Where are we...

GS&S Clusters:
"Provides a platform to create synergies"

BU structure:
"Having all the functions in the BU is an enormous value and speeds up decisions"

Fast organization and decision making:
"Significant less discussions trying to align different interests"

New energy in the organization:
"Enthusiastic spirit in the whole organization"

More focus on product and customers:
"Stronger focus on winning the market"
Spending SEK 1.5 billion
- Current rate annualized benefits

Leaner organization

"Greenhouse"

Manufacturing footprint

320 MSEK

40 MSEK
Yard contracting
- 1st November 2017, including all ships above 2,000 Dwt/Gt

Source: Clarkson Research Services Limited
Oil price development

Brent Crude
62.58 +1.99%

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Macro trends

Global Economic Prospects
A Fragile Recovery

Emerging market and developing economies are forecast to grow at a faster rate than advanced economies over the next three years.

Notes: Shaded area indicates forecasts. Aggregate growth rates calculated using constant 2010 U.S. dollars GDP weights.
The business portfolio

Estimated newness 2017
Products launched 2012 or later, as a portion of total capital equipment (OI) 2017

Order intake LTM September 2017 vs WY 2016
Strategic direction

Customer = Improving customer experience

Product = Boosting our offering

Service = Upgrading service offer
Measuring customer experience

QUOTE RESPONSE TIME 91%

OFFERS MATCH NEEDS 98%

NET PROMOTOR SCORE 64%

Act on dissatisfaction + Improve sales processes + Improve competence
Global Marine Service

Marine Service hubs in three regions:

* Americas
* EMEA
* Asia

Handle cross border service requests providing 24/7 availability with one e-mail address and one phone number.
Customer closeness

Mechanical cleaning of Heat Exchangers

• Increase market coverage
• Satisfy customer needs
• Build loyal customers
Gasketed plate heat exchangers

New platform for gasketed plate heat exchangers
Gasketed plate heat exchangers

- Market introduction in November 2017
- Industrial range covers 70% of total gasketed product portfolio
- Alfa Laval T25 first product released includes 12 new patents
- Improved attractiveness by features delivering energy efficiency, reliability and serviceability.
High speed separators

Development of new platforms ongoing

Investment in new laboratory

Main focus on Food and Marine

Market launch stepwise from 2017

New high speed separator platforms

www.alfalaval.com
High speed separators

- New platform launches in 2018, 2019 and 2020, including several new patents
- Unique customer values; increased separation performance and improved total cost of ownership
- Tripling the pace of innovation in 2018 compared to the last three years within Food, Marine and Energy
The business portfolio

Estimated newness 2020
Products launched 2015 or later, as a portion of total capital equipment (OI) 2020

Order intake LTM September 2017 vs WY 2016
Digital fitness going forward

A. Online presence & sales
   Online marketing, social media, alfalaval.com and E-commerce

B. Connected products & service
   IoT and connectivity; installed base and monitoring

C. Smart manufacturing
   Digitalization and automation within manufacturing
Sustainability by nature

UN Sustainable Development Goals, launched in September 2015

- Improving efficiency
- Re-using resources
- Reducing waste
Our financial targets

- Growth: 5%
- EBITA: 15%
- ROCE: 20%