

Annual General Meeting March 26, 2019



2018 highlights

Transformation and strategy execution

Divestments:
Five business units divested during 2018

Consolidation of production footprint:
From 18 to 11 production units

Significant progress on autonomous offerings

Strong EMEA performance
Unsatisfactory development in the US



Simplifying the product portfolio

Above 40% of product platforms will be terminated

Significantly reducing complexity

109 product platforms closed in 2018



Simplifying the business

Significant divestments during 2018

Nilfisk Outdoor

Manufacturing and sale of outdoor utility machines

HydraMaster

US carpet restoration business

Nordic Chemicals & Utensils

Rottest

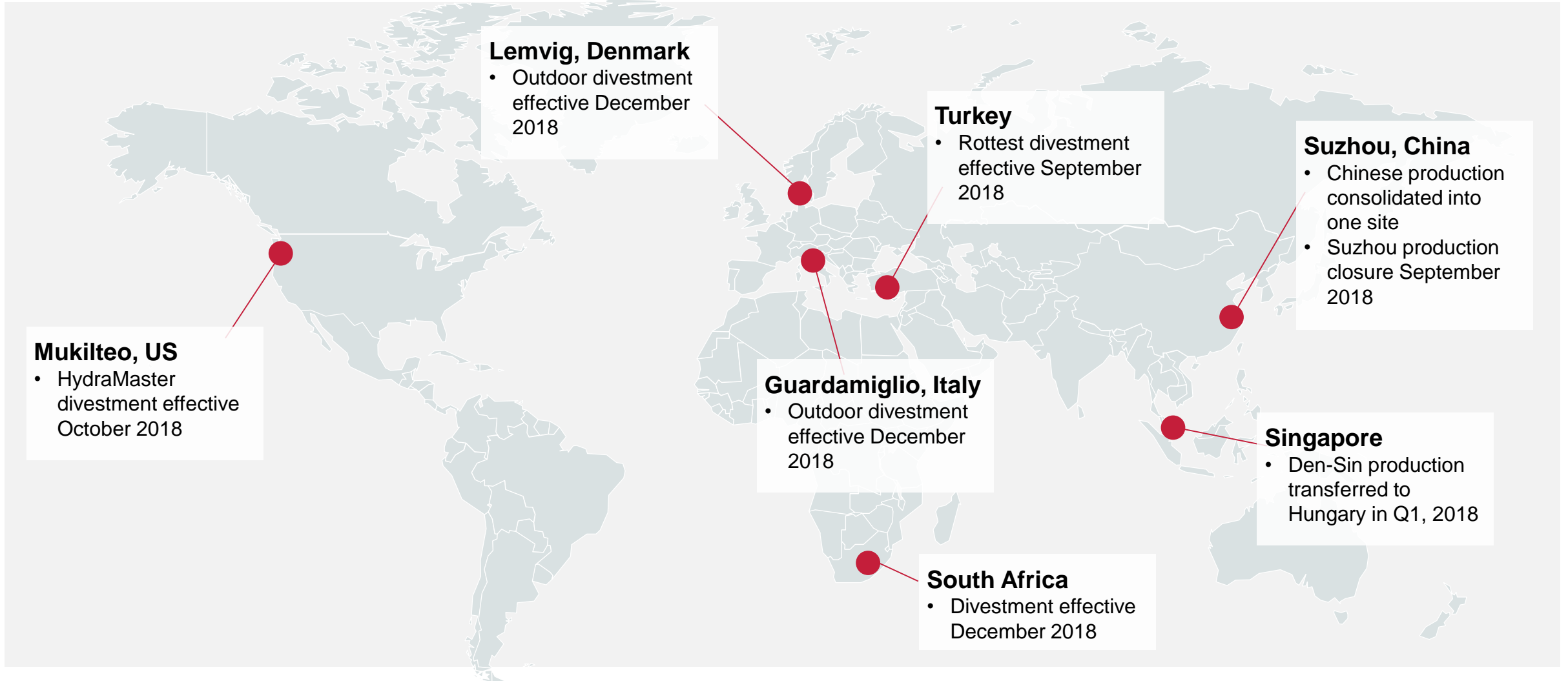
Local manufacturer of high pressure cleaners Turkey

Nilfisk South Africa

Mainly sales of utensils and chemicals

Simplifying the production footprint

Exit of seven production sites during 2018



2018 Annual results

Overall performance

2.0%
organic growth

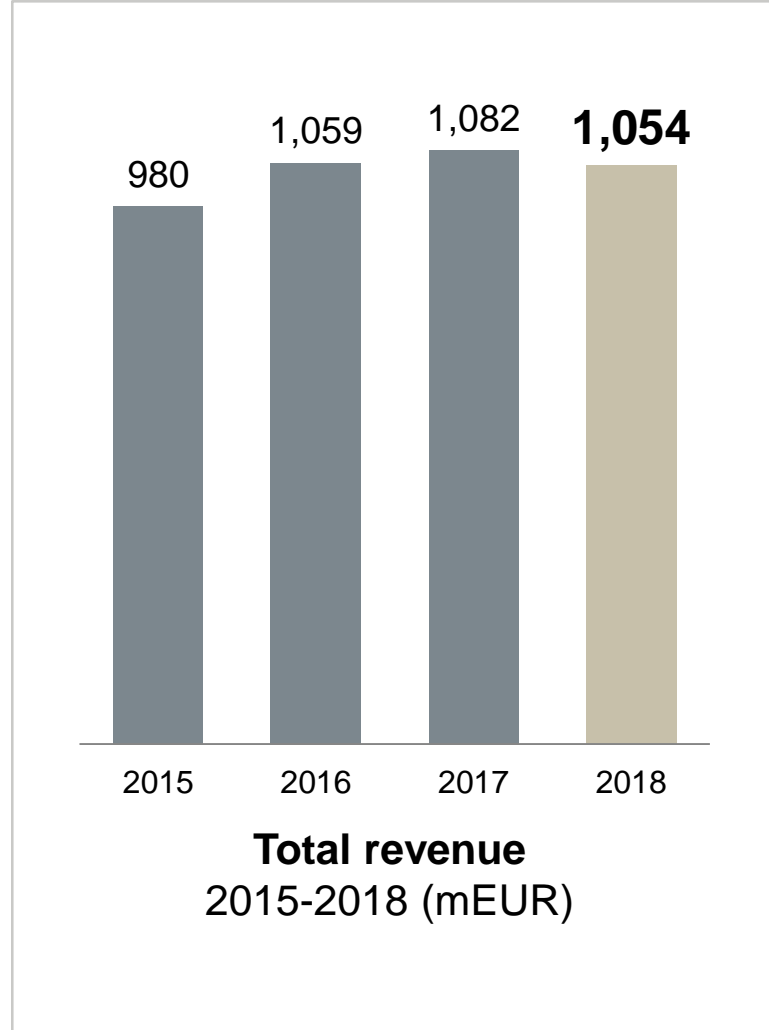
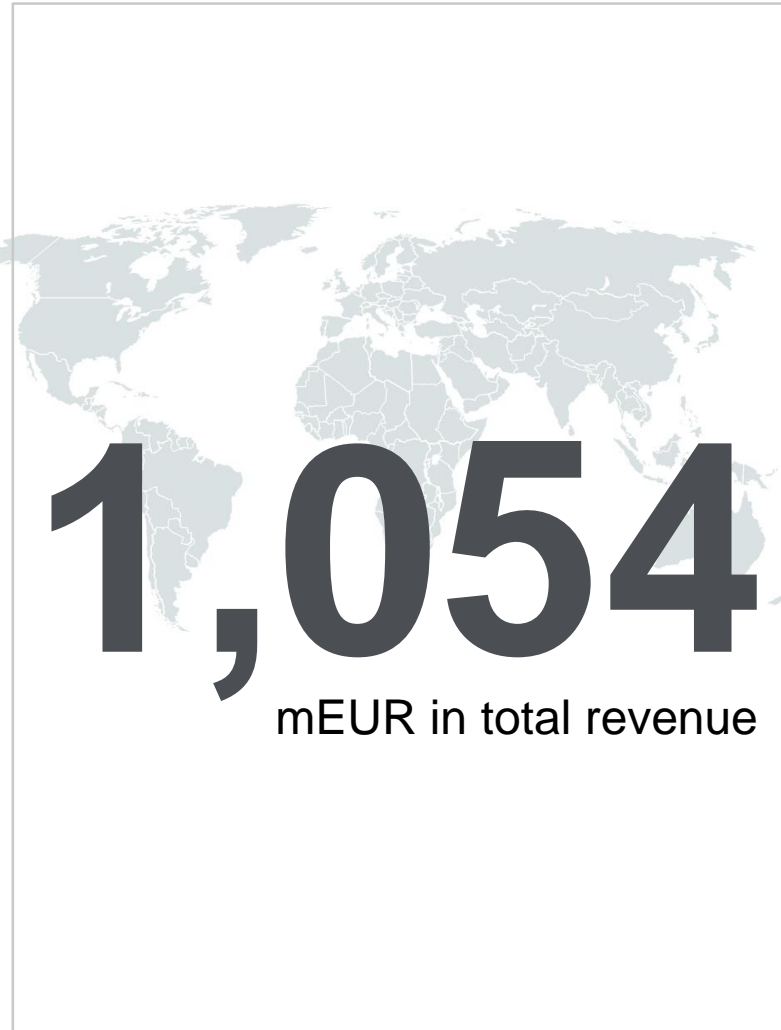
42.0%
gross margin

11.5%
operating
performance

16.7%
Return on Capital
Employed

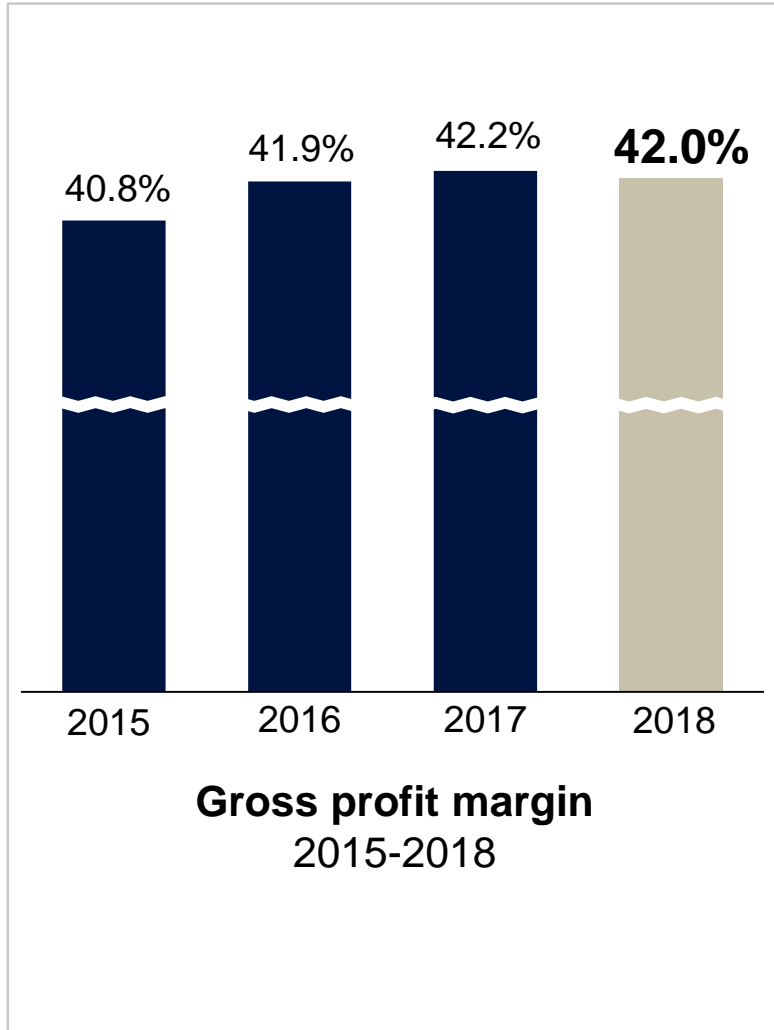
2018 Annual results

Revenue and organic growth



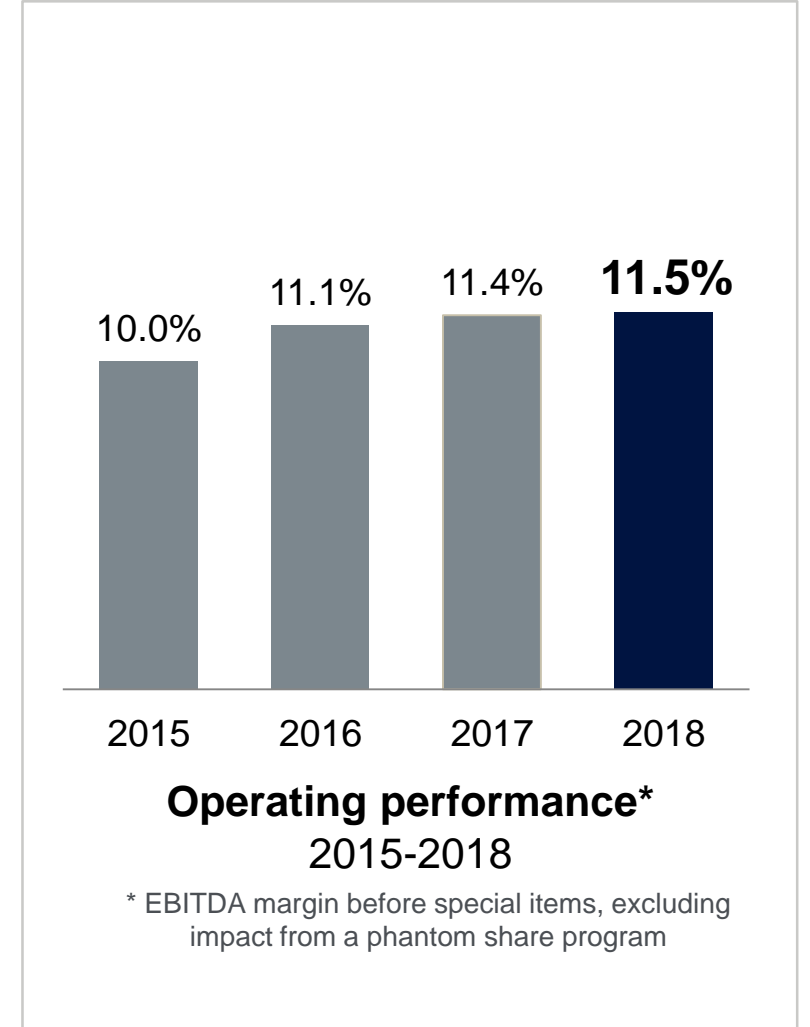
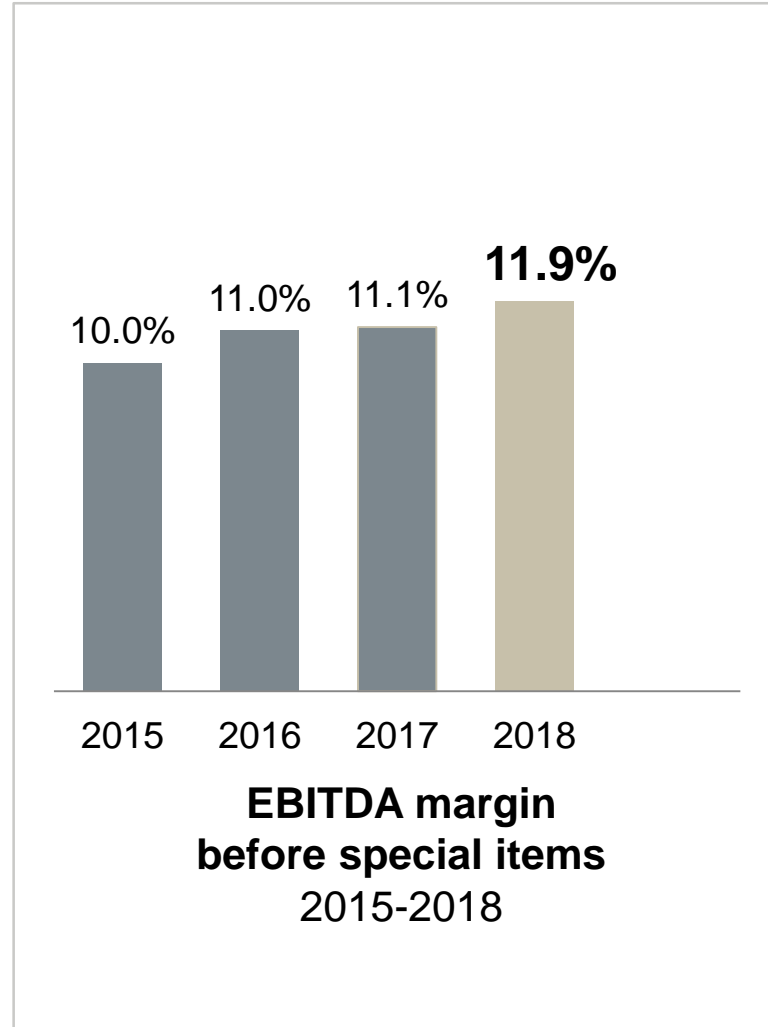
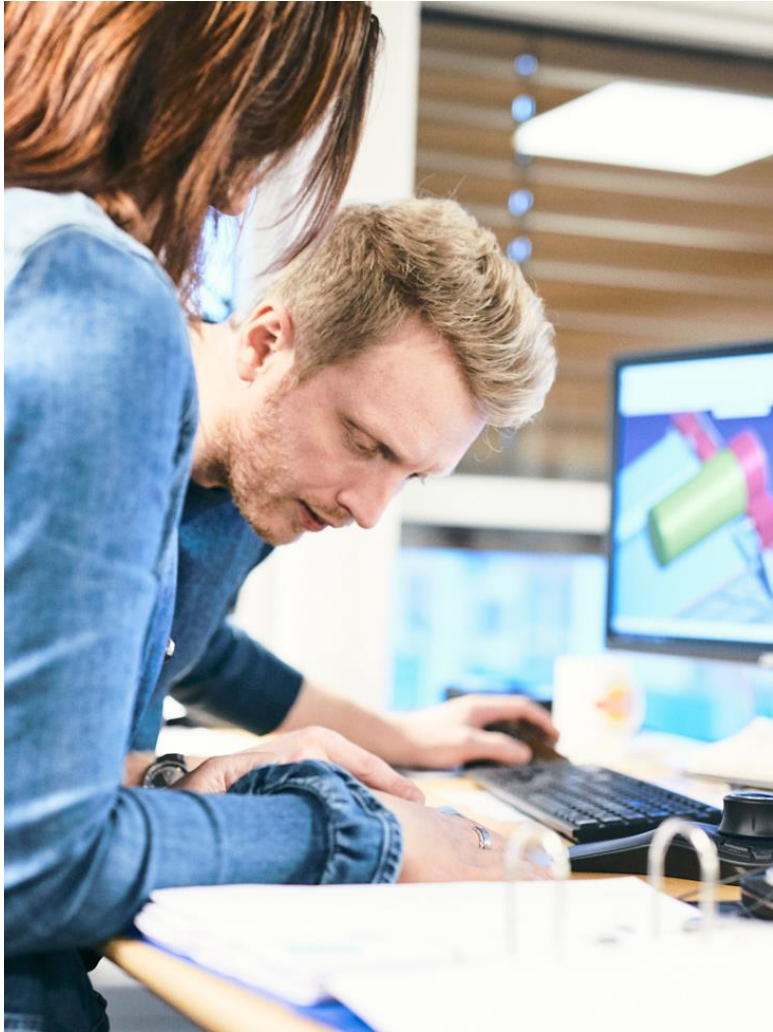
2018 Annual results

Gross profit margin slightly decreasing



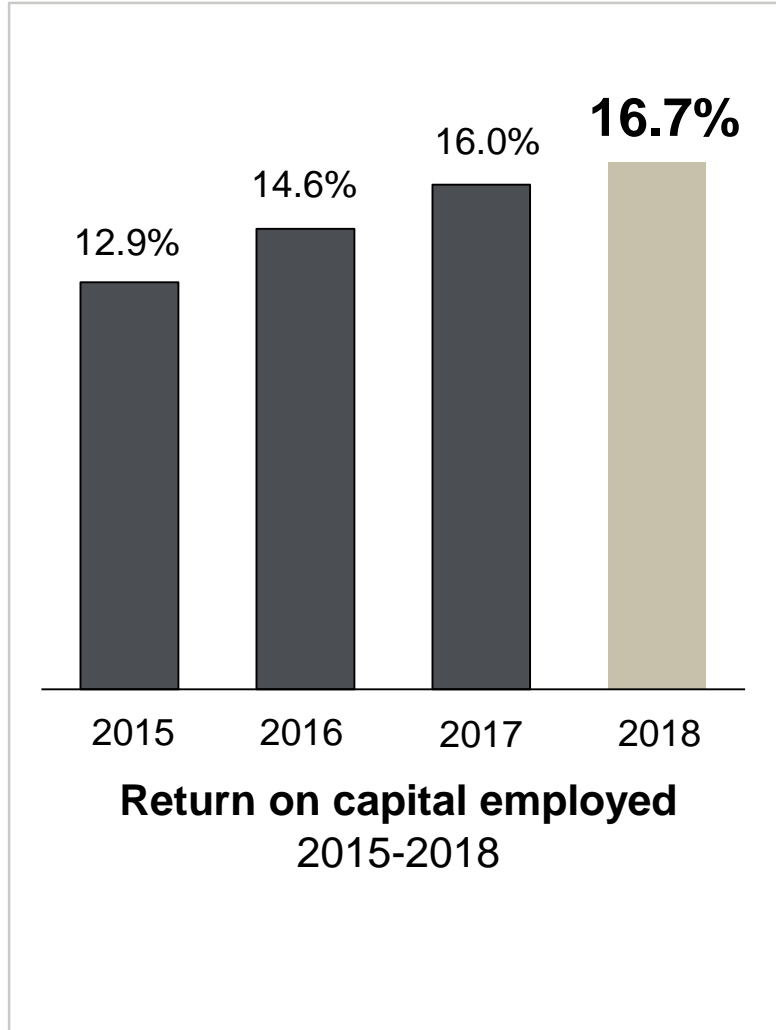
2018 Annual results

Improved operating performance



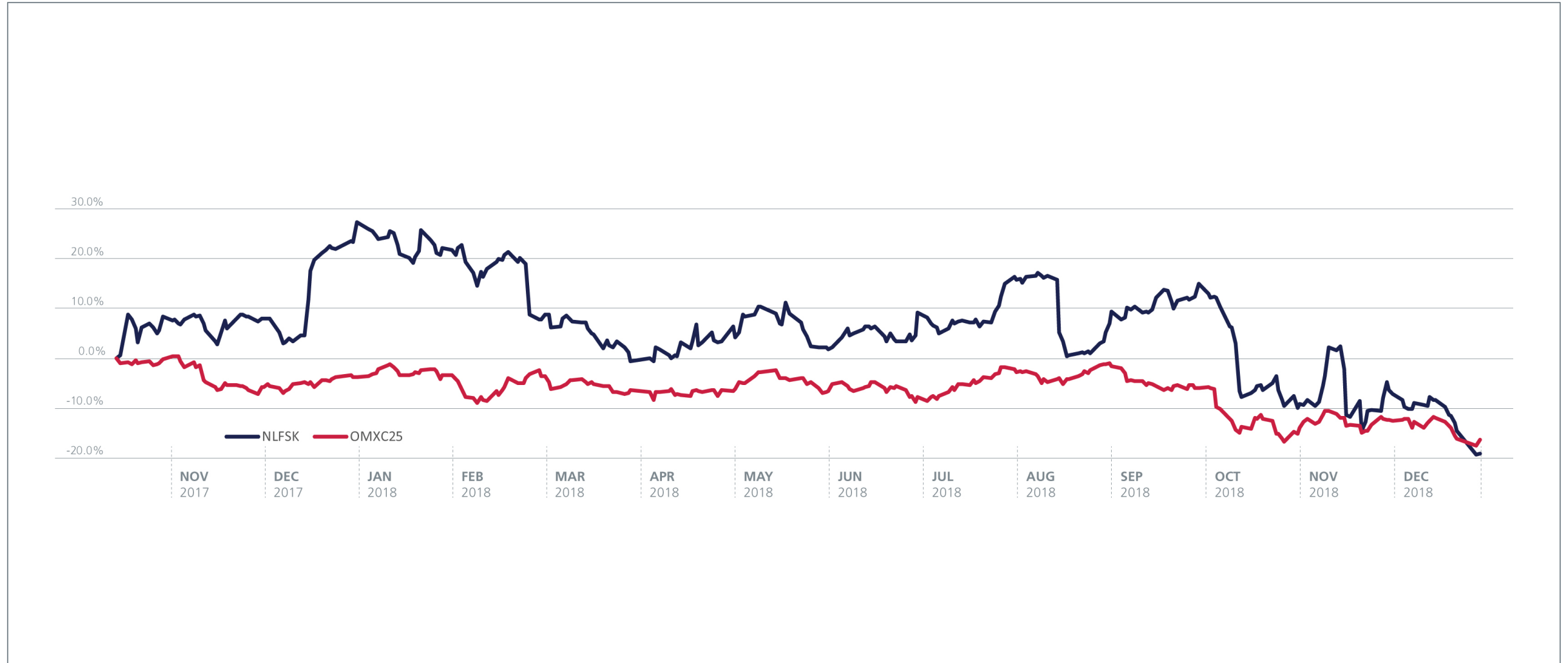
2018 Annual results

Return on capital employed improved



Nilfisk share price development

October 2017 – December 2018



2018 Annual results

Result and dividend

10.0 mEUR
Results for the year

2.9
Financial gearing
Net interest-bearing debt EBITDA

0%
Dividends

Changing market dynamics



Nilfisk Next – dual transformation



Nilfisk Next has four drivers, each with a set of clearly defined actions to successfully execute on the transformation

SIMPLIFY



Reduce operational complexity and harmonize ways of working

DIGITIZE



Simplify through technology and create tomorrow's growth engines

GROW

Improve commercial capabilities and develop new business



LEAD

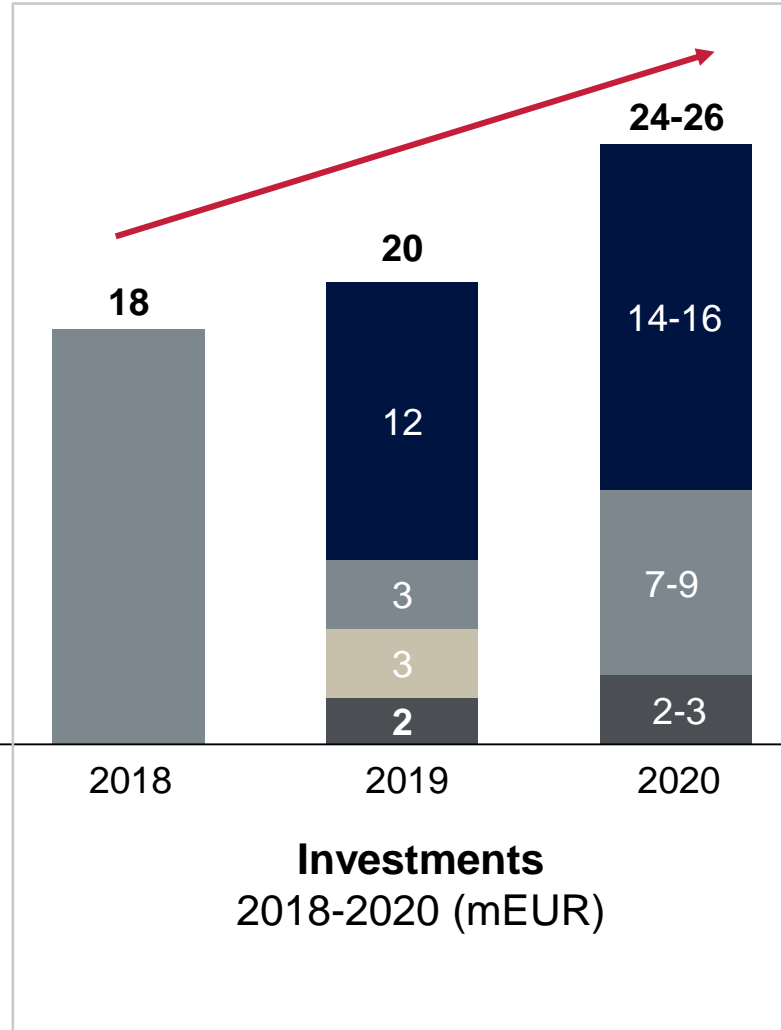
Organize and guide to enable our transformation



Leading intelligent cleaning



Increasing investments to build the future

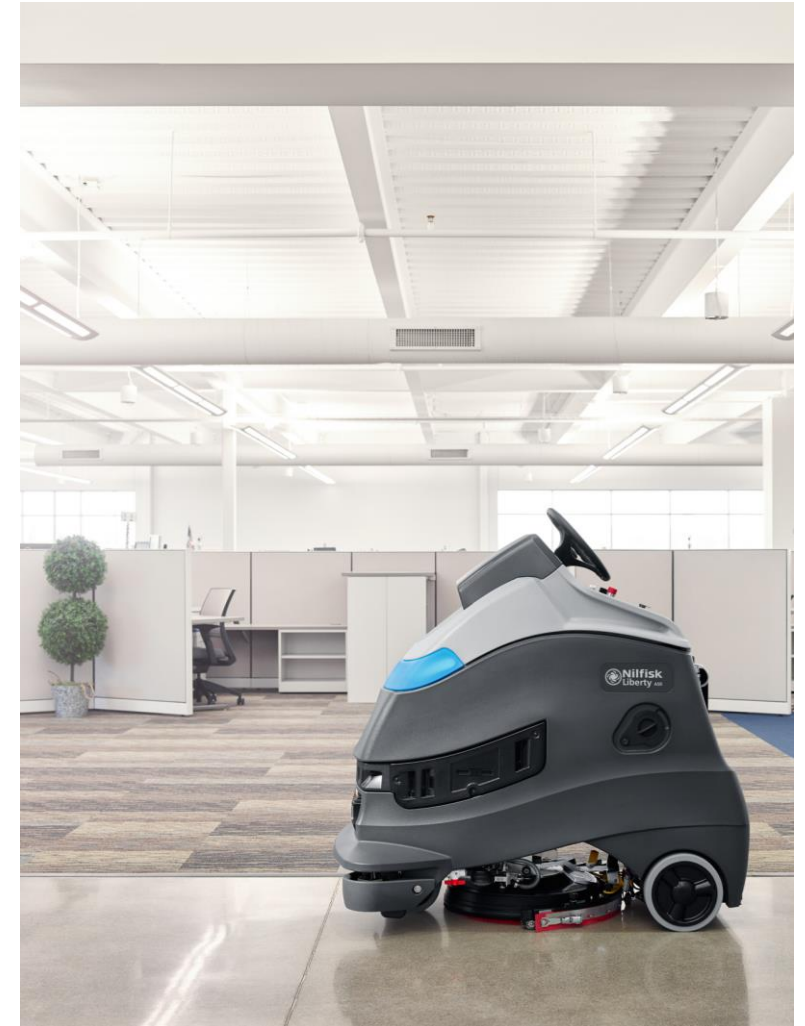


2019 investments:

- Digitalization and autonomous (12 mEUR)
- IT investments (3 mEUR)
- Marketing investments (3 mEUR)
- Other transformational cost (2 mEUR)

Indicative 2020 investments:

- Digitalization and autonomous (14-16 mEUR)
- IT investments (7-9 mEUR)
- Other transformational cost (2-3 mEUR)



Outlook 2019

Organic growth

Above **3.0%**

Organic growth in the Nilfisk branded professional business

Approximately **-10.0%**

Organic growth private label

Approximately **0%**

Organic growth in consumer business

Approximately **2.0%**

Organic growth in the total business

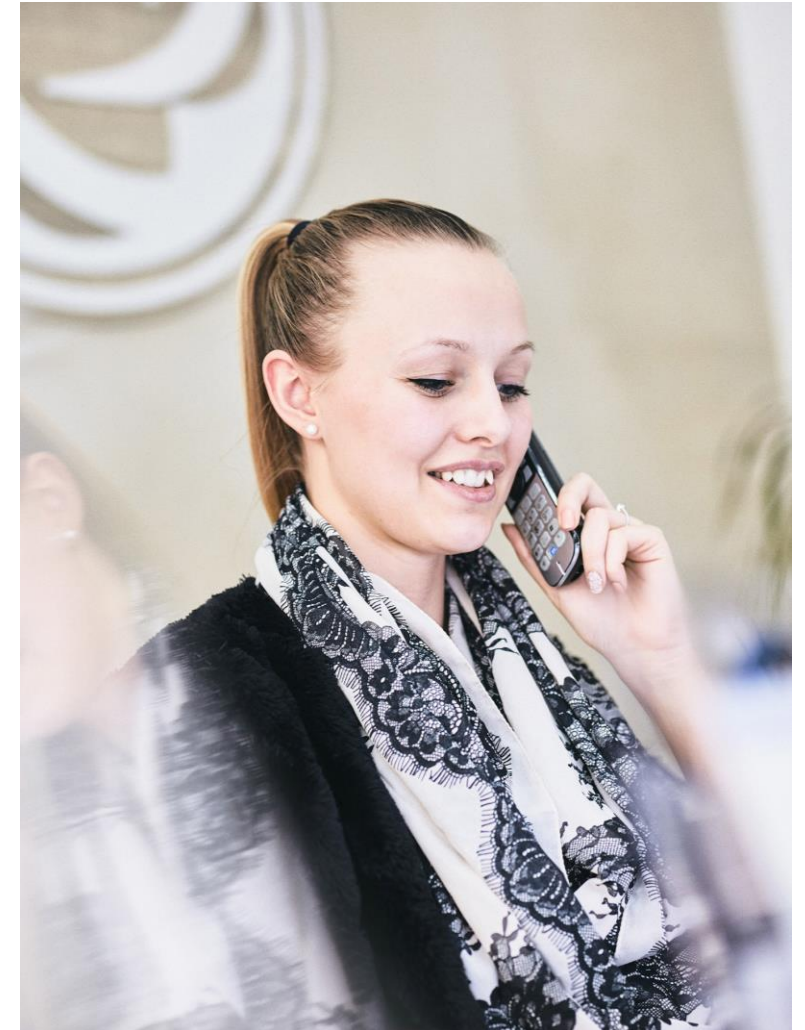
EBITDA margin

Above **14.4%**

EBITDA margin before special items (IFRS 16 impact of 2.4 percentage points expected)

Main assumptions

- World economic outlook with continuous growth, however, increased uncertainty
- No major negative impact from transformation initiatives



Meetings in the Board of Directors 2018 and Board self-assessment

Board of Directors 8 meetings	Audit Committee 6 meetings	Nomination Committee 5 meetings	Remuneration Committee 5 meetings
	<ul style="list-style-type: none">• Jutta af Rosenborg (Chair)• Jens Maaløe	<ul style="list-style-type: none">• Lars Sandahl Sørensen (Chair)• Jens Due Olsen	<ul style="list-style-type: none">• Jutta af Rosenborg (Chair)• Jens Maaløe
<ul style="list-style-type: none">• 8 meetings	<ul style="list-style-type: none">• 6 meetings	<ul style="list-style-type: none">• 5 meetings	<ul style="list-style-type: none">• 5 meetings

Board self-assessment



Thank you

