

PWT GROUP

PWT Holding A/S

Financial statement 2nd half of the financial year 2016/17
1 April – 30 September 2017



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MANAGEMENT COMMENTS



PWT GROUP - DISAPPOINTING EBITDA BUT A STRONG CASH FLOW IN SECOND HALF-YEAR 2016/2017

Economic development as measured by EBITDA was unsatisfactory in the second half-year 2016/2017. However, a strong cash flow demonstrated considerable improvement of net working capital, compared to the same period last year.

PWT Group realized turnover of mDKK 413,7 in the second half-year of 2016/17 (15/16: mDKK 414,8). Turnover and gross margin is affected by untidy summer weather in Denmark and Norway. Year-to-date turnover is still increased compared to last year.

Expenses is higher than last year, but represent the expected level due to planned growth initiatives. Expenses are monitored on an ongoing basis.

Net debt has developed positive year-to-date and net debt at 30 September 2017 is mDKK 314,9 (15/16: mDKK 365,7).

Net financial items has been affected by negative value adjustments of USD-hedging instruments, compared to the same period last year (positive adjustments).

The Board of Directors in PWT Group has decided to move the year-end-date to 31 December 2017. As a consequence, the yearly report will include 15 months in 2016/17. From 1 January 2018, the financial year will follow the calendar year (1 January – 31 December).

INCOME STATEMENT

Income statement DKK millions	01.04 - 30.09		01.10 - 30.09	
	2016/17	2015/16	2016/17	2015/16
Sales	413,7	414,8	871,2	862,8
Cost of goods	190,4	180,2	394,0	381,0
Gross profit	223,3	234,6	477,2	481,8
<i>Margin %</i>	<i>54,0%</i>	<i>56,6%</i>	<i>54,8%</i>	<i>55,8%</i>
Expenses	200,8	189,2	400,5	383,3
EBITDA	22,5	45,4	76,7	98,5
<i>Margin %</i>	<i>5,4%</i>	<i>10,9%</i>	<i>8,8%</i>	<i>11,4%</i>
Depreciation	11,8	10,9	22,2	20,6
EBIT	10,7	34,5	54,5	77,9
Net financial items	22,8	8,2	36,1	22,7
Taxes	0,9	6,1	7,6	12,9
Profit	-13,0	20,2	10,8	42,3
Comprehensive income	-13,0	20,1	10,8	42,2
Net Debt			314,9	365,7
EBITDA - recurring - Last 12 months			76,7	98,5
Equity % of Total assets			49,6%	48,5%

BALANCE SHEET

Balance sheet DKK millions	30.09.2017	30.09.2016
Goodwill	623,2	619,5
Financial assets	7,5	7,4
Deposits	15,2	14,7
Other non-current assets	74,6	65,8
Inventories	199,4	214,6
Accounts receivable	84,4	85,0
Other receivables	8,2	10,3
Cash	13,5	10,9
Total assets	1.026,0	1.028,2
Equity	509,4	498,5
Provisions	6,9	6,6
Bonds / Long term loan	297,4	295,8
Deferred income tax	20,5	14,2
Bank loans	31,0	80,7
Accounts payable	88,4	78,4
Corporation tax	3,3	2,2
Other non-interest-bearing debt	69,1	51,8
Total debt & equity	1.026,0	1.028,2

CASH FLOW

Cash flow <i>DKK millions</i>	01.04 - 30.09		01.10 - 30.09	
	2016/17	2015/16	2016/17	2015/16
EBITDA	22,4	45,4	76,6	98,5
Net working capital change	0,7	-35,7	38,9	-27,3
Taxes	0,0	-0,8	-0,1	-0,9
Operational cash flow	23,1	9,0	115,4	70,4
Cash investments	-15,2	-27,8	-41,9	-39,8
Net investments	-15,2	-27,8	-41,9	-39,8
Cash flow before financing	7,9	-18,8	73,5	30,6
Net financial items	-10,8	-10,7	-21,8	-23,2
Debt service	-10,8	-10,7	-21,8	-23,2
Cash flow after debt service	-2,9	-29,5	51,7	7,4