

Kamux  
Quarterly Results Presentation  
January–September 2017

November 23, 2017



# Kamux's Growth Accelerated from First Half

- 1. Growth accelerated – in accordance with our strategy, we continue our journey to become the leading European retail chain specializing in used cars**
  - Revenue EUR 122.1 million (106,7), growth 14.5 %, operating profit EUR 6.1 million (5.5), growth 11.3 %, sold cars 11,083 (9,833), growth 12.7 %
  - Integrated services revenue EUR 5.8 million (5.0), growth 14.7%
  - New showrooms and expansions opened and announced: Espoo Olari 8/2017, Kuopio commercial vehicle expansion 10/2017, Kaarina 11/2017, Karlstad 12/2017, Jönköping expansion 01/2018, Ideapark 06/2018
- 2. Internationalization of Kamux continued full speed**
  - Sweden returned to growth, revenues grew 18,9 % in the third quarter
  - Sweden achieved positive operating profit of EUR 0.4 million, 2,1 % of revenue
  - German growth continued very strong, revenues grew 105,8 %
- 3. Finnish market experienced both positive signs and challenges**
  - The Finnish market improved, but still inventory levels remain above average levels
  - We estimate our development was clearly better than the market overall
  - In AutoBild Finland's Service1 purchase study published in September, Kamux was recognized as the best used car company. The research was carried out using the mystery shopping method.



# Financial Targets

## Revenue

- Revenue of at least EUR 700 million in 2019

## Profitability

- EBIT margin of 4-5 % in 2019 and at least 5 % in the long term

## Dividend policy

- Distribute dividends of at least 30 % of net profits
- When deciding on the distribution of dividends, The Board of Directors will, in the best interest of shareholders, annually evaluate the balance between distributing dividends and the opportunity to reinvest in growth, and therefore the actual payout may materially deviate from the target distribution levels in any particular year



A close-up, low-angle shot of the front of a white car in a brightly lit showroom. The car's headlight and grille are visible in the foreground, while the rest of the car and the background are softly blurred. The text is overlaid in the center of the image.

**Kamux Vision**

**#1 used car retailer  
in Europe**

# Key Figures

(MEUR)	7-9/ 2017	7-9/ 2016	Change, %	1-9/ 2017	1-9/ 2016	Change, %	1-12/ 2016
Revenue	122.1	106.7	14.5 %	340.6	306.9	11.0 %	404.8
Gross profit	15.3	13.5	13.7 %	40.8	37.8	8.0 %	49.2
as percentage of revenue, %	12.5 %	12.6 %		12.0 %	12.3 %		12.2 %
Operating profit (EBIT)	6.1	5.5	11.3 %	13.0	13.4	-3.4 %	15.7
as percentage of revenue, %	5.0 %	5.1 %		3.8 %	4.4 %		3.9 %
Adjusted operating profit	6.2	5.8	6.9 %	15.3	15.0	2.3 %	18.0
as percentage of revenue, %	5.1 %	5.4 %		4.5 %	4.9 %		4.4 %
Revenue from integrated services	5.8	5.0	14.7 %	16.8	14.0	19.3 %	19.3
as percentage of revenue, %	4.7 %	4.7 %		4.9 %	4.6 %		4.8 %
Sales growth of like-for-like showrooms, %	-3.2 %	6.1 %		-7.2 %	18.6 %		12.2 %
Inventory turnover, days				45.9	39.6	15.9 %	43.1
Return on equity (ROE), %				24.9 %	49.3 %		43.8 %
Return on capital employed (ROI), %				16.8 %	25.2 %		22.5 %
Equity ratio, %				56.8 %	41.2 %		36.9 %



# Revenue Increased in July-September 2017

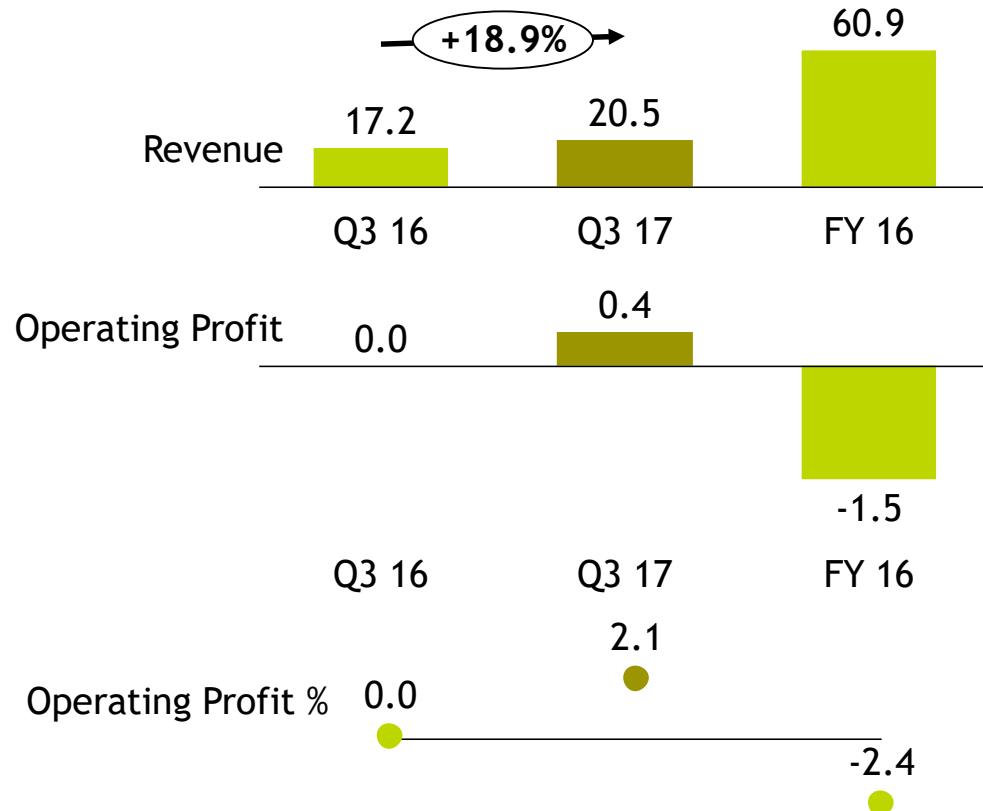
- Used cars sold by Kamux in the third quarter grew by 12.7 % and totaled 11 083 (9 833)
- The increase in revenue was driven mainly by opening of new showrooms in Finland and Germany
- Like-for-like sales growth in July-September was -3.2 % (6.1 %)
- Like-for-like showroom sales growth developed positively compared to the first half of the year, but remained at an unsatisfactory level. We continue to take measures to increase sales of comparable stores

(MEUR)	7-9/ 2017	7-9/ 2016	1-12/ 2016
Sales of used cars	116.4	101.6	385.5
Financing fees and Insurance commissions	4.9	4.1	15.8
Sales of Kamux Plus	0.9	0.9	3.5
Total	122.1	106.7	404.8



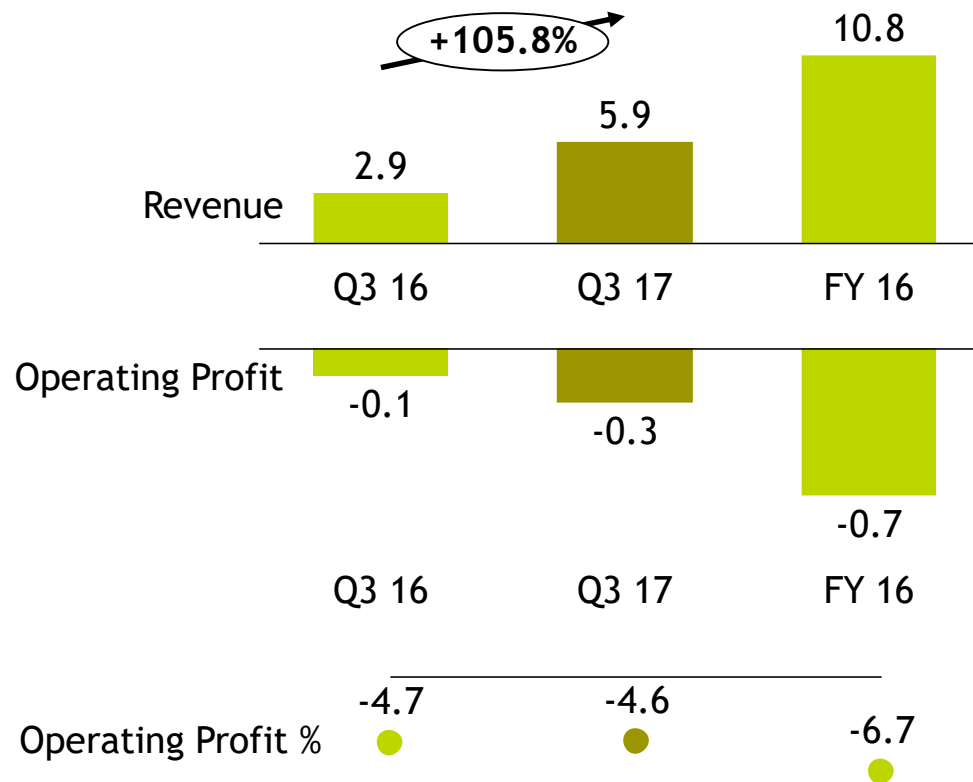
# Sweden Returned to Growth and Delivered a Positive Quarter

- Sweden has returned to growth
  - Growth of 15.8 % in number of cars sold and 18.9 % in revenue
- Profitability improved clearly, operating profit % rose from zero to 2.1 % during the quarter
- Integrated services share of revenue remained on good level. Financing and insurance penetrations improved
- Kamux's operating model has stabilized in Sweden
- Showroom network is expanding: Jönköping will triple its showroom size in January and our 10<sup>th</sup> showroom in Sweden will open in Karlstad in December



# German Strong Growth Continues

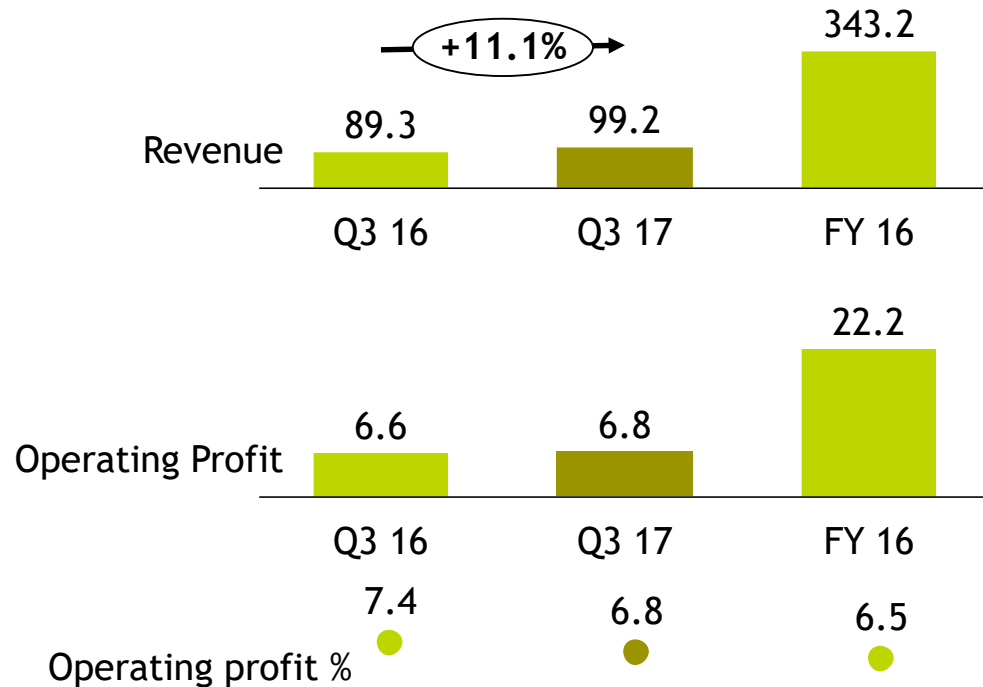
- Kamux's growth continues in one of the biggest used car markets in Europe
  - Growth of 124.2 % in number of cars sold and 105.8 % in revenue
- Oliver Michels appointed country director
  - Starts at the beginning of 2018
- Operating loss totaled EUR 0.3 million in Q3
- Focus still on uniform implementation of Kamux concept and establishing presence in Northern Germany





# In Finland Growth Accelerated and Market Improved Slightly from First Half

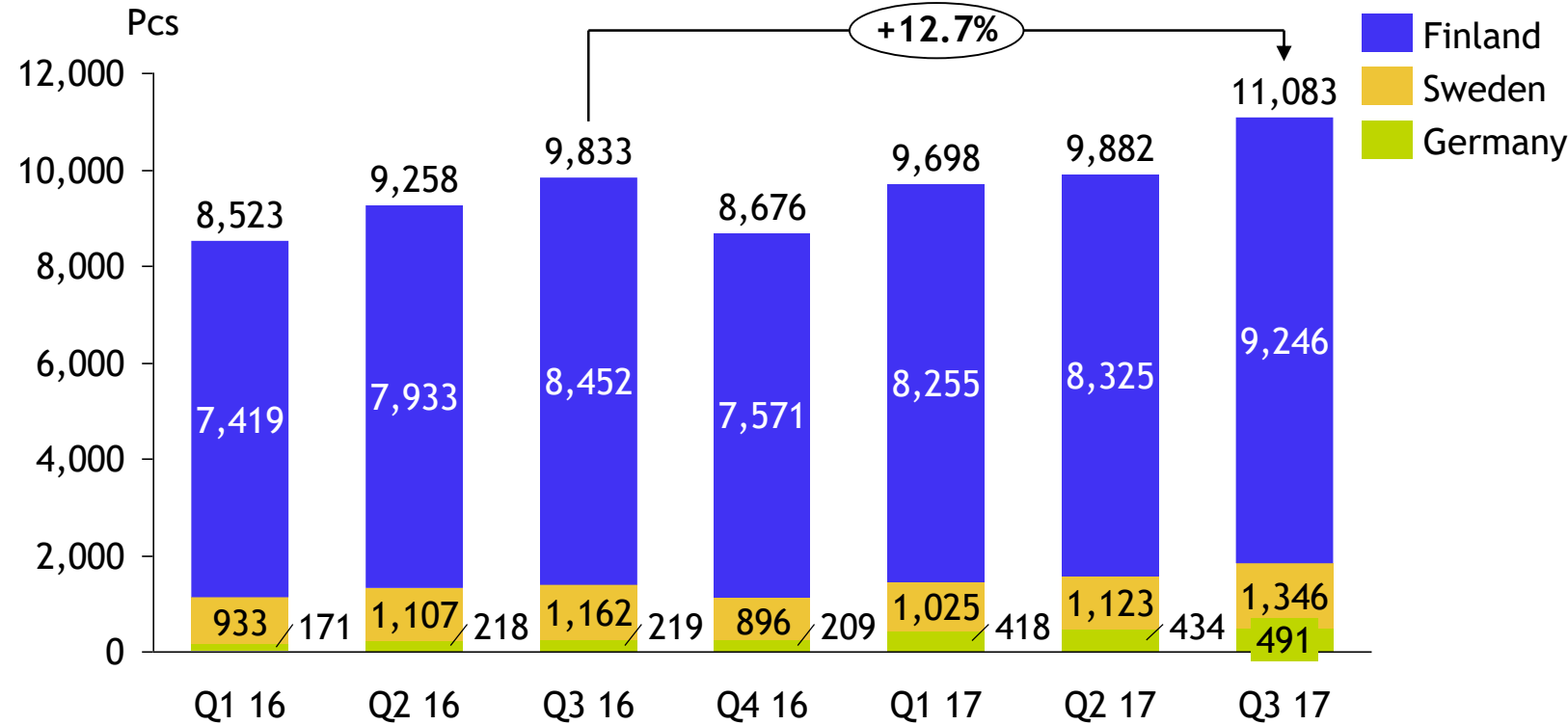
- In Finland Kamux achieved satisfactory results given market conditions
  - Inventories in the industry declined somewhat, but were still at above average levels at the end of September
  - Diesel cars emissions public debate continued to impact the market
- Kamux Finland achieved record revenue: EUR 99.2 million (89.3), growth of 11.1 %
- Like-for-like sales developed positively from first half and we continue to take measures to drive like-for-like sales



# Number of Cars Sold Hit New Record

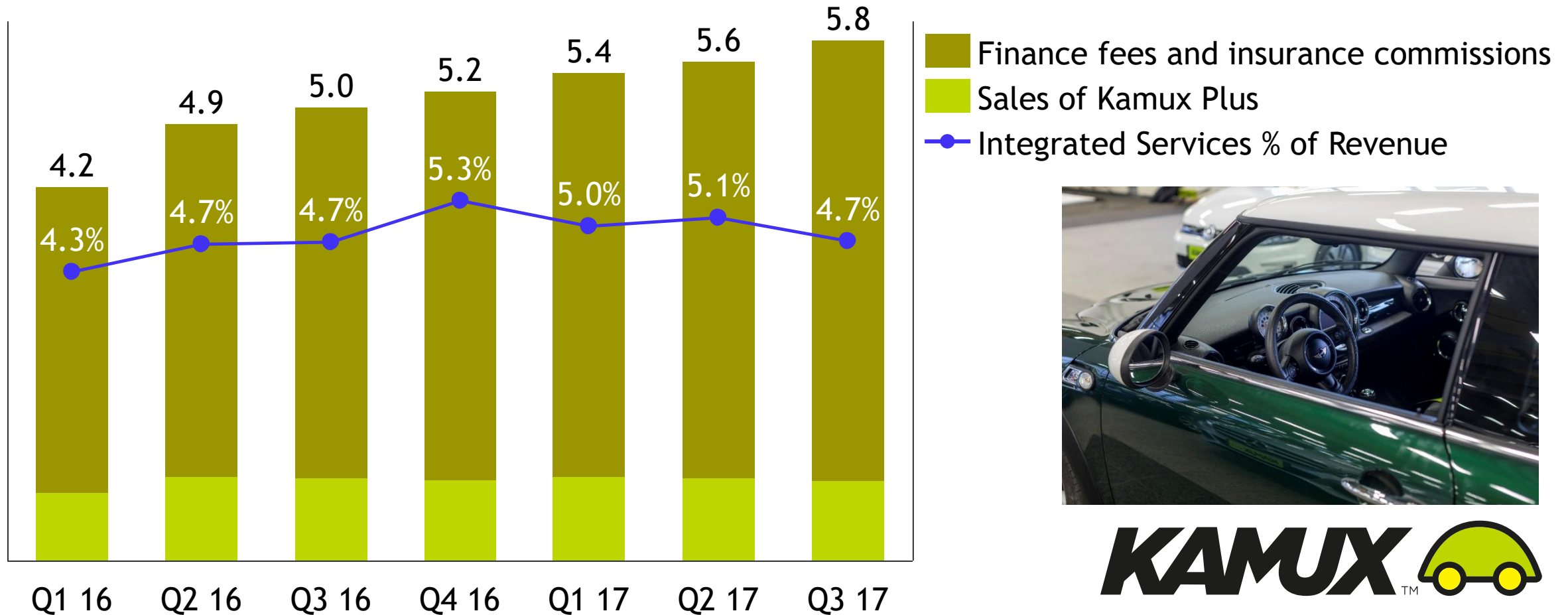


- Car sales grew by 12.7 % compared to a year ago. Relative growth was strongest in Germany



# Integrated Services Revenue Rose to a New Record

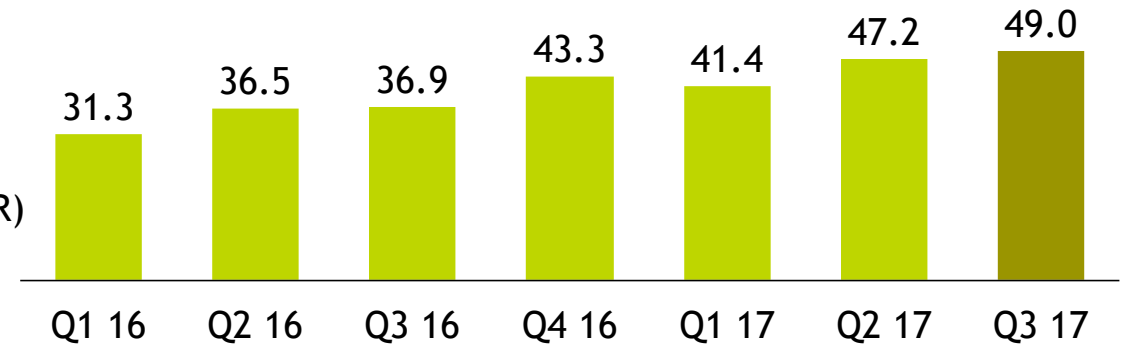
MEUR



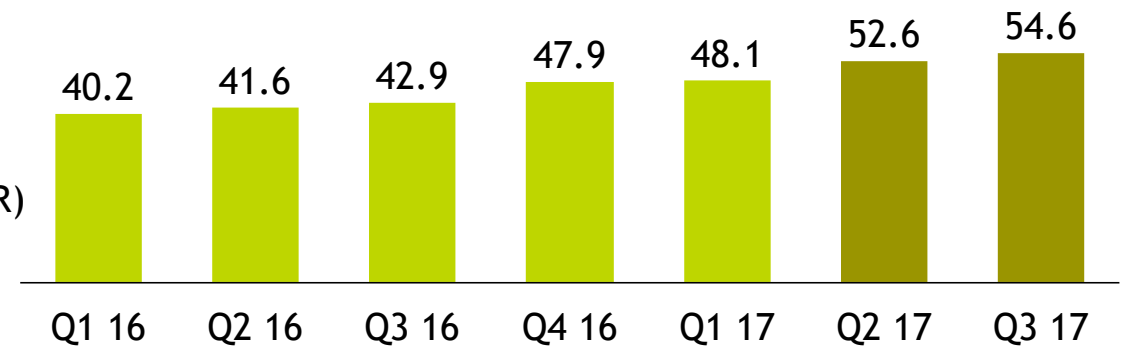
# Net Working Capital and Inventories Grew Slightly

- NWC grew by 1.8 MEUR in Q3 2017

Net Working Capital (MEUR)



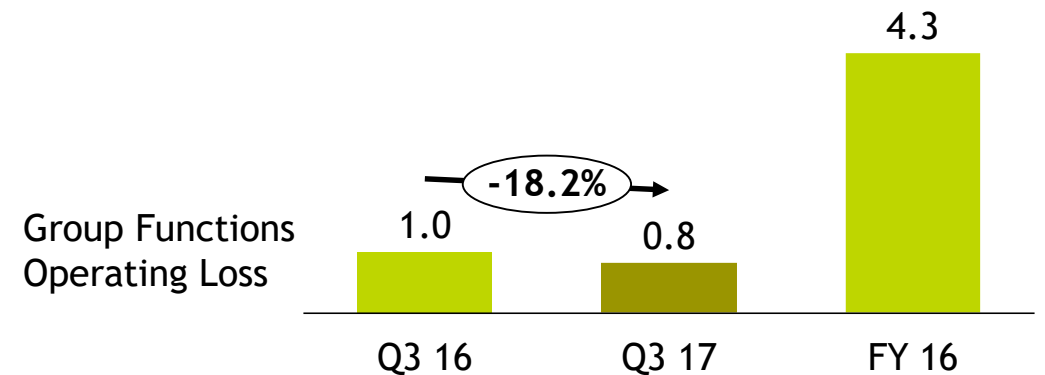
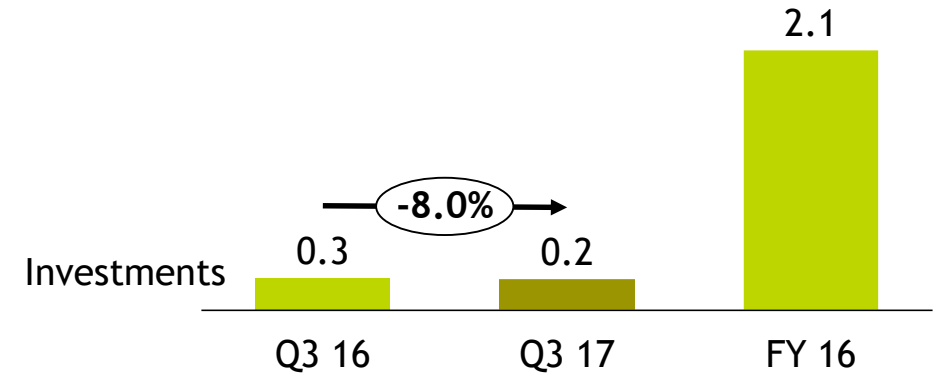
Inventories (MEUR)



# Investments into Future Growth Continue According to Strategy

In line with our strategy we have systematically invested to our future

- Key personnel: management and personnel combined with an agile organizational model
- Internationalization: Necessary resources to grow internationally and strong local market understanding
- Digital functions: Continue as planned, developing CRM-ERP system, analytics, data management and financial management systems



# Kamux Q3 2017 Summary

- 1. Kamux's growth accelerated from first half**
  - Number of sold cars 11,083 (9,833), revenue grew 14.5 % and was EUR 122.1 million (106.7), operating profit grew 11.3 % and was EUR 6.1 million (5.5)
- 2. International business continued its strong performance**
  - Sweden's operating profit positive at EUR 0.4 million, 2.1 % of revenue
  - Sweden's revenue grew 18.9 % and car sales grew 15.8 %
  - Germany continued its very strong growth
- 3. Finland delivered a record quarter despite the market situation**
  - Revenue grew 11.1 % and was EUR 99.2 million (89.3), car sales grew 9.4 %, operating profit grew 2.1 % and totaled EUR 6.8 million (6.6)
  - The market situation improved slightly in Finland
  - Like-for-like sales growth developed positively during the quarter, actions taken are beginning to make an impact, and we continue actions



Questions?

A close-up photograph of a woman with blonde hair, smiling warmly from the driver's side window of a car. Her reflection is visible in the side-view mirror. A bright green rounded rectangular callout box is positioned in the bottom right corner of the image, containing the text 'Thank you!' in white.

Thank you!

# Disclaimer

It should be noted that Kamux and its business are exposed to various risks and uncertainties and certain statements herein which are not historical facts, including, without limitation those regarding expectations for market growth and developments; expectations for growth and profitability; and statements preceded by “believes”, “expects”, “anticipates”, “foresees”, or similar expressions, are forward-looking statements. Since these statements are based on current plans, estimates and projections, they involve risks and uncertainties that may cause actual results to materially differ from those expressed in such forward-looking statements. All statements are based on the management’s best assumptions and beliefs in light of the information currently available to it and Kamux assumes no obligation to publicly update or revise any forward-looking statement except to the extent legally required.

