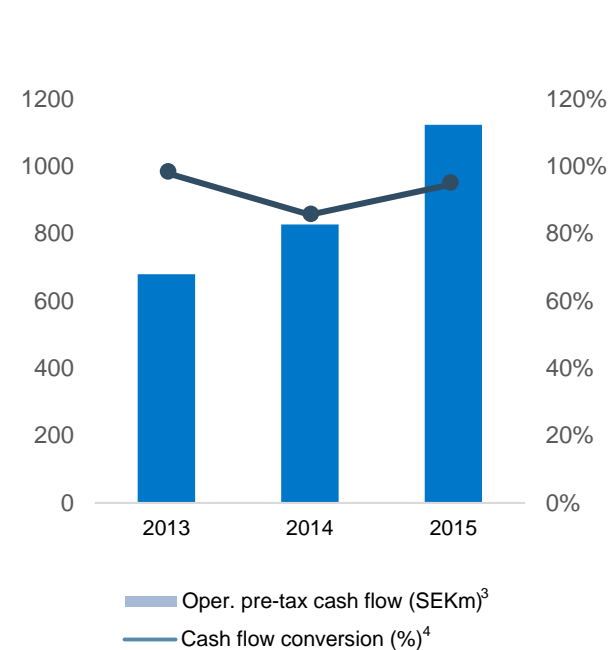
- Focus on working capital through mathematical depreciation of inventory and receivables

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

Operating pre-tax cash flow



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

1) Refers to investments in and depreciation of tangible fixed assets
 2) Operating pre-tax cash flow defined as EBITDA – change in NWC (according to cash flow statement) – investments in tangible fixed assets
 3) Cash flow conversion defined as operating pre-tax cash flow divided by EBITA

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!

DISCLAIMER

Important information

This material (the “Material”) has been prepared by Lifco AB (publ) (“Lifco”) in good faith and for information purposes only. Unless otherwise stated, Lifco is the source of all data contained in the Material. All data contained herein is provided as of the date of this Material and is subject to change without notice.

This Material does not constitute or form part of, and should not be construed as, an offer or invitation for the sale or subscription of, or a solicitation of any offer to buy, any securities of Lifco, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision relating thereto, nor does it constitute a recommendation regarding the securities of Lifco.

This Material has not been examined, approved or registered by any regulatory authority. This Material does not constitute a prospectus for purposes of the Prospectus Directive (2003/71/EC), as amended, in whole or in part.

The transmission or distribution of this Material in certain jurisdictions may be restricted by law and persons into whose possession this Material comes should inform themselves of and observe any such restrictions.

This Material contains certain forward-looking statements and opinions. Forward-looking statements are based on current estimates and assumptions made according to the best of Lifco’s knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including Lifco’s cash flow, financial position and earnings, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favorable than the results expressly or implicitly assumed or described in those statements. In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in this Material may not occur.

This Material includes industry and market data pertaining to Lifco’s business and markets. If not otherwise stated, such information is based on Lifco’s analysis of multiple sources. Lifco cannot give any assurances as to the accuracy of industry and market data contained in this Material that was extracted or derived from industry publications or reports. Business and market data are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions.

The information in this Material has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy or completeness of the information or opinions contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein. None of Lifco, or any of its shareholders, or any of their respective subsidiary undertakings or affiliates or any of such person’s directors, officers or employees, advisers or other representatives, accept any liability whatsoever (whether in negligence or otherwise) arising, directly or indirectly, from the use of this Material or otherwise arising in connection therewith. By receiving this Material and/or attending a presentation concerning the contents hereof you acknowledge that you will be solely responsible for your own assessment of Lifco and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of Lifco.

LIFCO