



1. Half year 2009

Presentation by CEO Frank Gad

19 August 2009

AGENDA



- SP Group – an overview
- Results Q2 and H1 2009
- 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

1996-99: President,
Mærsk Container Industri A/S

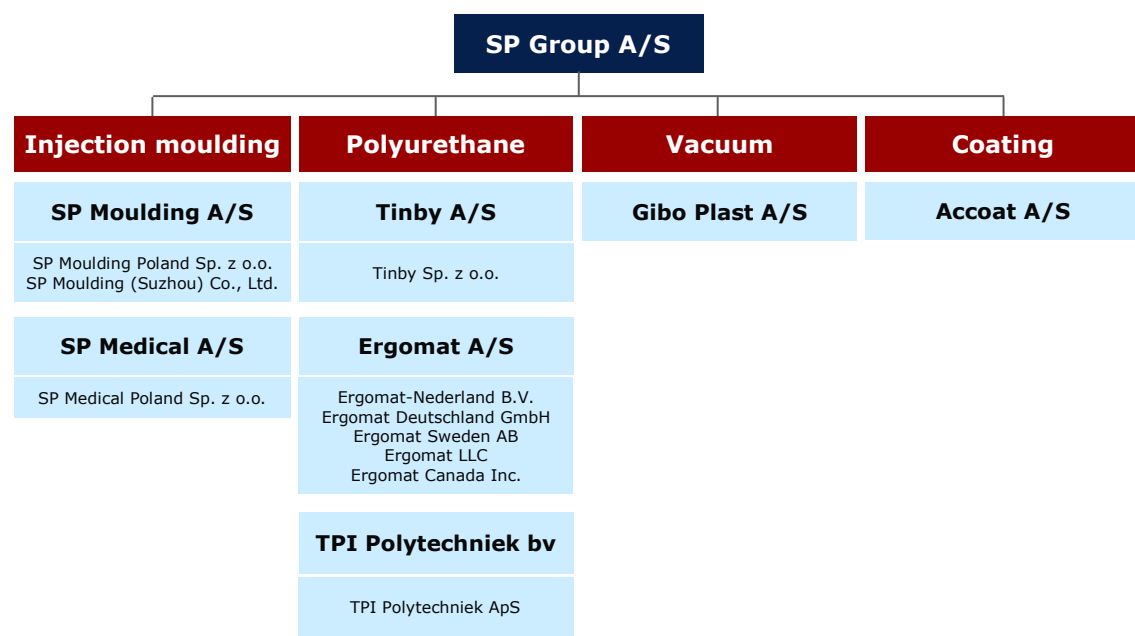
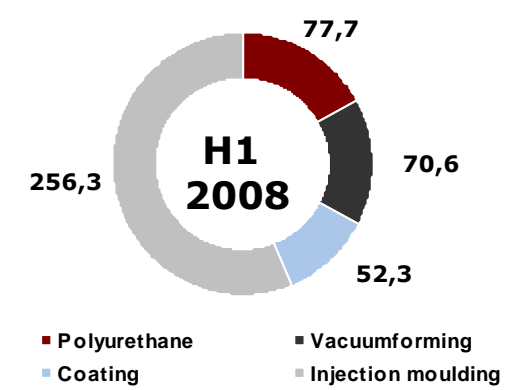
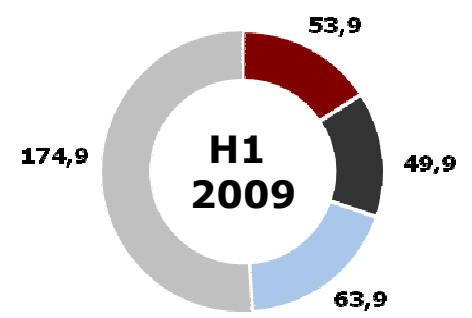
1985-99: Odense Steel Shipyard A/S –
most recent title: EVP



SP GROUP – AN OVERVIEW

- **Manufacturer of moulded plastic components and coatings**
- **Supplier of customer specified solutions for a wide range of industries**
- **Increased exports from Denmark and increasing production in China and Poland**
- **Strong international niche positions – also within own brands**

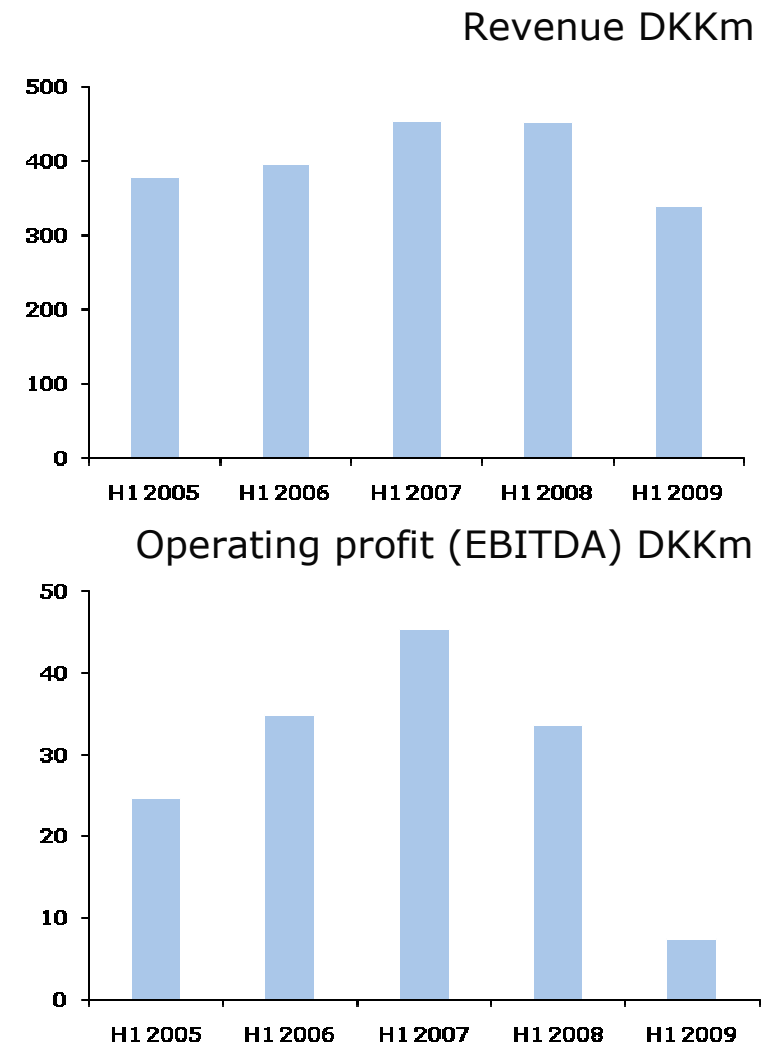
Revenue split by the Group's business units (DKK mio.):



GROUP HIGHLIGHTS



- Revenue influenced by the negative development on the markets that was extreme
- Revenue decline of 25%
- Despite this an increasing revenue in medical appliance industry
- Q2 better than Q1
- Strict cost control
- Move of labour-intensive production to Poland and China continues
- Ongoing capacity adjustment
- Positive operating profit (EBITDA) in all 4 business units in Q2
- Positive cash flow from operations, despite recession
- Won the trial in court as regards the tender of license plates production



GROUP FINANCIAL HIGHLIGHTS H1 2009

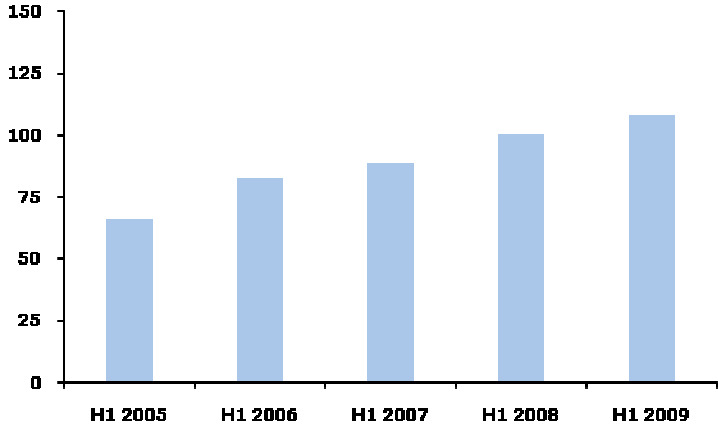


DKKm	Q2 2009	Q2 2008	H1 2009	H1 2008	Full year 2008
Revenue	169.2	224.6	338.7	452.1	863.7
EBITDA	6.1	16.3	7.3	33.6	60.3
EBIT	-4.4	6.3	-12.8	13.1	17.0
Profit/loss before tax and minorities	-6.8	3.2	-19.5	-2.0	-14.9
Net profit	-5.2	1.6	-14.8	-2.5	-12.8
Equity incl. Minorities	-	-	156.3	177.5	170.5
<i>Cash flows from:</i>					
Operations	14.7	25.1	16.3	19.2	35.4
Investments	-11.4	-0.8	-18.1	-47.2	-69.5
Financing	-5.6	-2.3	-12.2	-8.5	-17.5

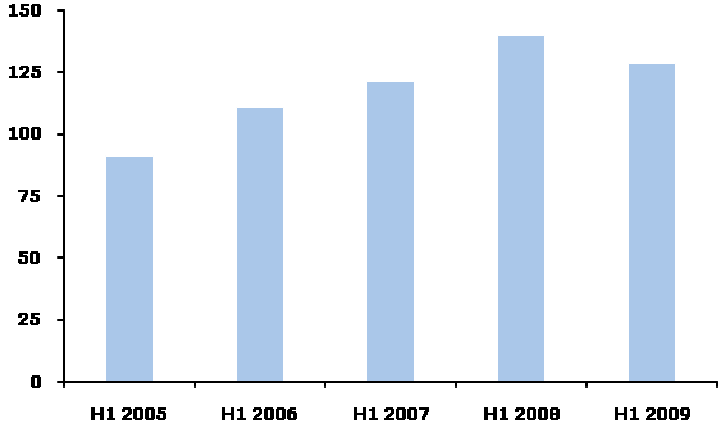
REVENUE SPLIT ON PRODUCT UNITS



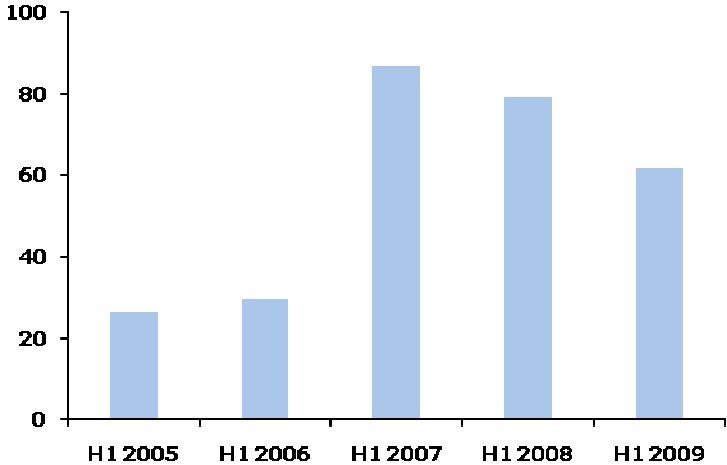
Revenue medico customers
(DKKm)



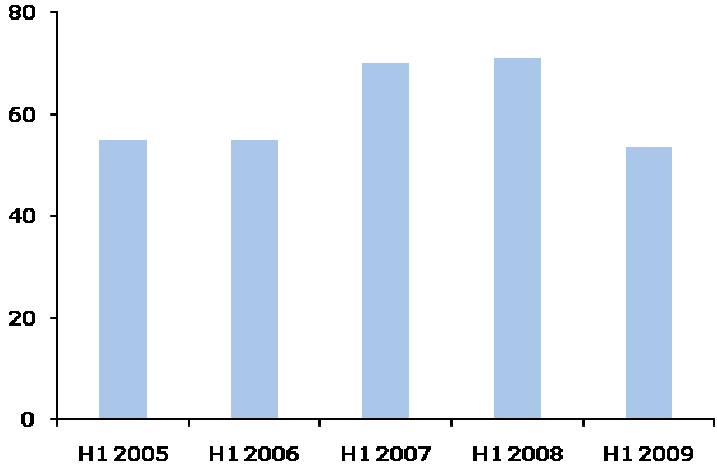
Revenue Health Care products (DKKm)



Revenue Energy and environmental products (DKKm)



Revenue food-related industries (DKKm)





Business units

INJECTION MOULDING (1)



SP Moulding A/S manufactures advanced plastic components for a wide range of industries.

SP Moulding is a producer of technical plastic and perform assembly work. SP Moulding is a market leader and among the largest injection moulders in the Nordic countries.

SP Medical A/S manufactures for customers in the medico field, including finished products such as guide wires. Production takes place in clean rooms. SP Medical is among the 3-4 largest in the Nordic countries.

Locations: Juelsminde (DK), Stoholm (DK), Karise (DK), Sieradz and Zdunska Wola (Poland) and Suzhou (China)



Medico



Technical plastic



Medico



Medico



2K and 3K moulding

INJECTION MOULDING (2)



H1 2009:

- 32 % revenue decline
- Decline in operating profit, but EBITDA still positive
- Revenue of guide wires still increasing
- Intensive marketing gives results
- Won the trial in court as regards the tender of license plates production
- Capacity adjustments

Outlook for 2009:

- Decline in revenue and operating profit in Denmark compared with 2008
- Growth in revenue and operating profit in Poland continues
- Move of labour-intensive production to Poland and China continues

DKKm	Q2 2009	Q2 2008	H1 2009	H1 2008
Revenue	83.4	117.7	174.9	256.3
EBITDA	2.3	5.5	3.9	19.5
EBIT	-3.2	-0.5	-6.9	7.6
Employees (average)	-	-	567	636



POLYURETHANE (1)



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

Locations: Søndersø (DK), Zdunska Wola (POL), 's-Hertogenbosch (NL), Helsingborg (SE), Cleveland (US), Montreal (CAN) and Zeil am Main (DE)

<p>Ergomat develops, manufactures and sells ergonomic solutions under own brands, especially Ergomat® mats, ErgoPerfect® chairs, Synchron® tables and DuraStripe® striping tape for corporate customers worldwide. Market leader in the EU.</p>		
<p>Tinby manufactures moulded products in solid, foamed and flexible PUR for the wind turbine and insulation industries, the medical appliance, furniture, refrigerator and graphics industries, among others. Global market leader within hard rollers.</p>		
<p>TPI Polytechnik develops and sells concepts for ventilation of industrial buildings as well as poultry and pig houses, primarily products under own brand, TPI. Market leader in the EU.</p>		

POLYURETHANE (2)



H1 2009:

- 31% revenue decline
- Positive EBITDA in Q2
- Opening of new production facilities at Tinby in Poland. Sales in the wind turbine industry
- Decline in TPI revenue due to higher prices of grain and difficult credit insurance facilities for customers in especially Eastern Europe
- Sales in Ergomat influenced from the global recession, especially the automotive industry
- Intensified marketing. New projects in the wind turbine industry
- Capacity adjustments

Outlook for 2009:

- Lower revenue than in 2008
- Lower operating profit than in 2008

DKKm	Q2 2009	Q2 2008	H1 2009	H1 2008
Revenue	29.9	42.1	53.9	77.7
EBITDA	2.4	7.9	1.8	12.1
EBIT	0.9	6.2	-1.4	8.5
Employees (average)	-	-	177	193





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 wind turbines. Gibo Plast is specialized in traditional vacuum forming and the new High-pressure and Twinsheet technologies.

Market leader in Scandinavia.

Locations: Skjern and Spentrup (DK)



Vacuum forming



CNC milling



Automotive



Automotive

VACUUM FORMING (2)



H1 2009:

- 29% revenue decline
- Loss less than expected
- Positive EBITDA in Q2
- Strong position in the automotive industry
- Development of new projects and solutions for the energi industry, especially wind turbines
- Capacity adjustments

DKKm	Q2 2009	Q2 2008	H1 2009	H1 2008
Revenue	24.2	38.1	49.9	70.6
EBITDA	0.5	1.9	-0.7	1.6
EBIT	-0.8	0.7	-3.0	-0.8
Employees (average)	-	-	97	130

Outlook for 2009:

- Continuing low activity due to the customer's lack of sales
- Not satisfying profit from operations





COATING (1)

Accoat develops and applies non-stick, low-friction and high-build corrosion protection coatings in Teflon, PTFE and other refined materials for a wide range of industries. The coated products range from very small needles to large tank facilities.

Within industrial Teflon Accoat is among the five largest suppliers in the EU.

Location: Kvistgård (DK)



Coating



Coating



Medico

COATING (2)



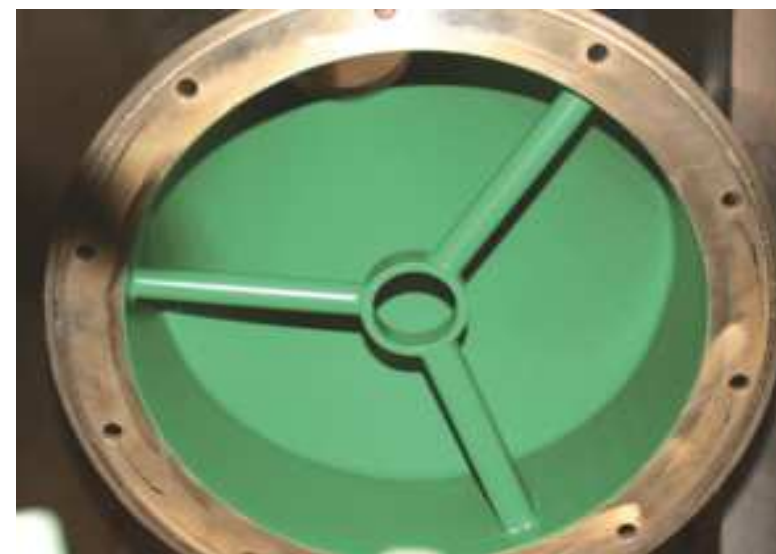
H1 2009:

- 22% revenue increase
- Higher EBITDA
- Intensified sales efforts towards customers in the oil- and gasindustry in the USA, Brazil, Russia and Europe
- New projects for future delivery
- Investment in further production capacity due to long-term growth expectations

Outlook for 2009:

- Growing interest in the friction reduction and corrosion protection areas
- Application of further capacity within medical appliance and phosphatizing
- Continuing growth in revenue and operating profit

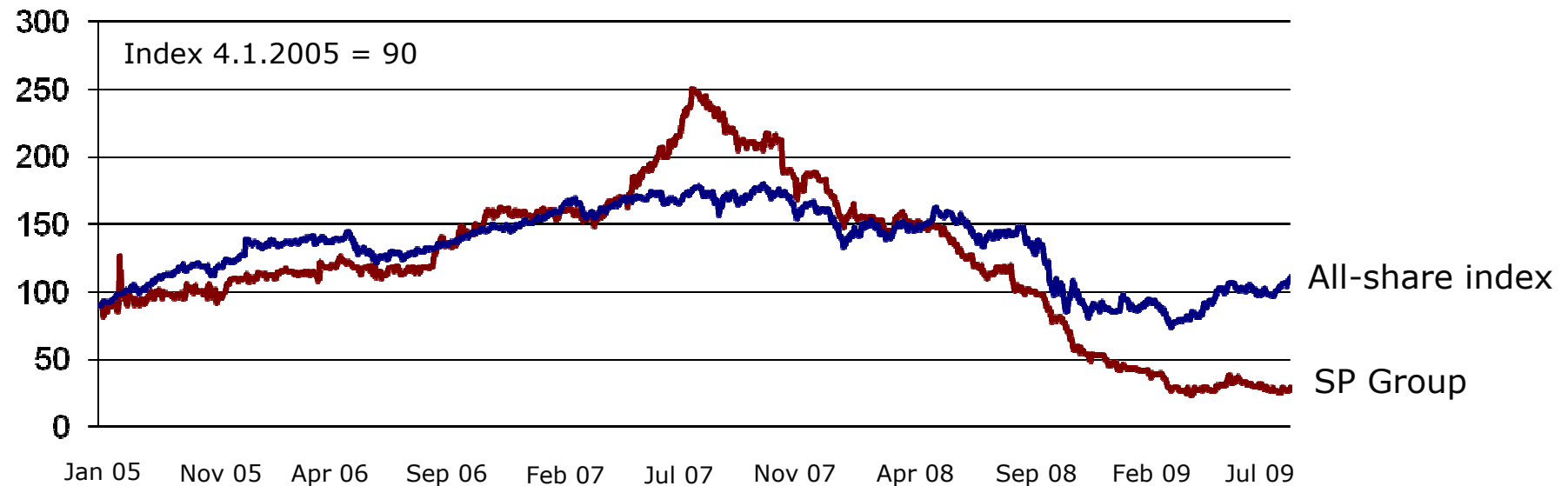
DKKm	Q2 2009	Q2 2008	H1 2009	H1 2008
Revenue	33.2	29.1	63.9	52.3
EBITDA	3.3	3.9	7.6	6.2
EBIT	1.6	3.3	4.4	4.3
Employees (average)	-	-	67	68



VALUE MAKING FOR THE SHAREHOLDERS



Share price performance from 1 January 2005 to 31 December 2009



Source: Nasdaq OMX and Danske Markets

- Share capital DKKm 20.24
- All shares have equal rights
- Reduction of share capital completed in August 2009

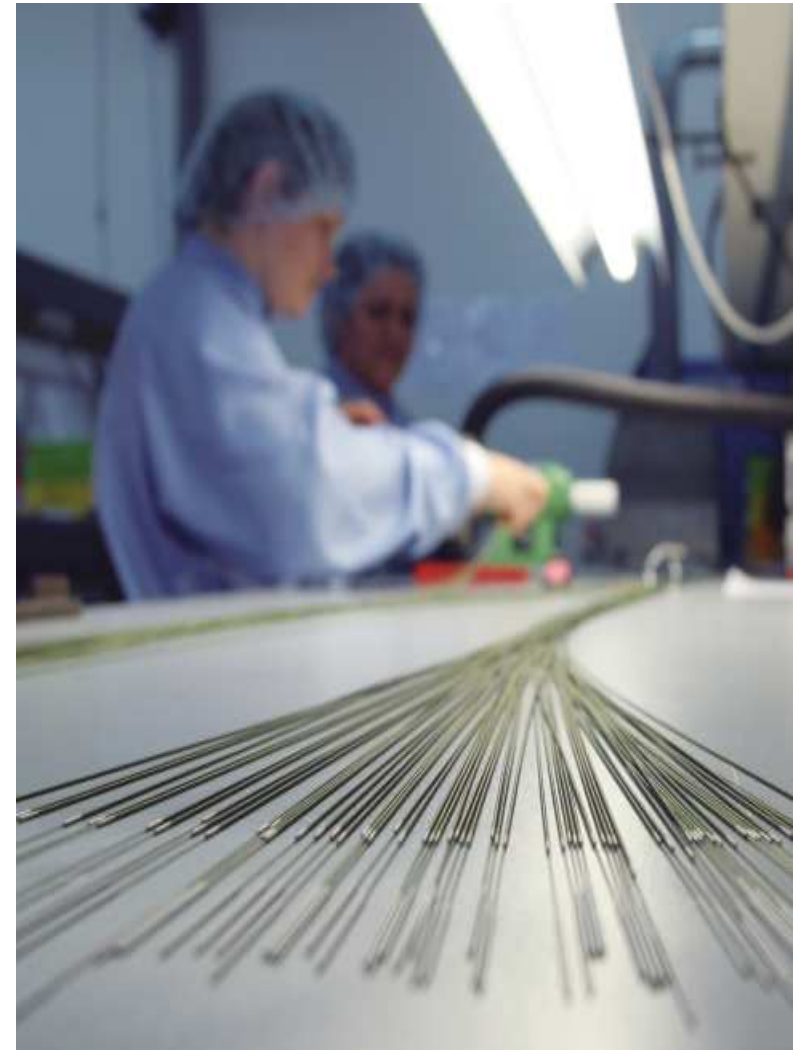


Strategy

STRATEGY ADJUSTMENT



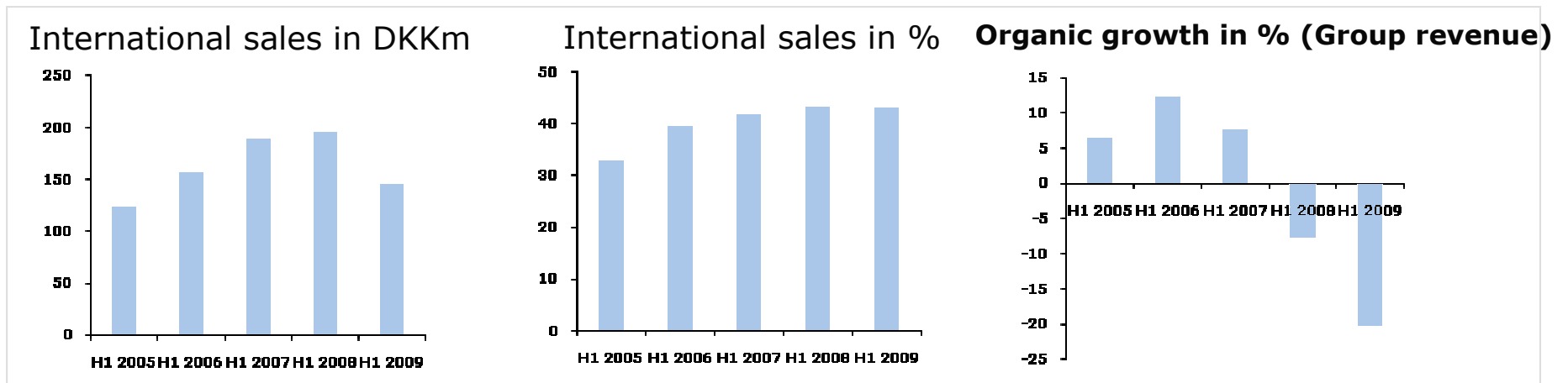
- Difficult performance conditions due to recession and financial turmoil
- Focus on sales in particularly the health care, energy, environmental and food-related industries
- Focus on sales of own brands
- Increased efforts towards existing and potential customers



INCREASED SALES AND INTERNATIONALISATION



- Strengthened sales and marketing efforts in all business units
- Consultancy within plastics and coatings
- Focus on both existing and new customers
- Differentiation on processes, design and knowledge of raw material
- Increased exports from production sites in Denmark, China and Poland with focus on North America, Eastern Europe and Asia
- Strict cost control and continued capacity adjustment
- Strong focus on risk management and cash management



GROWTH INDUSTRIES



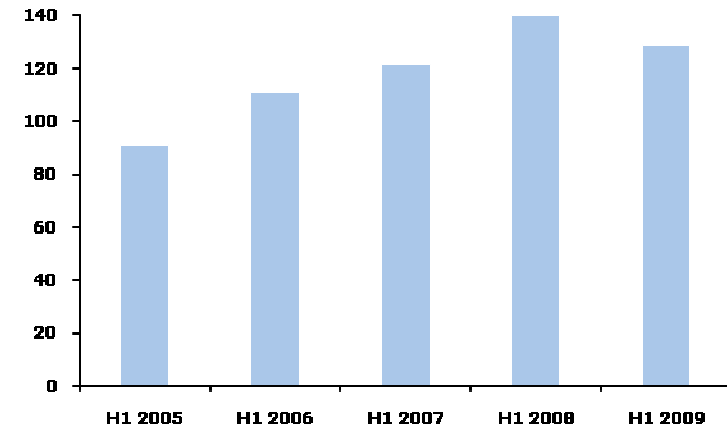
- Stronger engagement in growth industries and new segments, e.g. Health Care and wind turbines
- Maintenance of growth in sales to the medical appliance industry
- Increased sale from own brands, i.e. ventilation of industrial buildings (TPI), guide wires and ergonomic solutions (Ergomat) and DuraStripe® striping tape
- Strengthening of the international position
- The potential in other product niches must be utilized

ERGOMAT®

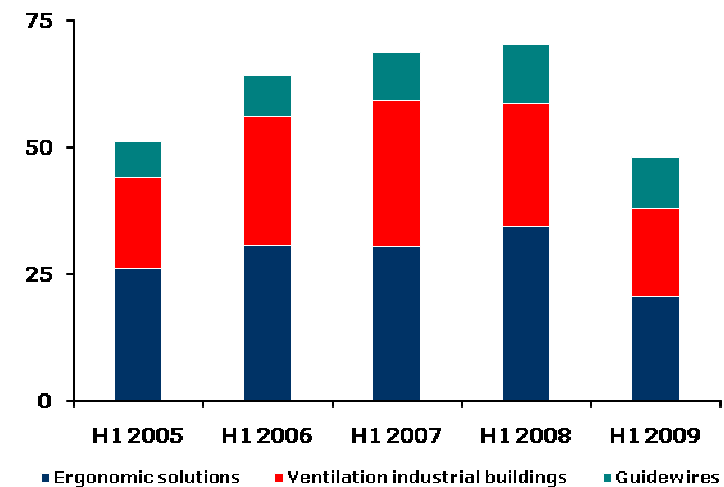
DURASTRIPE



Revenue in Health Care products, DKKm



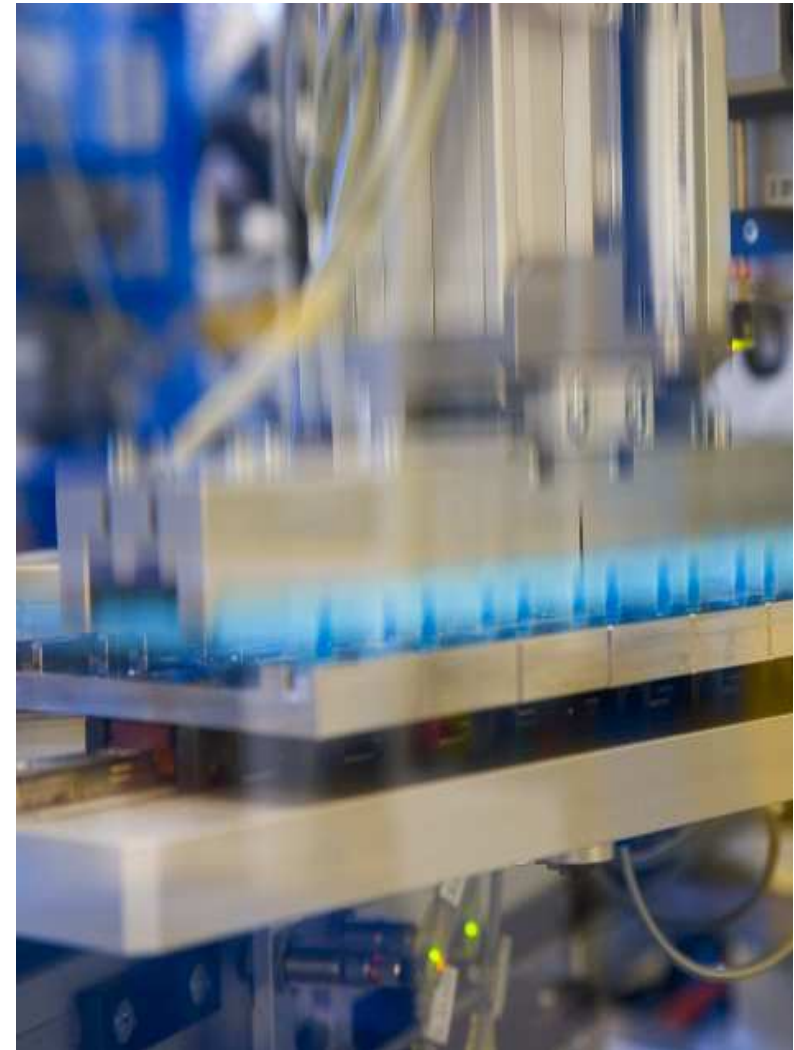
Revenue from own brands, DKKm



REDUCTION OF COSTS



- Capacity adjustments
- Each production site shall seek to produce and deliver better, cheaper and faster
- Reduction in the consumption of materials and resources
- Limit of running-in and set-up times in the production
- Roll-out of LEAN will continue
- Efficiency of purchases and supply chain and strengthening of IT systems and management systems will continue
- Wider geographical sourcing



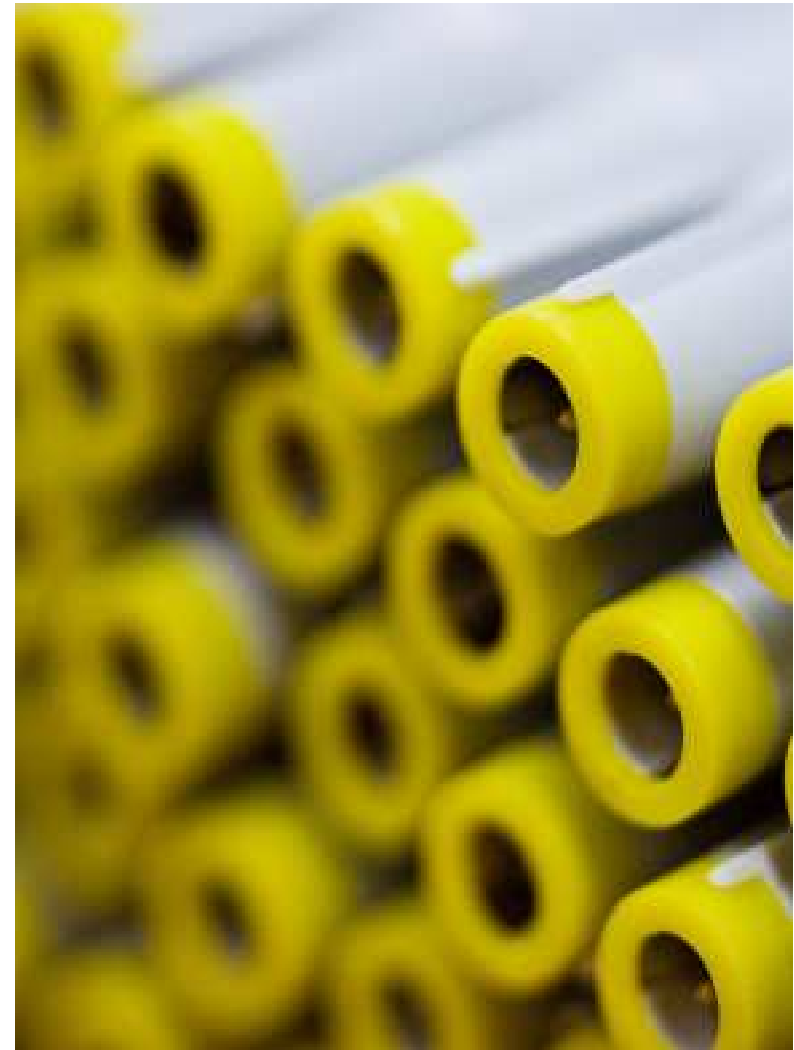


Financial goals and outlook

REVISED LONG-TERM FINANCIAL OBJECTIVES



- Surplus expected in 2010
- With initiatives comprised by the strategy plan, revenue may grow to DKK 1.5 billion
- EBITDA-margin to increase until and including 2012
- In the long term, profit before tax and minorities is expected to gradually grow to around 6-7% of revenue
- Continuing reduction of debt
- Goal is to lower NIBD/EBITDA to 3-4 and to maintain at this level
- Equity ratio (incl. equity of minorities) in the range of 20-35%
- Fair return to shareholders through increases in the share price



FORWARD-LOOKING STATEMENTS



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

The statements as regard 2009 and the following years are subject to uncertainty and actual results may therefore deviate materially from the outlook and the financial objectives.

Circumstances that could cause changes include, but are not limited to, changes in raw materials and energy prices, changes in exchange rates, changes in the macroeconomic and political settings, changes in customers demands and production patterns and other external factors.

This presentation is not an invitation to buy og sell shares in SP Group A/S.

THANK YOU FOR YOUR ATTENTION



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