



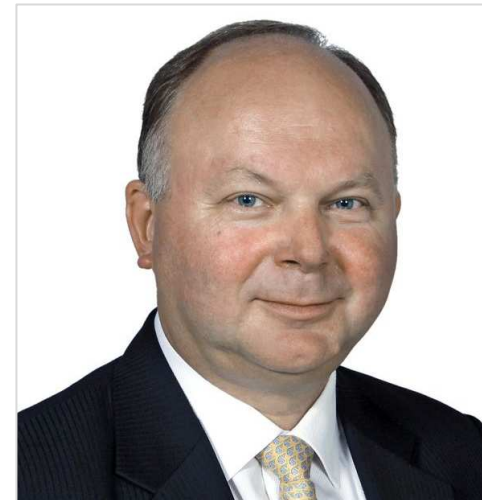
FIRST HALF YEAR OF 2012

Presentation by CEO Frank Gad
23 August 2012

AGENDA



- SP Group – an overview
- Results H1 2012
- Strategic focus areas
- Financial objectives and outlook



Frank Gad
(born 1960, M. Sc.)

Career:

Nov. 2004-:

CEO, SP Group A/S

1999-2004:

CEO, FLSmidth A/S

1996-1999:

President, Mærsk Container Industri A/S

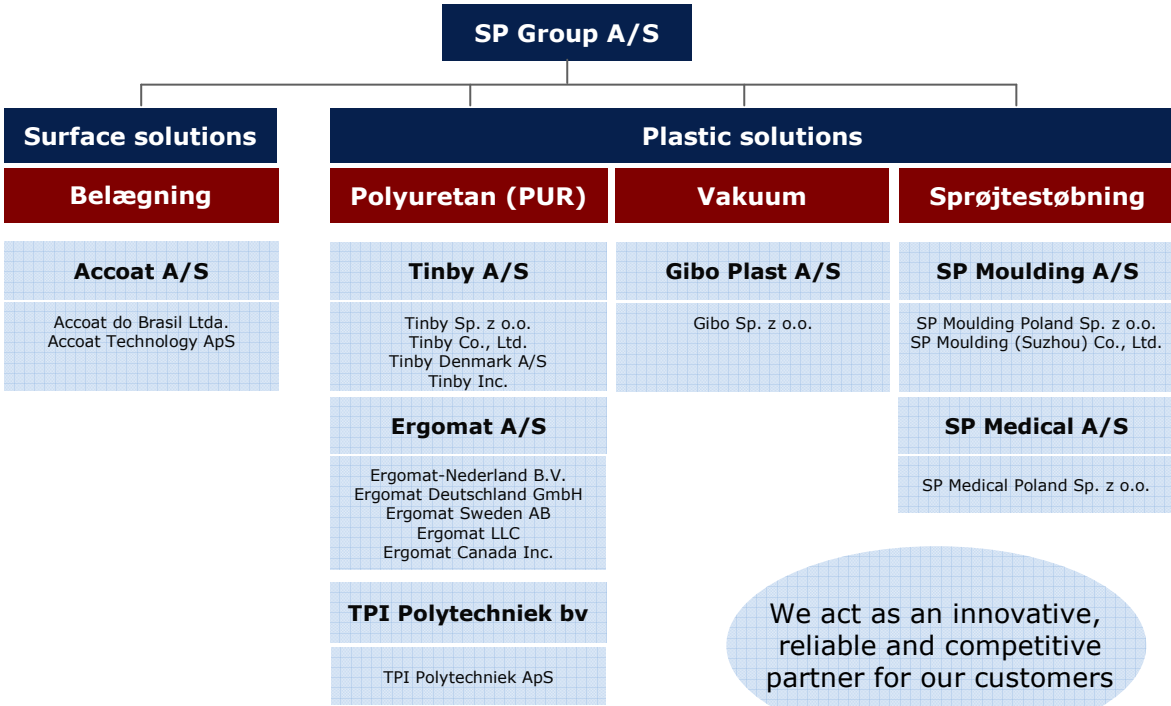
1985-1999:

Odense Steel Shipyard A/S
– most recent title: EVP

SP GROUP – AN OVERVIEW

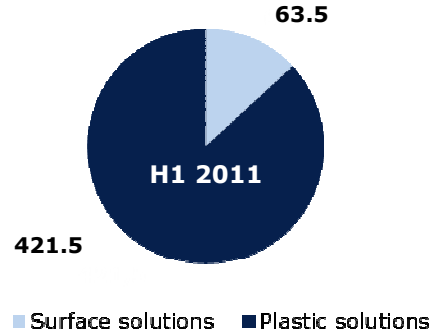
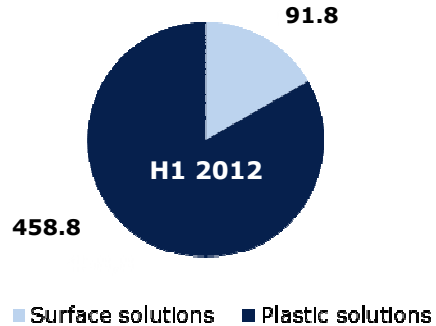


- Manufacturer of moulded plastic components and coatings
- Supplier of customer-specific solutions for a wide range of industries
- Strong international niche positions – also for our own brands
- Increased sales from own plants in China, Poland and Brazil



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

Revenue split by business area (DKKm):

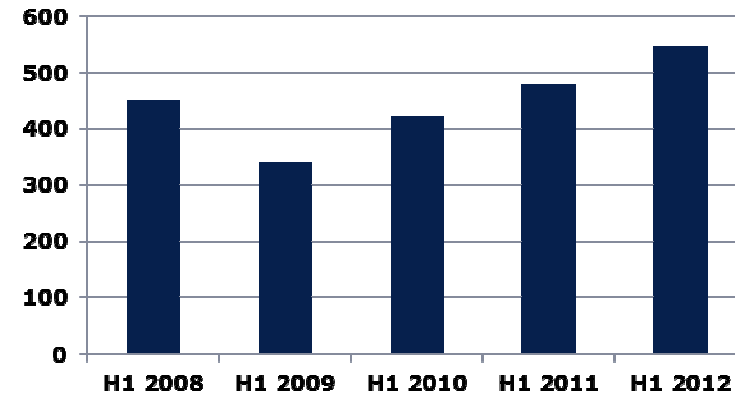


GROUP HIGHLIGHTS

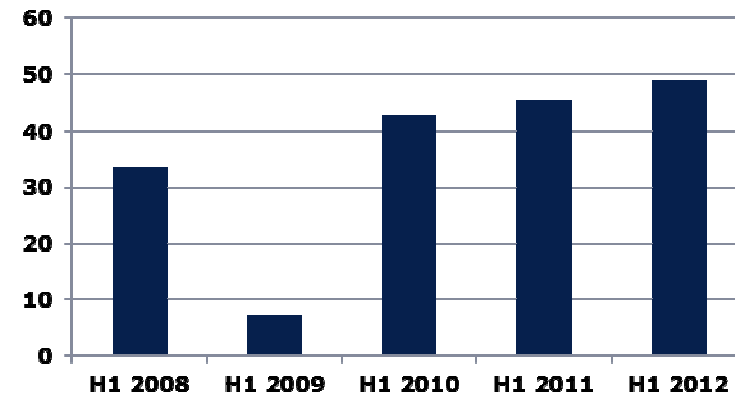


- Good H1 2012 performance
- Strong improvement in sales of plastics and surface coatings to almost all industries – especially in Q2
- Surging sales growth to the cleantech industry
- Revenue increased by 14.5% to DKK 548.3m from DKK 478.7m in H1 2011 mainly due to higher volumes
- Sales to the cleantech industry increased to DKK 182.1m – widely based on customers, products, geography and technology – now account for 33.2% of consolidated sales
- International sales now account for 45.9% of revenue (50.1% in 2011)
- EBITDA up by 6.8% to DKK 48.8m. In Q2 2012 EBITDA grew by 15.6% to DKK 23.1m
- EBIT up by 3.0% to DKK 25.0m. In Q2 2012 EBIT grew by 17.9% to DKK 11.1m
- Cash flows from operating activities increased to DKK 18.0m – up from a cash outflow of DKK 14.0m in H1 2011
- NIBD reduced to DKK 382.1m from DKK 405.0m in H1 2011 – equal to 3.8x EBITDA

Revenue DKKm



Operating profit (EBITDA) DKKm



GROUP FINANCIAL HIGHLIGHTS H1 2012



DKKm	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Revenue	281.0	229.5	548.3	478.7	976.8
EBITDA	23.1	20.0	48.8	45.7	96.5
EBIT	11.1	9.4	25.0	24.2	52.8
Profit before tax and minority interests	7.6	5.6	17.9	15.7	34.3
Equity incl. non-controlling interests			222.3	194.7	205.6
Cash flows from operations	16.4	-1.1	18.0	-14.0	66.9
Cash flows from investments	-25.3	-12.0	-45.1	-23.6	-51.9
Cash flows from financing	2.8	-5.6	-2.9	-9.3	-13.7
Change in cash and cash equivalents	-6.1	-18.7	-30.0	-46.9	1.3
NIBD			382.1	405.0	355.0
Equity ratio, including minorities			26.9	24.9	26.7

GROUP FINANCIAL HIGHLIGHTS 2011

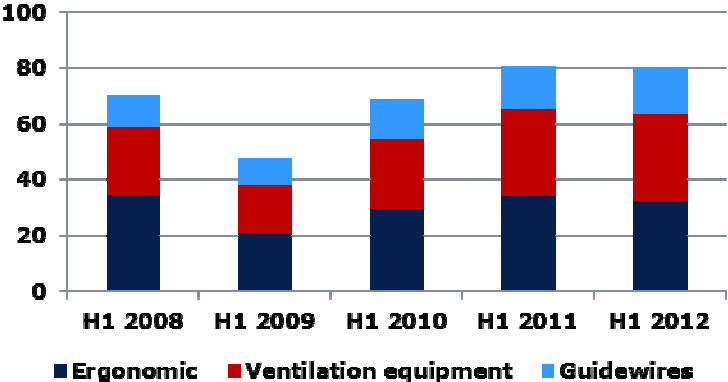


DKKm	2011	2010	2009	2008	2007
Revenue	976.8	851.9	681.9	863.7	869.7
EBITDA	96.5	83.0	40.2	60.3	72.9
EBIT	52.8	41.7	-0.1	17.0	34.6
Profit before tax and minority interests	34.3	28.8	-14.5	-14.9	21.2
Equity, incl. non-controlling interests	205.6	190.7	159.7	170.5	178.9
Cash flows from operations	66.9	57.8	45.3	35.4	53.6
Cash flows from investments	-51.9	-46.9	-35.8	-69.5	-52.2
Cash flows from financing	-13.7	47.3	-16.3	-17.5	9.7
Changes in cash and cash equivalents	1.3	58.2	-6.8	-51.6	11.1
NIBD	355.0	367.4	376.9	393.4	333.3
Equity ratio, including minorities	26.7	25.7	23.7	24.1	26.8

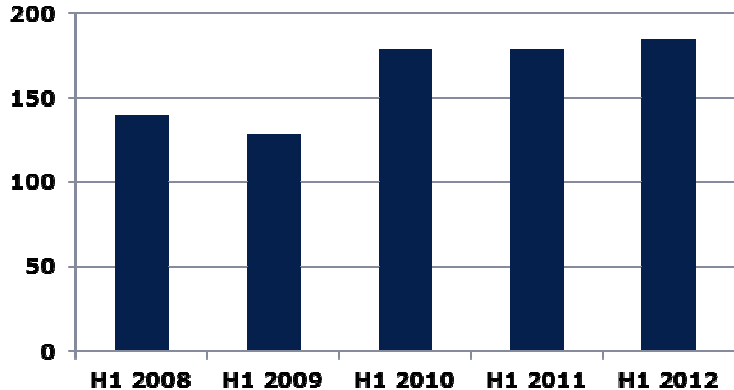
REVENUE SPLIT BY PRODUCT AREA



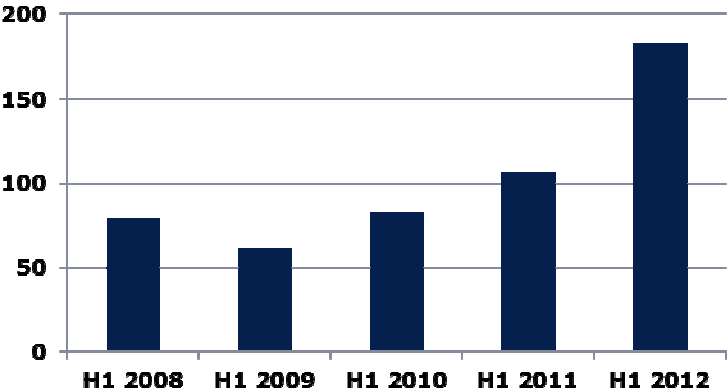
Revenue from own brands DKKm



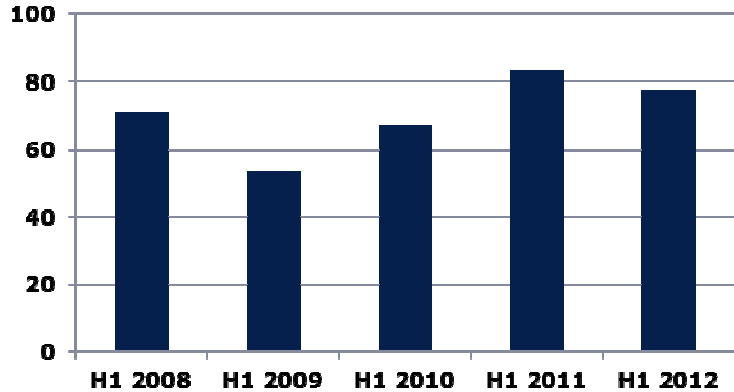
Revenue health care products DKKm



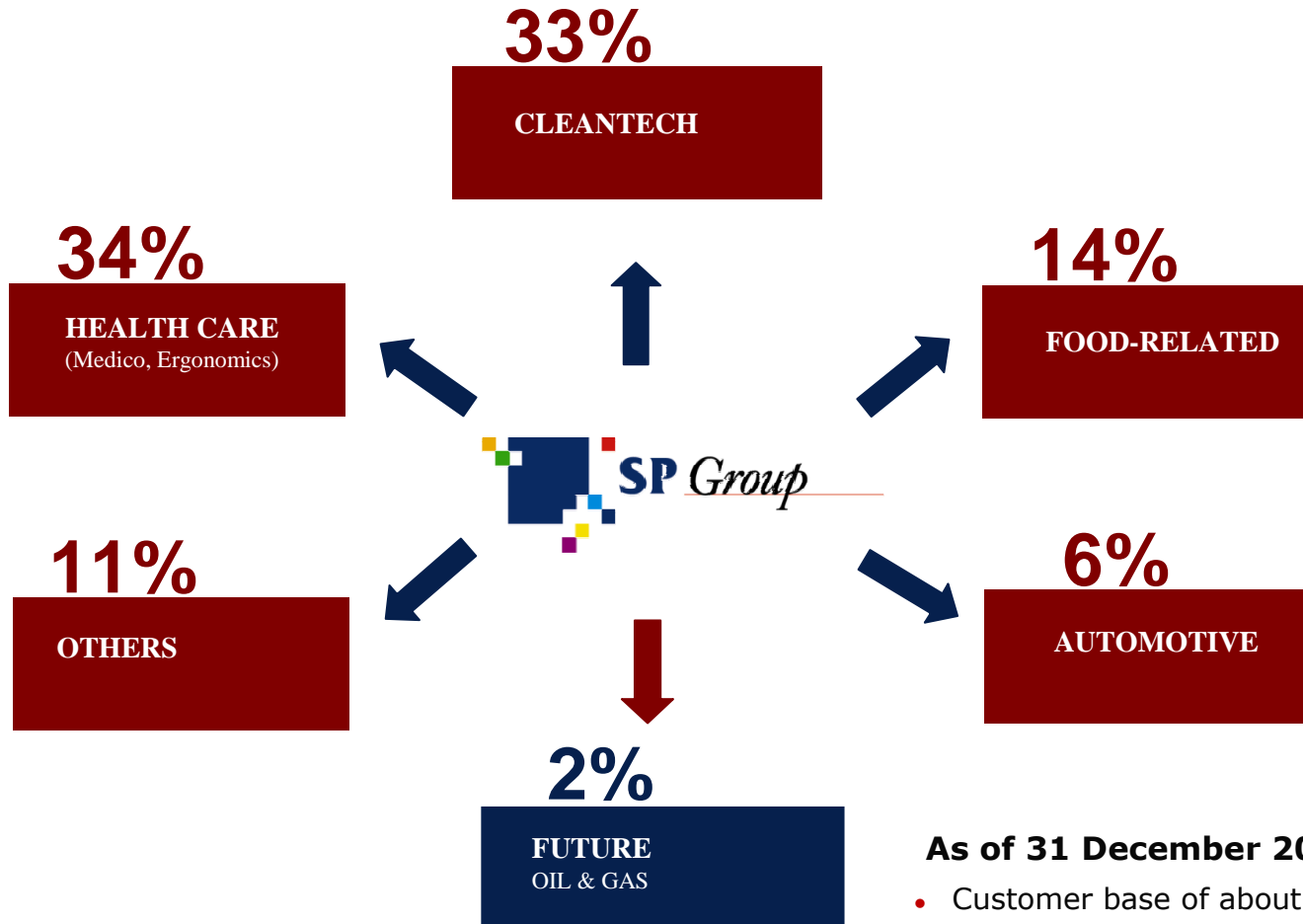
Revenue cleantech industries DKKm



Revenue food-related industries DKKm



REVENUE BY INDUSTRIAL SEGMENT IN H1 2012



As of 31 December 2011:

- Customer base of about 1,000 companies
- Largest single customer accounts for 13.2% of revenue
- Ten largest customers account for 49.1% of revenue
- Twenty largest customers account for 61.4% of revenue

SP GROUP'S GLOBAL PRESENCE



Production and sales

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

Distribution

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



INTERNATIONALIZATION

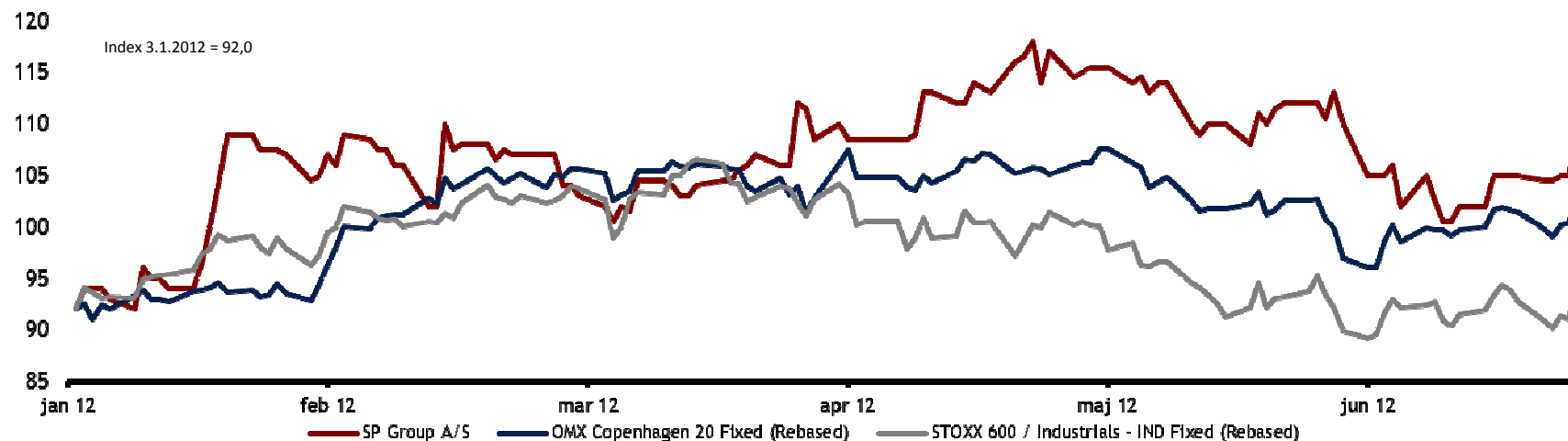


	2005	2011	2015E
Share of sales outside Denmark	36.8%	49.7%	~60%
Share of employees outside Denmark	23%	54%	~75%
Number of factories outside Denmark	2	7 +2 <i>(in 2012)</i>	10<
Total number of factories	18	13 +2 <i>(in 2012)</i>	16

SHARE PRICE PERFORMANCE

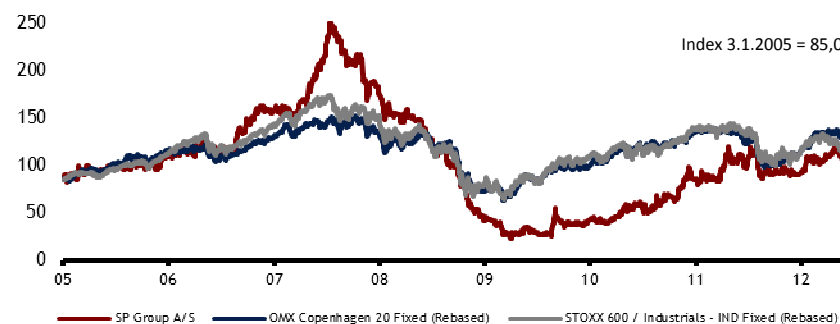


Share price performance from 1 January to 30 June 2012



- Share capital DKK 20.24m
- All shares have equal rights
- Share return was +7.7% in 2011
- The increase in the price of SP Group's shares was thus considerably higher than the general development on NASDAQ OMX Copenhagen
- Dividends to the shareholders of DKK 2 per share
- Share buyback of DKK 8m

Share price performance from 1 January 2005 to 30 June 2012





FINANCIAL GOALS AND OUTLOOK

OUTLOOK FOR 2012



- Global economy is expected to continue to grow in 2012 – but it remains fragile
- Tight cost control, capacity adjustments and a continued strong focus on risk, liquidity and capital management provides a strong base for the future
- New products and solutions designed especially for customers within health care, cleantech and the food-related industries expected to contribute to growth and earnings in the SP Group
- Maintaining a high level of investment in 2012
- Largest single investments made in medical devices and cleantech operations
- SP Group has received loan commitments of DKK 75m to finance specific investments
- Depreciation and amortisation expected to be at a slightly higher level than in 2011
- Financial expenses expected to be at a lower level than in 2011
- We now expect FY 2012 profit before tax and minorities of DKK 40-45m on revenue of DKK 1,050-1,100m



LONG-TERM FINANCIAL OBJECTIVES



- Initiatives in the current strategy plan could 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
- Equity ratio (incl. equity attributable to non-controlling interests) in the range of 20-35%
- Fair return to shareholders 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 fluoroplast (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)





H1 2012 highlights:

- Revenue up by 44.6% to DKK 91.8m
- Substantial EBITDA improvement to DKK 16.5m from DKK 4.0m in H1 2011, driven by increase in business activity at factories in both Denmark and Brazil
- Greater activity drives sales improvements to customers in healthcare, cleantech and oil/gas industries
- Negative impact from running in the new production facilities at Stoholm
- Accoat continues marketing efforts towards customers in the oil and gas industry in the USA, Brazil, Russia and Europe

Outlook for 2012:

- Revenue improvement
- EBITDA expected to improve slightly on 2011

DKKm	Q2		H1	
	2012	2011	2012	2011
Revenue	50.8	30.5	91.8	63.5
EBITDA	9.0	1.8	16.5	4.0
EBIT	6.1	-0.6	10.8	-0.9
Employees (avg.)			70	65



PLASTIC SOLUTIONS



Plastic businesses include:

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

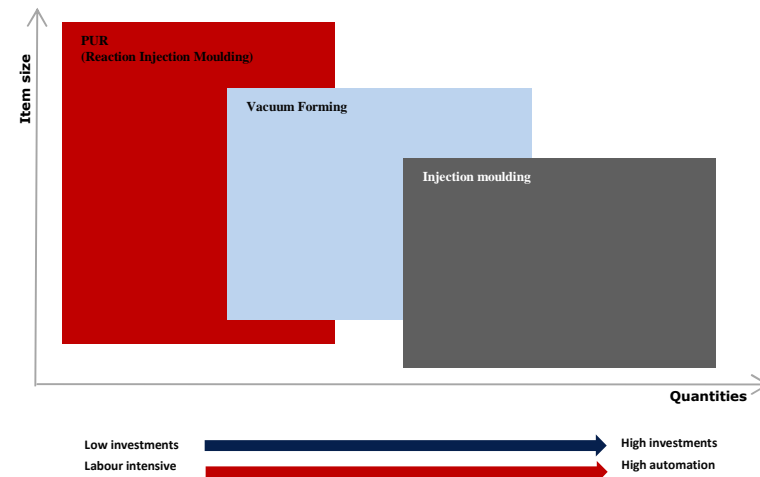
H1 2012 highlights:

- Revenue was up by 8.9% to DKK 458.8m
- Sales improved to all customer groups and in all three technologies (injection moulding, vacuum forming and PUR) – due to a better product mix
- EBITDA was DKK 40.0m, a decline from DKK 48.3m in H1 2011

Outlook for 2012:

- Growth in revenue
- Lower earnings
- Expecting to expand activities and skill sets in Denmark, Poland and China

DKKm	Q2		H1	
	2012	2011	2012	2011
Revenue	231.5	202.1	458.8	421.5
EBITDA	18.1	20.2	40.0	48.3
EBIT	9.6	12.1	23.1	32.3
Employees (avg.)			971	938



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 (PL), Sieradz (PL) and Suzhou (China)



Medico



Technical plastic devices



Medico



Medico



2K and 3K moulding

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





H1 2012 highlights

- The improved economic trends combined with a number of new solutions resulted in a substantial increase in business activity
- Cost base trimmed

SP Moulding

- Existing customers in Europe reporting growth
- New factory manager in Poland
- Named 'preferred supplier' by a major customer who is the leader in its field in Europe and also a global leader

SP Medical

- A number of new agreements signed with both new and existing customers in the medical devices industry
- Fitting and commissioning a new injection moulding factory in Poland for production of medical device products
- Additional machines to be installed at the factory in Poland in 2012



PLASTIC SOLUTIONS

POLYURETHANE (1)



Three business activities: Ergomat A/S, Tinby A/S and TPI Polytechniek BV

Locations: Sønderød (DK), Zdunska Wola (PL), 's-Hertogenbosch (NL), Helsingborg (SE), Cleveland (US) and Montreal (CAN)

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.





H1 2012 in highlights:

Ergomat

- Strong growth in sale of ergonomic mats and the striping products DuraStripe® in Q2 2012 – but not quite enough to offset the drop in Q1 2012

Tinby

- Customers in graphics, cleantech and insulation industries reporting very strong growth
- Expanded production of PUR-components in China for the cleantech industry
- Postponed plans to set up production operations in the USA indefinitely due to changes in market conditions

TPI

- Stable ventilation equipment sales to customers in eastern Europe impacted by severe frost in February – performed well in Q2
- Won new customers in Asia, the Middle East and Africa



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



CNC milling



Automotive



Automotive



H1 2012 highlights

- New factory in Poland
- Expected to lead to more efficient and competitive production
- H1 performance impacted by relocation and running-in costs
- Production start-up of vacuumformed products in Poland is running to plan, but will impact earnings in the short term
- Developed new projects and solutions for customers in the cleantech industry
- New day-to-day management
- Gibo has invested in new technology that will facilitate production of very large plastic components (4.2 m by 2.5 m by 1.0 m). Machine commissioned in 2012 and new facility for producing high-quality transparent moulding parts also commissioned





STRATEGY

STRATEGIC DEVELOPMENTS



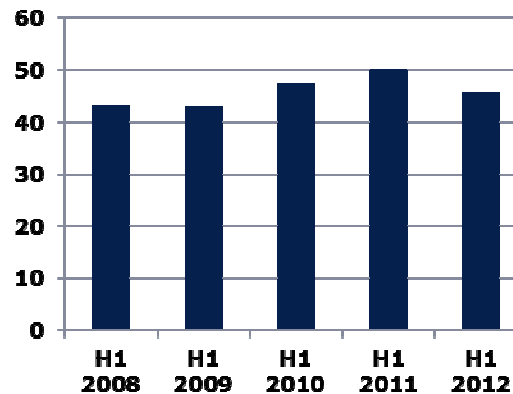
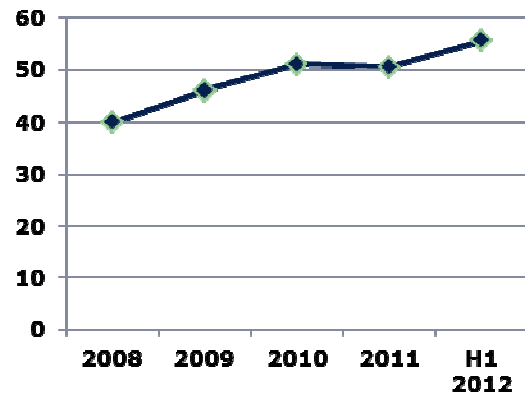
- Additional rationalisation and efficiency enhancing of production structure in 2011:
 - Commissioning new plant in Brazil (Coatings)
 - Commissioning new plant in Poland (Plastics)
 - Commissioning new plant in China (Plastics)
 - Commissioning new plant in Denmark (Coatings)
- Continuing to enhance skill sets at factories in China, Poland, Brazil and Denmark
- Focused sales efforts, especially in health care, cleantech and food-related products
- Focus on sales of own brands
- Increased efforts towards existing and new customers
- More production facilities to be relocated from Denmark to Poland
- Injection-moulding factory for medical device products fitted and commissioned in Poland in 2011 – expansion in 2012
- Vacuum forming plant established in 2011 – put into operation in Q1 2012
- Installation and commissioning of two new, large vacuumforming facilities
- Expansion of production of PUR components in China (Tinby) in 2012
- Plans to establish production of PUR components in the USA in 2012 (Tinby) postponed indefinitely due to changes in market conditions

GROWTH INDUSTRIES AND OWN BRANDS

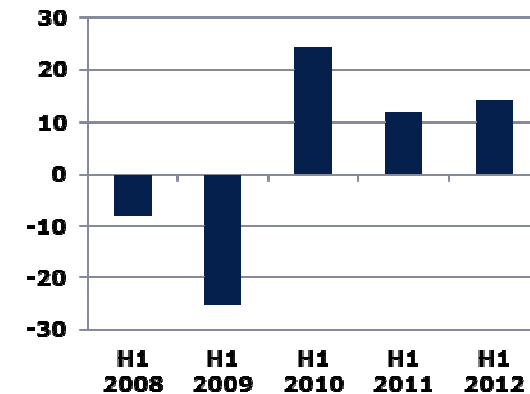


- 14.5% organic growth in H1 2012
- Strengthened sales and marketing efforts in all units
- Consultancy within plastics and coatings
- Differentiation on processes, design and knowledge
- Focus on both existing and new customers
- Increased exports from production sites in Denmark, China, Poland and Brazil focusing on Americas, Europe and Asia

Employees based outside Denmark (avg.), % International sales, %



Organic growth, %, Group revenue

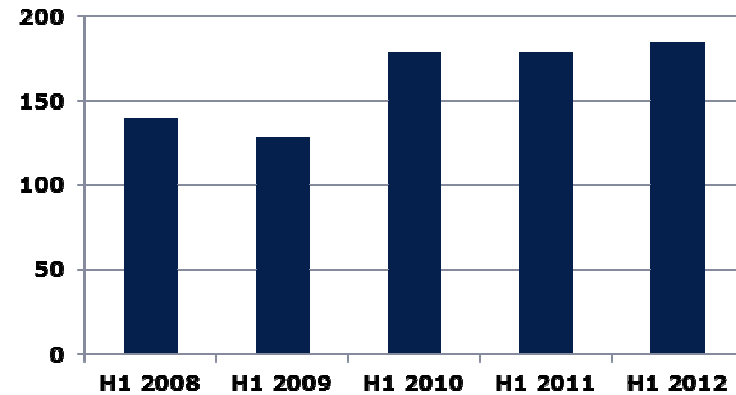


GROWTH INDUSTRIES AND OWN BRANDS

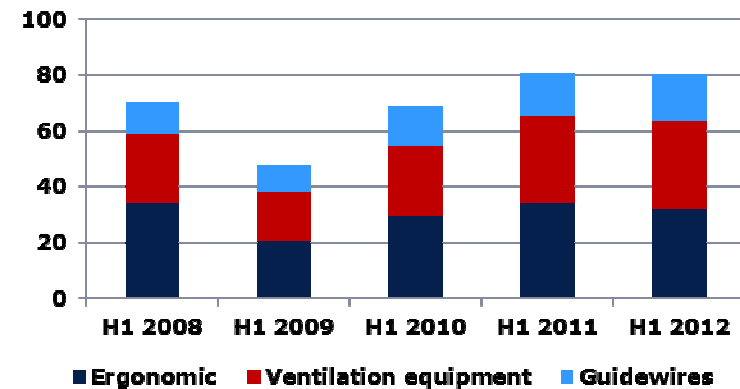


- Committed efforts to growth industries and new segments, e.g. health care and cleantech and food-related industries
- Sustain growth in sales to the medical devices industry
- Enhance sales and earnings growth from own brands, i.e. ventilation equipment (TPI), guidewires (SP Medical) and ergonomic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

Revenue from health care products, DKKm



Revenue from own brands, DKKm



ERGOMAT®

DURASTRIPE



FORWARD-LOOKING STATEMENTS



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

Statements relating to 2012 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 interim report does not constitute an invitation to buy or sell shares in SP Group A/S.



Further information:

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