

Company announcement

March 3, 2021

Announcement No. 3/2021

Nilfisk reports fourth-quarter and full-year 2020 results

Nilfisk, a leading provider of professional cleaning products and services, is announcing its results for 2020.

Full-year 2020 highlights

- Full-year 2020 results were negatively impacted by the challenging environment created by the COVID-19 pandemic
- Revenue for the total business amounted to 832.9 mEUR, corresponding to reported growth of -13.8% compared with the previous year
- Organic growth for the total business was -11.5%. After a significant drop in revenue in the second quarter, demand improved quarter over quarter in the second half of the year
- In the branded professional business organic growth across geographies was -13.7% with a faster demand recovery in EMEA and the Americas and slower demand recovery in APAC. Organic growth for Consumer was 15.7% driven by changed patterns in household spending and solid commercial execution, and organic growth for Private label was -11.3%
- EBITDA before special items amounted to 100.5 mEUR, down by 17.2 mEUR driven by the decrease in revenue
- Because of disciplined cost control measures and a successful execution of our restructuring program to lower the structural cost base, the EBITDA margin before special items remained stable at 12.1%
- Special items were significantly lower versus previous year at 10.8 mEUR and are mainly related to redundancy costs
- Proactive cash management and CAPEX reduction and prioritization contributed to free cash flow generation of 73.5 mEUR, compared to 35.3 mEUR in the previous year

Outlook for 2021

We come from a situation where we have seen demand improving quarter over quarter in the second half of 2020, however, moving into 2021, there has been an increase in lockdowns and restrictions across markets as a result of the continued outbreak of COVID-19.

With the roll-out of vaccines across markets we expect a more normalized environment during the second half of the year, but we see, however, continued uncertainty for market conditions in the year.

- We expect the total business in 2021 to generate organic growth of 5% to 10% compared to 2020, based on the market demands trends that we are experiencing and on the overall expected economic recovery
- With our continued focus on cost discipline and revenue growth as described above, we expect EBITDA margin before special items to stay in the range of 12.5%-14.5%

CEO comment

Commenting on the results, Hans Henrik Lund, CEO of Nilfisk, says:

“The year 2020 was a year nobody could have foreseen, and at Nilfisk we were deeply affected by the COVID-19 situation. Thanks to a stellar effort from the Nilfisk workforce across all functions, we stayed fully operational during the pandemic and were able to service our customers. Even though market activity picked up after a steep drop in the beginning of the year, demand did not reach the level from before the pandemic resulting in negative organic growth. This means that 2020 did not materialize as we had anticipated. Through our efforts to tightly manage costs in combination with lowering our structural cost base, we have kept our margins in line with last year despite the revenue drop. In spite of continued uncertainty in the marketplace we are planning for increased market activity and expect to restore growth in 2021.”

Key figures

	FY 2020	FY 2019	Q4 2020	Q4 2019
Revenue (mEUR)	832.9	966.5	220.2	233.8
Organic growth	-11.5%	-4.1%	-2.1%	-6.3%
Gross margin	41.6%	42.1%	42.4%	40.1%
EBITDA before special items (mEUR)	100.5	117.7	30.9	25.2
EBITDA margin before special items	12.1%	12.2%	14.0%	10.8%
EBIT before special items (mEUR)	32.9	49.8	12.1	7.2
EBIT margin before special items	4.0%	5.2%	5.5%	3.1%

Conference call

Nilfisk will host a conference call today at 10:00 CET. Please visit investor.nilfisk.com to access the call. Presentation materials will be available on the website prior to the conference call.

To dial in, please use the following numbers:



- Denmark: +45 8233 3194
- UK: +44 333 300 9269
- US: +1 833 526-8395

Link to webcast: <https://streams.eventcdn.net/nilfisk/annual-result-2020/>

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