

2017 – A MILESTONE YEAR FOR NILFISK

A significant milestone was achieved for Nilfisk and its shareholders when the company was listed on Nasdaq Copenhagen in October 2017! It was a landmark event that represented the culmination of a long strategic journey under the ownership of NKT. In 2016, the Board of Directors announced the intention to split the holding company into two independently listed companies – Nilfisk and NKT - creating two viable businesses, each with a clearly defined investment case, and each among the leaders in their respective industries.

On October 12, 2017 Nilfisk was officially listed, marking the beginning of a new chapter and an opportunity to unlock the full value potential of Nilfisk.

Solid growth and satisfactory earnings

Throughout 2017 Nilfisk continued the simplification and growth of the company. Key margin expansion initiatives were rolled out and Nilfisk's growth initiatives also began to bear fruit with a solid 3.7% organic growth for the full year and a full-year EBITDA margin before special items of 11,4 % measured on operating performance. A significant share price increase in December negatively impacted the cost of a phantom share program. Including the impact from this program, the EBITDA margin before special items was 11.1%.

Building the future of cleaning

Looking ahead, the professional cleaning industry is undoubtedly changing, as new technologies pave the way for smarter solutions. Nilfisk is determined to take a leading position in these industry changes, and during 2017 Nilfisk took significant steps towards fulfilling this ambition. The first units of the autonomous machine, the Nilfisk Liberty A50, were shipped to customers, and Nilfisk announced two strategic partnerships within the field of robotics.

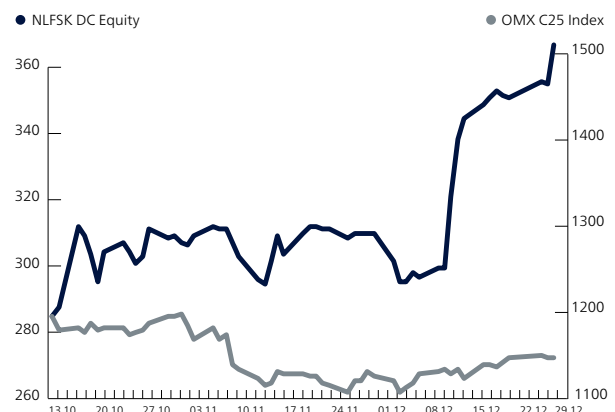
Outlook for 2018

- Organic growth is expected in the range of 3.0-4.0%
- EBITDA margin before special items is expected in the range of 11.5%-12.0%

2017 in numbers

- Organic growth of 3.7%
- Growth driven by EMEA (5.9% organic growth) and Americas (5.7% organic growth)
- The cost saving program progressed as planned and levers of 21 mEUR in accumulated benefits for 2016 and 2017 have been executed. Nilfisk remains on track to reap the full cost saving potential of 35 mEUR.
- 11.4% in operating performance. Total EBITDA margin before special items was 11.1%
- Excluding the impact from the phantom share program, the EBIT margin before special items was 7.8%. Total EBIT margin before special items was 7.5%
- RoCE improved to 16.0%, up 1.4 percentage points from 2016

2017 Nilfisk Share Price Development



5-year consolidated financial highlights

EUR million	2017	2016	2015	2014	2013
Income statement					
Revenue	1,081.9	1,058.5	980.0	917.6	880.7
EBITDA before special items	120.1	116.8	98.0	107.3	104.4
EBIT before special items	81.5	75.8	63.8	77.4	75.8
EBITDA	99.5	96.8	98.0	120.2	104.4
EBIT	60.9	54.0	63.8	90.3	75.8
Special items	-20.6	-21.8	0.0	12.9	0.0
Financial items, net	-8.9	-11.0	-7.9	-10.3	-14.8
Profit for the year	40.3	29.5	41.8	58.1	45.2
Cash flow					
Cash flow from operating activities	41.4	114.7	59.8	75.7	67.1
Cash flow from investing activities	-35.3	-72.6	-67.5	-19.0	-31.3
- hereof investments in property, plant and equipment	-15.3	-20.6	-21.7	-13.7	-11.1
Free cash flow excluding acquisitions and divestments	6.1	74.2	19.8	45.7	39.5
Balance sheet					
Total assets	827.2	983.1	935.5	862.3	802.2
Group equity	137.5	224.8	200.7	334.8	286.6
Working capital	163.5	141.7	173.3	159.7	146.6
Net interest-bearing debt	359.7	265.8	300.9	105.9	125.1
Capital employed	497.2	490.6	501.6	440.7	411.7
Financial ratios and employees					
Organic growth	3.7%	3.1%	0.4%	5.6%	3.0%
Gross margin	42.2%	41.9%	40.8%	41.0%	40.9%
EBITDA margin before special items	11.1%	11.0%	10.0%	11.7%	11.9%
EBIT margin before special items	7.5%	7.2%	6.5%	8.4%	8.6%
EBITDA margin	9.2%	9.1%	10.0%	13.1%	11.9%
EBIT margin	5.6%	5.1%	6.5%	9.8%	8.6%
Financial gearing	3.0	2.3	3.1	1.0	1.2
Overhead costs ratio	34.1%	33.9%	33.7%	32.1%	31.8%
Working capital ratio	16.2%	17.6%	20.0%	19.2%	19.3%
Return on capital employed (RoCE)	16.0%	14.6%	12.9%	17.6%	17.5%
Number of full-time employees, year-end	5,769	5,607	5,545	5,420	5,321