



Nordic Service Partners Holding AB (publ)

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Agenda

NSP introduction

Swedish and Danish market

New brands

Highlights and financials 2014

NSP going forward

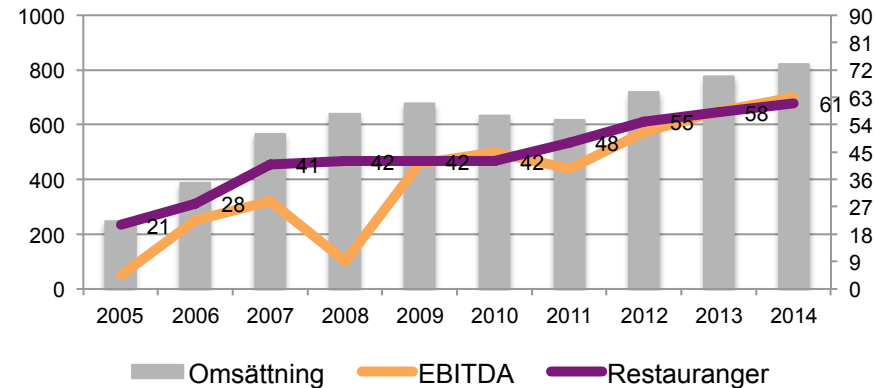
Q&A

Nordic Service Partners at a glance

NSP in brief

- Largest multi franchisee of Burger King in the, founded in 2004
- 61 Burger King restaurants
 - Sweden - 44 restaurants
 - Denmark - 17 restaurants
- New brands 2014
 - KFC (Kentucky Fried Chicken)
 - TGI Fridays
- Infrastructure ready for growth
- NSP is traded on Nasdaq Stockholm since 2008
- 2 700 shareholders
- Market cap 220 MSEK (137 MSEK)
- A board of directors and management with long and relevant experience in QSR

Group revenue and EBITDA margin



Breakdown by geography 2014



Key historical milestones

1

2004 – 2005

The foundation

- Established in 2004
- Acquired 21 Burger King restaurants in Sweden
- Listed on NGM Equity

2

2006 – 2008

Acquisitions and growth

- Food court growth strategy
- Taco Bar with 12 existing restaurants
- 7 of Denmark's existing Burger King restaurants
- New restaurants established
 - - two food courts
 - - four Taco Bars
 - - one Tasty Thai
- Food court growth strategy failed and abolished. Required equity injections
- Listed on Nasdaq OMX First North and then Nasdaq Stockholm

3

2009 – 2010

Consolidation

- Focus on profitable Burger King restaurants
- NSP became profitable again in 2009
- Cost savings program continues

4

2011 – 2014ytd

Growth

- Acquired 4 BK restaurants
- Opened 8 new Burger King restaurants
- Remodelling of 30 BK restaurants
- Taco Bar sold
- Agreement with Yum! Brands to launch KFC
- Agreement with TGI Fridays

NSP's value offering

“Providing customers with the best quality fast food via top quality restaurants”

Value offering to guests

- Quality
- Service
- Cleanliness
- Restaurants in the absolute best locations
- Satisfied employees is key to success

Value offering to landlords

- Strong international brand names
- Good relationship with landlords
- NSP owns all drawings to its standard BK and KFC restaurant buildings
- Industrial process for new restaurants, providing the landlords with a turn key solution

Product mix

Burger King



“Home of the WHOPPER”

- High Quality
- Great tasting flame grilled burgers

KFC



“High quality food – Food safety – Social responsibility”

- Freshly prepared delicious, complete family meals at affordable prices

TGI Fridays



“In here it's always Friday”

- Eat – Drink - Socialize

NSP's business partners

No obligations or penalties if no new opening of restaurants – only opportunities

Yum! Brands

- Yum! Brands is the world's leading restaurant company with over 40,000 restaurants in 128 countries
- More than \$13 billion in revenue
- On the top 100 Best Corporate Citizens by Corporate Responsibility Magazine.
- KFC, Pizza Hut and Taco Bell are the global leaders of the chicken, pizza and Mexican-style food categories
- NSP signed an agreement with Yum in 2014 regarding KFC



TGI Fridays



- TGI Friday's is an American restaurant chain focusing on casual dining that was founded in 1965, New York
- The company is a unit of the Sentinel Capital Partners and TriArtisan Capital Partners
- TGIF operates over 900 restaurants in more than 60 countries

Burger King



- Founded in 1953, Burger King is an American fast food company mainly focusing on hamburgers
- With over 14,000 restaurants in over 95 countries Burger King is one of the largest restaurant chain in the world
- Approximately 11 million visitors every day and in 2013 the company had a yearly turnover of around \$7 billion

Other restaurant companies

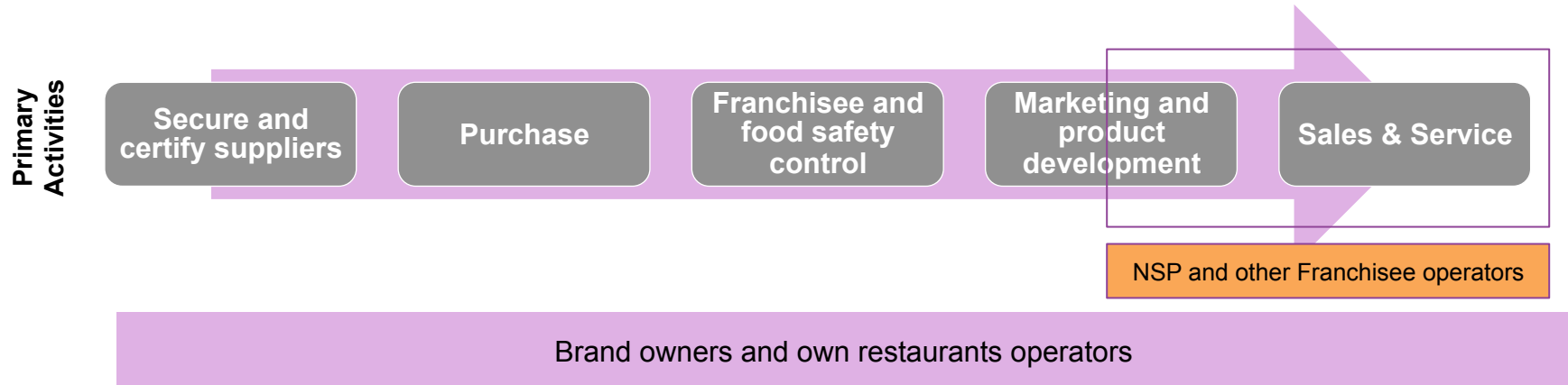
- NSP has a close relation to Rasta with two joint locations
- Rasta houses are located on most major roads in Sweden and the restaurants offer a nice selection of home cooked dishes, freshly baked bread, beer, softdrinks, and coffee



Competitive landscape

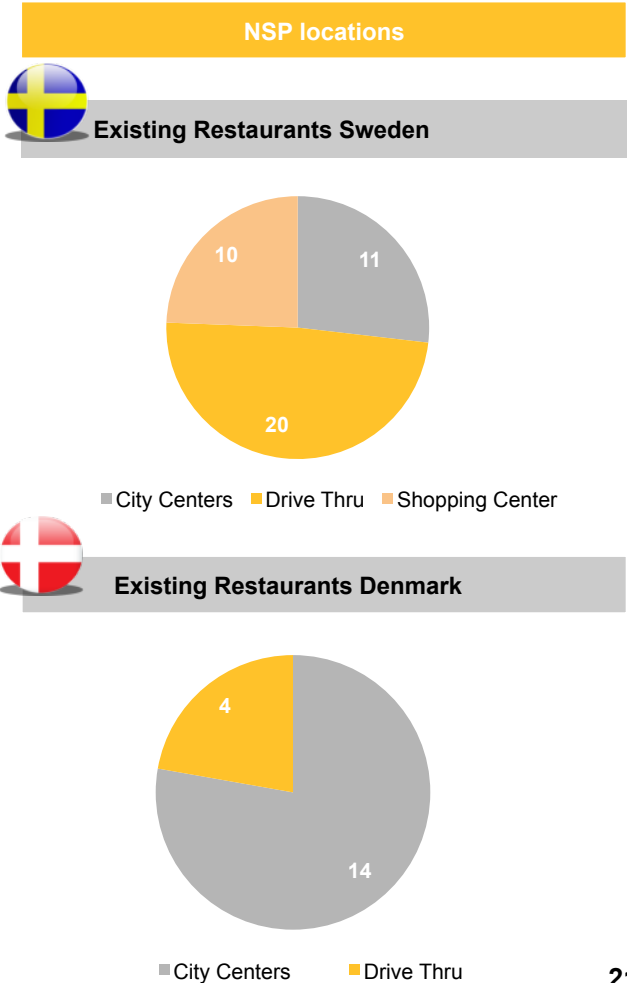
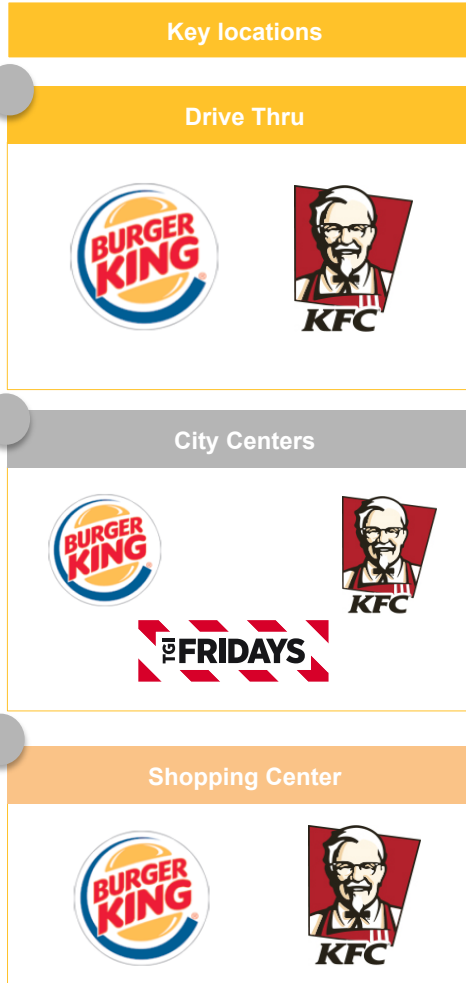
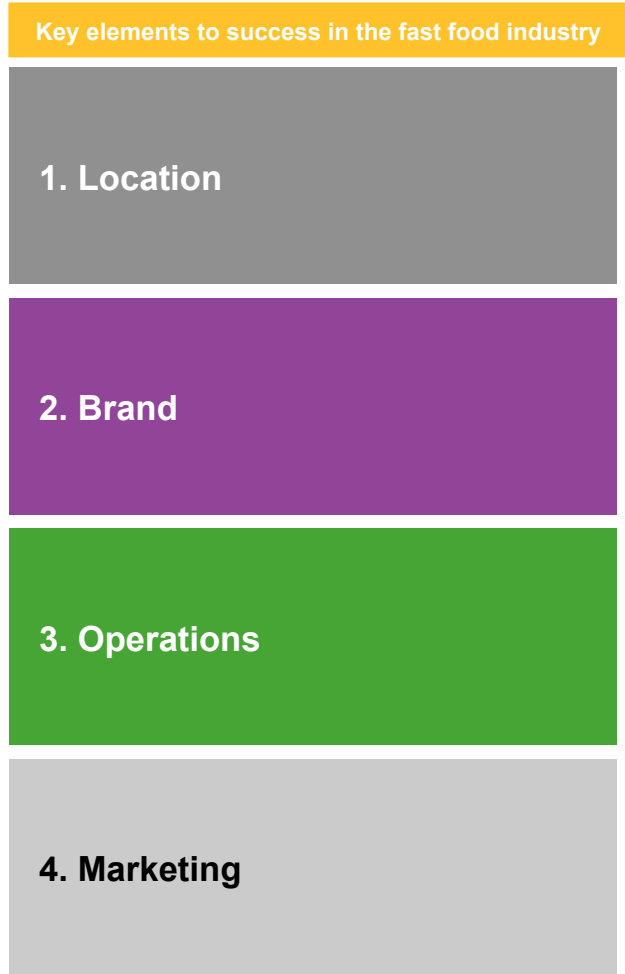
Eating Home	HMR	<ul style="list-style-type: none"> Foods prepared in a store and consumed at home or in-store which require little or no preparation on the part of the consumer 		
	Restaurant market	QSR	<ul style="list-style-type: none"> Also known as "quick-serves," these restaurants are known for fast, efficient, take-out-ready foods at affordable prices. Many consider the term "quick-serve" as synonymous with "fast food." 	
		Fast Casual Dining	<ul style="list-style-type: none"> A type of restaurant that does not offer full table service, but promises a higher quality of food and atmosphere than a fast food restaurant. It is a relatively new and growing concept positioned between fast food and casual dining 	
		Casual Dining	<ul style="list-style-type: none"> Provide table service but no educated chefs. Comprises a market segment between fast food and fine dining restaurants. Often have a full bar with separate bar staff, a larger beer menu and a limited wine menu 	
		Dining	<ul style="list-style-type: none"> Offers the finest in food, service and atmosphere. It is also the highest priced 	

Attractive position in the value chain



- The industry value chain consists of primary activities and support activities
- NSP's position in the value chain gives them access to well known international brand names, quality food, competitive purchase prices, quality checks, safety controls etc.
- Franchisees or own restaurant operator are normally engaged in the primary and support activities but with a focus on the primary activities
- NSP sits at an attractive position in the value chain where they primarily focus on Sales & Services but also in some instances marketing

Location, location, location...



NSP Way – a successful business model

Secures optimal operations from both a revenue and a guest:s point of view

Raw material

- Excellent control of the raw materials in each restaurant
- Daily check of inventories to manage the food cost gap
- Goal – maximum 0.2% in gap will result in improved Gross Profit

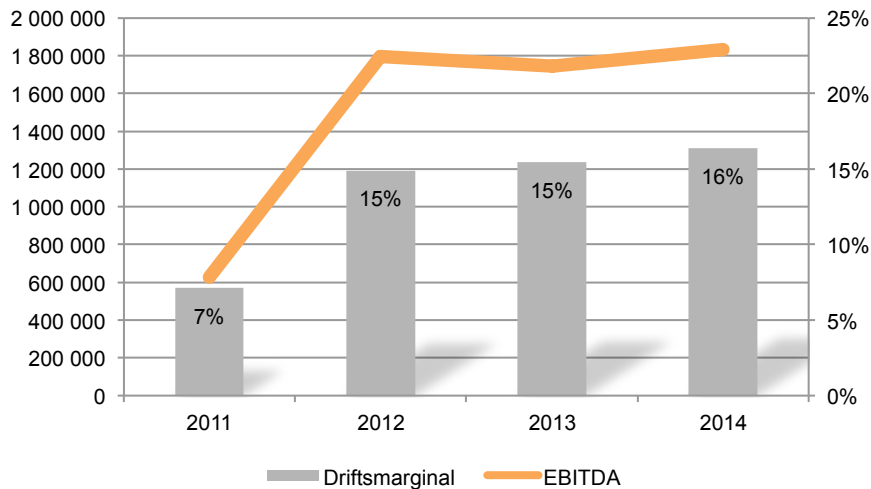
Labour

- Control of NSP's scheduling is a key to their success
- Schedule the number of employees every 30 minutes to match expected sales
- In Swedburger this has resulted in an increase in cash flow from 12% to c.22%

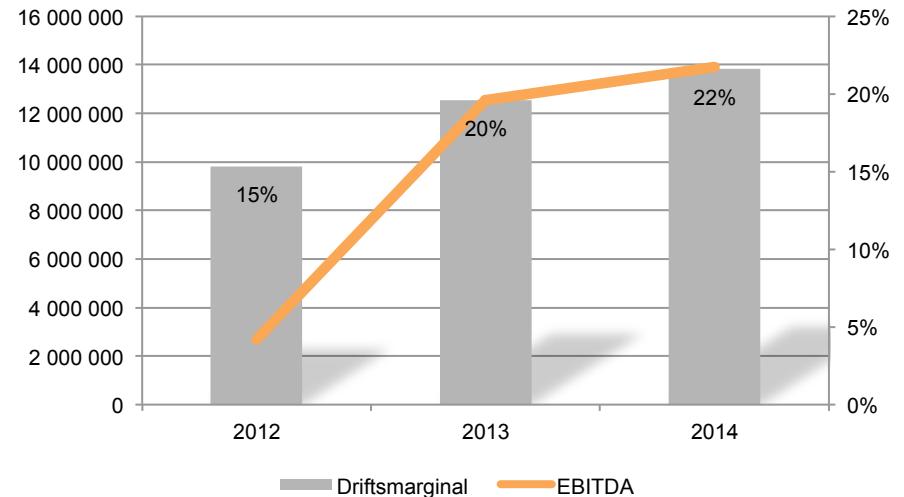
Local store marketing

- Marketing of the different stores in the local markets where they operate

Örebro



Swedburger



Swedish and Danish restaurant market

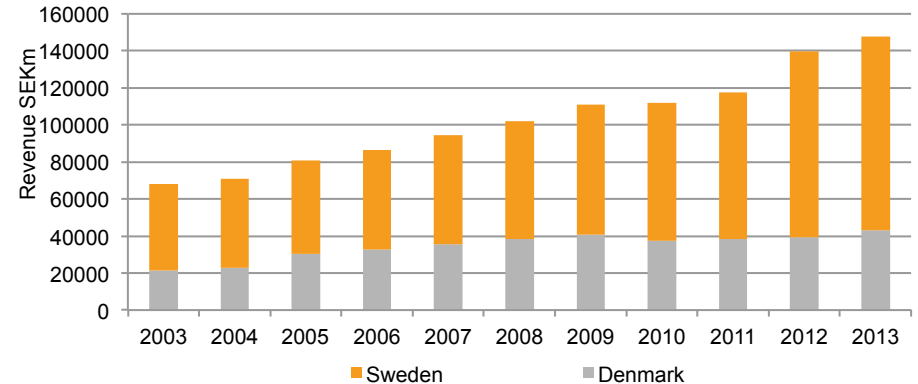
Comments

- The Nordic fast food market consists of market participants providing customers with ready packed food over the counter but with no table service
- Combined value of the Swedish and Danish restaurant market was SEK 148 billion in 2013, an increase of 117% since 2003
- A general trend of an increasing amount of international and well known franchise restaurants
- The "fast food" market can be divided into two main sub segments
 - Quick Service Restaurants "QSR"
 - Home Meal Replacement "HMR"
- QSR market has seen a gradual expansion since the start of the 1990's even though the recent financial crises had a negative affect.
 - Restaurant business in Denmark has grown by almost 60% since 2006
 - In Sweden hamburger restaurants have increased their market shares and grown more than the general restaurant business and fast food accounts for 27% of the food consumed outside our homes
- Examples of QSR operators in the Nordics are Burger King, Subway, McD and MAX

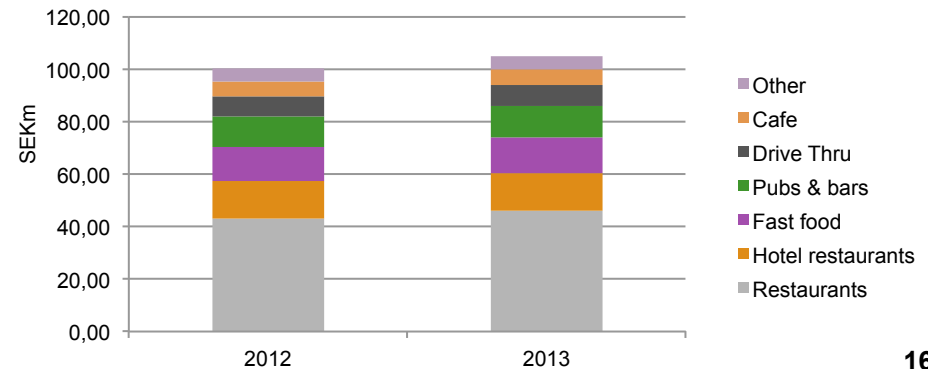
Swedish fast food market 2013

	%	SEK Mkr
Hamburger	38.2	8 450
Pizza	15.8	3 500
"Gatukök"	9.5	2 100
Traffic & Service stores	13.8	3 050
SSP, Subway, Café etc	13.1	2 900
Other fastfood (sushi, bkebab etc)	9.5	2 100

Stable growth in Swedish and Danish restaurant business



Restaurant industry Sweden



Strong growth and key drivers

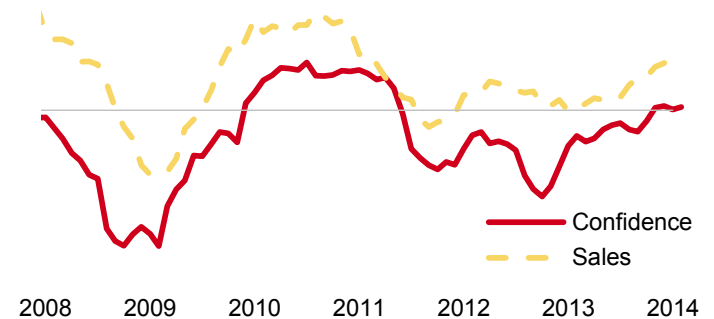
Strong underlying and structural trends in the fast food market

- Growth in population and new customers
- Continuation of urbanization
- Single occupancy
- Consumers spend less time on preparing food
- Structural changes in the retail market
- Increasing number of shopping centers and malls

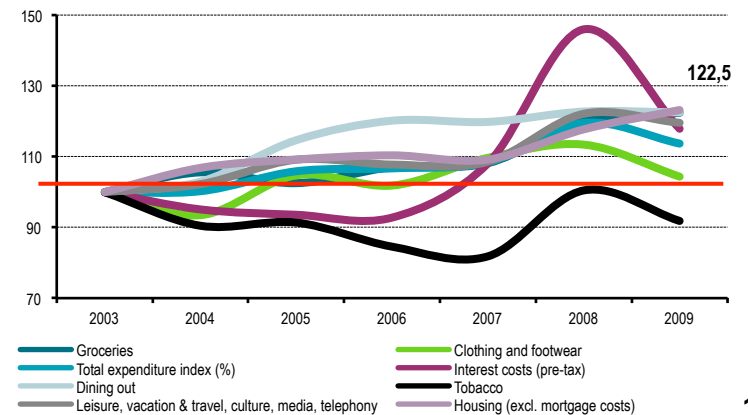
NSP well positioned to capture future growth

- Established multi-franchisee
- Developed platform for operating multi restaurants
- Strong cash flow
- Satisfied employees
- Nordic region as home market

Consumer confidence on continued employment Sweden



Increased spending in "Dining Out" segment



TGI Fridays

- Exclusive development agreement
 - Denmark
 - Five restaurants in five years
- Fridays at Højbro Plads
 - Located in the heart of Copenhagen, between Rådhuspladsen and Nyhavn, 240+ seats plus outdoor seating
 - Management team in place
 - Opening planned for end of June

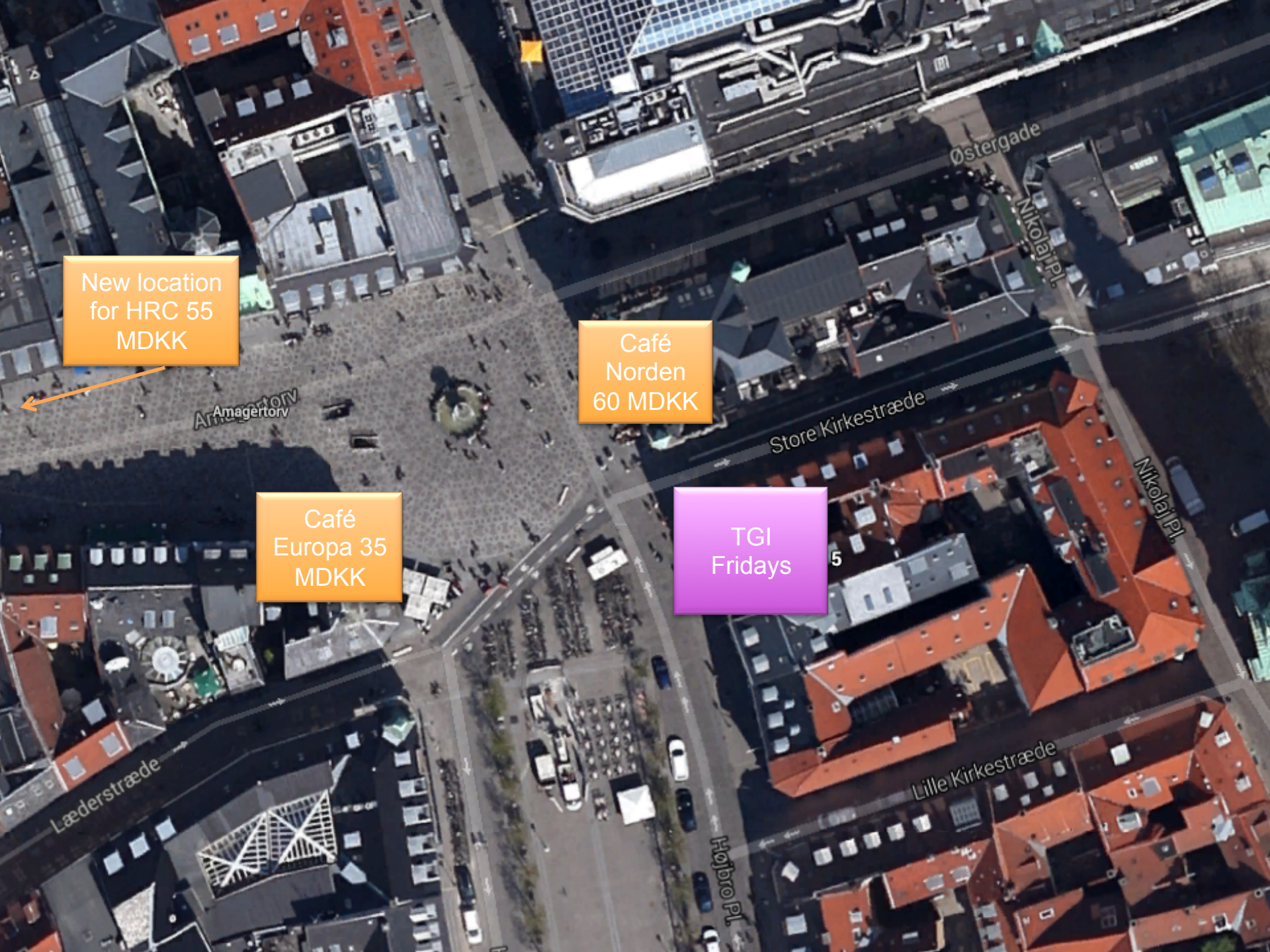
New location
for HRC 55
MDKK



Café
Norden
60 MDKK

Café
Europa 35
MDKK

TGI
Fridays

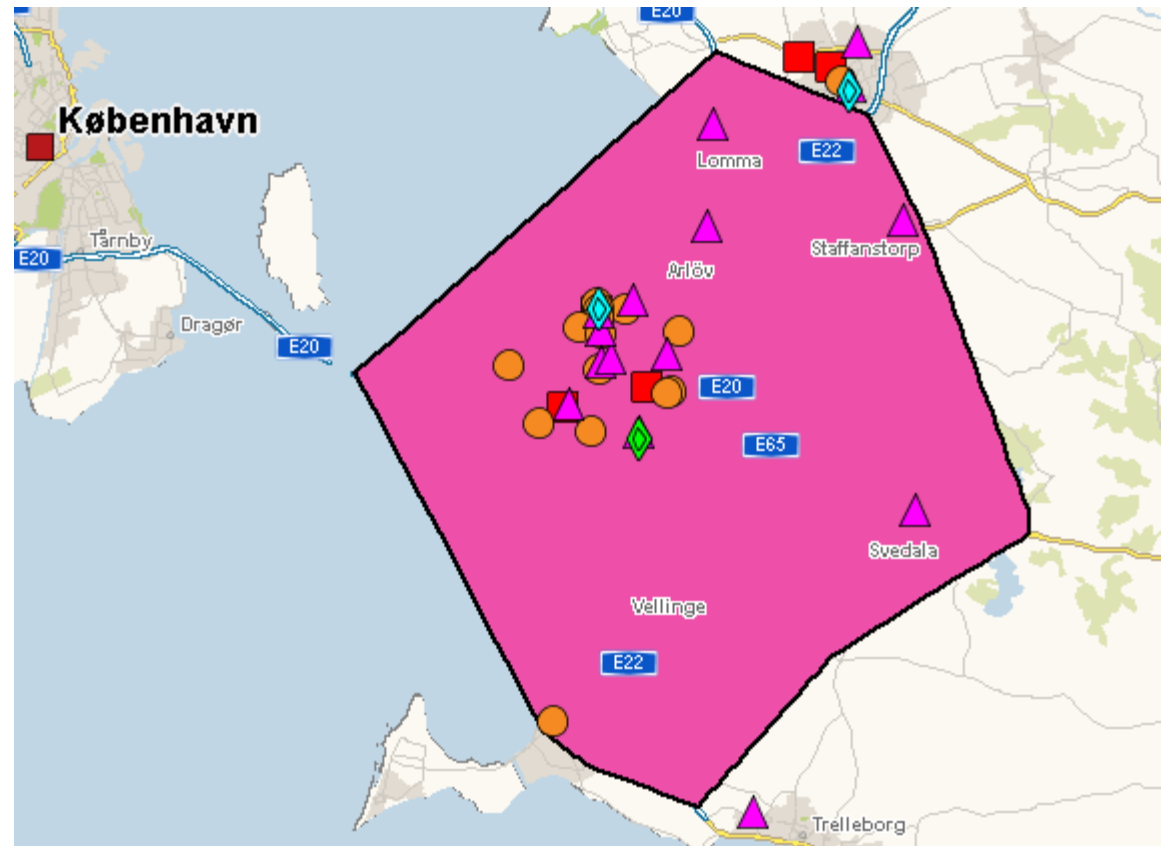


KFC

- Agreement of understanding
 - Establishment of KFC in Sweden
 - Starting with Malmö, Göteborg and Stockholm
- Status KFC
 - Restaurants to be opened in Lockarp and Stortorget in Malmö
 - Opening planned for September and December
 - Recruitment of district manager and restaurant managers
 - Extensive training in Holland
- Market expectations
 - Analysis shows positive market demand
 - Great interest in social media

Catchment area 20 min drive time

- 400 000 people living within 20 min drive time
- High visibility from the motorway (28m pylon, 37 000 cars)
- 77 parking spaces + 4 handicapped parking spaces
- 4 Drive Thru parking spaces
- Good Drive Thru flow
- One of OKQ8's largest gas stations is being built



NSP:s standard KFC building



Key highlights 2014

- Agreement with TGI Fridays to open 5 Fridays in Denmark
- Agreement with YUM Brands to (re)launch KFC, starting in Sweden
- 200 MSEK bond issue
- Opened the biggest Burger King restaurants in Denmark (Roskilde) and Sweden (Hallunda) and acquired two restaurants in Malmö
- Strong 4th quarter and turnaround in Denmark in H2

Financials 2014

NSP:s financials 2014

	jan-dec 2014	jan-dec 2013	Förändring %
MSEK			
Nettoomsättning	826,4	780,6	6%
Driftsresultat	103,9	95,0	9%
SG&A	-41,1	-38,8	6%
Ebitda	63,0	58,4	8%
Avskrivningar	-39,1	-34,8	12%
Ebit	23,7	21,5	10%
Finansnetto	-12,5	-11,2	11%
Ebt	11,3	10,3	10%

Comments

- 200 MSEK Bond issue
- Successful opening of new restaurants in Hallunda and Roskilde Denmark.
- Successful acquisition of two restaurants in Malmö.
- Stable cash flows from restaurants.
- Low risk in established restaurants.
- Higher risk in opening new restaurants.
- Deprecation of restaurants peaks during the first six year.

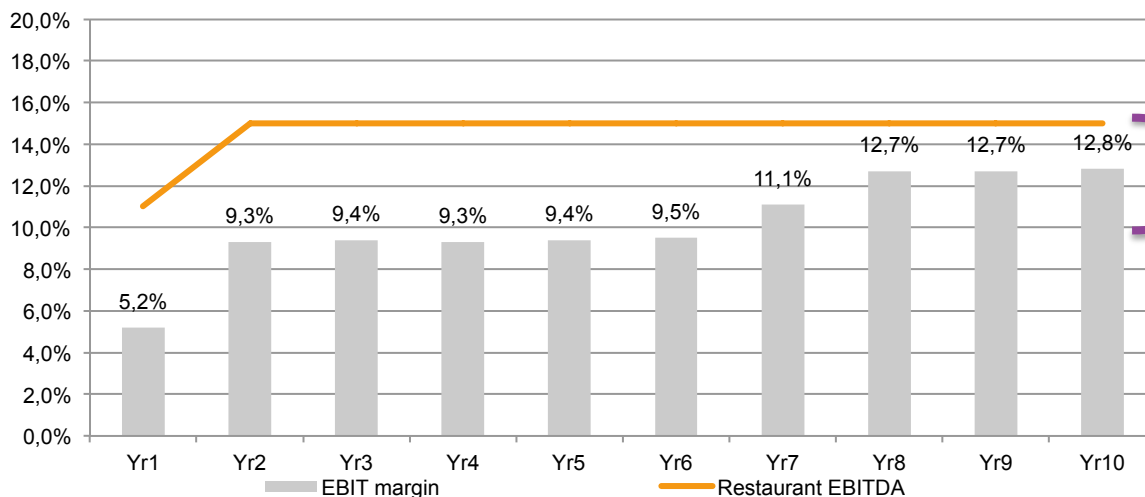
Financial goals

NSP's financial goals

% of turnover	Goal	Actual 2014	Actual 2013
Restaurant EBITDA	13.0%	12.6%	12,2%
SG&A	4.0%	5.0%	5,0%
EBITDA	9.0%	7.6%	7.5%
Depreciation	4.0%	4.7%	4.5%
EBIT	5.0%	2,9%	2,7%

* Including Taco Bar

Development of restaurant EBIT – profitability development



Comments

- Stable cash flows from restaurants
- Negative working capital
- Flexible (50 - 60%) cost structure
- Low risk in established restaurants
- Higher risk in opening new restaurants
- Depreciation of restaurants peaks during the first six year
- Limited re - investment

Strategic initiatives going forward

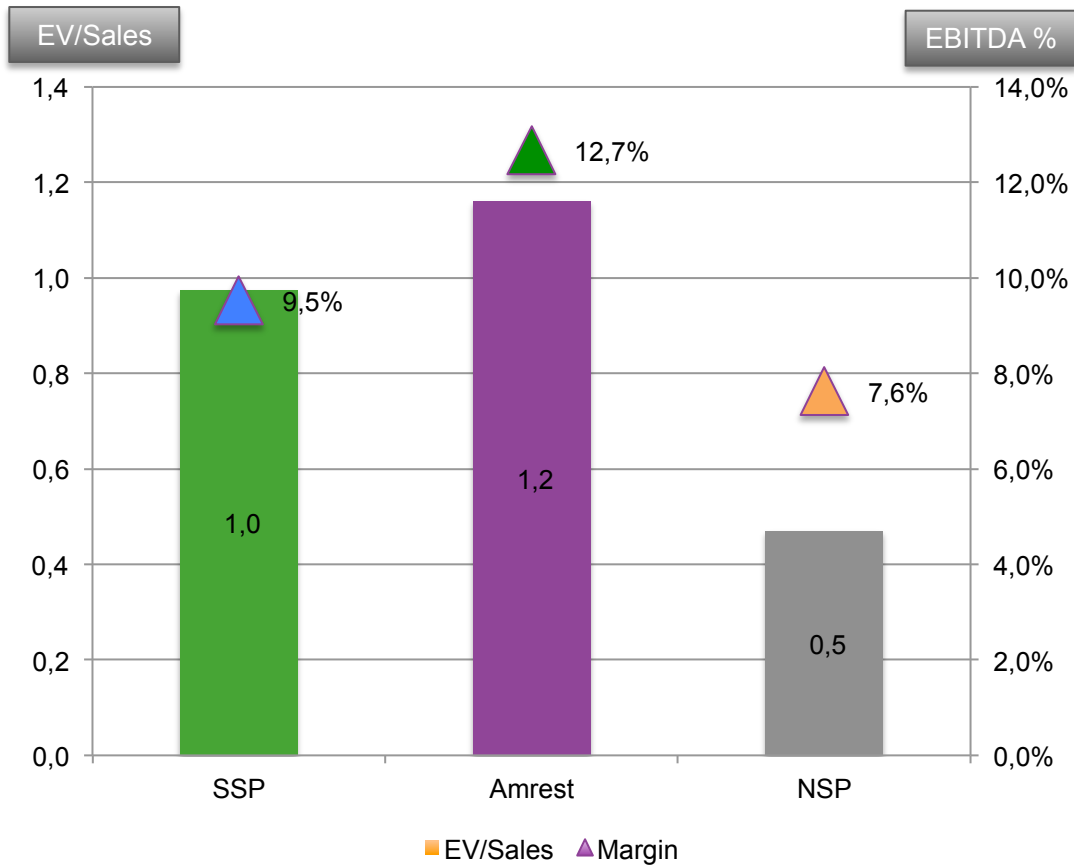
2015 and onwards

- Corporate
 - NSP brand building
 - New organisation and collaboration with new franchisees
- Burger King
 - Optimize marketing and local store marketing
 - Further development of existing restaurants
- KFC
 - Open new restaurants
 - Building operative organisation
 - Prospecting and development of new site
- TGI Fridays
 - Open new restaurants
 - Building operative organisation
 - Prospecting and development of new sites

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Benchmarking multi franchisee companies

SSP, AmRest and NSP valuation benchmarking



- SSP, London exchange in 2014, restaurants in airports and railways
- AmRest public on the Polish exchange, restaurants in Central and Eastern Europe
- Economies of scale with volume

Benchmarking multi franchisee companies

SSP, AmRest and NSP valuation benchmarking

	SSP (GBP)	AmRest (Sek)	NSP (SEK)
Aktiepris	2,97	260,80	18,50
Antal aktier	475 014 715	0	11 861 416
M-cap	1 408 418 630	5 485 800 000	219 436 196
Nettoskuld	371 100 000	1 977 432 430	169 034 000
EV	1 779 518 630	7 463 232 430	388 470 196
Sales	1 827 100 000	6 429 660 880	826 354 000
EBITDA	174 000 000	814 614 540	63 046 000
EBITDA margin	9,5%	12,7%	7,6%
EV/Sales	1,0	1,2	0,5
EV/EBITDA	10,2	9,2	6,2
M-cap/EBITDA	8,1	6,7	3,5

Building a larger more profitable NSP

- Focus on maintaining and increasing the current BK business which generates more than 110 MSEK in EBITDA from 61 restaurants forms the base...
- ...from which we will finance the growth of KFC and Fridays restaurants in to new business units as well as opening new BK restaurants in Sweden and Denmark
- Higher profitability to come with increased number of restaurants and a successful launch of KFC and Fridays



Tack för er tid!

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