

HULTAFORS GROUP

One company – strong brands



3 BUSINESS UNITS



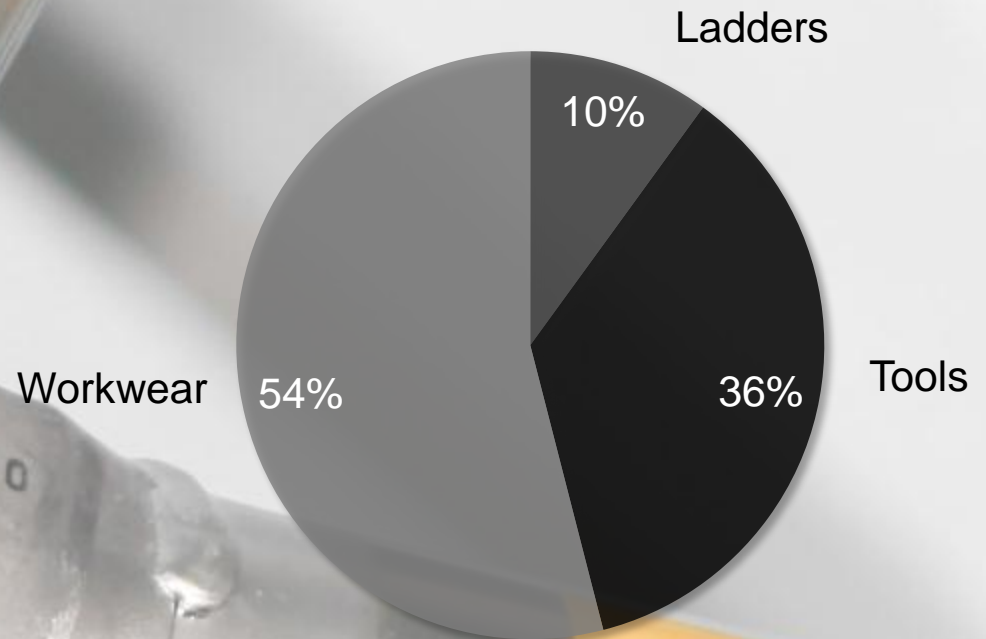
Premium work wear
European brand leader



Safety in every step
Nordic brand leader



Tools to rely on
Nordic brand 2nd



Hultafors Group collects leading brands to create unique benefits for our end-users, customers and for our business

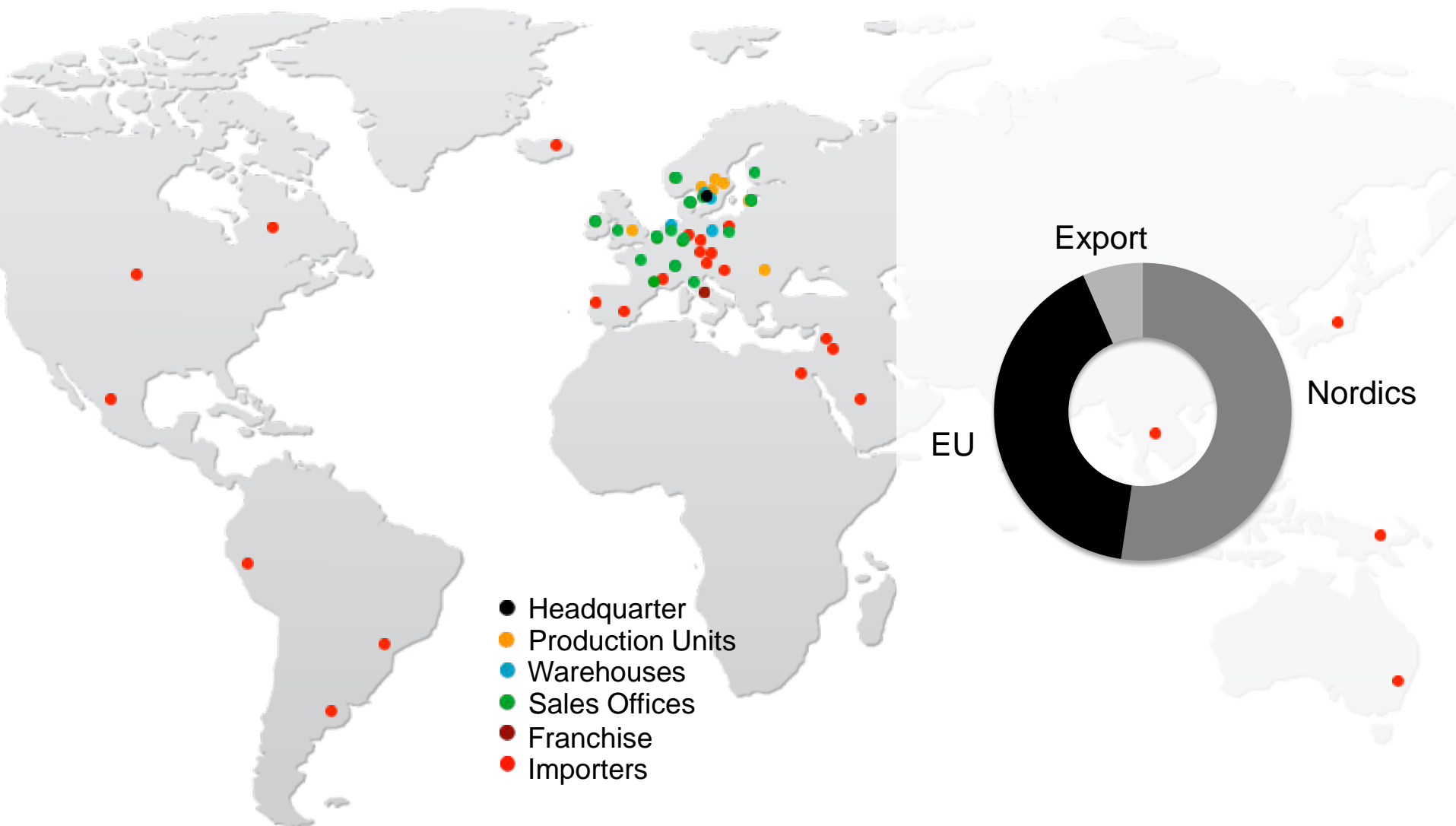
Hultafors Group collects leading brands...

- Number 1 or 2 brand in main markets
 - Strong brand equity with end-users
 - “Place on the shelf” at the retailer
 - Platform for growth and innovation
- Hand-picked product portfolio
 - Brand-driven product categories
 - Unique end-user value proposition
 - Attractive position in value chain
- Overlapping operating models
 - Sales channels
 - Distribution channels
 - End-user segments

...and creates unique benefits

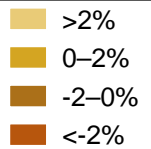
- For our end-users
 - Superior understanding of needs
 - Innovative products with superior functionality, safety & productivity
 - Delivered with a sustainable mindset
- For our customers
 - One supplier of leading brands
 - Leader in profit per square meter
 - High availability and short lead times
- For our business
 - Bargaining power
 - Scale for advanced support functions
 - Cost synergies
 - Platform for acquisitions

Presence

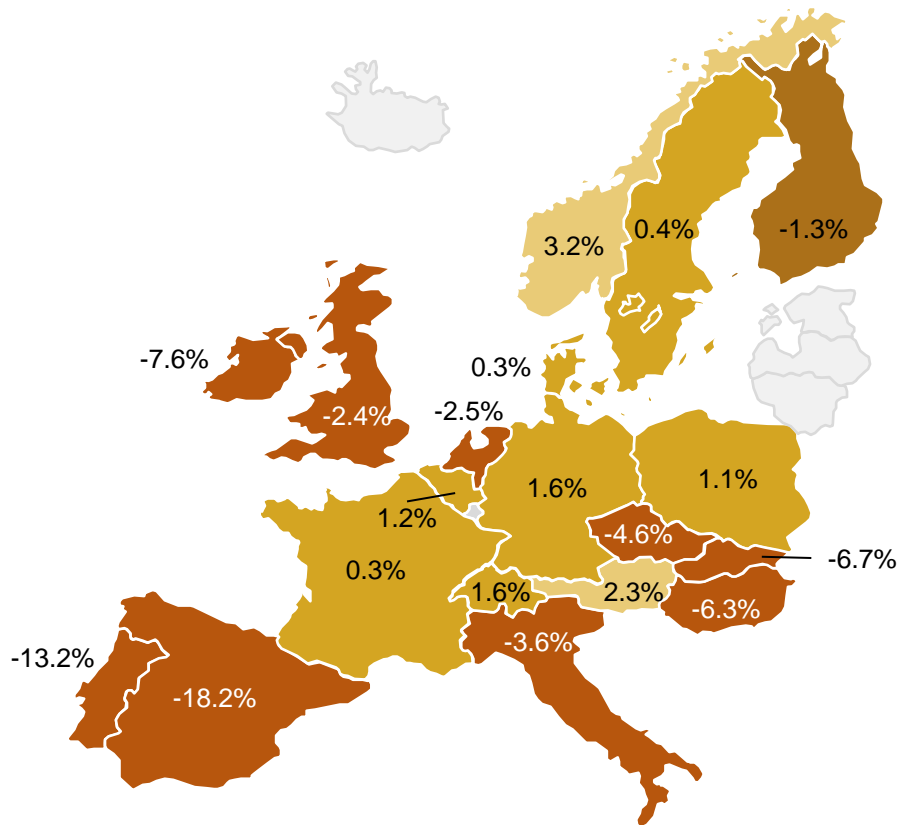


The European construction market has been heavily hit by the financial crisis but is slowly improving

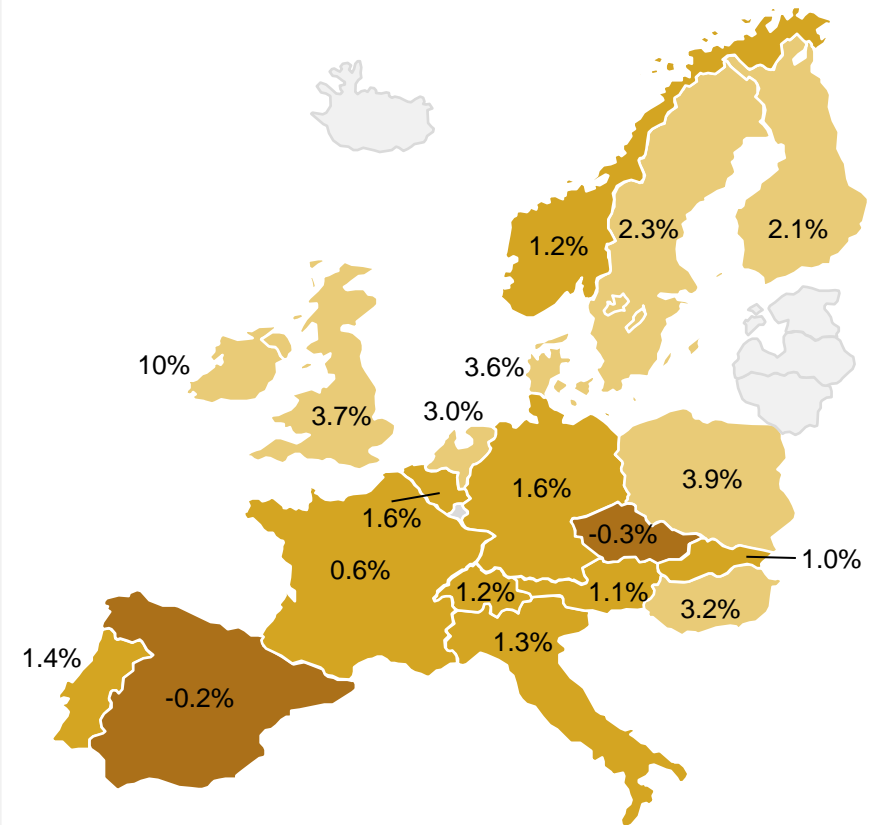
European building construction market growth (Euroconstruct)
CAGR, percent



Development 2010-2013



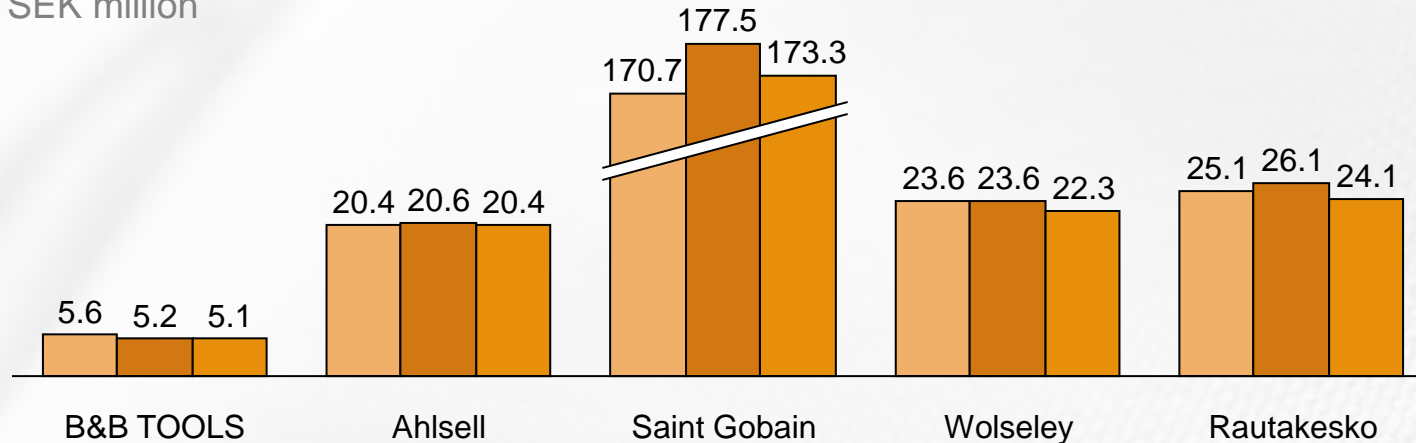
Forecast 2013-2016



Backup: Hultafors Group's key customers have been affected by the stagnating market

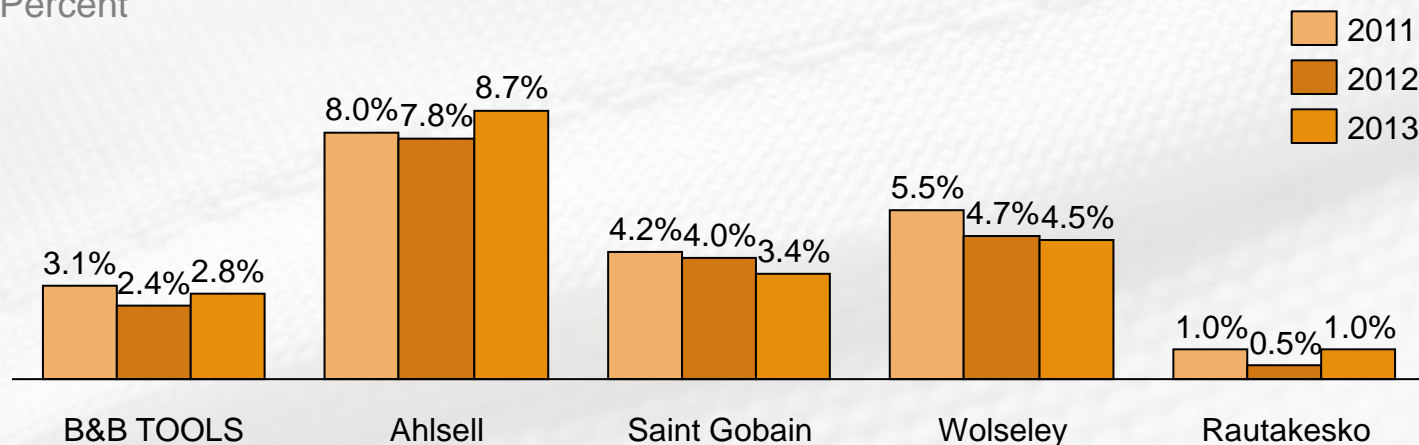
Net sales

SEK million



EBIT margin

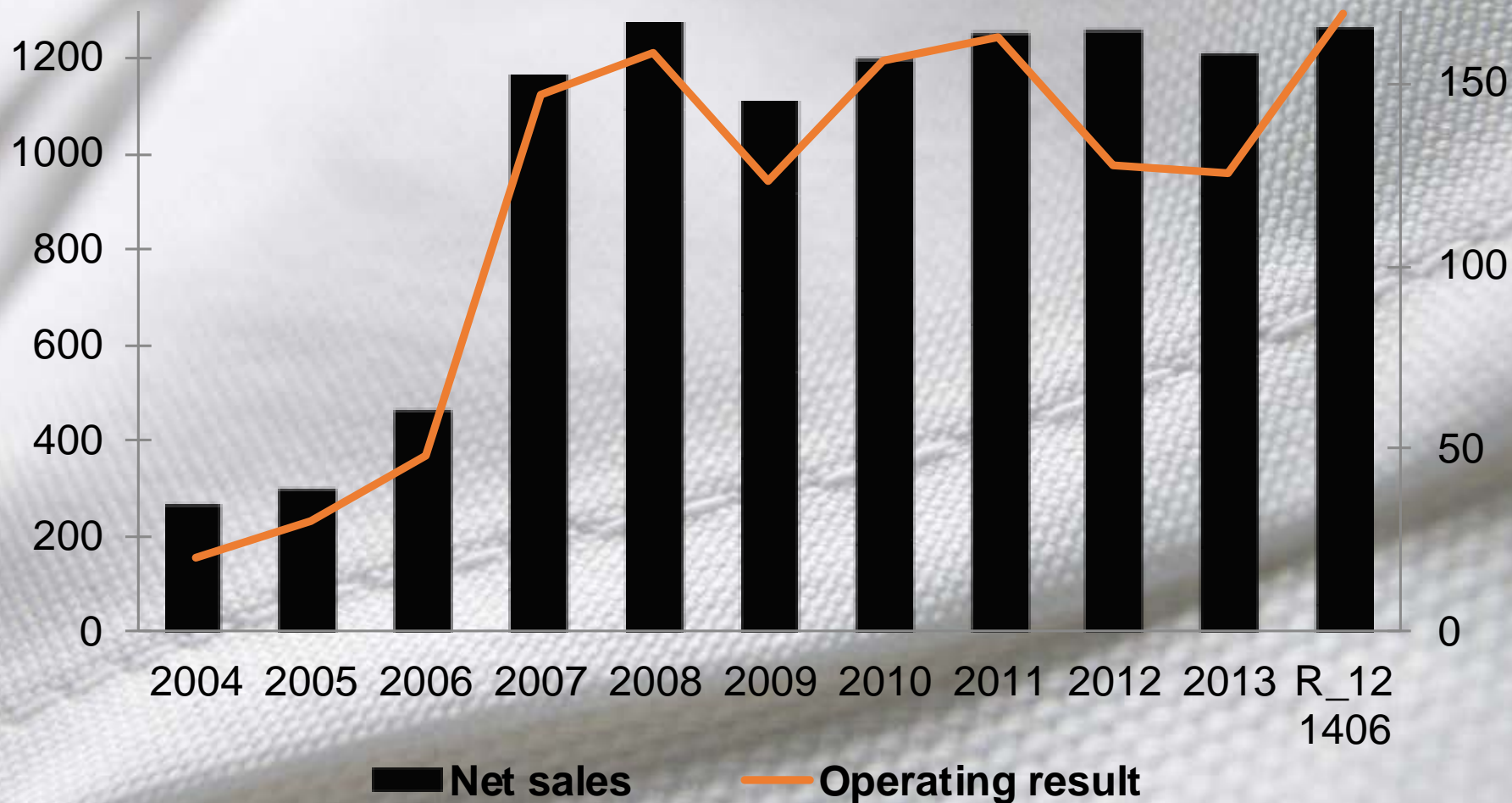
Percent



Our largest customers have struggled with declining profitability and flat/negative growth during the last years

Hultafors Group financial performance

Development new sales and EBIT, SEK million



What we have done since 2011

	2011	Today
Cost reduction	Increasing costs	-30MSEK/A & CI Supply
Geographic expansion	11 SO	15 SO (F, NL, IT, PL)
New organisation	Functional	Business oriented & improved capabilities
New logistic setup	Costly, old	Effective, Modern
IT support	Disintegrated, in change, HW focused	Improved business support & control

We now have a platform for growth

Case: Warehouse move from NL to PL

Objective

- Update the warehouse operation to a more professional operation to improve service
- Activate a possible savings annually in warehouse operational and consolidate outbound freights

CW operation today – Poland

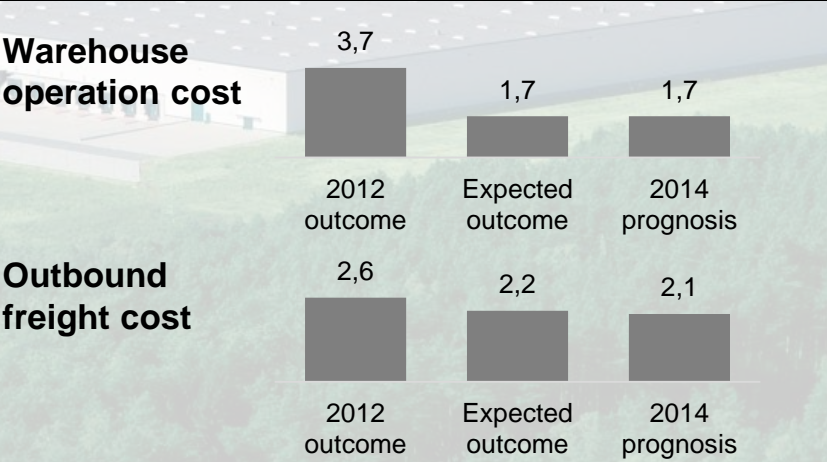
ACHIEVEMENTS AND IMPROVEMENTS

- New agreement with Schenker in a third party cooperation model (open book)
- Standard Operating Procedures, Manuals and Routine Descriptions
 - Accurate operations for inbound, outbound and VAS activities
- New VAS operation setup, incl. new paternoster
- Implementation new WMS Mobile
- LEAN management in total WH Operation
- Consolidation of outbound forwarders in Europe
- PERFORMANCE – NORMAL ORDERS LEADTIME PICKING – BETTER THAN NEVER REACHED

Logistics project – Hultafors Group



Outcome (yearly mEUR)



Hultafors Group's Focus

Organic

- Product line extensions
- Sales efficiency
- Market investments
- Strengthen end-user relations/demand

GROWTH!

Hultafors Group's Focus



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Organic

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Add-on acquisitions

- Strong brands
- Overlapping customers and end-users

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