

Latour CMD 2015

Björn Lenander, Latour Industries



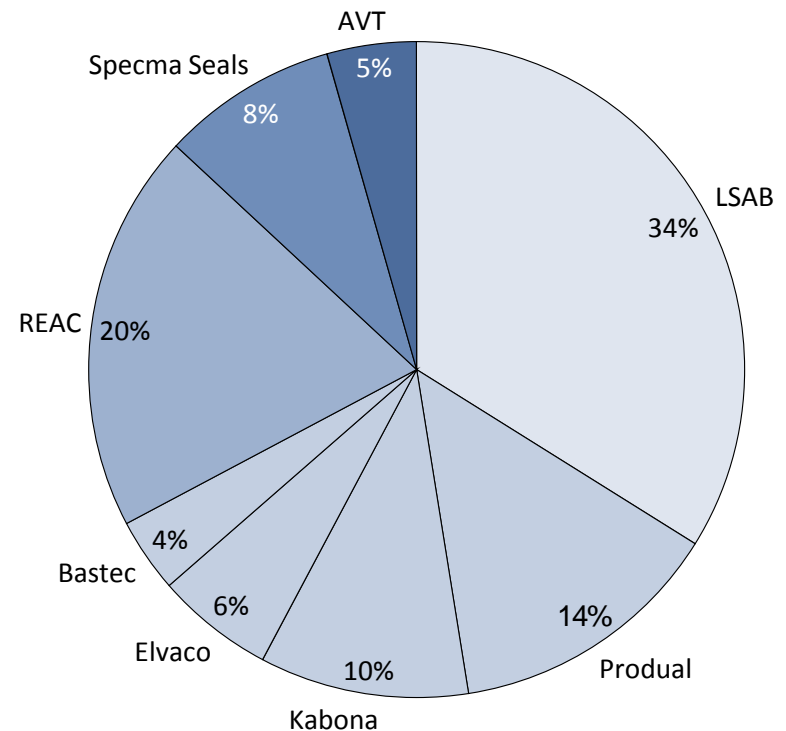


Björn Lenander

Greenhouse for profitable smaller industrial companies with growth potential



Total turnover: SEK 1.3 billion



Develop independent units to become established business areas in Latour

Prospects for identified niche

- ☐ Addresses identified trends
- ☐ The industry is showing profitable growth
- ☐ Favorable position in the value chain

Development potential in the company

- ☐ Proprietary products
- ☐ Potential for geographic expansion
- ☐ Next wave of development has begun

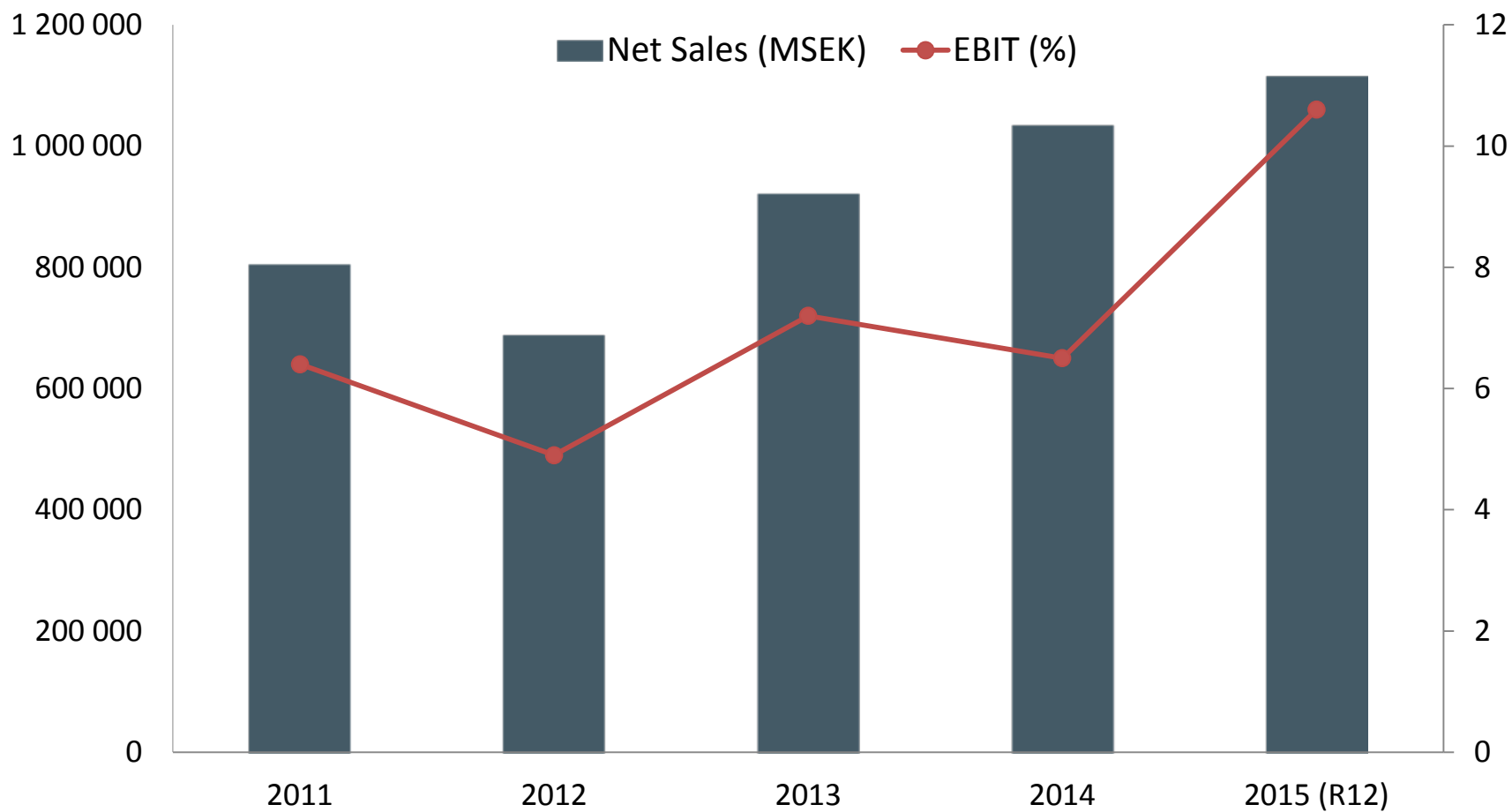
Latour adding value

- ☐ Industrial experience and network
- ☐ Financial resources for expansion
- ☐ Organizational support to accelerate growth

Sales and earnings development 2011-2015

Net Sales (MSEK)

EBIT (%)



Latour Industries case: **Building Energy Management Systems**



Buildings are one of the most important levers to reduce energy consumption

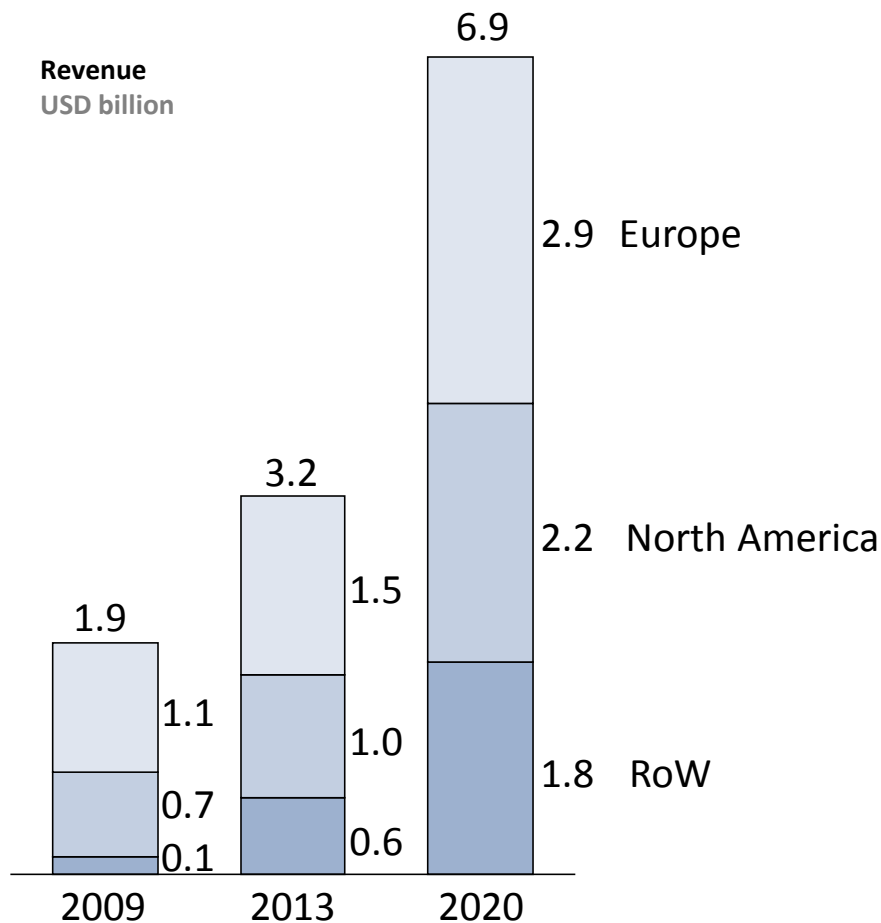
General focus on energy efficiency with EU requiring 20% improved energy efficiency by 2020

Buildings representing 40% of final energy consumption

Supporting regulations and new technology drives growth



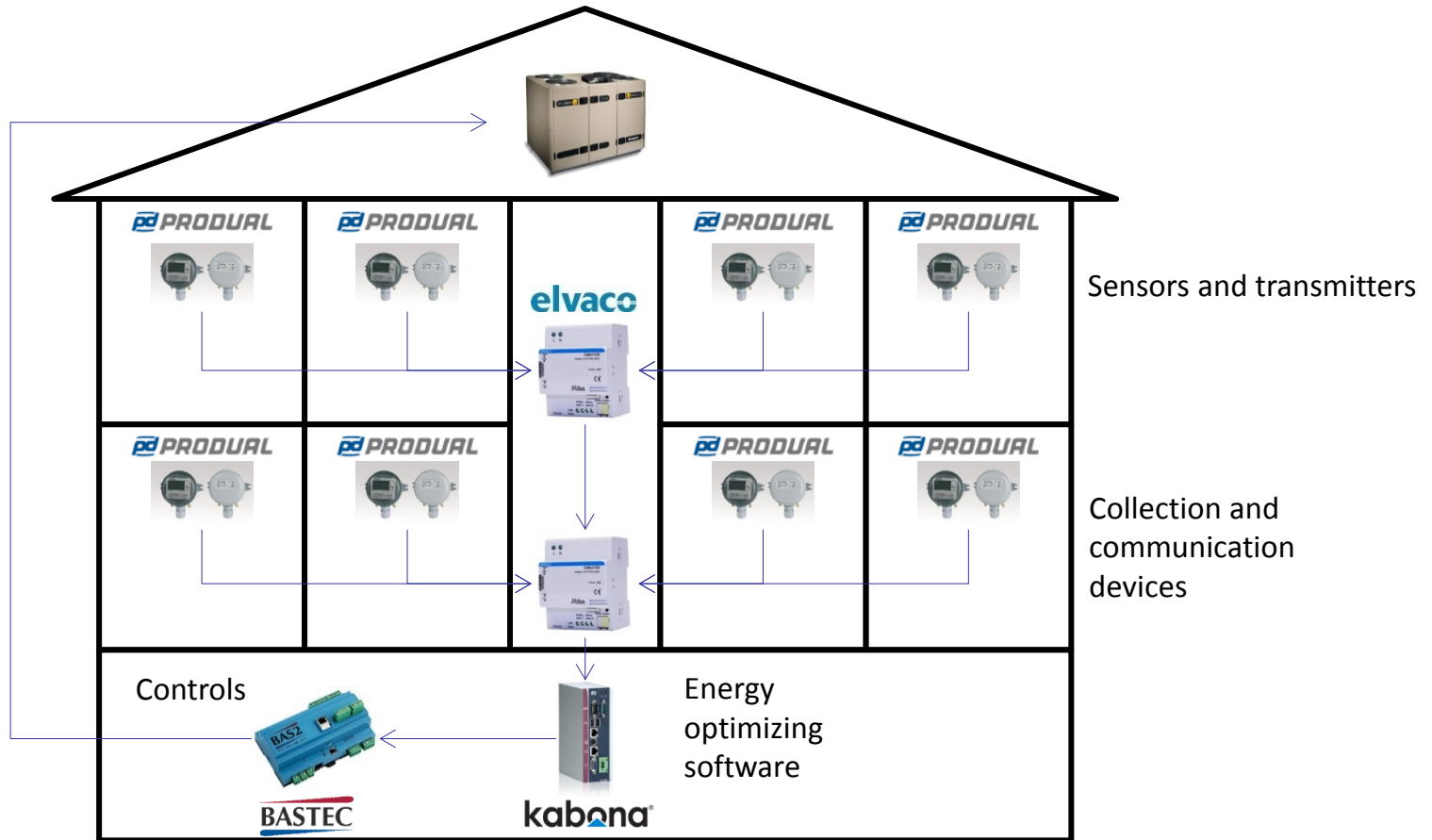
The global market for Building Energy Management Systems (BEMS) is expected to grow quickly



CAGR 2013-2020: 12 %

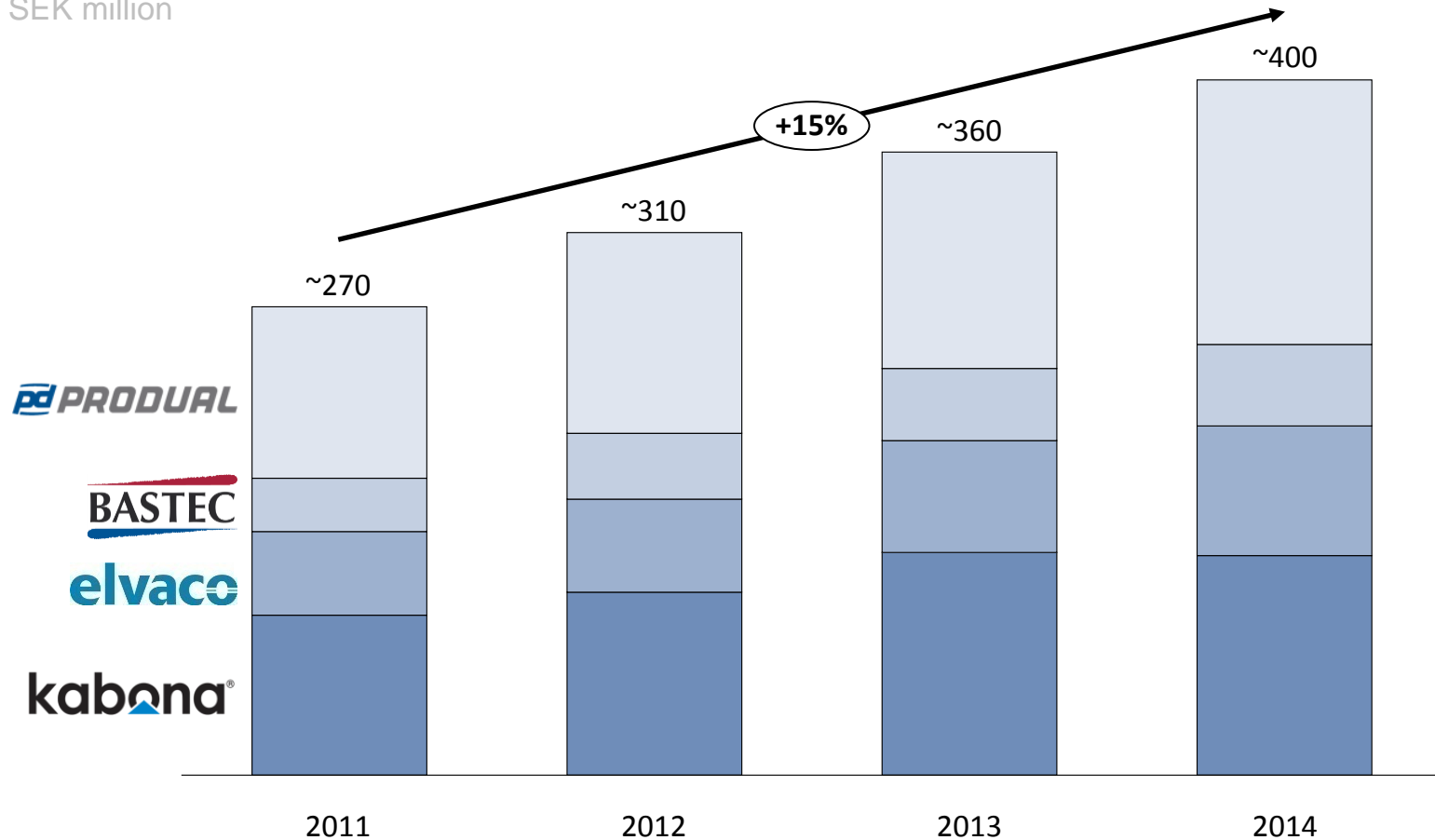
- The global BEMS market is estimated to USD 3.2 billion and expected to grow at 12 percent p.a.
 - Includes software, solutions and services
- Europe represents almost half of the global market, where Nordics 11%

The Latour companies in BEMS cover the entire information chain from sensors to controls



Latour Industries' companies in the building energy management group have grown by 15% p.a. since 2011

Net sales
SEK million



The acquisitions of Kabona, Elvaco, Bastec and Produal are all in line with Latour's investment criteria

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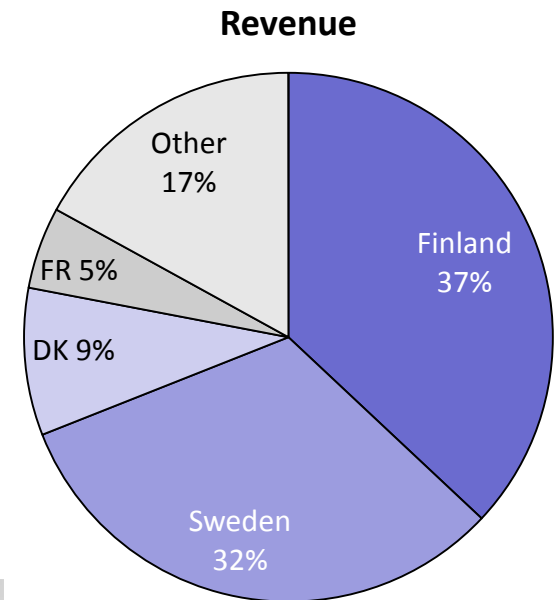
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Latour adding value

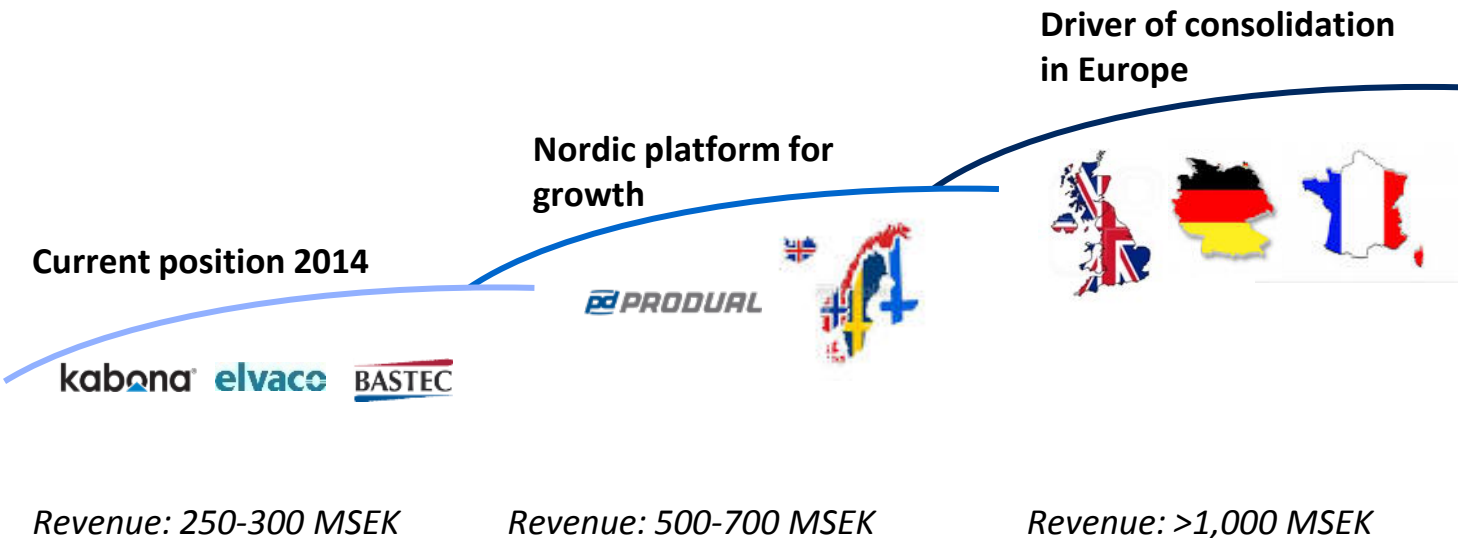
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Produal Oy is the latest addition to the group of companies serving the building energy management segment

- Acquired in June 2015
- Sensors, transmitters and room control devices for the building automation market
- Subsidiaries in Sweden, Denmark & France
- Revenue 18 mEUR
- 20 % growth rate



Produal is a first step towards a European acquisition agenda in building energy management systems



- Opportunity to drive consolidation of the fragmented local European market for building energy management systems
- Multiple brands are collected in a common structure
 - Scale advantage
 - Common product development
 - Cross-selling opportunities
- Focus on product-oriented companies

Latour Industries focus coming 12 months:

Building Energy Management Systems

1. Capture benefits in
sales & product development

2. Increase the installed base
in the Nordic region

3. Strengthen presence
in the European market