



Kamux - Half Year Results Presentation January–June 2018

August 23, 2018

CEO Juha Kalliokoski

CFO Tapio Arimo



Table of Contents

Half Year Results Presentation 2018



Q2/2018 in Brief



Financial Development



Outlook and Financial
Targets



Summary

Kamux Vision

#1 used car retailer in

Europe



Kamux Q2 2018 in Brief

1.

Revenue increased to EUR **128.0** million (109.2)

3.

Adjusted operating profit increased by **36.2 %** to EUR 6.1 million (4.5)

5.

Internationalization proceeded as planned and revenue increased in Sweden by **38.0 %** to EUR 23.3 million and in Germany by **21.6 %** to EUR 7.1 million

2.

Gross profit increased by **25.7 %** to EUR 16.3 million (13,0)

4.

We opened a new car showroom in **Linköping** and announced several future showrooms in different countries

6.

Like-for-like showroom revenue growth was **9.3 %** (-11.6 %)

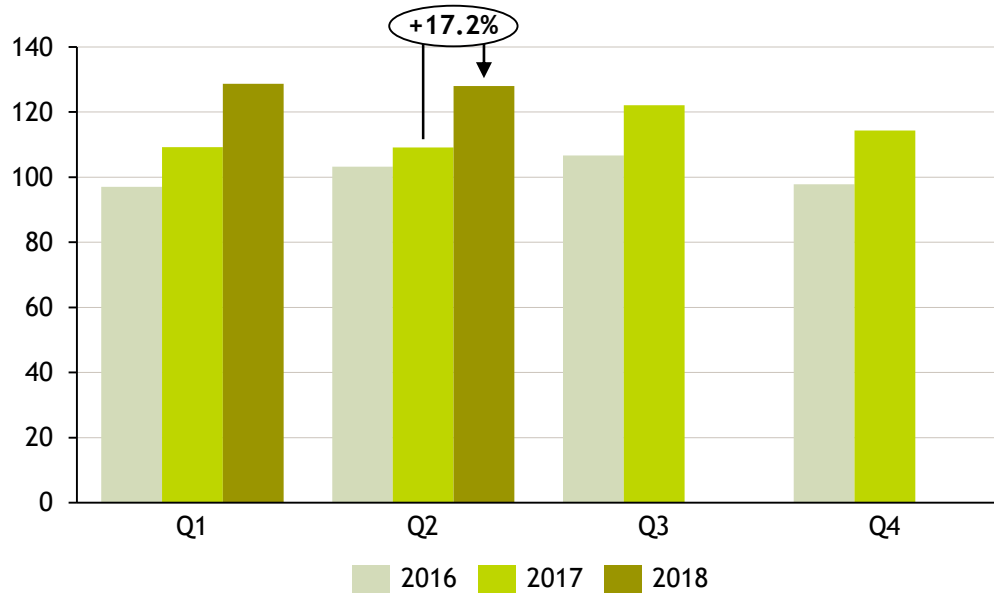


Operating Environment was Stable

Market	Market size (2017)	Kamux's market share	Market development during Q2	Kamux's position and development during Q2
 Finland	~0.5 million cars	~7.0% #1	The Finnish market situation was relatively unchanged, we estimate the market grew slightly	Kamux maintained its market leader position, and we estimate we grew clearly faster than the market
 Sweden	~1.2 million cars	~0.5% Top 10	We estimate the used car market grew slightly	Kamux grew strongly and strengthened its position among the ten largest used car dealers
 Germany	~7.3 million cars	~0.0%	We estimate the used car market was stable	Kamux grew its market share

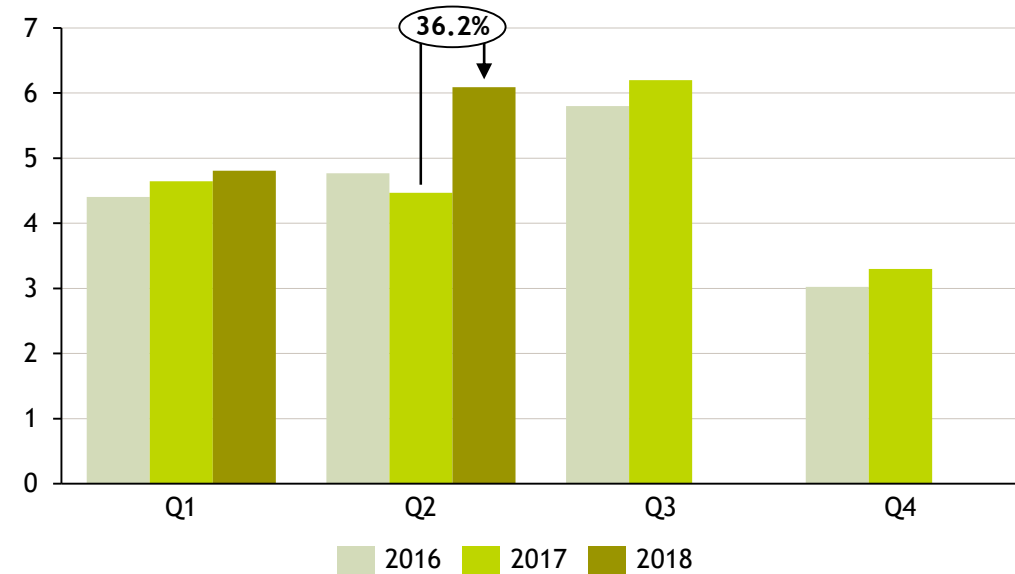
Kamux in Q2 2018 – Improving Profitability

Revenue (EUR million)



- Revenue growth in Q2 2018 was on good level

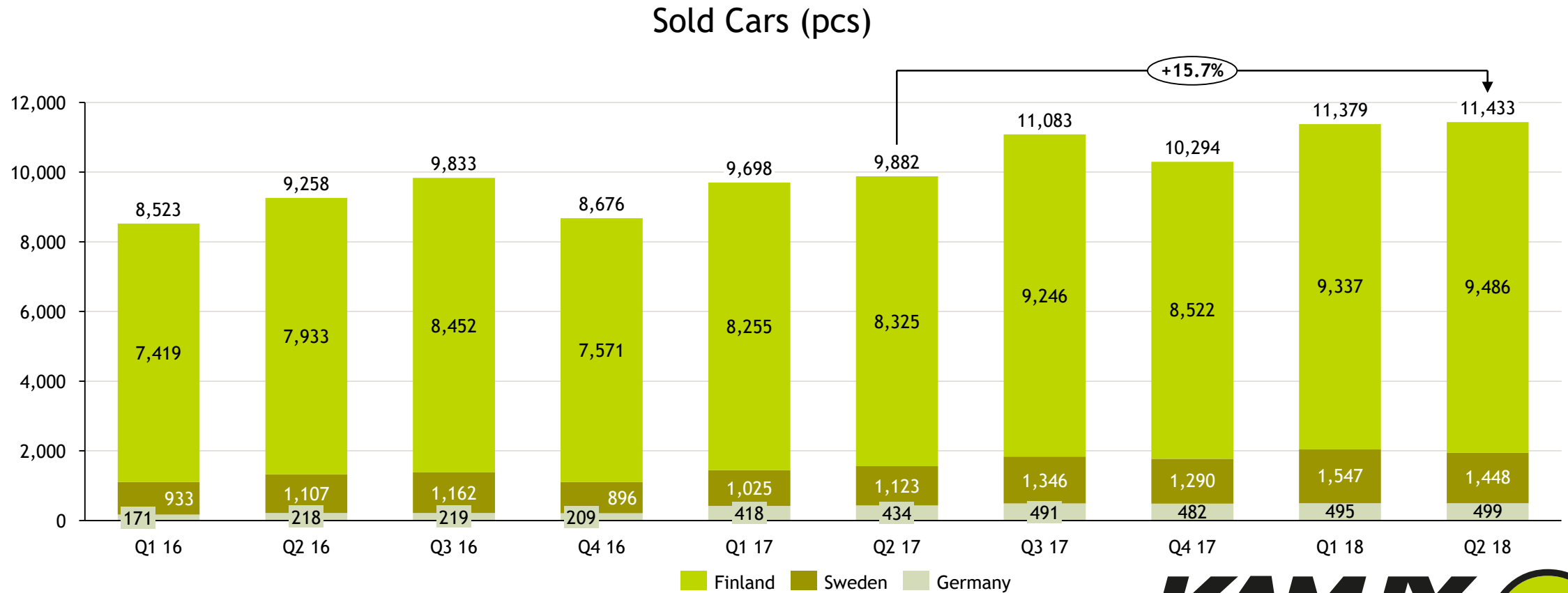
Adjusted Operating Profit (EUR million)



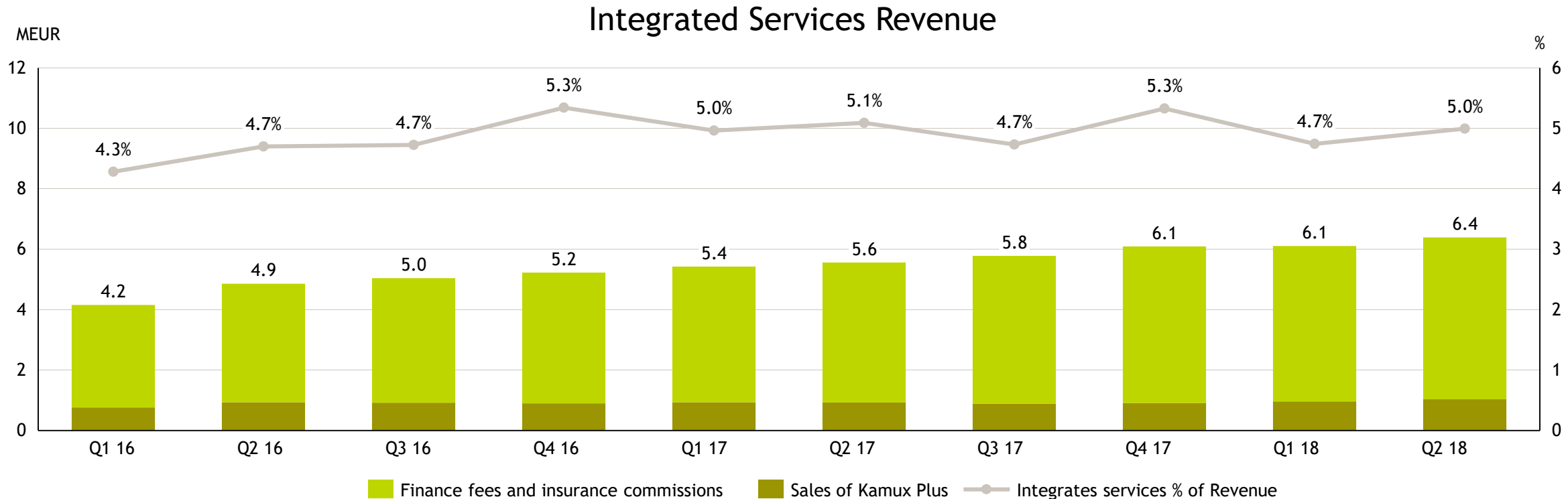
- Adjusted operating profit grew in Q2 2018 especially due to gross margin improvement



Number of Cars Sold Grew by 15.7%



Integrated Services Revenue Continued to Grow



A photograph of two men in a garage, leaning over a car wheel. The man on the right is wearing a grey hoodie and blue jeans, and is smiling while wearing a green glove. The man on the left is wearing a grey hoodie and dark pants, also smiling. The background shows a white car and a silver car. The image has a dark brown overlay on the left side.

Financial Development

Tapio Arimo
CFO

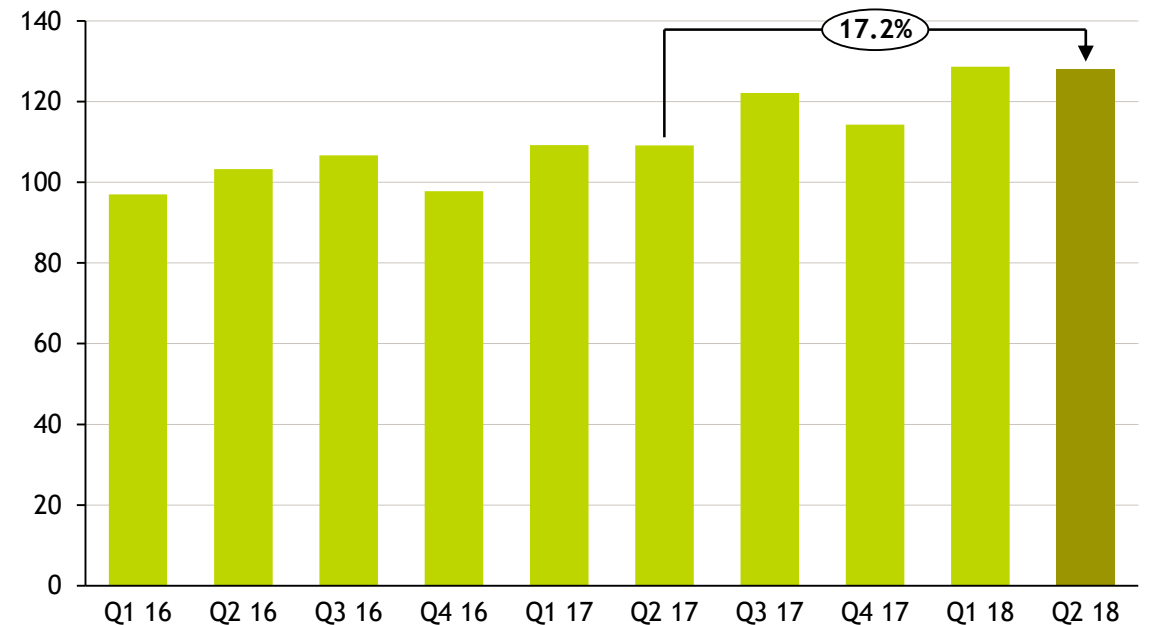
Key Figures

(MEUR)	4-6/ 2018	4-6/ 2017	Change, %	1-6/ 2018	1-6/ 2017	Change, %	1-12/ 2017
Revenue	128.0	109.2	17.2 %	256.7	218.4	17.5 %	454.9
Gross profit	16.3	13.0	25.7 %	30.9	25.5	21.2 %	53.8
as percentage of revenue, %	12.8 %	11.9 %		12.0 %	11.7 %		11.8 %
Operating profit (EBIT)	3.6	3.5	4.6 %	8.4	6.9	22.0 %	16.2
as percentage of revenue, %	2.8 %	3.2 %		3.3 %	3.2 %		3.6 %
Adjusted operating profit	6.1	4.5	36.2 %	10.9	9.1	19.5 %	18.6
as percentage of revenue, %	4.8 %	4.1 %		4.2 %	4.2 %		4.1 %
Revenue from integrated services	6.4	5.6	15.0 %	12.5	11.0	13.8 %	22.8
as percentage of revenue, %	5.0 %	5.1 %		4.9 %	5.0 %		5.0 %
Sales growth of like-for-like showrooms, %	9.3 %	-11.6 %		9.1%	-9.3%		-4.9 %
Inventory turnover, days				48.0	46.0	4.4 %	46.8
Return on equity (ROE), %				21.5 %	26.1 %		26.6 %
Return on capital employed (ROI), %				16.5 %	16.1 %		17.2 %
Equity ratio, %				56.0 %	53.7 %		57.2 %



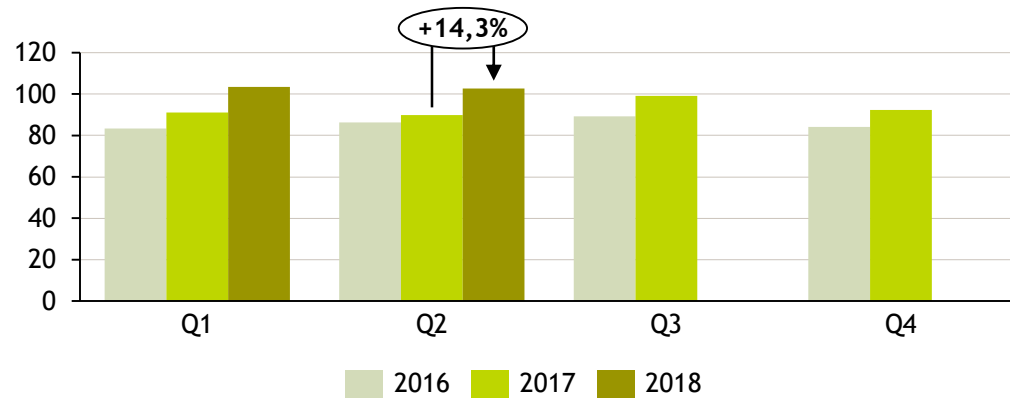
Kamux's Revenue Grew Strongly

- The number of used cars sold by Kamux in the second quarter grew by 15.7 % and totaled 11,433 (9,882).
- Kamux's revenue grew by 17.2 % in Q2 2018.
- The increase in revenue was driven by new showrooms and strong like-for-like revenue growth.
- Like-for-like sales growth in Q2 was 9.3 % (-11.6 %).

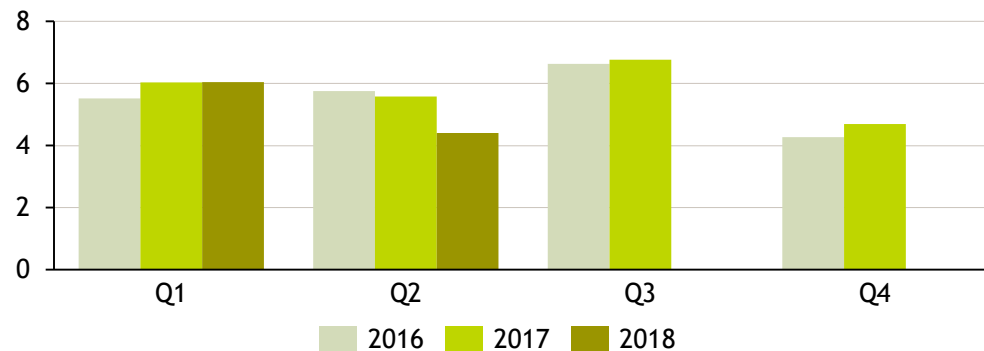


Kamux Finland – Growth Continued to Accelerate

Revenue (EUR million)



Operating Income (EUR million)

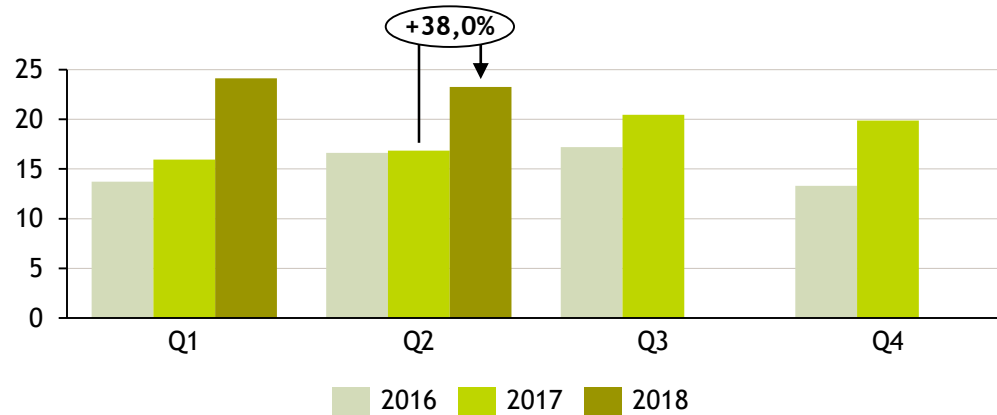


- Revenue grew by 14.3 % compared to the previous year and was EUR 102.7 million (89.8).
- Gross margin increased to EUR 13,6 million (11,3) and 13,2 % (12.6 %) of revenue. Operating profit was negatively impacted by EUR 2.4 million expenses of special items related to taxes from previous financial years and declined to EUR 4.4 million (5,6) and 4,3 % (6,2 %) of revenue.
- Like-for-like showroom growth increased from Q1 levels.

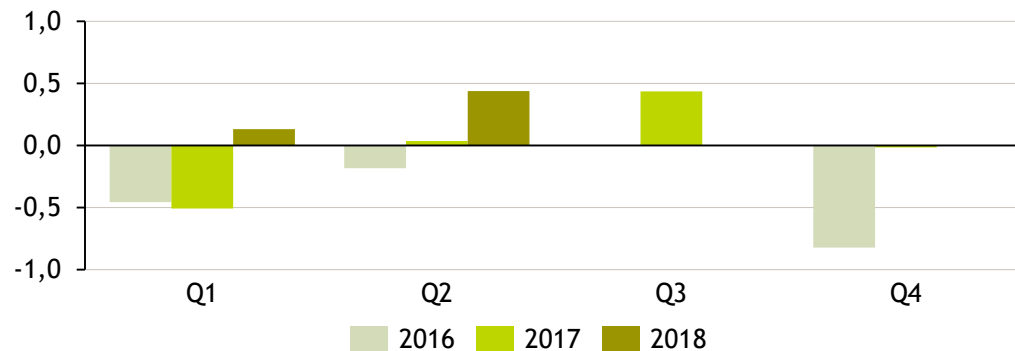


Kamux Sweden – Very Strong Revenue Growth Continued

Revenue (EUR million)



Operating Income (EUR million)

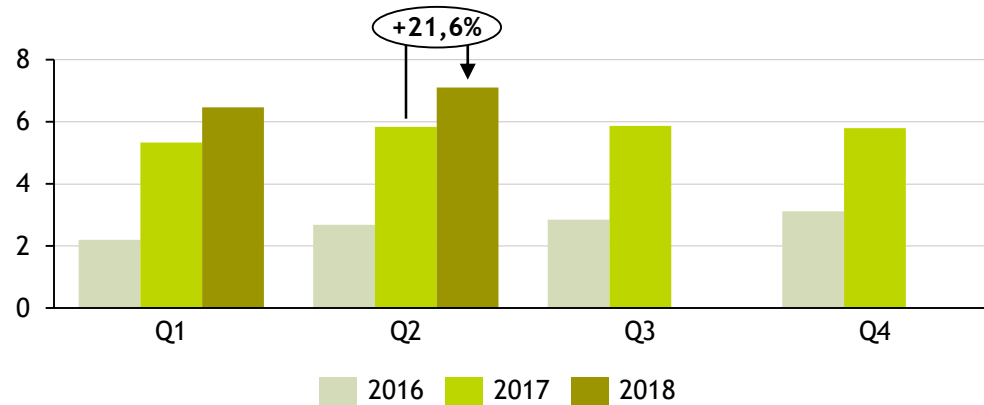


- Revenue grew by 38.0% compared to the previous year and was EUR 23.3 million (16.9).
- Operating profit was EUR 0.4 million (0.0) and 1.9% (0.2%) of revenue.
- Linköping showroom was opened in June.
- Like-for-like showroom revenue growth continued very strong.

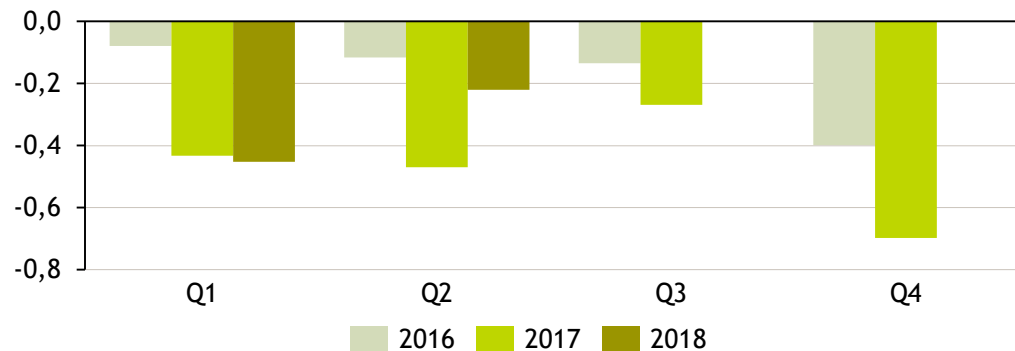


Kamux Germany – Operating Income Improved Significantly

Revenue (EUR million)



Operating Income (EUR million)

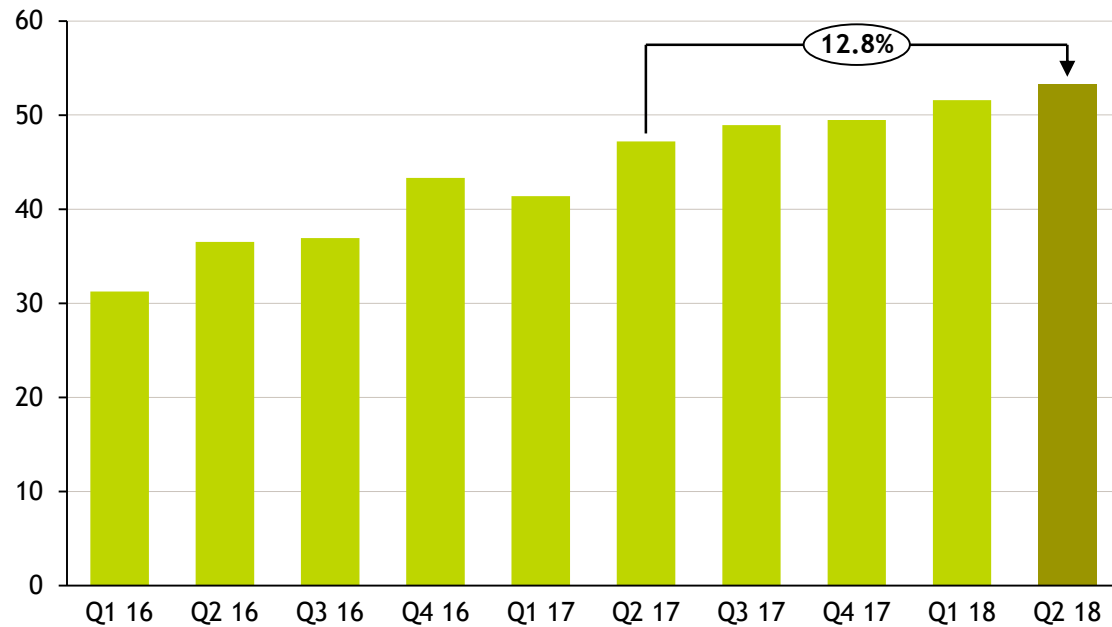


- Revenue grew by 21.6% compared to the previous year and was EUR 7.1 million (5.8).
- Operating loss decreased significantly and was EUR -0.2 million (-0.5).
- Development of Kamux's concept and processes has proceeded well and we announced the third showroom in July in Germany.
- Like-for-like showroom growth was clearly positive.

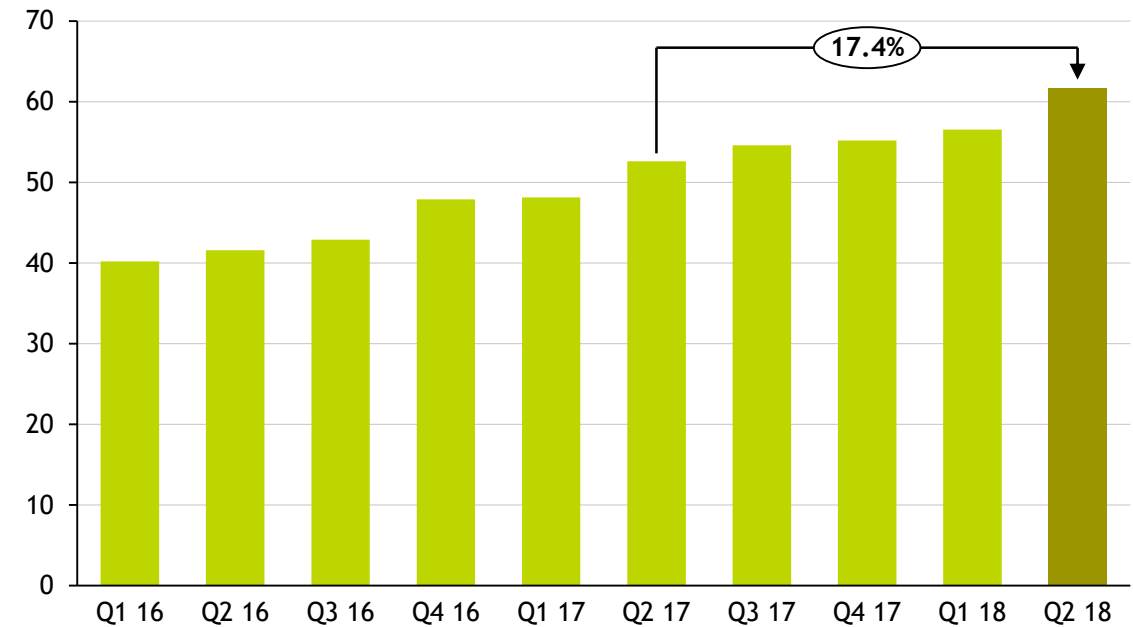


Net Working Capital and Inventories Grew

Net Working Capital (EUR million)

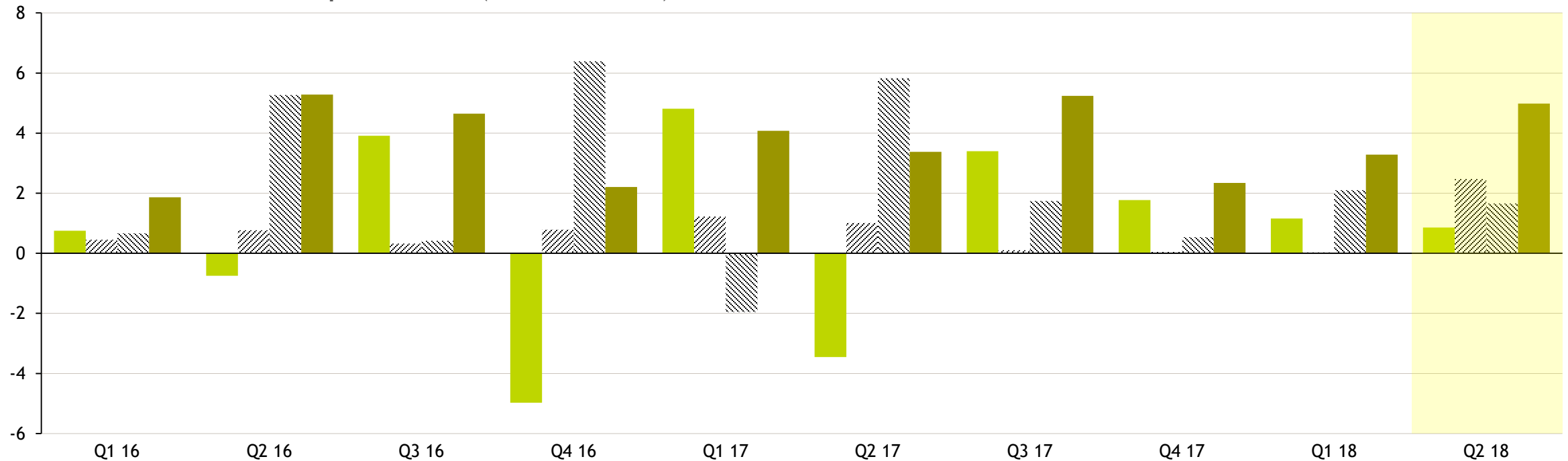


Inventories (EUR million)



Cash Flow from Operations Positive in Q2

Cash Flow from Operations (EUR million)

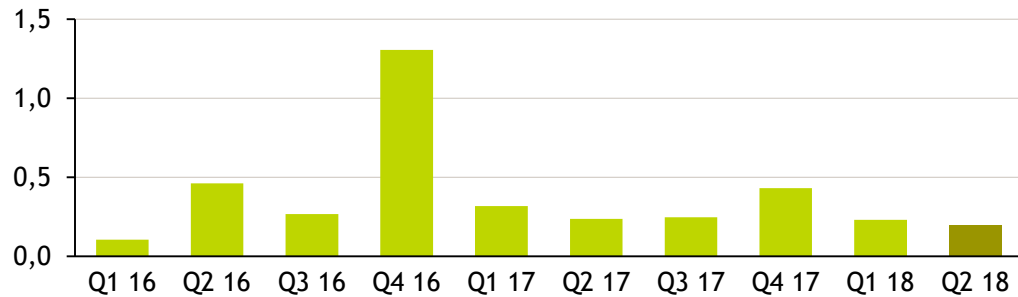


- Cash Flow from Operations
- Special Items
- Net Working Capital Change
- Cash Flow from Operations excluding Special Items and Net Working Capital Change

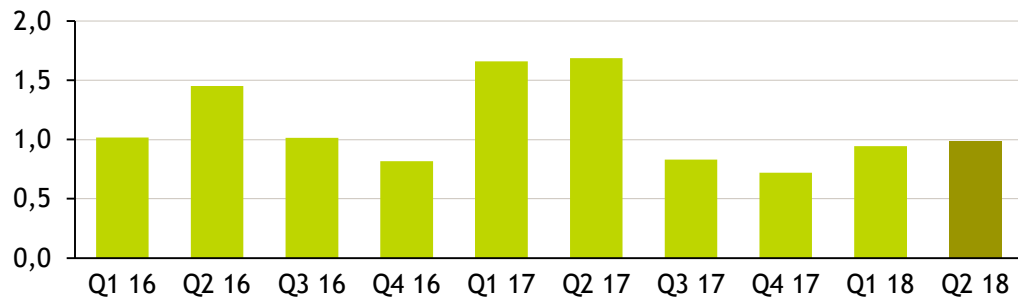


Investments into Future Growth Continue According to Strategy

Investments (EUR million)



Group Functions (EUR million)



In line with our strategy, we have systematically invested in our future

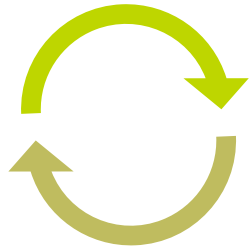
- Personnel: recruitment and training
- Internationalization: the necessary resources to grow internationally
- Digital functions: developing the CRM-ERP system, analytics, data management and financial management systems



Outlook and Financial Targets



Outlook and Financial Targets



Revenue of at least EUR 700 million in 2019

Revenue



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

Profitability



Distribute dividends of at least 30% of net profits⁽¹⁾

Dividend Policy



Kamux does not publish a short-term outlook

Outlook

1) 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 man in a grey suit is seen from the side, talking to a young man and woman. They are sitting at a white table in a car dealership. The man is holding a yellow highlighter and pointing at a document. The woman has a braid and is looking at the man. In the background, there are several cars on display. A green name tag with the text 'KAMUX' and a logo is on the table. A large screen is visible on the right side of the frame.

Summary

Summary Q2/2018

Revenue grew to EUR
128.0 million
(109.2)



Profitability improved -
adjusted operating profit
EUR **6.1** million (4.5)

Like-for-like
showroom revenue
growth **9.3 %**
(-11.6)



Internationalization
continued strongly



Questions?



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.

