

value creation the NENT way

Gabriel Catrina

CFO & head of strategy and M&A

#bethebeat
#nentgroup





key points to take with you today

growth business with big market opportunity

clear and proven value creation model

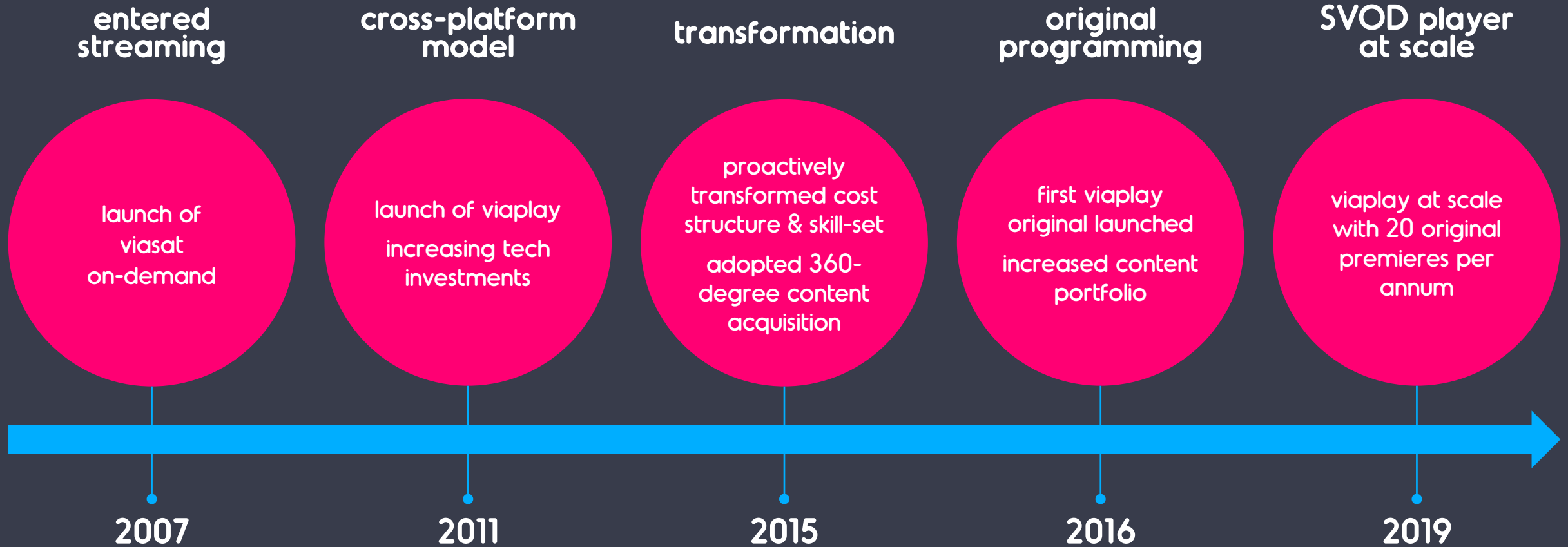
discipline in capital allocation

strong track record with increased predictability

focused on delivering shareholder value



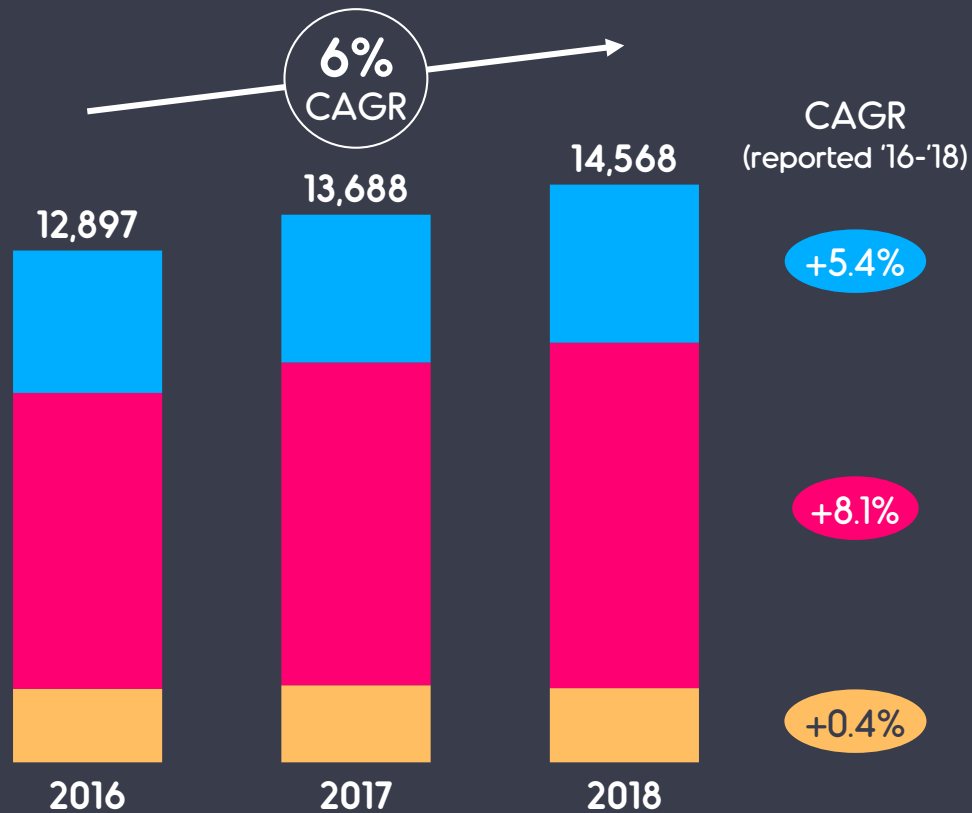
we have established our model over a long time



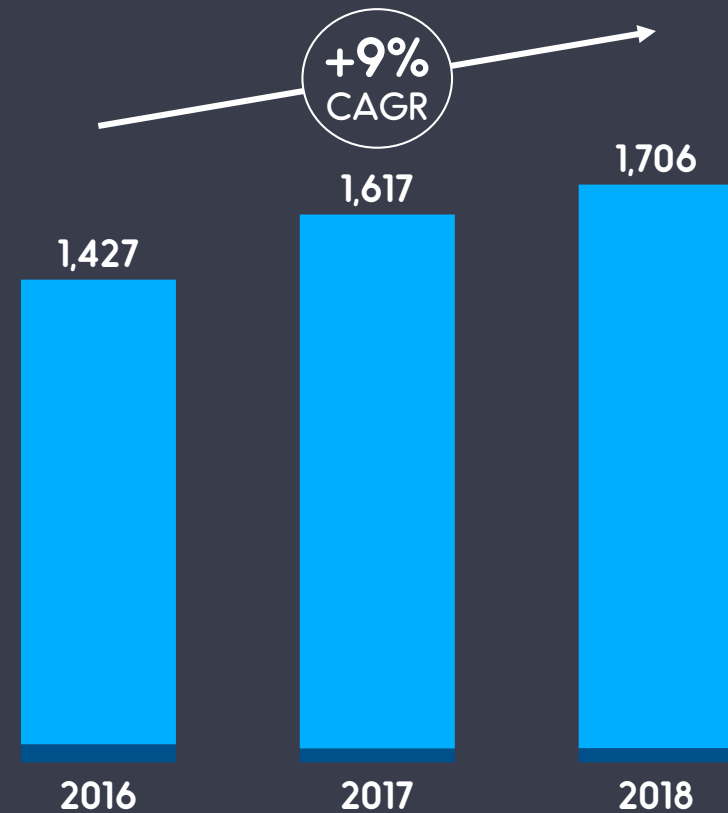
a strong track-record



net sales
(SEKm)



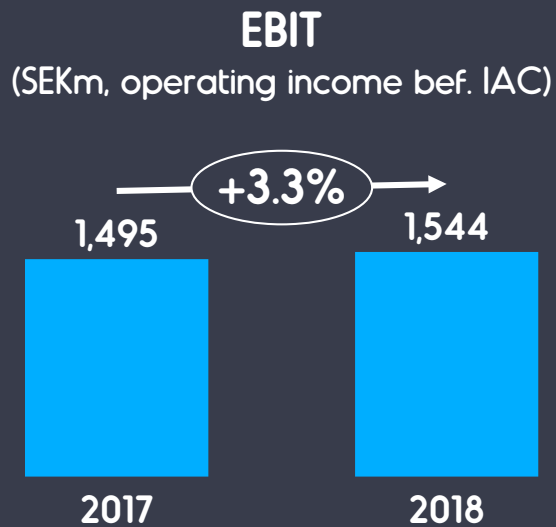
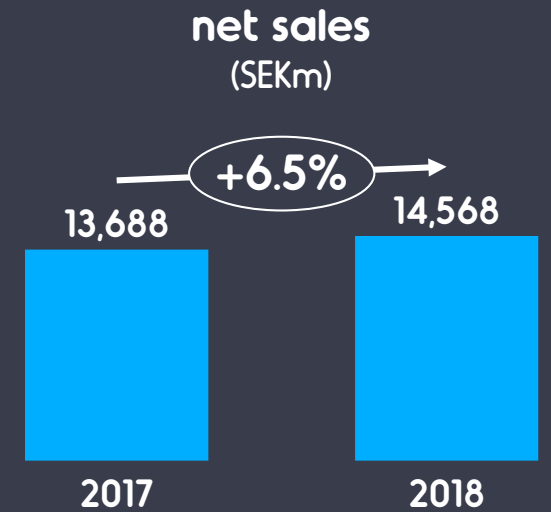
segmental EBIT
(SEKm, operating income bef. central & IAC)



■ advertising ■ subscription & other ■ studios

■ broadcasting & streaming ■ studios

2018 was no exception



net sales growth ('18 vs. '17)	SEKm	%
broadcasting & streaming	839	7.0%
studios	-75	-3.8%
total group reported	880	6.5%
o/w organic	518	3.8%
o/w FX	359	2.7%
o/w M&A	3	0.0%



key drivers that made it possible

- performance in broadcasting and TV platforms
- scale in our streaming business
- unique and diversified business model
- disciplined approach to capital allocation

proven capital allocation model to drive value



streaming: a clear value creation opportunity



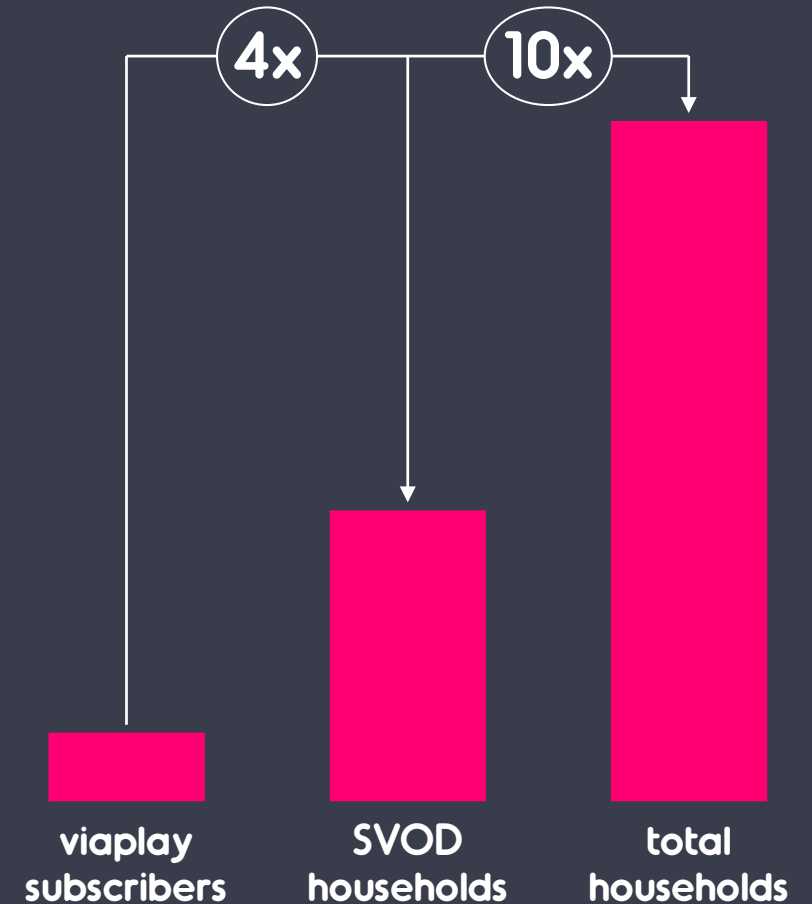
significant volume opportunity

recurring cash-flows with greater earnings visibility

less macro-sensitive

high operating leverage

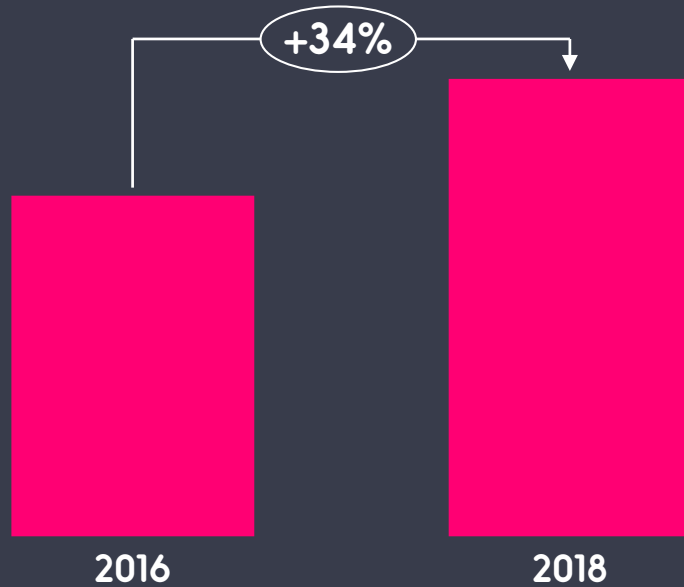
all success factors in place



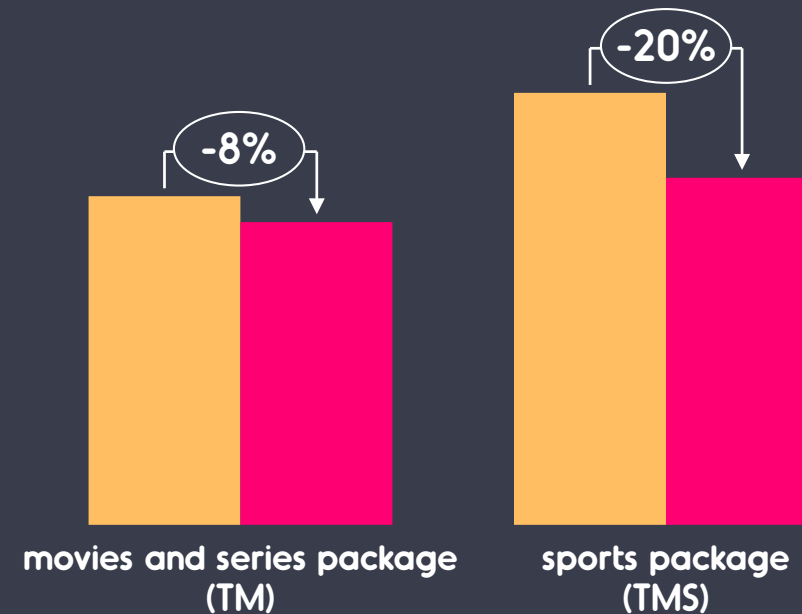
steady volume growth and increasing stability



subscriber growth
(paying subscribers, year end balance)



monthly churn
(average 12-months)

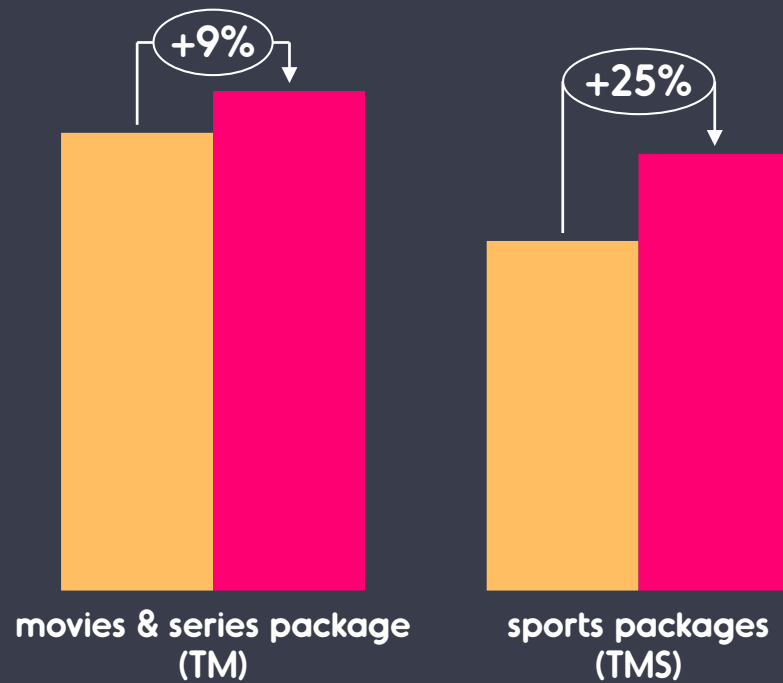


■ 2016 ■ 2018

increasing returns over time

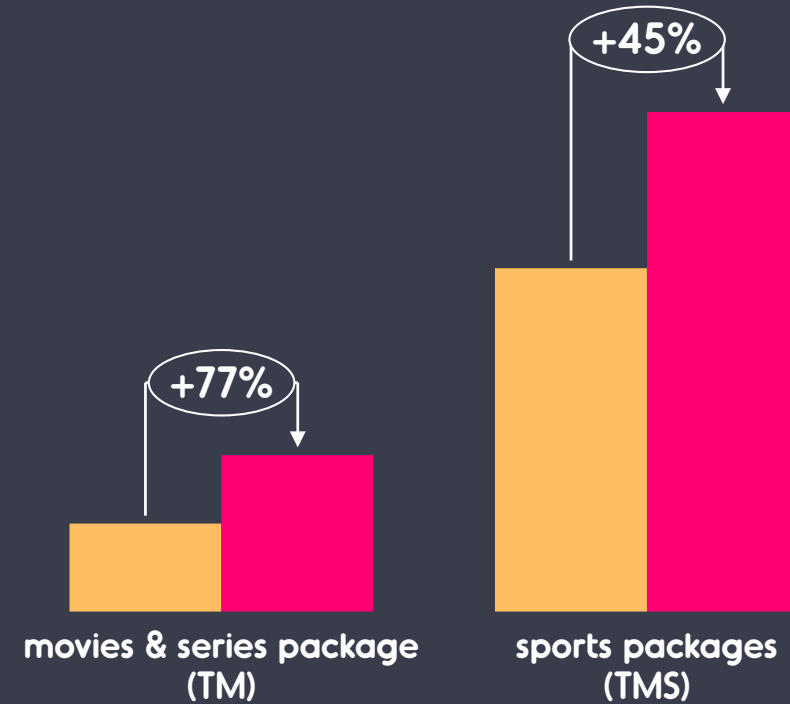


average customer lifetime



2016 2018

lifetime contribution profit

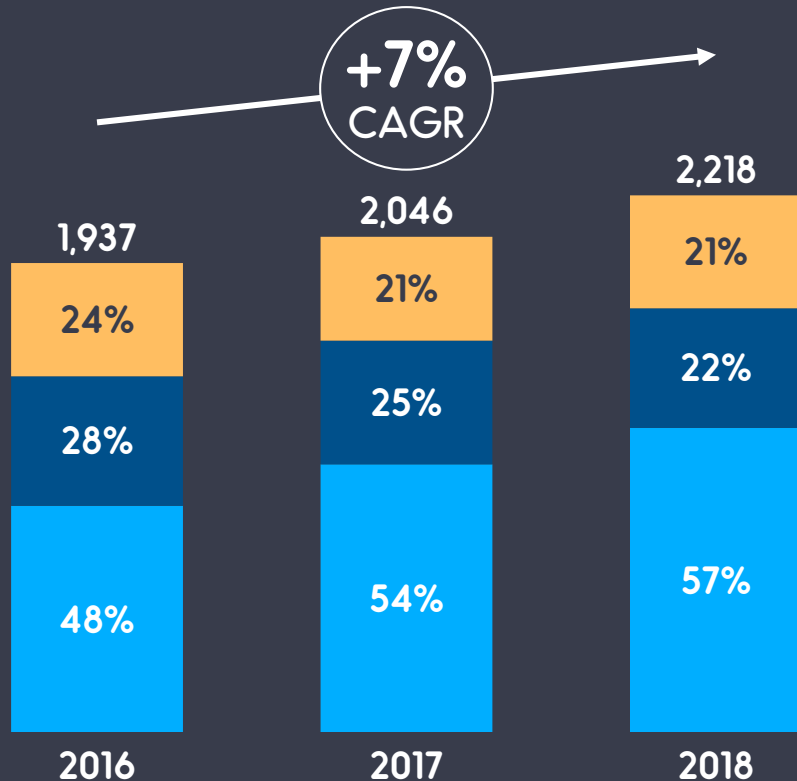


2016 2018



positive effect by great volume growth

streaming subs growth outperforming decline in DTH



year-end subscribers, 000s	2016	2017	2018	'16-'18
viaplay	937	1,108	1,258	321
viasat direct-to-consumer	534	510	493	-41
o/w satellite	456	409	374	-82
viasat 3 rd party	467	428	466	-1
total subscribers	1,937	2,046	2,218	281

■ viaplay
 ■ viasat direct-to-consumer
 ■ viasat 3rd party

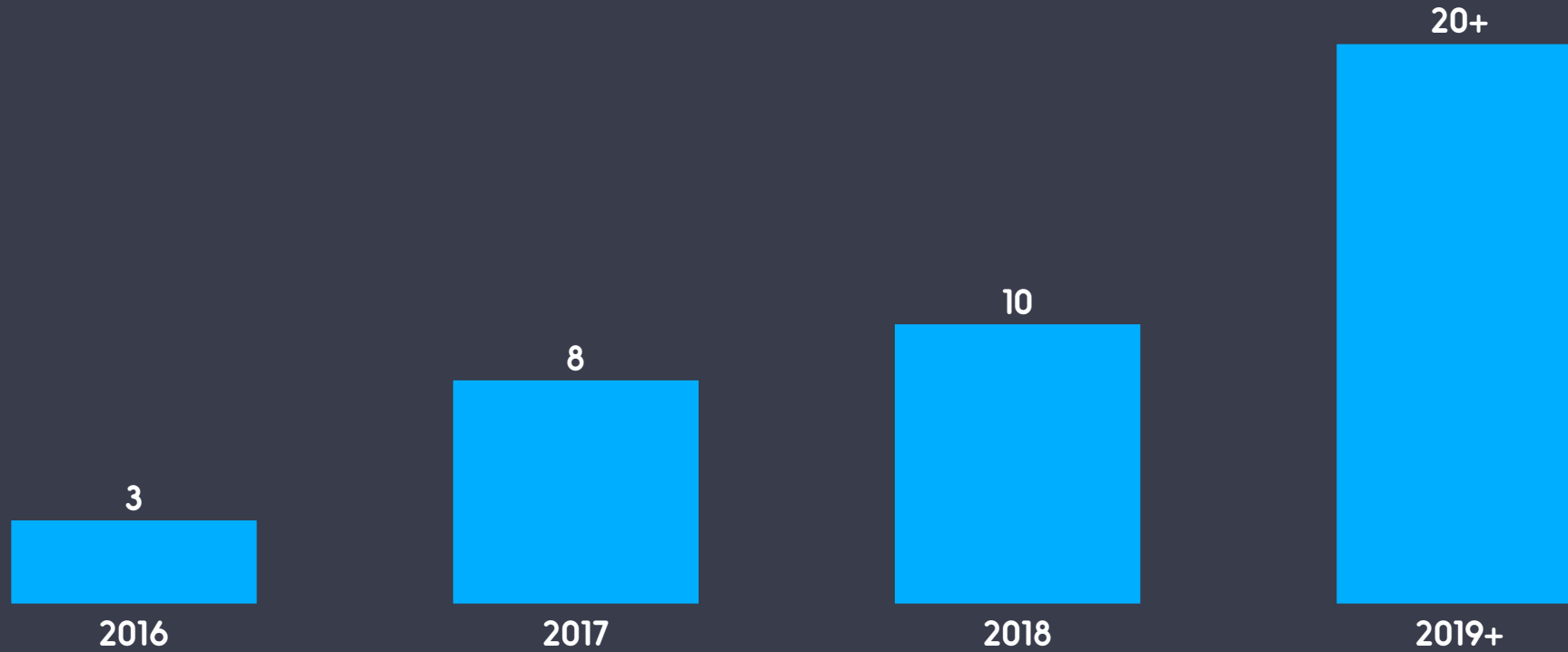
priority investments to drive streaming growth



content to drive streaming, with originals in focus



viaplay original premieres



continuous investments in product and tech



+300

inhouse product,
data and
technology team

+23%

tech employees
2016-2018

13,000

live events & 50,000
live hours

3 SEKbn

cumulative tech
investments
2015-2018

investments in user acquisition & distribution



customer acquisition

branding, marketing & cross-promotion

distribution partnerships

P&L outlook, 2019+



we are set up for continued profitable growth

	outlook
organic growth	positive
segmental EBIT	positive
central operations	approx. -250 SEKm
EBIT incl. central operations	positive beyond 2019
FX impact	negative
effective tax rate	approx. 20%

business outlook, 2019+



streaming products as main growth drivers

	volume	price	outlook
advertising	negative	positive	neutral/positive
subscription & other	positive	positive	positive
studios	positive	neutral	positive

key metrics, balance sheet & cash flows, 2019+



near-term outlook

operational leases (IFRS 16) effect on balance sheet	approx. 600 SEKm net effect (850 gross)*
net debt at listing (excl. leases)	approx. 3.9 SEKbn
leverage policy	<2.5x net debt / EBITDA (incl. leases)
dividend policy	30–50% of adj. net income
change in working capital	negative
capital expenditure	approx. 1–1.5% of sales

* approx. 850 SEKm gross effect before sub-leases

to summarise



a clear value
creation strategy

backed up by
solid capital
allocation

to drive
sustainable
profitable
growth

and provide
attractive
dividends to
shareholders

Q&A



Follow us



nentgroup.com