

Presentation of Quarterly Report Q1 2018
by CEO Jens Andersen and CFO Michael Jeppesen



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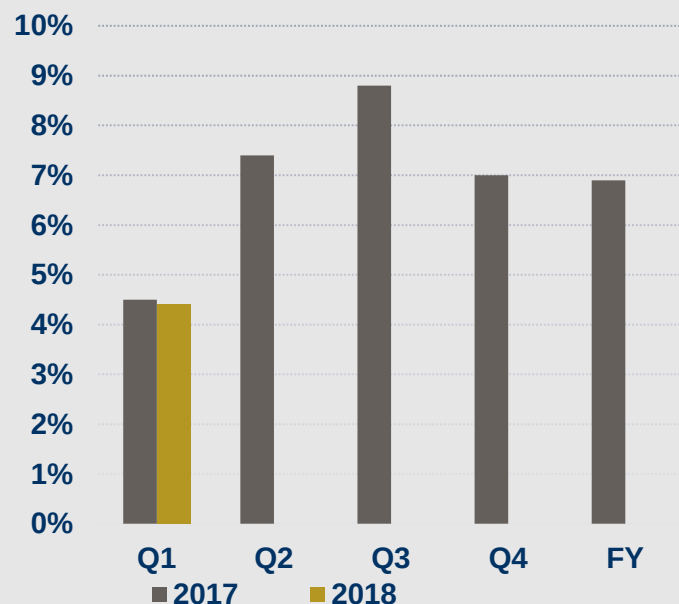
Business update

We see business development within our strategic focus areas:

- **Strategic suppliers:**
We pursue growth opportunities in concept sales – our current focus is on Solar Project and Solar Netto Light.
- **Industry focus:**
Our intensified focus on the industry segment is paying off – new customers and renewal of agreements.
- **Operational excellence:**
We improve cost containment and work to become more efficient, create synergies and be as close to our customers as possible.
- Divestment of the Austrian business activities completed. We still expect to announce the closing of the divestment of our Belgian business activities during Q2.

Organic growth of 4.4% adjusted for number of working days

Organic growth, adjusted for number of working days



	Q1 2018	Q1 2017
Revenue, DKK million	2,828	2,838
Revenue growth, %	-0.4	13.5
Adj. organic growth, %	4.4	4.5

Positive growth in Denmark and the Netherlands

Update on the installation segment:

- Last quarter's slowdown in Scandinavia continued in Q1 when we saw slightly negative growth, particularly in Norway where project deliveries are being postponed. We expect this to be a phasing issue.
- However, the strong growth in the Netherlands and Poland was sufficient to offset the negative growth in Scandinavia.

Update on the industry segment:

- We saw continued industrial growth in our markets, resulting in organic growth - especially in Denmark and the Netherlands with double-digit growth.
- Sweden and Norway saw negative growth. In Norway, the North Sea offshore industry and related industries continue to improve but not sufficiently to offset the decline within Utility.

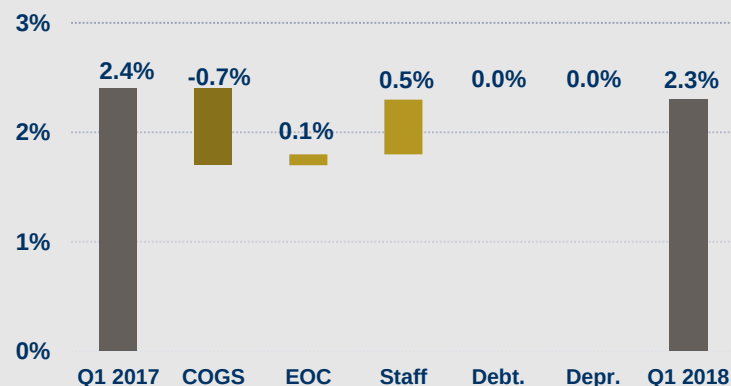
Update on the others segment:

- Scandinavian Technology Institute (STI) and Solar Polaris delivered approx. 7% of the segment revenue.

DKK million	Q1 2018 Revenue	Q1 2018 Adj. org. growth
Installation	1,723	Approx. 0%
Industry	856	Approx. 11%
Other	249	
Total	2,828	4.4%
Denmark	834	3.7%
Sweden	619	-0.4%
Norway	451	-3.9%
The Netherlands	724	11.8%
Other markets	222	23.1%
Eliminations	-22	
Group	2,828	4.4%

EBITA amounted to DKK 66m and was on par with expectations

EBITA margin



- Negative impact on gross profit margin due to change in geographical mix, extraordinary write-down on inventories and margin dilution in MAG45.
- Half of the decline in costs can be ascribed to FX effect.

	Q1 2018	Q1 2017
Revenue, DKK million	2,828	2,838
Revenue growth, %	-0.4	13.5
Adj. organic growth, %	4.4	4.5
Gross profit, DKK million	586	608
Gross profit margin	20.7	21.4
EBITA, DKK million	66	67
EBITA margin	2.3	2.4

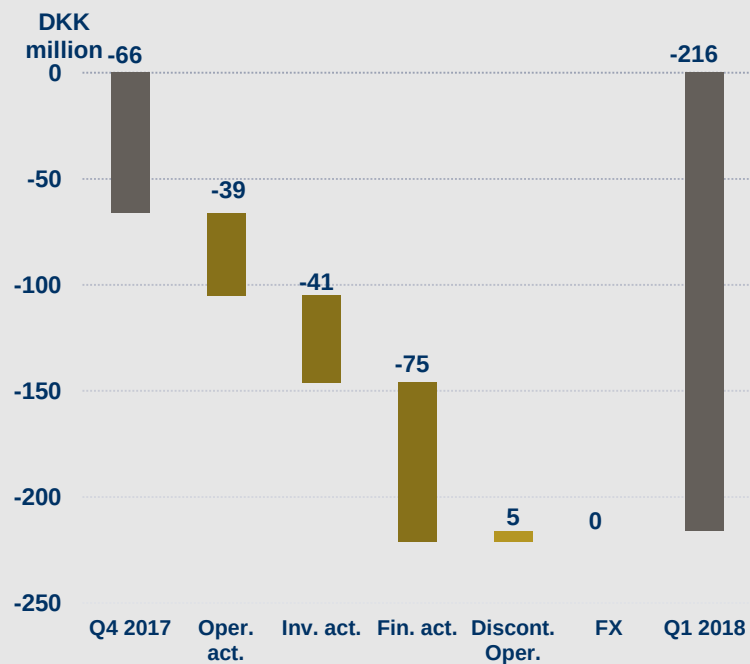
Revenue and results were negatively affected by the early timing of Easter compared to Q1 2017

DKK million	Revenue		EBITA		Invested capital	
Q1	2018	2017	2018	2017	2018	2017
Core business	2,677	2,725	74	74	1,762	1,729
Related business	151	113	-8	-7	133	170
Digital, construction & services	-	-	-	-	292	300
Eliminations	-	-	-	-	-292	-300
Total	2,828	2,838	66	67	1,895	1,899

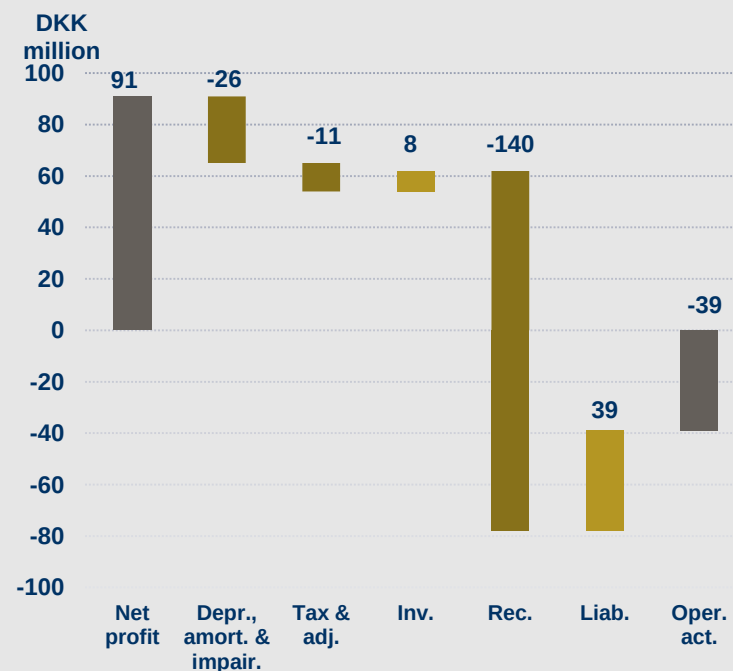
	Adj. organic growth		EBITA margin		ROIC	
Q1	2018	2017	2018	2017	2018	2017
Core business	3.5%	4.5%	2.8%	2.7%	11.2%	12.9%
Related business	28.0%	-	-5.3%	-6.2%	N/A	N/A
Total	4.4%	4.5%	2.3%	2.4%	3.9%	10.1%

Usual seasonal fluctuations impacted **net working capital**

Cash flow

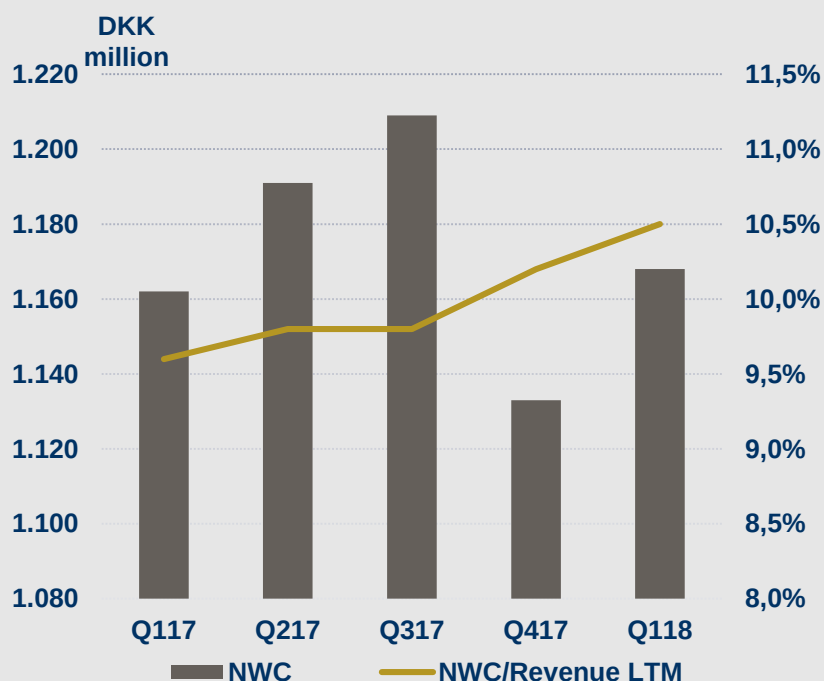


Cash flow, operating activities

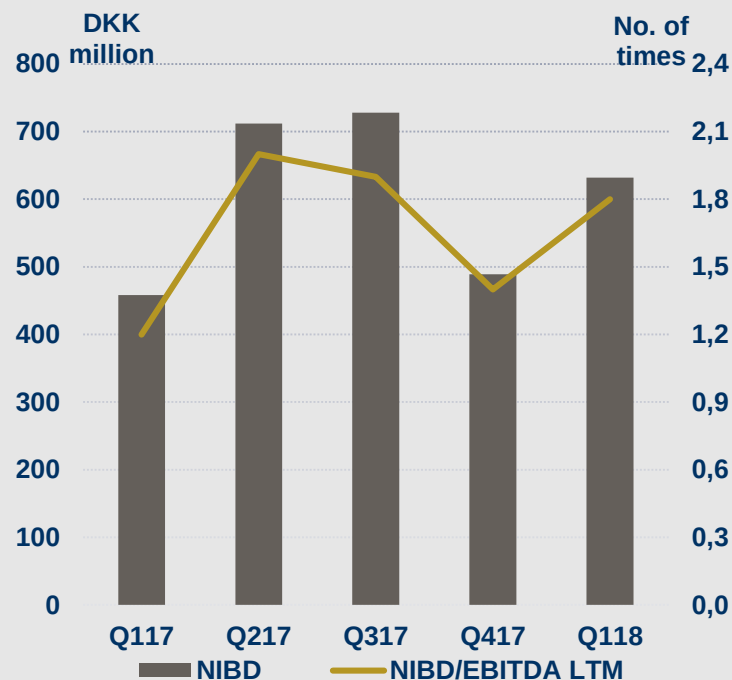


Net working capital percentage increased compared to Q1 2017 - gearing at 1.8 primarily impacted by investment in digital improvements

Net working capital average (NWC)



Net interest-bearing debt (NIBD)



Guidance reconfirmed: Revenue approx. DKK 11.4bn and EBITA of approx. DKK 345m

Planned EBITA improvements of DKK 60m

- For 2018, we expect revenue of approx. DKK 11.4bn corresponding to organic growth of approx. 4%. Within core business we expect growth of approx. 3%, which is on par or above the expected market growth. Related business is expected to show growth of approx. 25%.
- For 2018, we expect an EBITA of approx. DKK 345m, of which DKK 365m is expected from core business and DKK -20m from related business.
- The divestment of the Austrian and Belgian loss-making businesses adds DKK 31m in EBITA to our core business. The Austrian and Belgian businesses carried approx. DKK 10m in overhead costs, which will now be placed in the continuing operations within core business.

DKK million	Core	Related	Group
2017 publ. 12.01.2018	309	-45	264
Divestments AT & BE	31	-	31
2017, continuing op.	340	-45	295
Overhead costs	-10	-	-10
Planned improvements	35	25	60
2018 guidance	365	-20	345

Q & A

Solar is a leading sourcing and services company

Our core business centres on product sourcing, value-adding services and optimisation of our customers' businesses