## Capital Markets Day 2014

**November 25, in Copenhagen**

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10:30</td>
<td>Business update and Q&amp;A</td>
<td>Lars Renström and Thomas Thuresson</td>
</tr>
<tr>
<td></td>
<td><strong>Lunch 11:30</strong></td>
<td></td>
</tr>
<tr>
<td>12:30</td>
<td>Innovative technologies and dynamic markets:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- The FRAMO product range, offering and markets (Alex Syed and Magne Sangolt)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Food trends, offering and markets (Göran Hedbys and Ole Petersen)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Service trends, offering and markets (Peter Norrby)</td>
<td></td>
</tr>
<tr>
<td>15:20</td>
<td>Divisional highlights and Q&amp;A</td>
<td>Susanne Pahlén Åklundh, Peter Leifland and Svante Karlsson</td>
</tr>
<tr>
<td>16:20</td>
<td>Closing remarks</td>
<td>Lars Renström</td>
</tr>
</tbody>
</table>
Long-term growth drivers
- Structural changes create demand

- Energy
- Environment
- Increased living standard
- Globalization
CAGR per business division
- Orders received 2009 - YTD, September 2014

Equipment Division
“Component” driven
+6%

Marine & Diesel Division
“Marine and Diesel Industry” driven
+30%
(+11.8%)*

Process Technology Division
“Process Solution” driven
+11%

*) Based on net invoicing
## Acquired growth in 2011 to 2014

<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Strategy</th>
<th>Business</th>
<th>Sales MSEK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separators Inc</td>
<td>US</td>
<td>Channel</td>
<td>Provider of service high speed separators</td>
<td>100</td>
</tr>
<tr>
<td>Aalborg Industries</td>
<td>Denmark</td>
<td>Product</td>
<td>Supplier of equipment and solutions to marine, offshore and power markets</td>
<td>3,300</td>
</tr>
<tr>
<td>Vortex Systems</td>
<td>US</td>
<td>Product</td>
<td>Supplier of mixing and blending equipment and solutions for the oil &amp; gas industry</td>
<td>100</td>
</tr>
<tr>
<td>Ashbrook Simon-Hartley</td>
<td>US</td>
<td>Product</td>
<td>Provider of belt filter presses, a complement and alternative to Alfa Laval’s decanter range in the dewatering of municipal and industrial wastewater</td>
<td>500</td>
</tr>
<tr>
<td>Gamajet Cleaning Systems</td>
<td>US</td>
<td>Product</td>
<td>Provider of tank cleaning equipment for the industrial and sanitary markets in North America.</td>
<td>75</td>
</tr>
<tr>
<td>Air Cooled Exchangers</td>
<td>US</td>
<td>Product</td>
<td>Provider of air-cooled heat exchangers to the North American natural gas market.</td>
<td>350</td>
</tr>
<tr>
<td>Snecma</td>
<td>France</td>
<td>Product</td>
<td>Technology for a gas combustion unit. A safety equipment for Liquefied Natural Gas carriers.</td>
<td>40</td>
</tr>
<tr>
<td>Niagara Blowers</td>
<td>US</td>
<td>Product</td>
<td>Provider of air-cooled heat exchangers to the oil and gas processing industries.</td>
<td>425</td>
</tr>
<tr>
<td>Frank Mohn</td>
<td>Norway</td>
<td>Product</td>
<td>Provider of submerged pumping systems to the marine and offshore markets.</td>
<td>3,600</td>
</tr>
<tr>
<td><strong>TOTAL MSEK</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>8,490</strong></td>
</tr>
</tbody>
</table>

www.alfalaval.com
Business divisions’ split of sales
- Before and after the acquisition of Frank Mohn AS

<table>
<thead>
<tr>
<th>Business Division</th>
<th>Before (2020)</th>
<th>After (2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Division</td>
<td>32%</td>
<td>29%*</td>
</tr>
<tr>
<td>Marine &amp; Diesel Division</td>
<td>22%</td>
<td>27%*</td>
</tr>
<tr>
<td>Process Technology Division</td>
<td>46%</td>
<td>44%*</td>
</tr>
</tbody>
</table>

*) LTM
Why Framo?

✓ We know pumping technology
✓ We know the marine and offshore customers
✓ We have similar cultures

∑ Limited risk

A leading supplier of marine & offshore pumping systems
High performance pumping systems

Marine pumping 56%*

Offshore pumping 23%*

Oil recovery systems 3%*

Service 18%*

*) Sales LTM 09 2014 (Proforma)

www.alfalaval.com
Industry split including Framo
- Distribution invoicing LTM, end September 2014*

Driver
- World trade & fleet capacity
- Oil & gas demand and prices
- Legislation and fuel cost
- Electrical power needs
- World trade

Share
- Marine: 46%
- Offshore oil and gas: 11%
- Environment & Energy, Marine: 8%
- Diesel power: 5%
- Service: 30%

*) Pro-forma
Orders received and Net invoicing

- LTM Marine capital orders and sales (M€)*

*) Capital Sales LTM (Proforma) including Aalborg and Frank Mohn.
Marine & Diesel backlog*
- Development 2010 – YTD (MSEK)

2010: 2,155
2012: 3,219
2014: 9,732

*) For delivery after December 31
Top 15 markets – orders received*
- SEK million at prevailing rates

*) The development of the 2013 top fifteen markets.
### Alfa Laval China*

<table>
<thead>
<tr>
<th>Orders Received 2013</th>
<th>LTM Q3-2014 / LTM Q3-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sales Company</td>
<td><strong>32% Growth</strong> – Marine contracting, Waste Water, Brewery, Dairy as well as investments in second and third tier cities remained strong throughout the year</td>
</tr>
<tr>
<td>378 M EUR</td>
<td><img src="sun" alt="32%" /></td>
</tr>
<tr>
<td>Sales Company Excluding Marine</td>
<td><strong>4% Growth</strong> – The overall business climate has been positive this year, however, large projects have been moving slower due to a more careful approach to financing as well as central anti corruption initiatives</td>
</tr>
<tr>
<td>193 M EUR</td>
<td><img src="cloud" alt="4%" /></td>
</tr>
<tr>
<td>Service Division</td>
<td><strong>11% Growth</strong> – The market for Service remains positive with a growing Installed Base and an increasing awareness of the need for good maintenance</td>
</tr>
<tr>
<td>41 M EUR</td>
<td><img src="sun" alt="11%" /></td>
</tr>
</tbody>
</table>

*) Excluding Framo

[www.alfalaval.com](http://www.alfalaval.com)
Order intake
- Alfa Laval Group, US

Alfa Laval brand, US:
* Service 30%
* Oil & Gas 21%
* Food 12%
Activity split O&G, total
- Distribution of orders YTD, end of September 2014 (MSEK)

<table>
<thead>
<tr>
<th>Category</th>
<th>Drilling</th>
<th>Processing &amp; Transportation</th>
<th>Refinery</th>
<th>Petrochemicals</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Technology</td>
<td>728</td>
<td>1,795</td>
<td>851</td>
<td>774</td>
<td>4,148</td>
</tr>
<tr>
<td>Marine &amp; Diesel</td>
<td>269</td>
<td>641</td>
<td>0</td>
<td>0</td>
<td>910</td>
</tr>
<tr>
<td>Alfa Laval</td>
<td>997</td>
<td>2,236</td>
<td>851</td>
<td>774</td>
<td>5,058*</td>
</tr>
<tr>
<td>Share of total Alfa Laval</td>
<td>4%</td>
<td>9%</td>
<td>3%</td>
<td>3%</td>
<td>19%</td>
</tr>
</tbody>
</table>

*) including Service = 23%
Service =

Parts

Service

operations
Service

Prime focus is to increase the market share on our own installed base

- Cover installed base – increase market share:
  - Take ownership in a more extensive and proactive way
  - Adding more sales and field service “feet on the street”

- Sell Service operations (man-hours)
  – increase share of service operations:
  - Brick-walling – growth opportunity
  - Develop competence and service products
Service growth by segment
- Orders received YTD/LY YTD at fixed rates + 10%

YTD M€ 718

- PPS Service, 329 M€ (+6.1%)
- EPS Service, 123 M€ (+2.5%)
- MPS Marine & Offshore Systems Service, 70 M€ (+3.6%)
- MPE Marine & Diesel Equipment Service, 165 M€ (+5.4%)
- MPP Marine & Offshore Pumping Service, 31 M€ (NA)

www.alfalaval.com
Customer service
- Alfa Laval Group = 107 dedicated service centres

Service center +60%
Importance of Service
- Stability in orders received over the business cycle

![Graph showing orders received for Service and Capital Sales from 2001 to 2013.]
In conclusion…

- Service will be an important contributor to profitable growth
- Marine & Diesel division; 30 percent Service share and a solid backlog stretching even into 2017
- Diversified presence in the whole oil & gas chain with different demand holds good prospects for the future.