

The background of the slide features a collection of fiber optic cables, some of which are bundled together and others that are more loosely arranged. Interspersed among the cables are several pens in various colors: yellow, orange, green, blue, and red. The pens are positioned diagonally across the upper portion of the image. The overall composition is clean and professional, with a white background and a dark blue horizontal band for the text.

FIRST NINE MONTHS OF 2013

Presentation by CEO Frank Gad
4 November 2013

AGENDA



- SP Group – an overview
- Results in first nine months of 2013
- Outlook and financial goals
- Business units
- Strategy



Frank Gad

Born 1960, M. Sc.

Career:

Nov. 2004-:

CEO, SP Group A/S

1999-2004:

CEO, FLSmidth A/S

1996-1999:

CEO, Mærsk Container Industri A/S

1985-1999:

Odense Steel Shipyard Ltd.

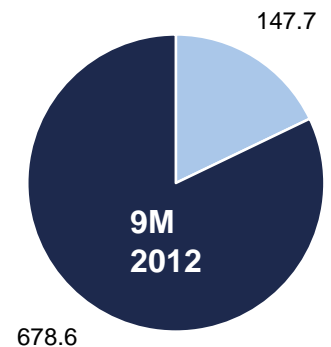
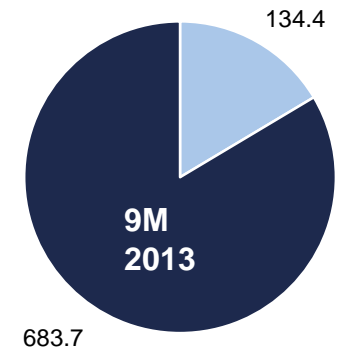
– most recent title: EVP



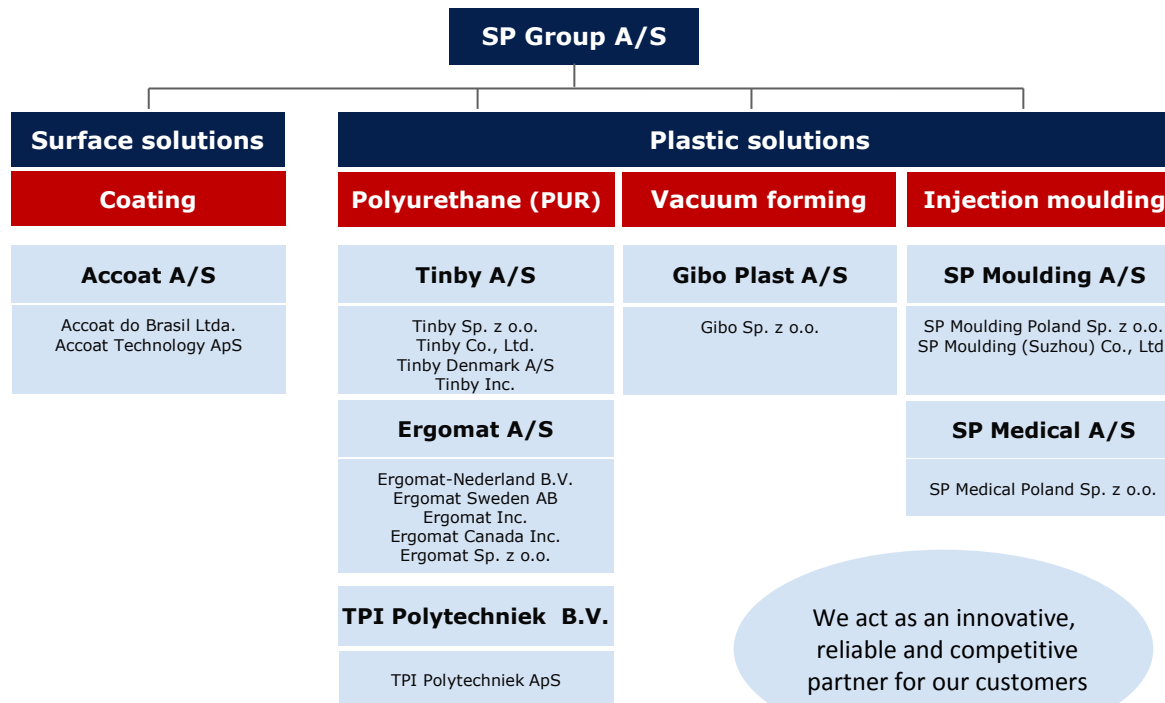
SP GROUP – AN OVERVIEW

- Manufacturer of moulded plastic components and coatings
- Supplier of customer-specific solutions for a wide range of industries
- Strong international niche positions – also for our own brands
- Increased sales from own plants in Denmark, the USA, China, Poland and Brazil

Revenue split by business area (DKKm)



■ Surface solutions ■ Plastic solutions



We act as an innovative, reliable and competitive partner for our customers

A photograph of an offshore wind farm with several white wind turbines on a blue sea under a clear sky. A dark blue rectangular box is overlaid on the left side of the image, containing white text.

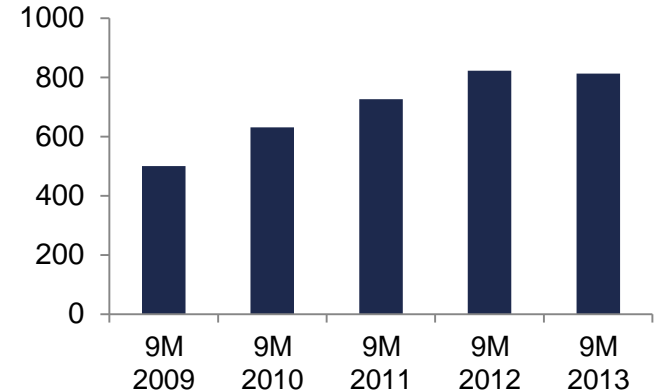
RESULTS FIRST NINE MONTHS OF 2013



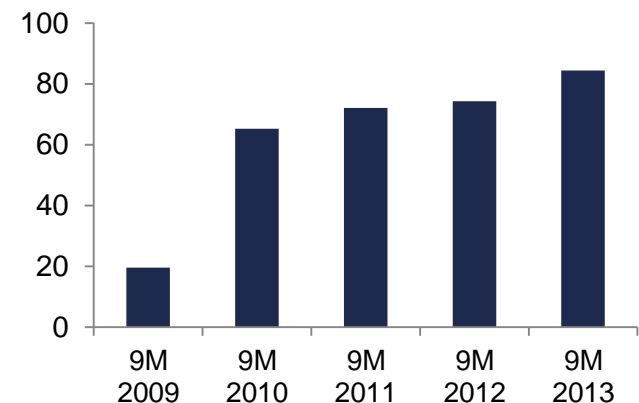
GROUP HIGHLIGHTS (1)

- We continued to record higher sales to many of our customers across industries and geographies in 9M 2013
 - Improvements the most pronounced in international markets at 7.3%
 - Sales to Danish customers down by about 8.4%, due to a drop in the number of large projects
- Sales to the healthcare industry increased by 10.0% to DKK 312.6m in 9M 2013 – now accounting for 38.5% of revenue
- Sales to the cleantech industry fell by 19.3% to DKK 224.4m in 9M 2013 – now accounting for 27.6% of revenue – fewer projects and the long winter
- Sales to the food-related industry increased by 1.7% to DKK 123.6m in 9M 2013 – now accounting for 15.2% of revenue
- Sales to the oil and gas industry increased by 40.2% to DKK 14.3m – now accounting for 1.8% of revenue
- International sales now account for 50.0% of revenue (46.1% in 9M 2012)
- Revenue fell to DKK 812.9m in 9M 2013 or by 1.2% relative to 9M 2012 – mainly due to lower volumes. In Q3 revenue increased by 0.6% relative to Q3 2012
- EBITDA was DKK 84.4m in 9M 2013 up from DKK 74.3m in 9M 2012. The Q3 EBITDA margin was 11.4% with EBITDA at DKK 31.3m – the best ever in a single quarter

Revenue (DKK m)



Operating profit (EBITDA) (DKK m)





GROUP HIGHLIGHTS (2)

- EBIT was DKK 46.7m in 9M 2013 against DKK 39.6m in 9M 2012
- Profit before tax and non-controlling interests was DKK 36.4m against DKK 28.3m in 9M 2012
- Earnings per share (diluted) was up by 38.3% to DKK 14.18m in 9M 2013
- NIBD amounted to DKK 416.4m at 30 September 2013 (3,6 x EBITDA) versus DKK 430.3m at 30 September 2012
- Cash flows from operations increased to DKK 35.0m in 9M 2013 – or DKK 4.5m less than in the same period of 2012
- Refinancing of two small loans will reduce interest expenses by about DKK 0.7m per year
- Full-year 2013 guidance upgraded and guidance range narrowed:
 - Profit before tax and minority interests of DKK 45-50m instead of a slight increase relative to 2012 (DKK 41.6m)
 - a slightly higher revenue than in 2012 (DKK 1,109m), but market prospects remain unclear



GROUP FINANCIAL HIGHLIGHTS 9M 2013



DKKm	Q3 2013	Q3 2012	9M 2013	9M 2012	2012	2011
Revenue	276.0	274.3	812.9	822.6	1,108.5	976.8
EBITDA	31.3	25.5	84.4	74.3	104.6	96.5
EBIT	19.2	14.6	46.7	39.6	58.1	52.8
Profit before tax, non-controlling interests	15.2	10.4	36.4	28.3	41.6	34.3
Equity incl. non-controlling interests			243.4	233.2	240.1	205.6
Cash flows from operations	8.9	21.5	35.0	39.5	100.1	66.9
Cash flows from investments	-14.9	-62.5	-47.4	-107.6	-87.6	-51.9
Cash flows from financing	-8.1	45.8	-34.8	42.9	0.9	-13.7
Change in cash and cash equivalents	-14.1	4.8	-47.2	-25.2	13.4	1.3
NIBD			416.4	430.3	395.4	355.0
Equity ratio, incl. non-controlling interests, %			28.2	26.9	28.7	26.7

GROUP FINANCIAL HIGHLIGHTS 2012

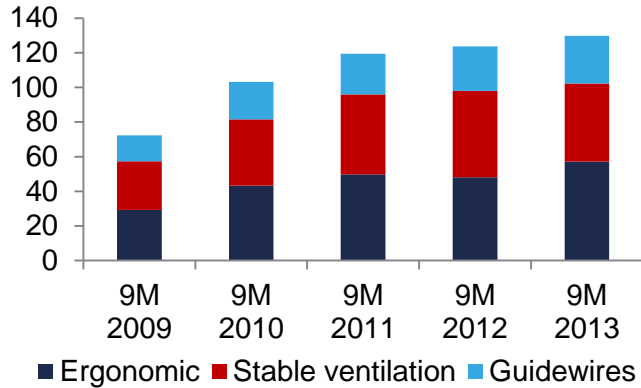


DKKm	2012	2011	2010	2009	2008
Revenue	1,108.5	976.8	851.9	681.9	863.7
EBITDA	104.6	96.5	83.0	40.2	60.3
EBIT	58.1	52.8	41.7	-1.0	17.0
Profit before tax, non-controlling interests	41.6	34.3	28.8	-14.5	-14.9
Equity incl. non-controlling interests	240.1	205.6	190.7	159.7	170.5
Cash flows from operations	100.1	66.9	57.8	45.3	35.4
Cash flows from investments	-87.6	-51.9	-46.9	-35.8	-69.5
Cash flows from financing activities	0.9	-13.7	47.3	-16.3	-17.5
Change in cash and cash equivalents	13.4	1.3	58.2	-6.8	-51.6
NIBD	395.4	355.0	367.4	376.9	393.4
Equity ratio, incl. non-controlling interests, %	28.7	26.7	25.7	23.7	24.1

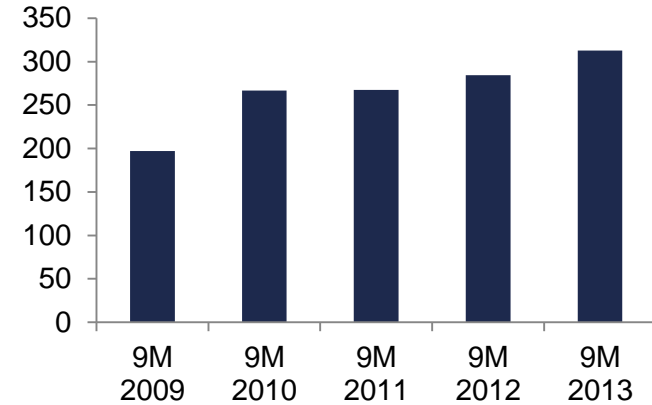


REVENUE SPLIT BY PRODUCT AREA

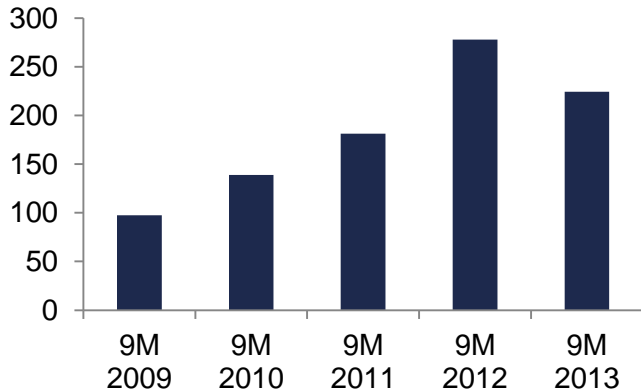
Revenue from own brands (DKKkM)



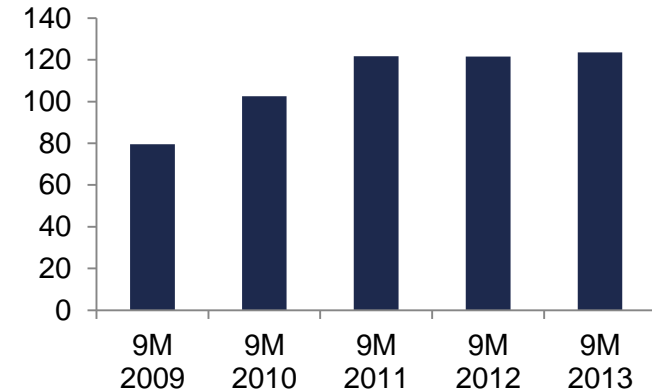
Revenue health care products (DKKkM)



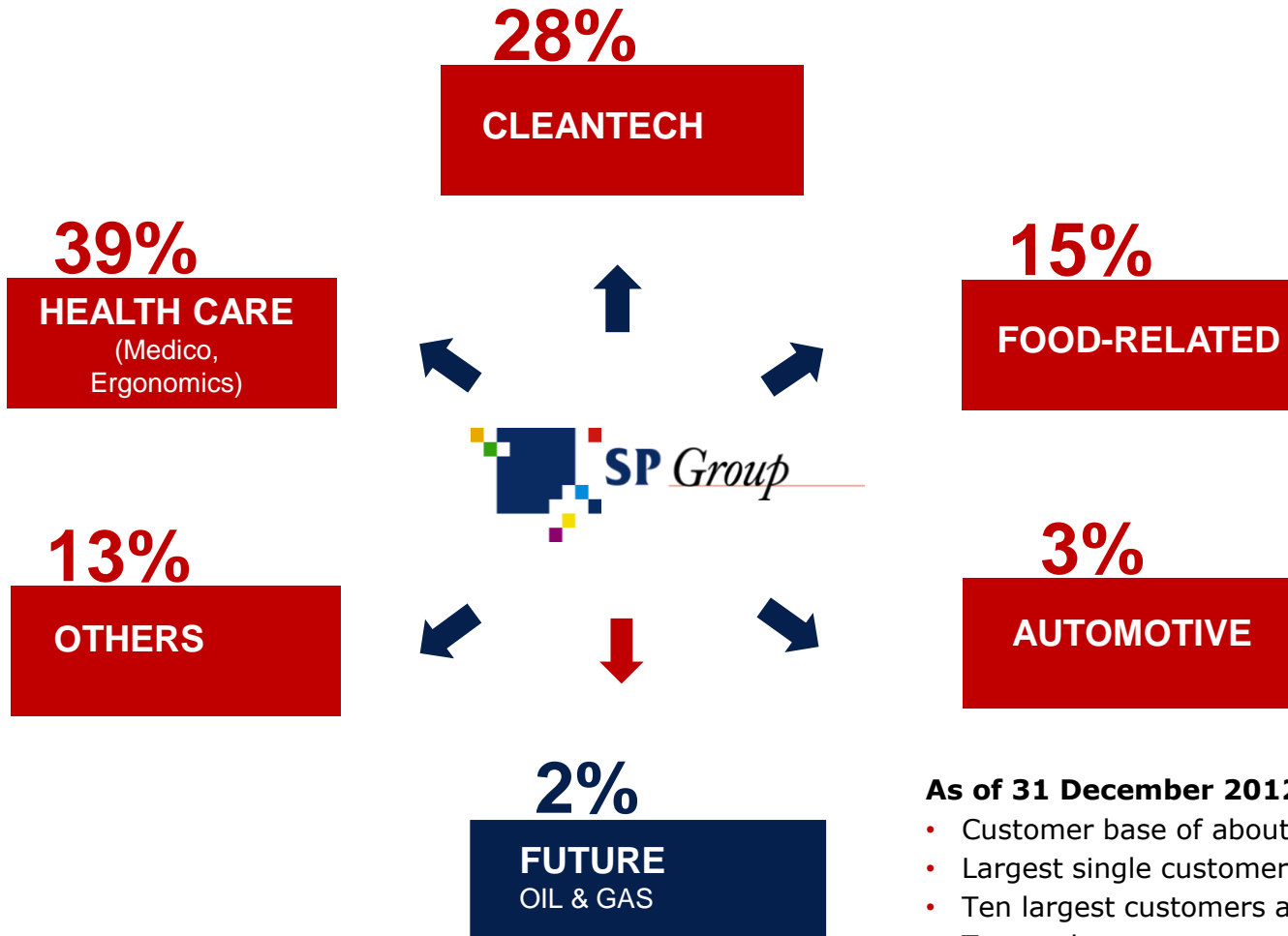
Revenue cleantech industries (DKKkM)



Revenue food-related industries (DKKkM)



REVENUE BY INDUSTRIAL SEGMENT IN 9M 2013



As of 31 December 2012:

- Customer base of about 1,000 companies
- Largest single customer accounts for 12% of revenue
- Ten largest customers account for 54% of revenue
- Twenty largest customers account for 67% of revenue

SP GROUP'S GLOBAL PRESENCE



Production and sales

- Denmark (6)
- Poland (6)
- China (2)
- Brazil (1)
- US (1)

Distribution

- Holland (1)
- Sweden (1)
- Canada (1)



INTERNATIONALISATION



DKKm	2005	2012	2015E
Share of sales outside Denmark	37%	46%	~60%
Share of employees outside Denmark	23%	57%	~75%
Number of factories outside Denmark	2	9	~10
Total number of factories	18	15	16

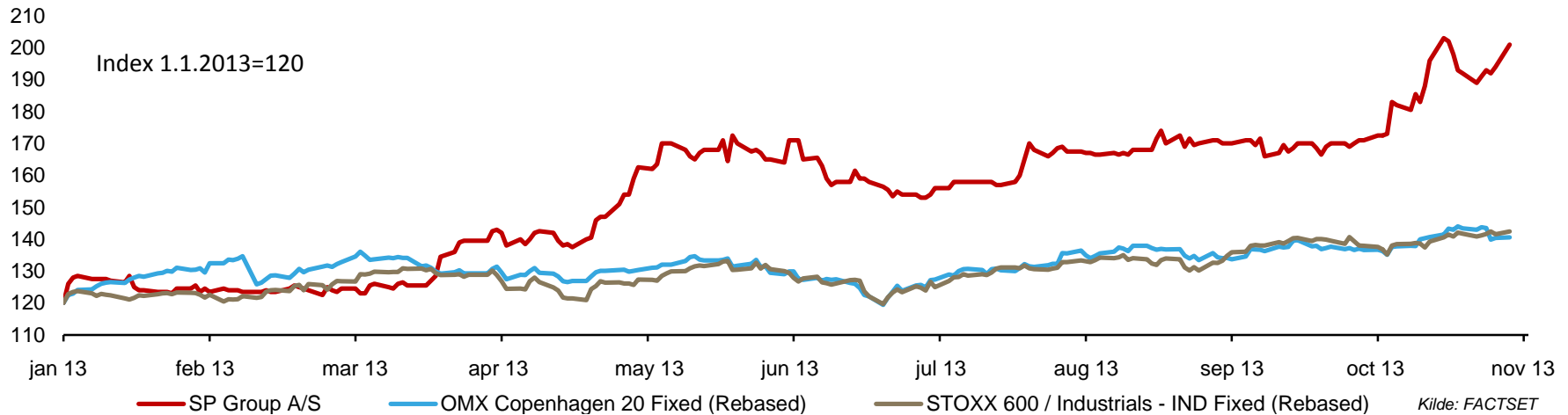


Logo mats



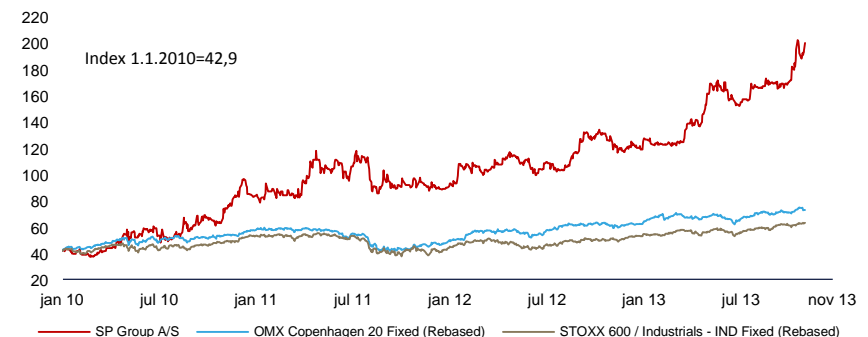
SHARE PRICE PERFORMANCE

Share price performance from 1 January to 31 October 2013



- Share capital of DKK 20,24m
- All shares have equal rights
- SP Group shares yielded a return of 34.1% in 2012
- Accordingly, SP Group's shares outperformed the general market on NASDAQ OMX Copenhagen by a considerable margin
- Dividends to the shareholders of DKK 2.50 per share in 2013
- New DKK 8m share buy-back programme approved in April 2013. In November 2013, the programme was increased by DKK 10m to DKK 18m and extended until 10 April 2014.
- Previous share buy-back programme for DKK 13m completed in April 2013
- New warrant programme established with 100,000 warrants

Share price performance from 1 January 2010 to 31 October 2013





OUTLOOK AND FINANCIAL GOALS



OUTLOOK FOR 2013

- The global economy is expected to continue to grow in Q4 2013 – but it remains fragile and marred by financial uncertainty
- Economic growth in our neighbouring European markets is expected to remain weak
- New products and solutions designed especially for customers within healthcare, cleantech and the food-related industries and the oil and gas industry is expected to contribute to SP Group growth and earnings
- Maintaining a high level of investment in 2013 – but not as high as in 2012 – largest single investment expected to be for production of medical devices
- Depreciation and amortisation expected to be at a slightly higher level than in 2012
- Financial expenses expected to be at a lower level than in 2012
- Tight cost control, capacity adjustments and a continued strong focus on risk, liquidity and capital management provides a strong base for the future
- Guidance for FY 2013 upgrade and guidance range narrowed relative to the guidance provided in Annual Report 2012: We now expect a profit before tax and non-controlling interests for 2013 of DKK 45–50m instead of the previous guidance of a slight increase relative to 2012 (DKK 41.6m) and slightly higher revenue than in 2012 (DKK 1,109 million), but market prospects remain unclear





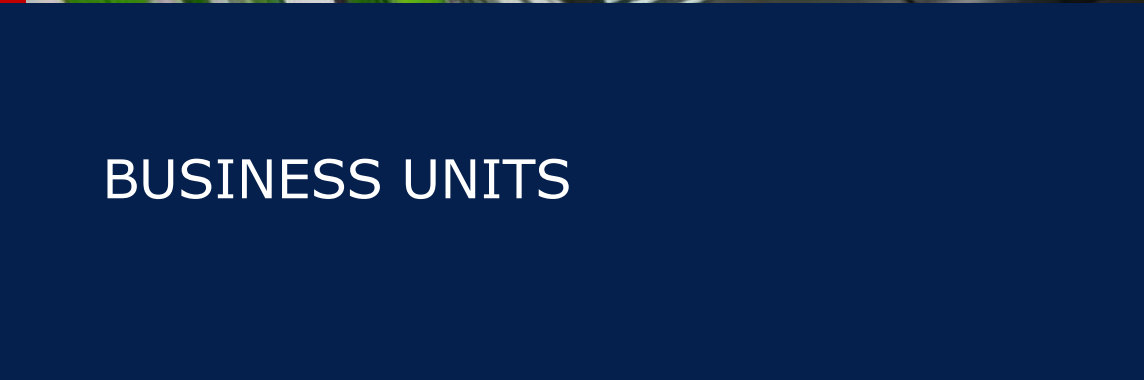
LONG-TERM FINANCIAL OBJECTIVES

- Initiatives in the current strategy plan aims to lift revenue to DKK 1.5bn in 2015
- Enhancing EBITDA margin to 12%
- Long-term target for profit before tax and non-controlling interests of around 6-7% of revenue expected to materialise gradually
- Continuing reduction of NIBD – goal is to maintain NIBD/EBITDA ratio at a level of 3-4 by end-2013 – and to reduce it to 2-3 at year-end 2015
- Equity ratio (incl. equity attributable to non-controlling interests) in the range of 20-35% in 2013 – goal is to gradually lift it to 25-40% by 2015
- Fair return to shareholders mainly through share price appreciation
- The goal is that earnings per share will increase by at least 20% p.a. on average over a five-year period





BUSINESS UNITS



SURFACE SOLUTIONS



- Accoat develops and produces environmentally-friendly technical solutions involving flourplast (Teflon®), PTFE and other pure materials for industrial and medical purposes
- Accoat applies plastic coatings on products and production plants in a number of industries. Articles being coated range from very small syringes to large tank facilities
- Accoat is among the five largest suppliers of industrial Teflon coating in the EU
- Locations: Kvistgård (DK), Stoholm (DK) and São Paulo (Brazil)





9M 2013 in highlights

- Revenue fell by 9.0% to DKK 134.4m
- EBITDA fell to DKK 18.5m – fall expected due to change in product mix and a drop in business activity
- Greater activity drives sales improvements to customers in healthcare and oil and gas industry – but less activity in cleantech operations
- The factory in Brazil currently serves customers in the medical devices industry – eventually also to serve Brazil's oil and gas industry and the cleantech industry
- 9M 2013 EBIT impacted by the new factory in Stoholm, which is not expected to become profitable until it runs at a steady serial production
- Accoat continues marketing efforts towards customers in the oil and gas industry in the USA, Brazil, Russia and Europe – and has already won new orders for future shipment
- Sales to the med-tech industry have increased

Outlook for 2013

- Decrease in revenue in 2013 – from the record year in 2012
- EBITDA expected to fall compared to 2012

Development in Coatings

DKKm	Q3 2013	Q3 2012	9M 2013	9M 2012
Revenue	45.6	55.9	134.4	147.7
EBITDA	6.7	11.7	18.5	28.2
EBIT	4.5	10.4	12.0	21.1
Employees (avg.)			82	73



PLASTIC SOLUTIONS



Plastic businesses include:

- Injection Moulding (SP Moulding and SP Medical)
- Vacuum forming (Gibo Plast)
- PUR (Ergomat, Tinby and TPI Polytechniek)

9M 2013 in highlights

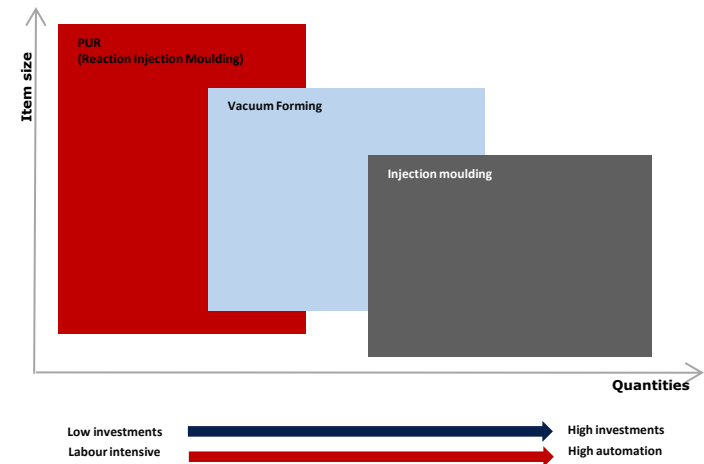
- Revenue up by 0.8% overall to DKK 683.7m from DKK 678.6m
 - We grew our Q3 revenue by 5.6% over Q3 2012
- EBITDA increased to DKK 73.0m from DKK 56.9m in 9M 2012
 - Q3 2013 EBITDA improved strongly over Q3 2012, driven by impressive earnings improvements, especially in Ergomat and Gibo Plast
- Changes to contract terms with major injection moulding customers have reduced revenue by about DKK 15m relative to 9M 2012

Outlook for 2013:

- Growth in revenue and earnings relative to 2012
- Healthcare and cleantech activities to be expanded in the US, Denmark, Poland and China
- Sales and marketing activities to be stepped up globally

Development in Plastics

DKKm	Q3 2013	Q3 2012	9M 2013	9M 2012
Revenue	232.1	219.8	683.7	678.6
EBITDA	27.1	16.9	73.0	56.9
EBIT	18.0	8.0	44.3	31.2
Employees (avg.)			1,009	974



INJECTION MOULDING (1)



- SP Moulding A/S manufactures advanced plastic precision components for a wide range of industries
- SP Moulding is a producer of technical plastic devices and performs assembly work. SP Moulding is a market leader in Denmark and among the largest injection moulders in the Nordic region
- SP Medical A/S manufactures products for customers in the medical devices industry, including finished products such as guidewires. Production takes place in clean rooms. SP Medical is among the 3-4 largest players in the Nordic region.
- SP Moulding and SP Medical have more than 300 injection moulding machines at their disposal with a clamping force ranging from 25 tonnes to 1250 tonnes
- SP Moulding and SP Medical also provide two- and three-component plastic solutions
- Locations: Juelsminde (DK), Stoholm (DK), Karise (DK), Zdunska Wola (Poland), Sieradz (Poland) and Suzhou (China)



Medico



Technical plastic devices



Medico



Medico



2K and 3K moulding



9M 2013 in highlights

- Positive developments and increasing earnings continue
- Marketing efforts towards new customers maintained
- Increased efforts have produced several new, regular customers

SP Moulding

- Retained 'preferred supplier' status with a major international customer who is the leader in its field in Europe as well as a global leader

SP Medical

- 7.4% increase in the production and sale of guidewires in 9M 2013 period
 - achieved mainly through wider and more comprehensive market coverage
- Increase in sales of plastic components



POLYURETHANE (1)



- Three business activities: Ergomat A/S, Tinby A/S and Polytechniek BV
- Locations: Sønderød (DK), Zdunska Wola (POL), 's-Hertogenbosch (NL), Helsingborg (SE), Cleveland (US), Montreal (CAN) and Suzhou (China)

Ergomat develops, manufactures and sells ergonomic solutions under own brands, especially Ergomat® mats and DuraStripe™ striping tape for corporate customers worldwide. Market leader in the EU.



Mats



DuraStripe

Tinby manufactures moulded products in solid, foamed and flexible PUR for the cleantech and insulation industries, the medical devices, furniture, refrigerator and graphics industries. Global leader in market for hard rollers.



Cleantech



Solid, foamed PUR

TPI Polytechniek develops and sells concepts for ventilation of industrial buildings as well as poultry and pig houses, primarily products under its own brand, TPI. Market leader in the EU.



PLASTIC SOLUTIONS

POLYURETHANE (2)



9M in highlights

Ergomat

- Strong sales and earnings growth
- Global sales up by 18.8%
 - driven mainly by North America and Japan
- Currently setting up local production in the US
- Ergomat has established a subsidiary in Poland to handle the rapidly growing production of ergonomic mats (taken over from Tinby), and the company has stepped up its local sales efforts

Tinby

- Customers in graphics, cleantech and insulation industries reporting growth
- Expanded production of PUR-components in China for the cleantech industry
- Currently setting up local production in the US

TPI

- Loss of business activity and earnings – mainly due to the long winter in Europe and to market contraction
- New customers identified in Asia, the Middle East and Africa
- The Scandinavian market continues to feel the lack of appetite or opportunities for investing in large housing facilities for farm animals



VACUUM FORMING (1)



- Gibo Plast develops, designs and manufactures thermoformed plastic products. The products are mainly used in refrigerators and freezers, buses and cars (automotive), medical devices and lighting equipment as well as in the cleantech industry
- Gibo Plast specialises in traditional vacuum forming as well as the new high-pressure and twin-sheet technologies
- Market leader in Scandinavia
- Location: Skjern (DK) and Sieradz (PL)



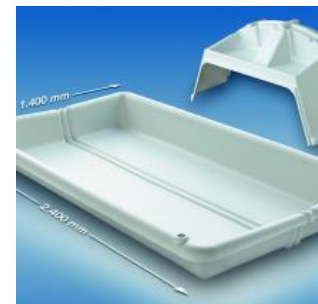
Vacuum forming



Furniture



Automotive



Cleantech

VACUUM FORMING (2)



9M 2013 in highlights

- New projects and solutions being developed for customers in the cleantech industry
 - expected to contribute to sales and earnings in 2013 and onwards
- Operations in Poland expanded; machinery production relocated to Poland
- Investing in new technology to facilitate production of very large plastic components (4.2 x 2.5 x 1.0 metres)
- Extensive reshuffling of organisation at Skjern
- Drop in activity as production for former customer being phased out
- Earnings strongly improved





STRATEGY



STRATEGIC DEVELOPMENTS



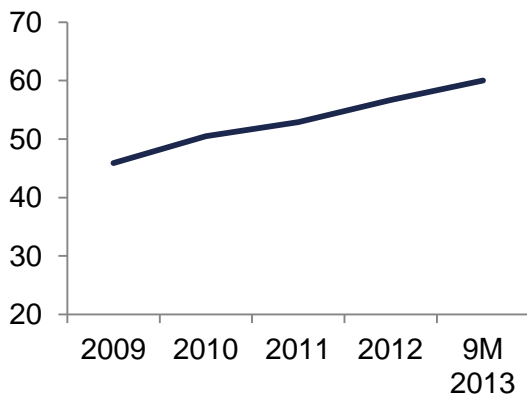
- Additional rationalisation and efficiency enhancing of production structure in 2013:
 - The four factories commissioned in Brazil, Poland, China and Denmark in 2010 are operating at full speed
- Continuing to enhance skill sets at factories in China, Poland, Brazil and Denmark
- Focused sales efforts, especially in healthcare, cleantech and food-related products
- Focus on sale of own brands
- Increased efforts towards existing and new customers
- Wage-intensive production facilities to be relocated from Denmark to Poland
- Factory in Poland for production of injection-moulded medical device products expanded
- Vacuum forming factory in Poland expanded
- Two large vacuum forming facilities commissioned in Denmark
- PUR production in China (Tinby) expanded
- PUR production to be established in the USA in 2013 (Ergomat and Tinby)

GROWING SALES AND INTERNATIONALISING THE BUSINESS

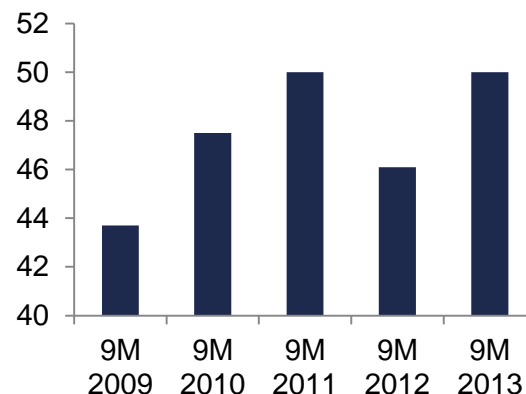


- Organic growth fell by 1.2% in 9M 2013
- Strengthened sales and marketing efforts in all units
- Consultancy within plastics and coatings
- Differentiation on processes, design and knowledge
- Focus on both existing and new customers
- Increased exports from production sites in Denmark, China, Poland and Brazil focusing on the Americas, Europe and Asia

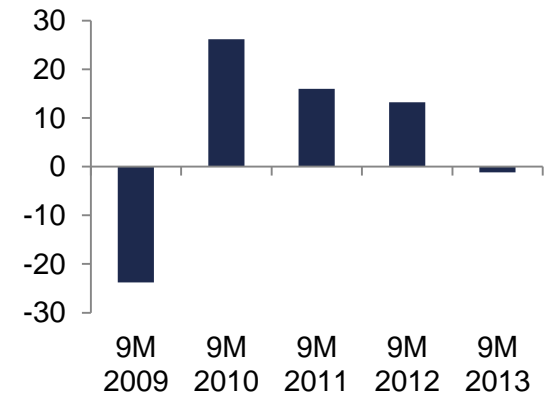
Employees based outside Denmark (avg.), %



International sales, %



Organic growth, %, Group revenue





GROWTH INDUSTRIES AND OWN BRANDS

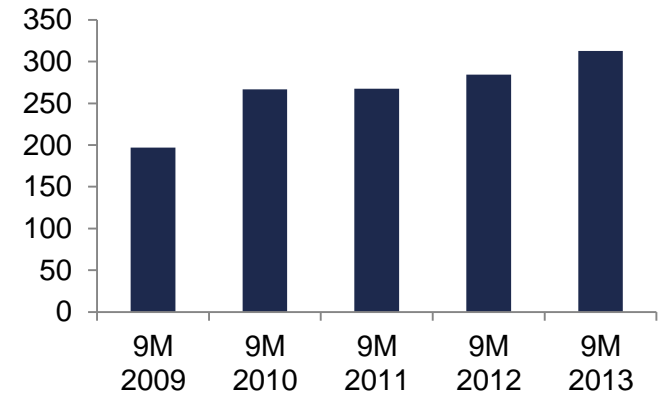
- Committed efforts to growth industries and new segments, e.g. healthcare and cleantech and food-related industries
- Sustain growth in sales to the medical devices industry
- Enhance sales and earnings growth from own brands, i.e. ventilation equipment (TPI), guidewires (SP Medical) and ergonomic solutions and DuraStripe® striping tape (Ergomat)
- Strengthen the international position (North America, Brazil, China and Poland)
- Exploit the potential in other product niches

ERGOMAT®

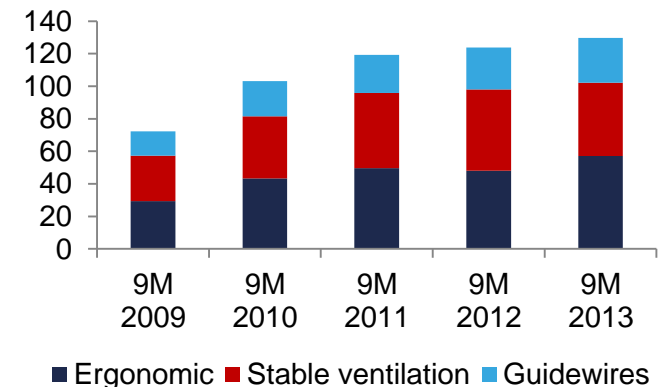
DURASTRIPE



Revenue health care products (DKKm)



Revenue from own brands (DKKm)



EFFICIENCY ENHANCEMENT AND RATIONALISATION



- Capacity adjustments
- Each production site will seek to produce and deliver better, cheaper and faster
- Reduction in the consumption of materials and resources (reducing carbon emissions)
- Reduction of running-in and set-up times in production
- Reliability of delivery (on-time delivery) from all factories was increased – 98-99% - and must be further improved
- Level of quality measured on an ongoing basis
- Roll-out of LEAN continues
- Continue to enhance efficiency of purchasing and supply chain and strengthen IT systems and management systems
- Broader geographical sourcing
- Continue to adjust and develop the organisation
- Continuously and critically review the Group's activities





FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements reflecting management's expectations for future events and financial results.

Statements relating to 2013 and the following years are inherently subject to uncertainty and SP Group's actual results may thus differ from expectations and targets. Factors that may cause actual results to differ from expectations include, but are not limited to, changes in raw materials and energy prices, changes in foreign exchange rates, changes in macroeconomic and political settings, changes in the demand and production patterns of key customer groups and other external factors.

This presentation does not constitute an invitation to buy or sell shares in SP Group A/S.



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