



“Strong quarter  
for NCAB”

**Q3 2018**



**Presentation November 16, 2018**

# Today's presenters

**HANS STÅHL**  
CEO



**ANDERS FORSÉN**  
CFO

# Agenda

1. Q3 2018 in short
2. NCAB – who we are and what we do
3. Financials
4. Key take-aways
5. Q&A



A person wearing a white protective suit and hood is looking through a microscope in a laboratory setting. The scene is dimly lit with a warm, yellowish-green glow. The person's eyes are focused on the eyepieces of the microscope. The background is blurred, showing what appears to be a laboratory bench with some equipment.

# 1. Q3 2018 in short

# The quarter in numbers

**Q3**  
2018

**420**

Revenue, MSEK

**47**

Revenue, MUSD

**42**

Adj. EBITA, MSEK

**10.1%**

Adj. EBITA margin

Change  
vs  
Q3-17

**+23%**

**+12%**

**+37%**

**+1.1**

Percentage points

# January-September 2018 in numbers

Q1-Q3  
2018



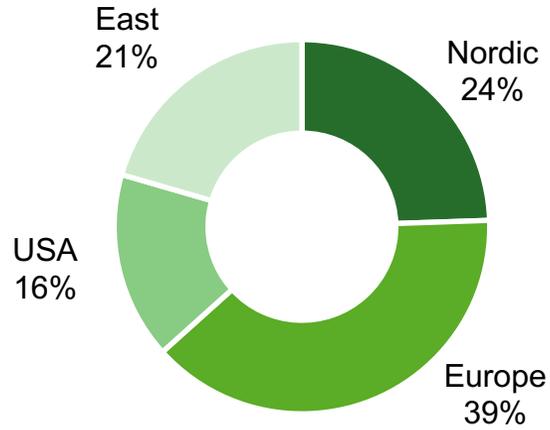
Change  
vs  
2017



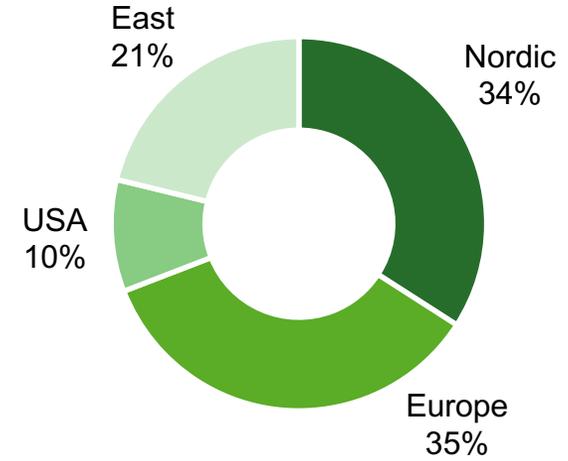
# Our segments

**Q3  
2018**

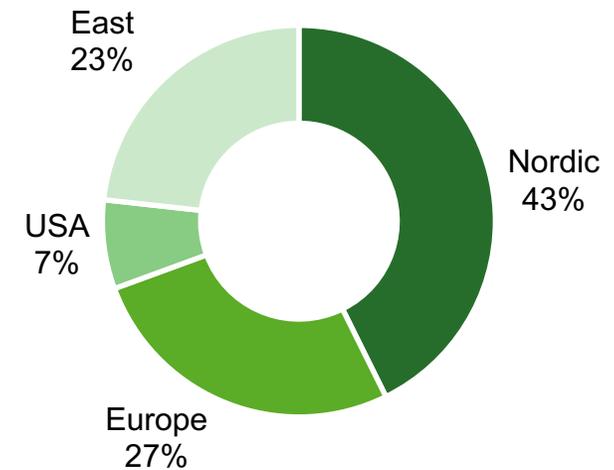
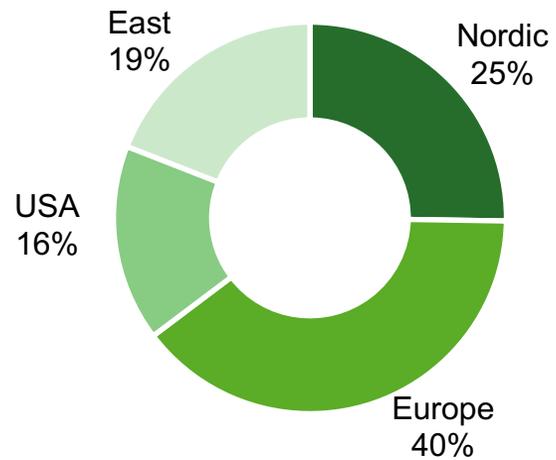
Revenue



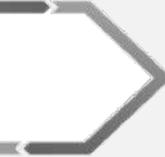
EBITA



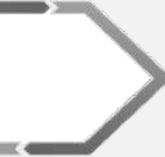
**Q1-Q3  
2018**



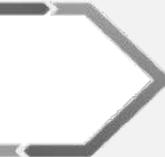
## Highlights during and after Q3



**Strong growth and order intake in all segments**



**Significantly stronger result**



**Starting up business in Malaysia**



**Seasonally weak Q4 sales and somewhat lower growth in order intake**

Your Key  
Component

## 2. NCAB in short

**15**

companies

**45**

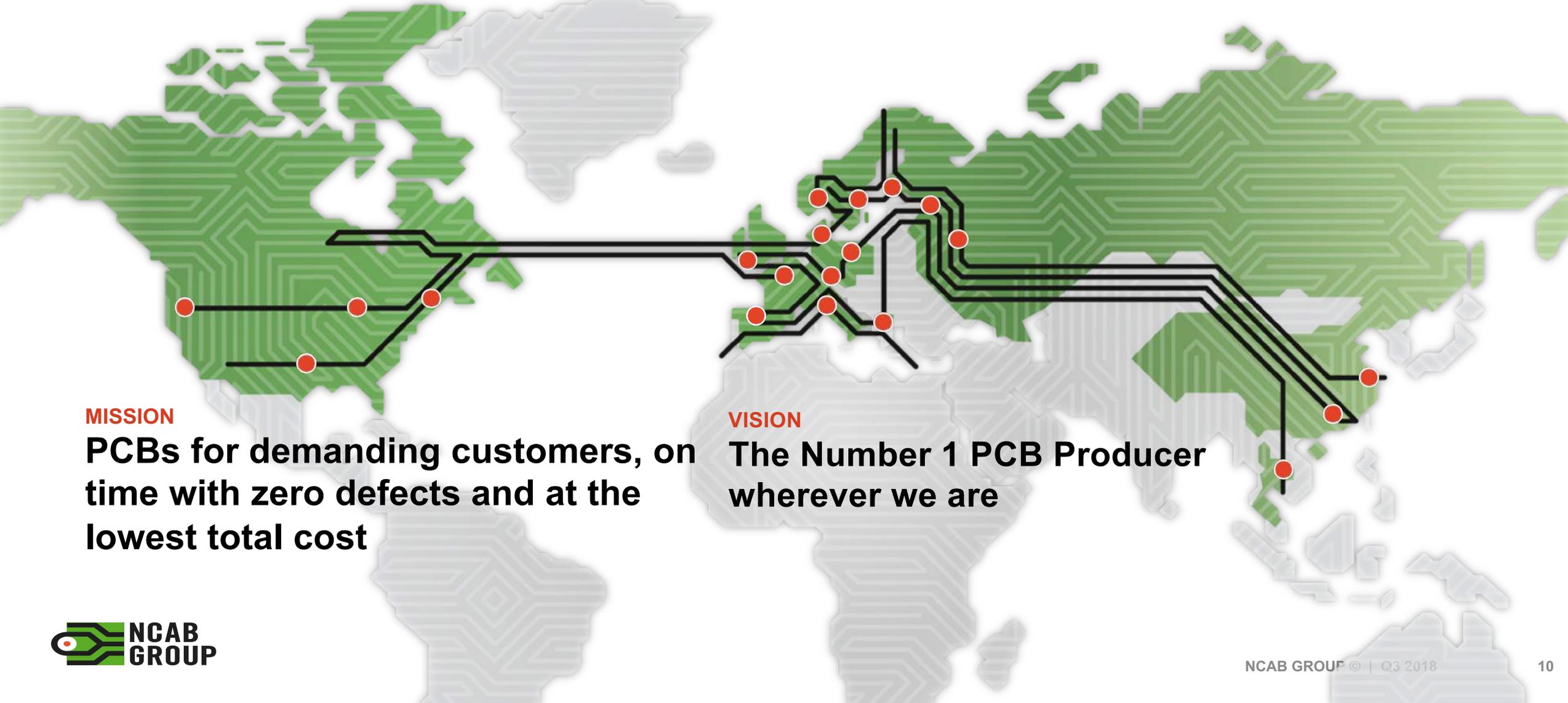
markets

**367**

specialists

**18**

factories



**MISSION**

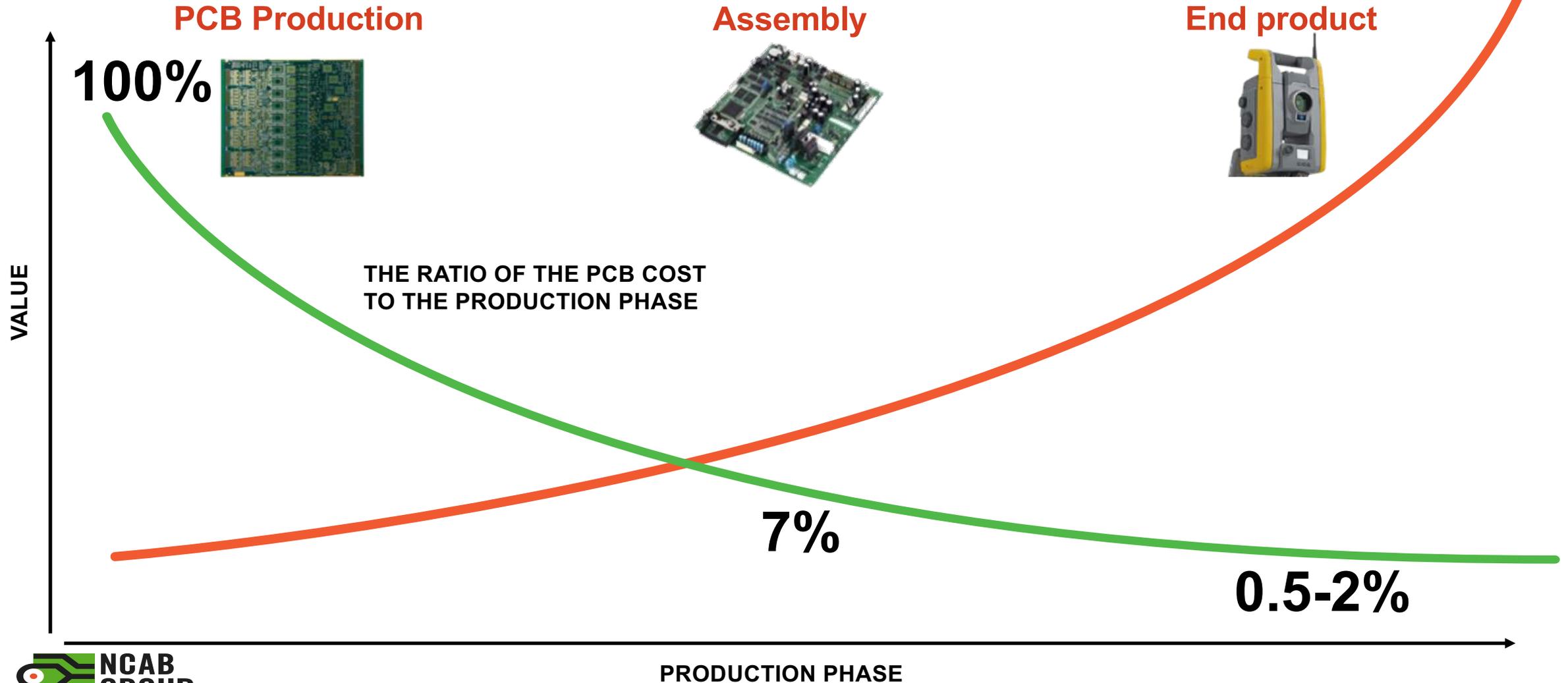
**PCBs for demanding customers, on time with zero defects and at the lowest total cost**

**VISION**

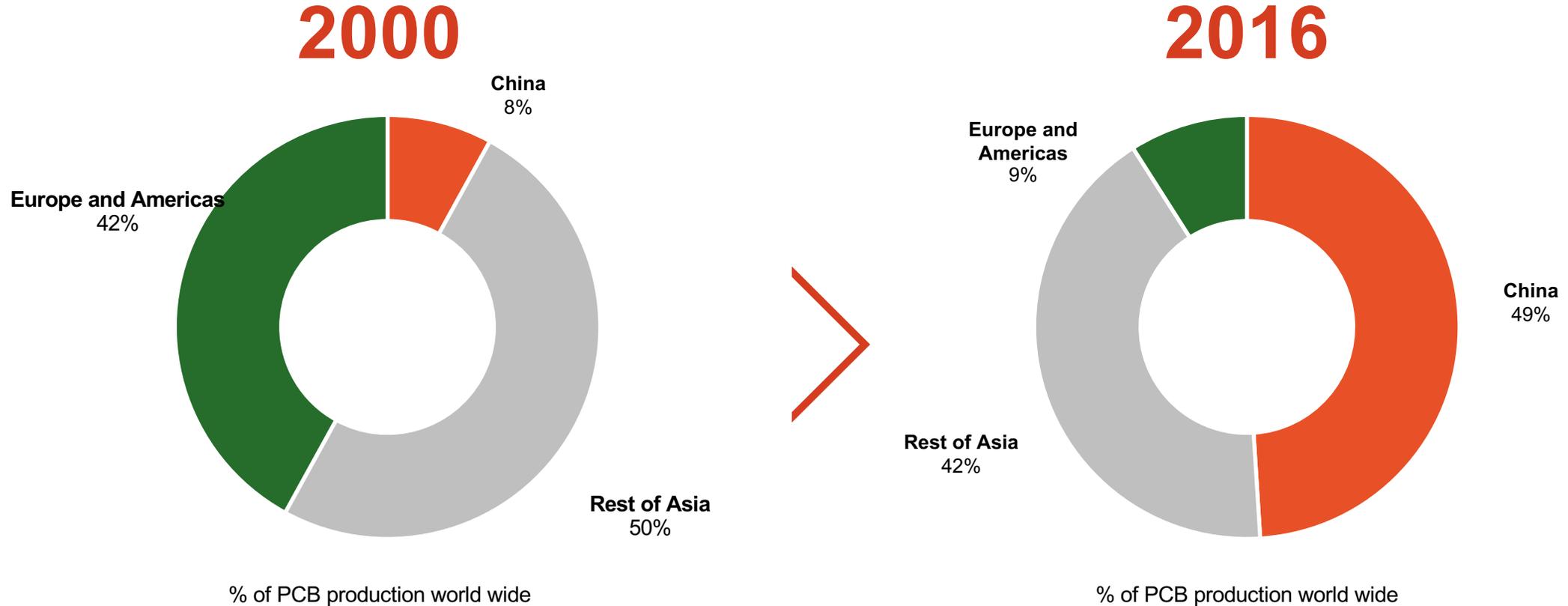
**The Number 1 PCB Producer wherever we are**

# Why are printed circuit boards critical?

THE COST OF A FAULTY PCB



# Why NCAB has a role to fill



European/US factories market share down from **42%** in 2000 to **9%** in 2016

# Why our customers love us

**1,650**

customers in  
45 markets  
worldwide



**18**

main factories  
predominantly  
located in China

One-stop-shop for PCB needs  
Purchasing power  
Quality control, knowledge and support



**Lower total cost for customers**

# Our journey

1993–2003

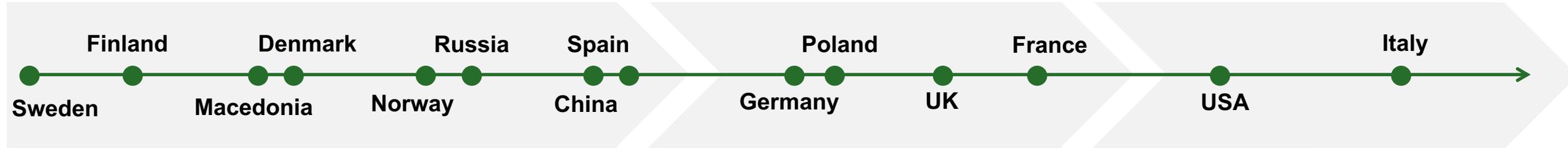
FROM TRADER...

2004–2011

...TO FULL SERVICE SUPPLIER...

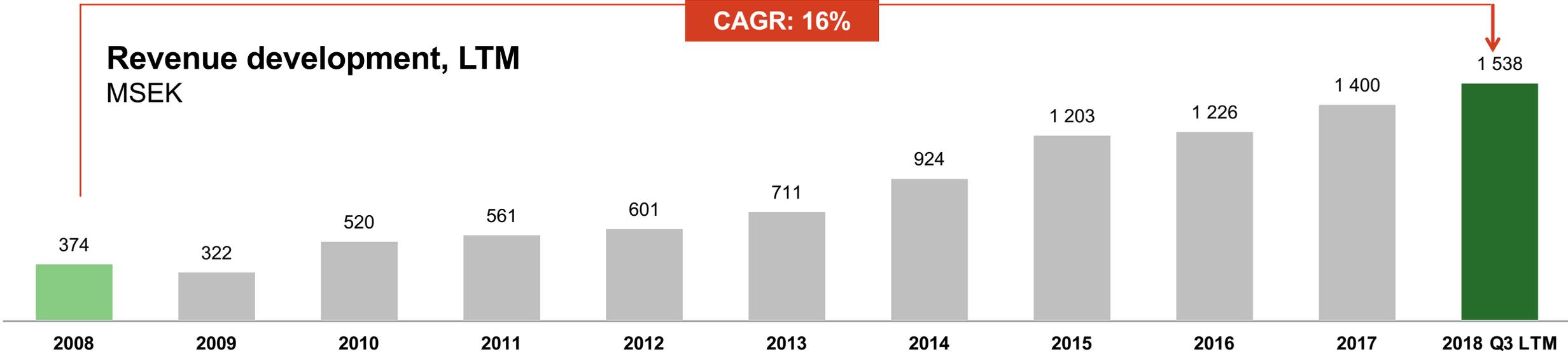
2012–

... WITH WORLDWIDE PRESENCE



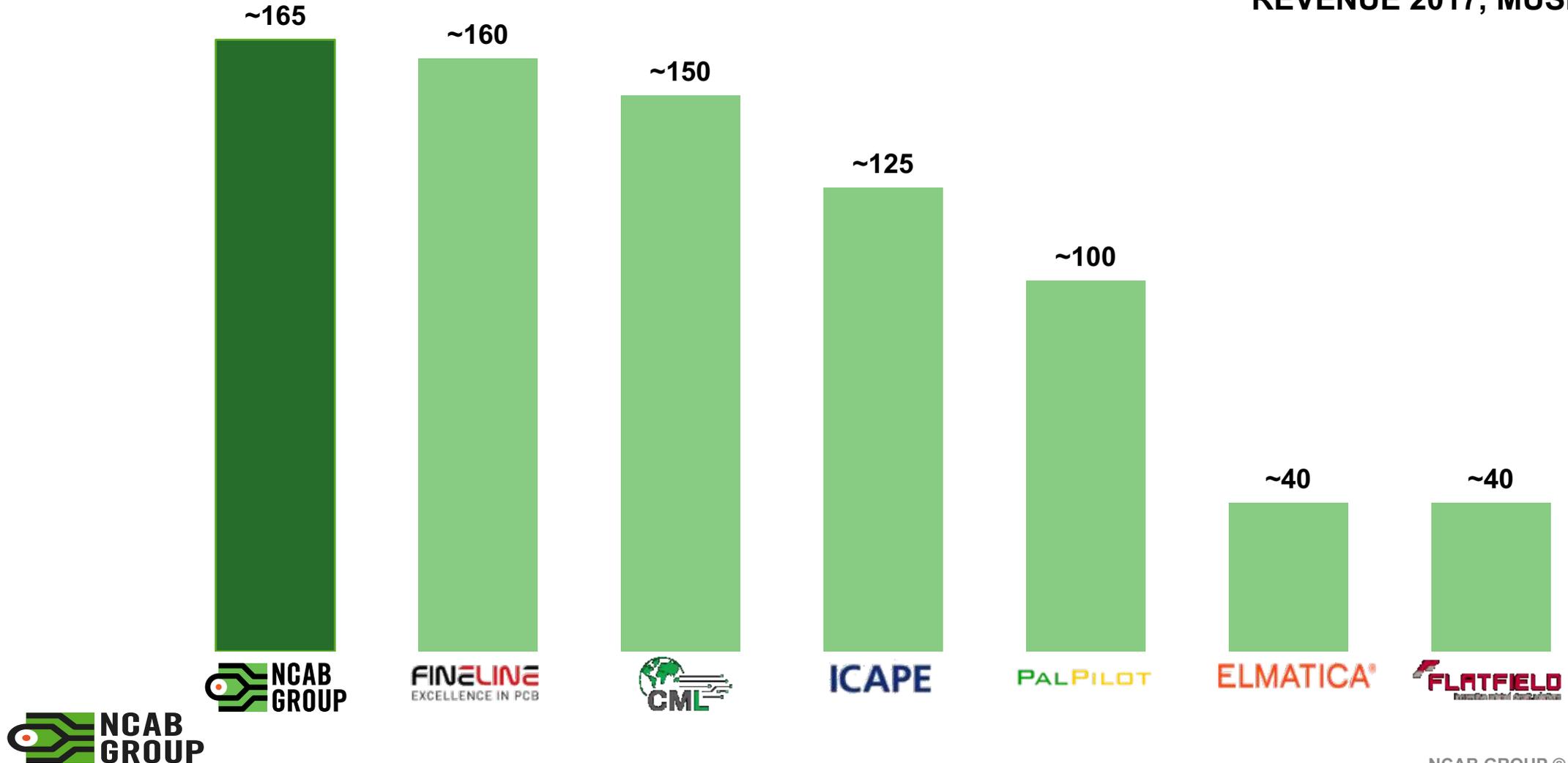
CAGR: 16%

Revenue development, LTM  
MSEK



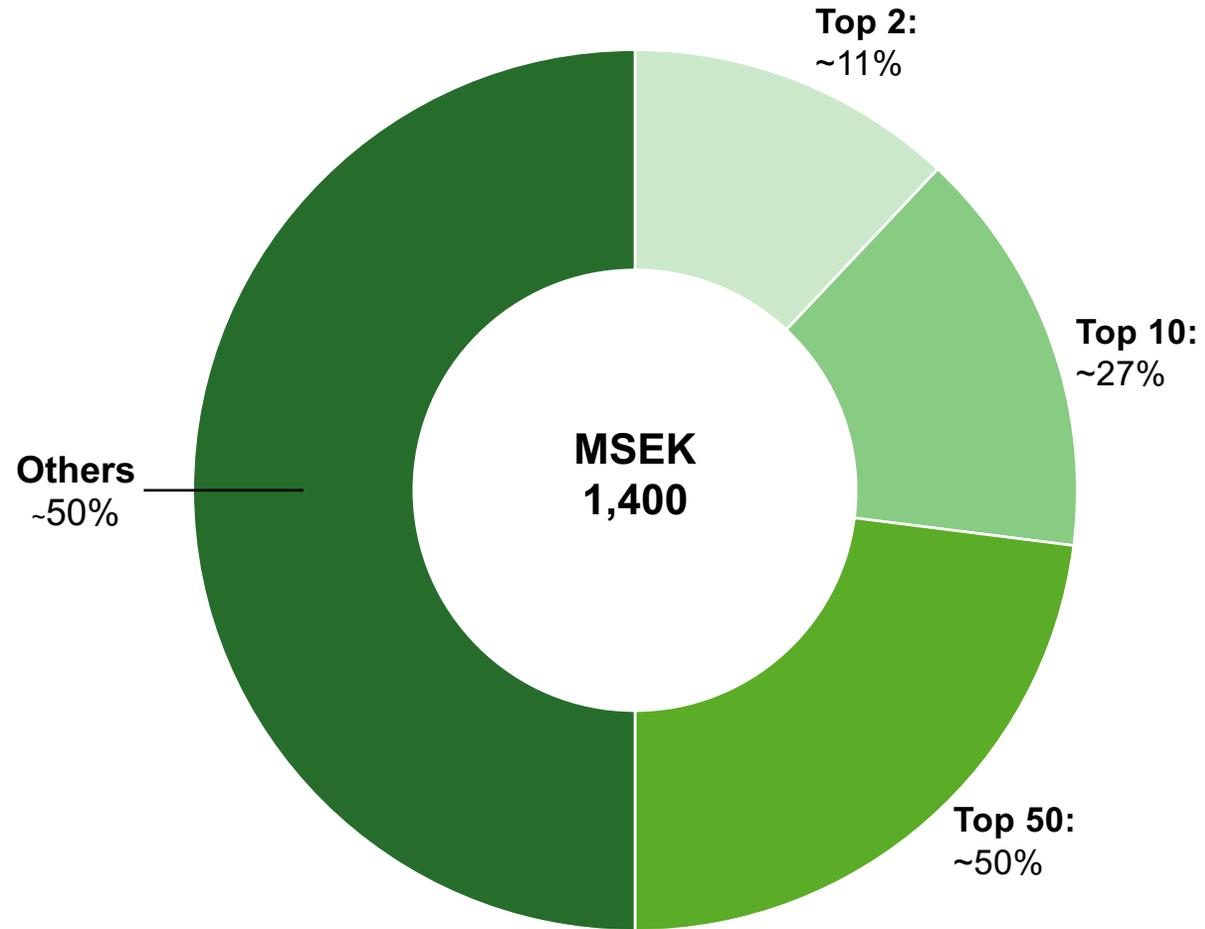
# A market leading position worldwide

REVENUE 2017, MUSD



# Low customer concentration

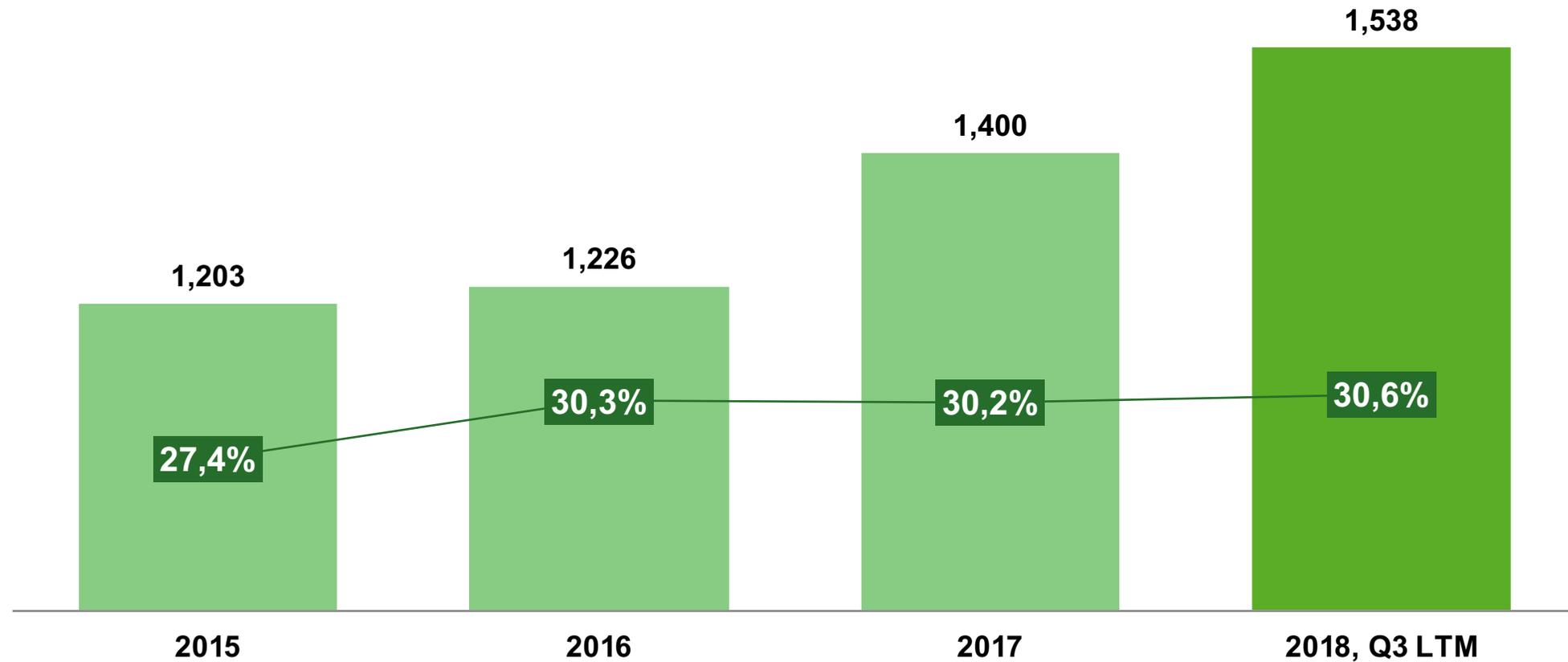
% of revenue 2017



# 3. Financials

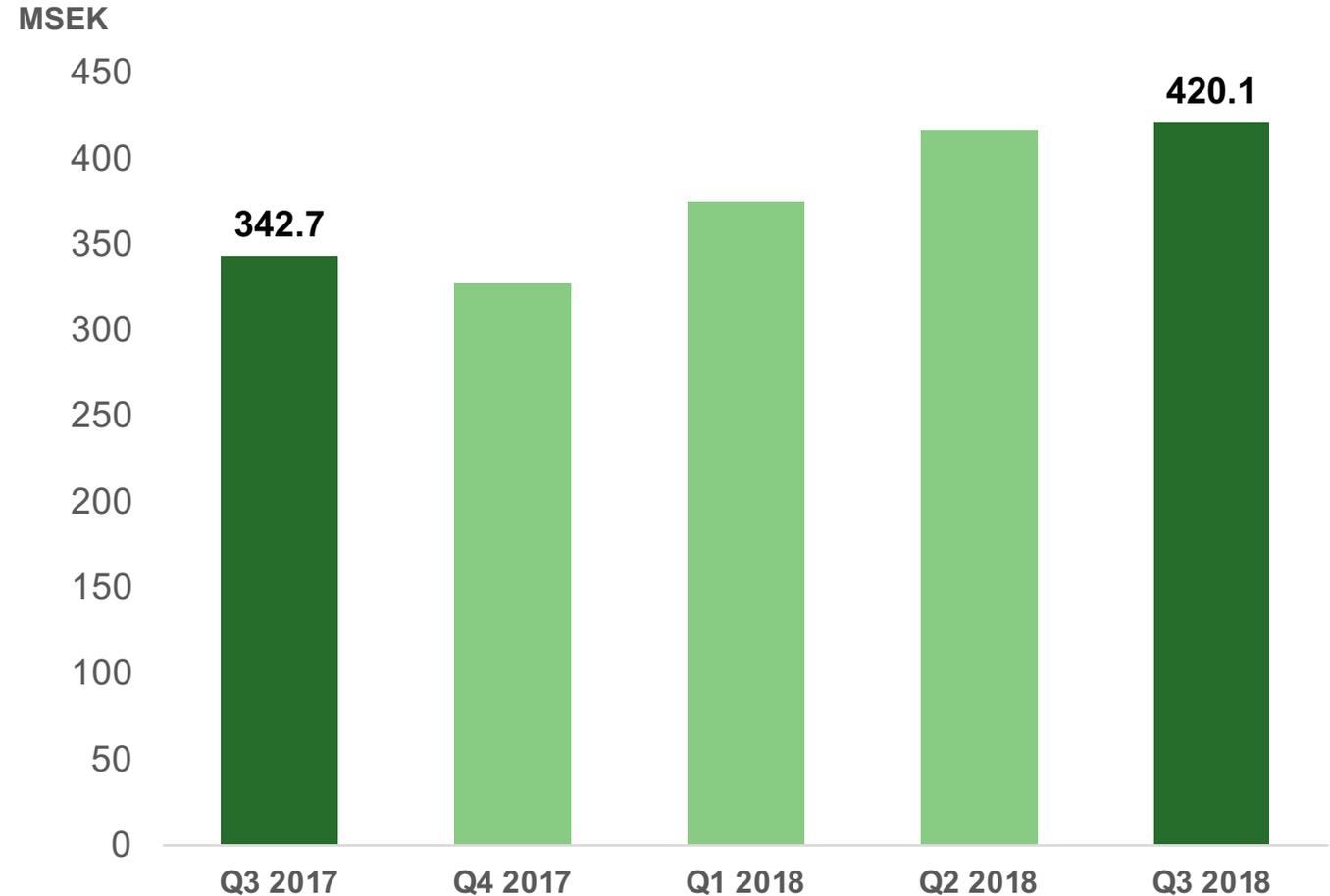


# Continued top-line growth and stable gross margins



# Continued strong revenue

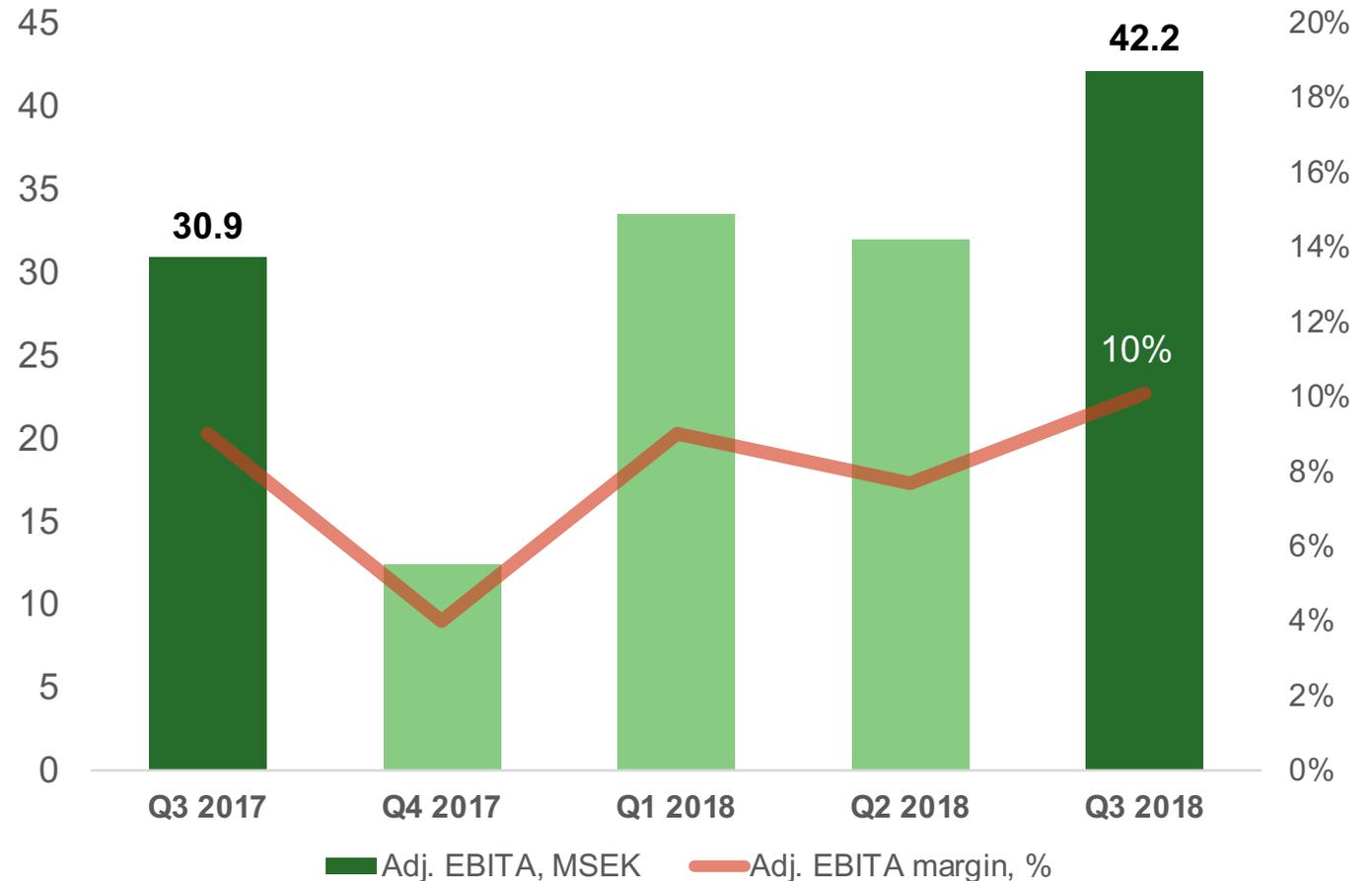
- Strong growth and order intake in all segments together with tailwind in currencies
- Revenue increased by 23% in SEK, and 12% in USD
- Order intake increased by 21% in SEK, and by 9% in USD
- Continued strong demand in all regions



# Profitability strengthened

- Adj. EBITA increased by 37%, reached 42.2 MSEK (30.9)
- Adjusted EBITA margin of 10.1% (9.0)
- Stronger result due to higher gross margin and slower increase in costs
- Earnings per share reached 1.93 SEK after dilution (-0.79)

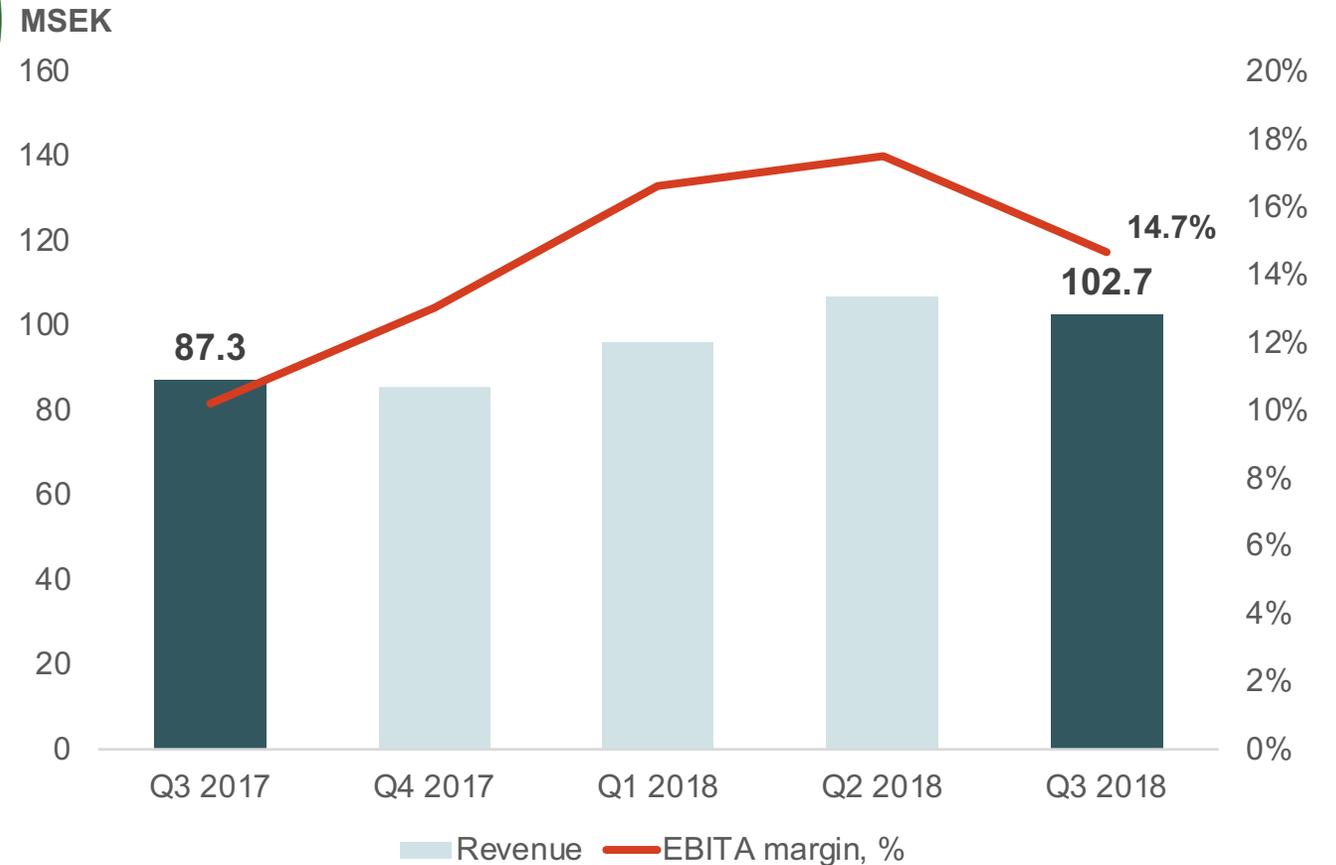
MSEK



# Nordic

**15%**  
EBITA margin

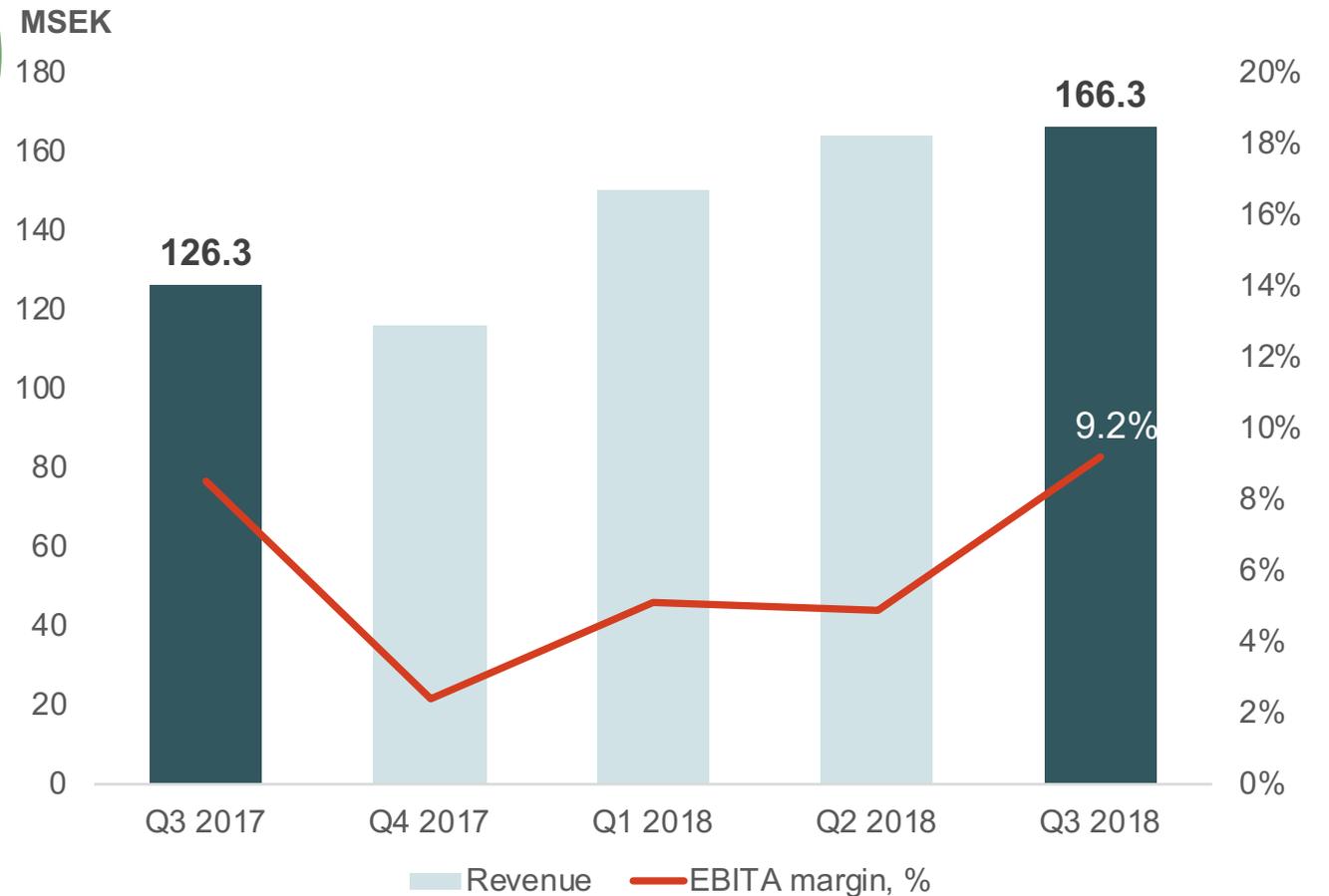
- Revenue increased by 17.6% to 102.7 MSEK (87.3)
- EBITA increased 68% to 14.8 MSEK (8.9) due to higher sales, gross margin and tailwinds in currency
- EBITA margin of 14.7% (10.2)



# Europe

**+32%**  
Revenue growth

- Revenue growth of 32% to 166.3 MSEK
- Strong development in Germany and in the UK – Italy very promising
- New office in Stuttgart
- EBITA increased by 42.3% to 15.2 MSEK (10.7), corresponding to a margin of 9.2% (8.5)

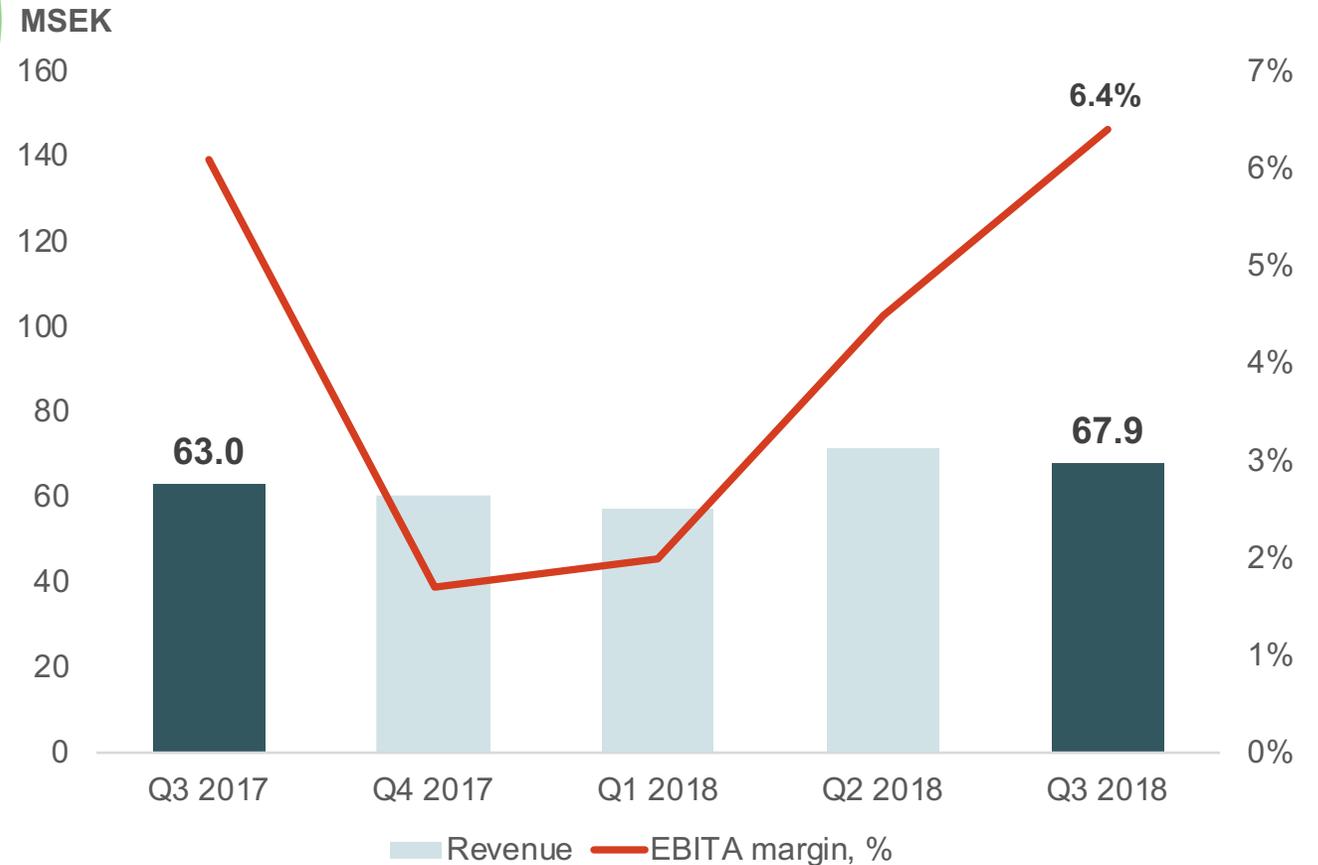


# USA

**+8%**

Revenue growth

- Stable growth of 8% to 67.9 MSEK (63.0) – in USD revenue fell by 2%
- Trade tariffs of 10% with effect from September – will be invoiced customers
- EBITA of 4.3 MSEK (3.8), corresponding to a margin of 6.4% (6.1)

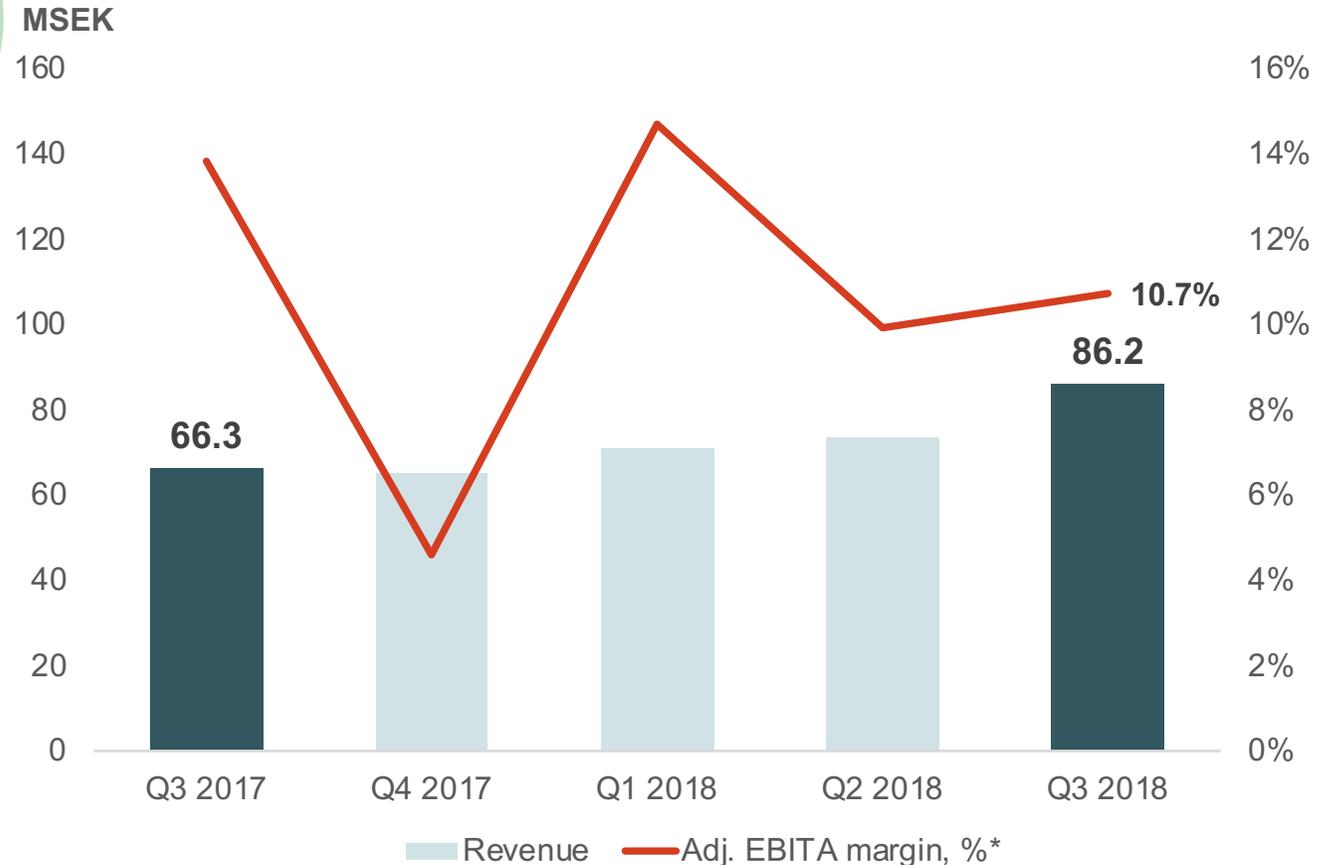


# East

**+30%**

Revenue growth

- Strong revenue growth of 30.1% to 86.2 MSEK
- Strong development in China and in Russia – from existing as well as from new customers
- Setting up business in Malaysia – emerging market with favourable local demand
- Adjusted EBITA of 9.2 MSEK (9.2), corresponding to a margin of 10.7% (13.8)



# Balance sheet KPIs

**0.2**  
Net debt/Adj.  
EBITDA

LTM	Sep -18	Sep -17	2017
ROE, %	32.0	49.6	30.4
Net debt/Adj. EBITDA	0.2	1.4	1.1
Equity/Asset ratio, %	39.2	19.4	19.2
Net working capital, MSEK	148.7	137.2	115.3

# 4. Key take-aways



# Key take-aways



**Strong sales in all segments with stronger results**



**Expanding into Malaysia**

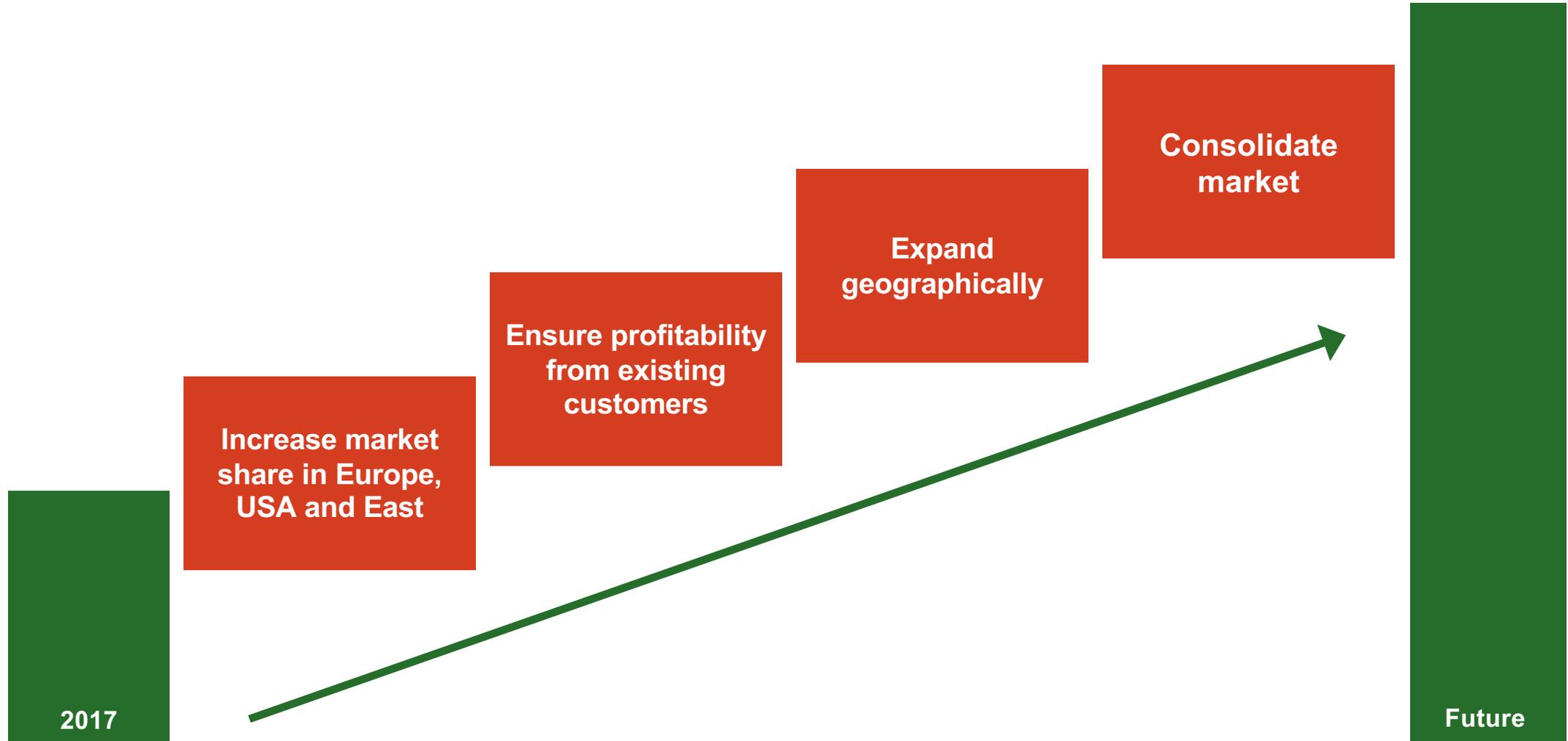


**Seasonally weak Q4 and somewhat lower growth in order intake**



**Confidence in our financial targets**

# Strategic plan supporting continued growth



# Financial targets, medium-term

Average annual organic revenue  
growth of

**8%**

Adjusted EBITA  
margin of

**8%**

Net debt/adjusted  
EBITDA less than

**2x**

Dividend expected to  
correspond to at least

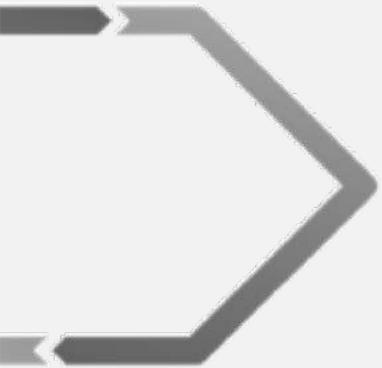
**50%**

of net profit



# Q & A





## Next quarterly report:

Full-year 2018

22 February, 2019

## Investor contact:

Gunilla Öhman

[gunilla.ohman@ncabgroup.com](mailto:gunilla.ohman@ncabgroup.com)

