

TELECONFERENCE INTERIM REPORT Q3 2018

Work, live and thrive
in new places around the world.

We make it easy



TODAY'S AGENDA



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Martin Thaysen
Group CEO



Christian Møller Laursen
Group CFO

Disclaimer

The outlook for 2018 reflects management's expectations of future events and must be viewed in the context of the business environments and currency markets, which may cause actual results to deviate materially from those projected by Santa Fe Group A/S.

Q3 HIGHLIGHTS



Today 15:22

Dear Aldo,

Congratulations on your new assignment in **South Africa**. We are here to assist you throughout your relocation journey, in accordance with your **employer's policy**. We'll be in touch shortly to talk you through the process.

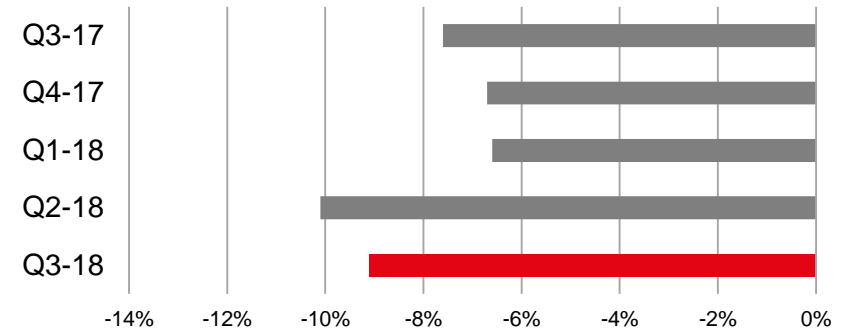
Wai Leong
Global Mobility Consultant

Q3 HIGHLIGHTS



- Market downturn continues
- European markets declined more than expected
- Low activity from existing customers/contracts
- US and Asia gaining more local business
- Growth in Australia, but margins under pressure
- Renewed focus on cost savings and restructuring

Revenue growth - Continuing Moving & Relocation businesses



Growth rates stated in local currencies



-10.5%

Moving Services



-0.7%

Relocation Services



Records Management - DIVESTED

Q3 2018 PERFORMANCE

EURm	Q3 2018	Q3 2017
Revenue	79.2	89.1
EBITDA before special items	3.5	7.0
Special items	-0.7	-1.1
Reported EBITDA	2.8	5.9
Depreciation & amortisation	-1.8	-1.4
Impairments	-	0.4
Operating profit (EBIT)	1.0	4.9
Financials, net	-0.6	0.2
Share of profit in associates	-0.1	0.0
Income tax	-0.9	-1.0
Net profit/loss	-0.6	4.1

9.1% decline in local currencies for the core Moving & Relocation business

Revenue and margins below Q3 2017 and no RM contribution in Q3 18
- Cost savings could not compensate

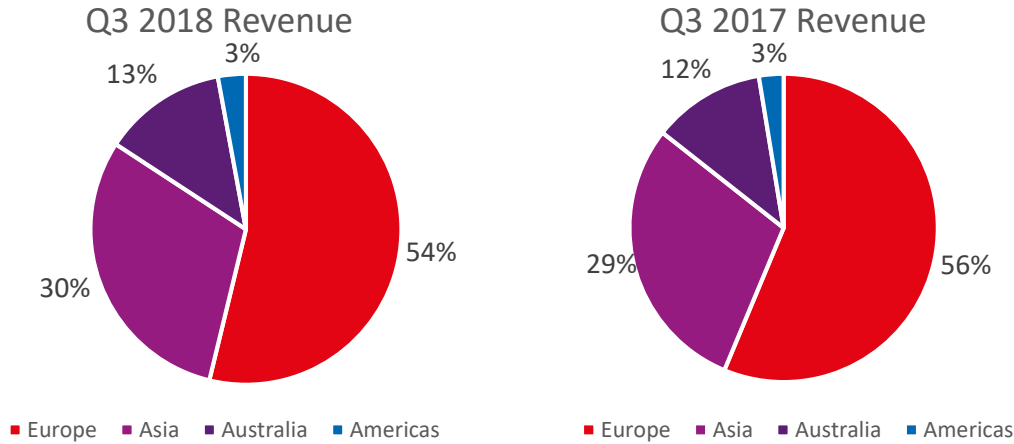
Restructuring at a lower level than last year.

Q3 2017 benefitted from foreign FX gain. Higher cost on new financing in Q3 2018

Q3 PERFORMANCE BY REGION AND BUSINESS LINE

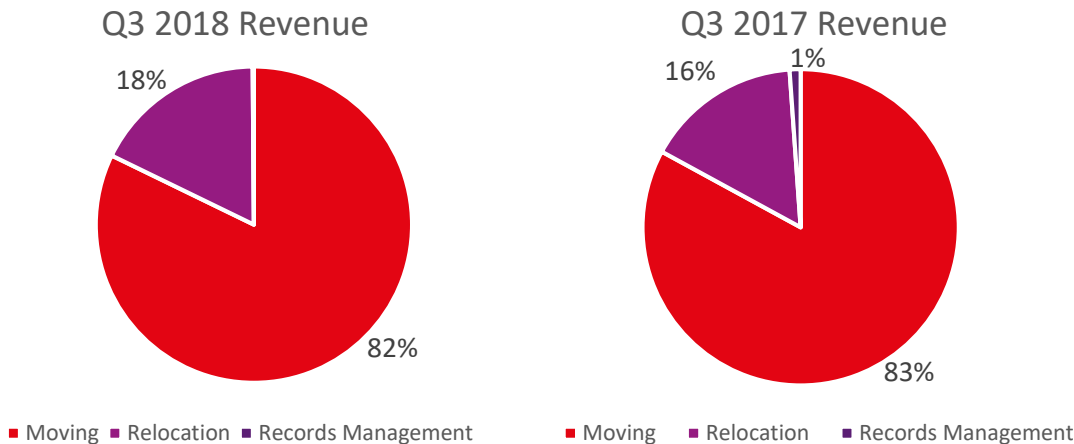


By Segment (Region)



- Europe remains the largest Sales Region for Santa Fe.
- Activity levels in Asia held up better than in Europe, and we delivered growth in Australia in AUD and Americas leading to Europe representing a smaller share of the total.

By Business Line



- Relocation Services declined only slightly in Q3 and constitutes a higher share of the total revenue – in line with Strategy
- Relocation services constituted 18% of Revenue in Q3 2018 (16% in Q3 2017)

MARKET TRENDS



Today 15:22

Dear Buana,

Our immigration specialists are here to assist with your **visa**, **work permit** and **residence permit** in preparation for your move to Dubai.

Aasir Mwangi
Immigration Consultant

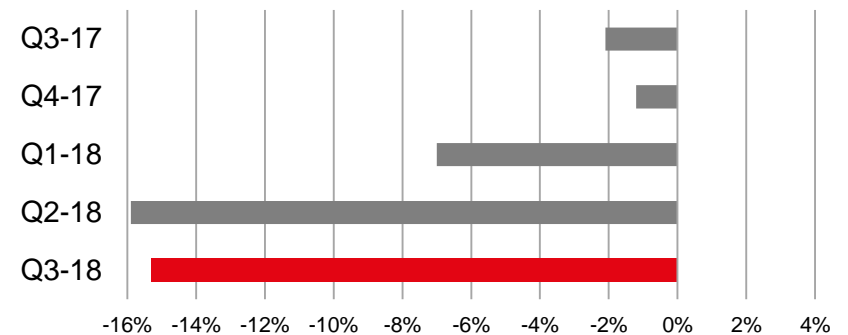
Q3 PERFORMANCE EUROPE

Growth rates stated in local currencies



- 15.3% revenue decline overall
 - 17.7% decline in Moving Services
 - 1.9% decline in Relocation Services
 - UK and Germany main contributors to the decline. Decline in activity levels from existing clients has exceeded expectations.
- EBITDA of EUR 2.6m (5.1m)
 - Impact from lower revenue in UK, Germany and France

European growth rates



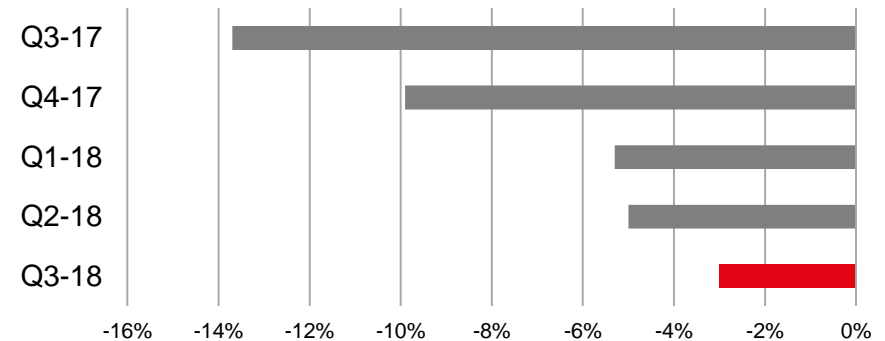
Q3 PERFORMANCE ASIA

Growth rates stated in local currencies



- 3.0% revenue decline for continuing Moving & Relocation business
 - Drop of 4.4% in Moving Services
 - Decline driven by lower activity levels from corporate clients in particular in Hong Kong, Singapore, Middle East and South Africa. Q3 17 benefitted from a large one-off project in Qatar.
 - Relocation Services up by 4.1%
 - New contracts signed during 2017 drove the relocation growth
- EBITDA EUR 3.1m (4.2m)
 - Lower revenue from Moving Services and divested RM business

Asian growth rates - Continuing Moving & Relocation businesses

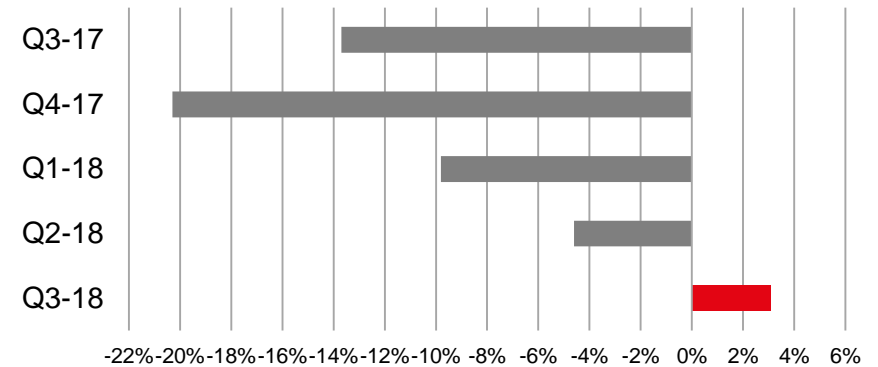


Q3 PERFORMANCE AUSTRALIA

Growth rates stated in local currencies

- 3.1% revenue increase
 - Stabilisation of topline has been achieved, mainly supported by new corporate clients and increased activity levels from existing clients
 - Revival of WridgWays brand for consumer market and launch of new website in 2017 has triggered an increase in leads
- EBITDA of EUR -2.5m (-1.6m)
 - Margin pressure and mix continues to challenge profitability
 - Further restructuring initiatives are being planned

Australian growth rates



Q3 PERFORMANCE AMERICAS

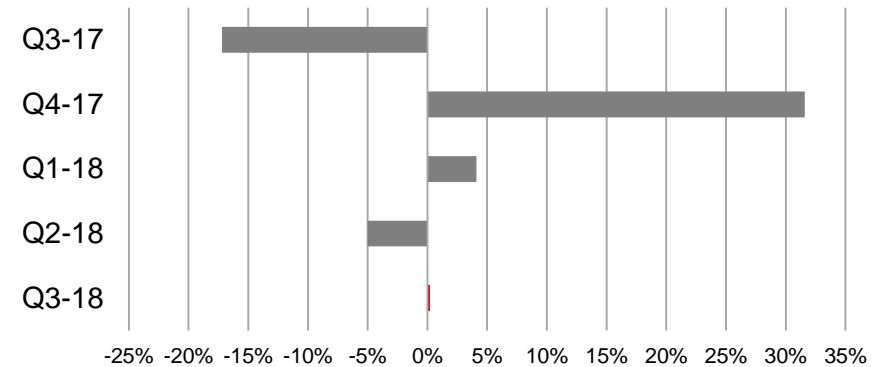
Growth rates stated in local currencies



- 0.2% revenue increase
 - Loss of a key client mitigated by new business secured locally
 - Agreement with Fidelity Residential Solutions in February 2018, enabling a new, differentiated US Homesale solution

- EBITDA of EUR 0.2m (0.2m)
 - Strong cost management discipline maintains EBITDA despite investments

Americas growth rates



FINANCIAL

A young child in a red and blue striped shirt is smiling and reaching out to another child in a green and white shirt who is sitting in front of a cardboard television set. The cardboard TV has a wooden antenna on top and several knobs and buttons on the right side. The scene is set in a bright, modern living room with a white sofa and a green chair.

Today 15:22

Dear Takashi,

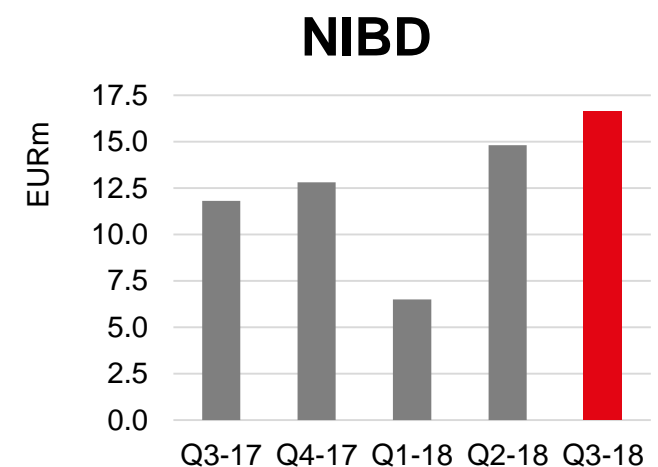
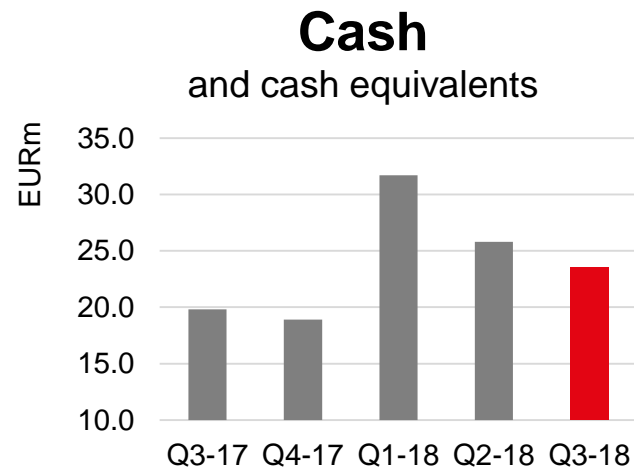
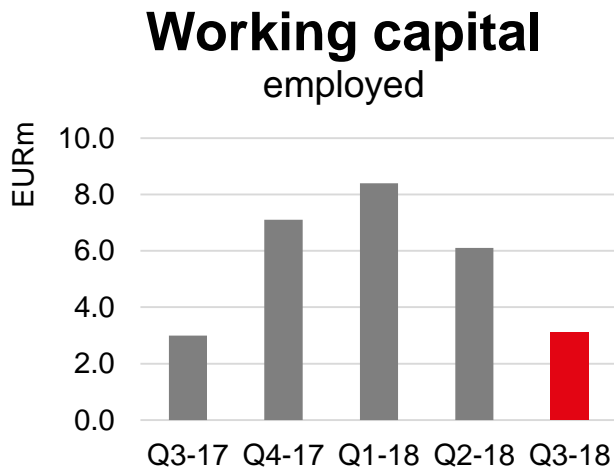
We'd like to remind you that your **virtual survey** will take place tomorrow at **13:00**.

Katharina Müller
Global Mobility Specialist

NIBD INCREASED SLIGHTLY DURING Q3



- Working capital employed reached EUR 3.1m vs EUR 7.1m by end of 2017. The targeted reduction in overdue receivables has only partially been achieved, and stricter enforcement of credit limits remains a focus area for Q4.
- NIBD increased slightly during Q3 as operating earnings could not fully cover interest payments and continued investments in technology. A review of options to strengthen the Group's capital structure is in progress and expected to conclude before year-end.
- Sale of Beijing warehouse is further delayed – process opened up for other buyers.



KEY FINANCIAL FIGURES

Comments based on Q3 2018 against end of 2017

EURm	YTD 2018	YTD 2017	FY 2017
Total Assets	202.1	215.5	211.8
Working Capital Employed	3.1	3.0	7.1
Cash & cash equivalents	23.5	19.8	18.9
Net Interest Bearing Debt, end of period	16.6	11.8	12.8
Santa Fe Group's share of equity	70.3	79.0	83.5
Invested Capital	81.3	84.2	90.6
Return on average invested capital (%)	-14.9	5.0	15.9
Cash Flow from operating activities	-16.3	-13.6	-13.3
Cash Flow from investing activities	13.1	5.9	4.6

Impacted by CORE investments and operational losses partly offset by the cash proceeds (net of tax paid) received from RM sale

Decrease in Invested Capital due to cash received in Jan 2018 from Records Management business divested in China

Proceeds of EUR 12.6m from closing of the Records Management divestment in China/Portugal and release of EUR 1.6m hold back offset by investment in Core Technology



RESPONDING TO MARKET CONTRACTIONS

Today 15:22

Dear Chloe,

We're pleased to inform you that your dog Hercules has arrived safely in **Australia** and is now undergoing the relevant **health checks** at the airport.

Zikri Tengku
Global Mobility Specialist

RESPONDING TO THE MARKET CONTRACTION



Adapting Cost Structures:

- 7.4% reduction in workforce year-on-year
 - EUR 2.1m saving in Q3
 - EUR 8.4m annualised
- Reduction of excess warehouse capacity
 - EUR 0.5m annualised with effect from December
- Centralisation and efficiency of IT Network Management
 - EUR 0.5m annualised with effect from December
- Targeted additional cost savings
 - Further efficiencies on the back of technology deployment
 - Further reduction in corporate projects

RESPONDING TO THE MARKET CONTRACTION



Restoring Revenue:

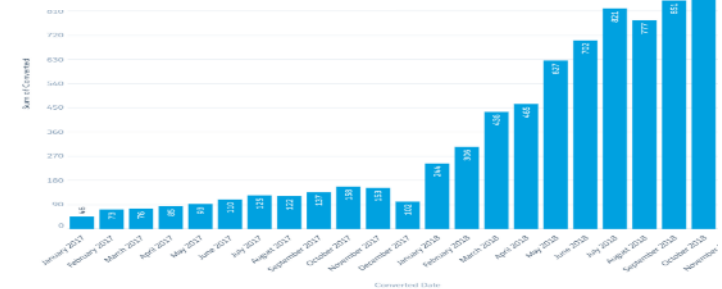
- Driving growth in Consumer Business
 - 50% growth in monthly leads
 - 40-50% growth in monthly opportunities quoted
 - Continuous growth since April
 - Double digit growth in October

- 6% Growth in Relocation Services
 - Double digit growth in Immigration
 - RAMS business developing

- Focus on implementation of recent large Immigration Win, go live in November.

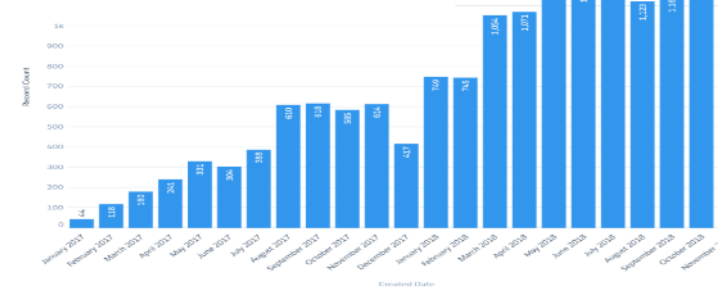
- Continue investment in assignment management and US domestic and homesale capabilities

Consumer Leads
Jan 2017 – Oct 2018



13-Nov-2018 07:24 - Viewing as Kinesis Jarvis

Consumer Opportunities
Jan 2017 – Oct 2018



13-Nov-2018 07:24 - Viewing as Kinesis Jarvis

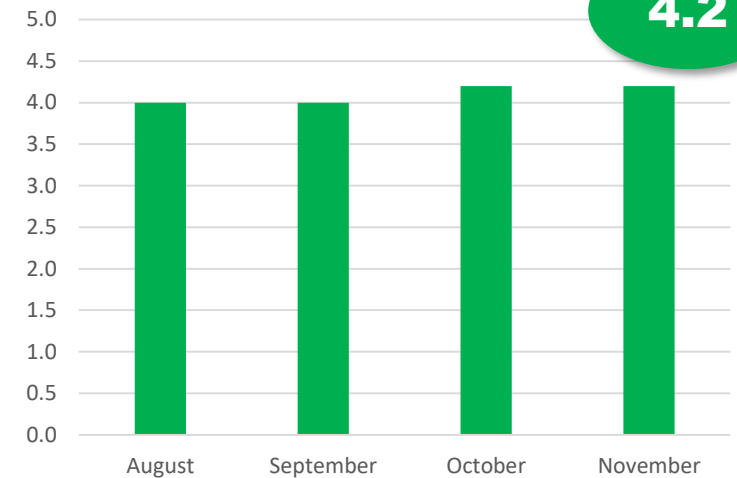
EXCEPTIONAL CUSTOMER EXPERIENCE



Customer Satisfaction

- New CSAT methodology launched in August
 - Gradually onboarding clients and customer segments
 - Response rate growing to 15% in October
 - 150-200 reviews received per week
- Engaging External Reviews
- Technology Transformation continues
 - Customer Functionality development with monthly 'drops'
 - Data Protection and Data Security in focus
 - 16,000 Assignees now engaging on portals
 - Continues customer onboarding

Customer Satisfaction Score



Search for a company...



Santa Fe Relocation

Reviews (133) • Excellent



Claimed

OUTLOOK

An aerial photograph of a massive port terminal, likely the Port of Shanghai. The foreground shows a large area filled with stacks of colorful shipping containers in various colors like blue, red, yellow, and green. In the middle ground, there are several large, multi-story industrial buildings with blue roofs. The background features a wide body of water with several large cargo ships docked at the pier. Numerous red gantry cranes are visible along the waterfront, extending into the distance. The sky is a clear, pale blue, and distant mountains are visible on the horizon.

Today 15:22

Dear Amihan,

We're pleased to advise that your belongings have arrived safely at the Port of Shanghai. As soon as they have cleared **customs**, we will confirm the day of delivery.

Bojidar Andonov
Global Mobility Specialist

FULL-YEAR OUTLOOK 2018



2018 Outlook	Comments	FY 2017 EURm
Revenue: Around EUR 260m (Previously EUR 270m)	<ul style="list-style-type: none">• Divestment of Records Management.• Industry-wide contraction in Corporate Moving.• Slightly slower growth in focus segments.	299.8
EBITDA before special items: Around EUR -4.0m (Previously around EUR 0m)	<ul style="list-style-type: none">• Divestment of Records Management.• Impacted by revenue decline and lower margins in key markets.	6.3
Special items: Net loss of around EUR 2m (Previously net gain of around EUR 5m)	<ul style="list-style-type: none">• EUR 7m gain on property sale in China now only expected to be recognised in 2019.• Restructuring cost at a lower level than in 2017.	12.3

Outlook for the remaining part of the year is highly dependent on the peak season for relocation in Australia, which falls in December. and generally sensitive to currency fluctuations, etc.

QUESTIONS

A woman with dark hair tied back, wearing a black and white striped shirt, is looking out from a balcony. She is holding a red mug with both hands. The background shows a cityscape with various buildings and rooftops under a sunset sky. The scene is captured from a side profile, emphasizing her contemplative mood.

Today 15:22

Dear Alyona,

Welcome to your new home. We're pleased to confirm that our crew have successfully delivered and unpacked all of your belongings. We hope that you and your family enjoy the new adventure.

Nicole Walker
Global Mobility Consultant

ADDITIONAL INFORMATION

Today 15:22

Dear Arjun,

Now that your relocation is complete, we'd be grateful if you could take a moment to reflect on your relocation journey with us. Please **Click here** to complete a short evaluation of our services.

Roberta Corleone
Global Mobility Consultant

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WE ARE SANTA FE



We enable people and organisations to work, live and thrive in new places around the world.

Our mission is to deliver exceptional relocation experiences for our customers.

Human and Digital. Consistent and Compliant. Global and Local.

The experience is enriched by the integrity, drive, quality and passion of our people.

We are a global mobility company. We cover the entire relocation journey, from moving, destination services, immigration, through to full assignment management solutions.

We make it easy