



# **FS Funding A/S**

**Investor Presentation**  
**Interim Report January – June 2006**

**August 29, 2006**

# Forward-looking Statements

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## Forward-looking statements

This presentation may contain forward-looking statements. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements. The words “may”, “will”, “should”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, “predict”, “intend” or variations of these words, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements. FS Funding has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of FS Funding. Although FS Funding believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ as a result of uncertainties relating to the following matters, among others:

- the demand for the services offered by FS Funding, which is primarily dependent upon outsourcing trends and macroeconomic conditions, including economic growth, inflation or deflation;
- risks related to FS Funding’s growth strategy, including potential contingent liabilities of acquired businesses and failure to manage growth and integrate acquired businesses successfully;
- risks related to the substantial indebtedness including fluctuations in interest rates and limitations on additional debt to finance FS Funding’s acquisition strategy and access to capital to finance its operations;
- FS Funding’s ability to operate profitably, in particular under fixed-price or long-term contracts;
- FS Funding’s exposure to currency-related risks, particularly the value of the Danish Kroner against other currencies;
- complexities related to compliance with regulatory requirements of many jurisdictions as a result of FS Funding’s international operations and decentralized organizational structure;
- FS Funding’s dependence on its management team and qualified personnel;
- FS Funding’s potential liability for acts of its employees, including negligence, injuries, omissions and wilful misconduct;
- the threat, institution or adverse determination of claims against FS Funding;
- potential environmental liabilities; and
- any adverse effect on FS Funding’s operating results and cash flows from the impact of changes to laws and regulations, including health and safety and environmental laws and regulations.

As a result, you should not rely on these forward-looking statements.

FS Funding undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

Reference is also made to the description of risk factors on pages 33-52 of the Offering Memorandum dated April 28, 2006, which is available from the Group’s website, [www.issworld.com](http://www.issworld.com).



# Key Figures H1 2006

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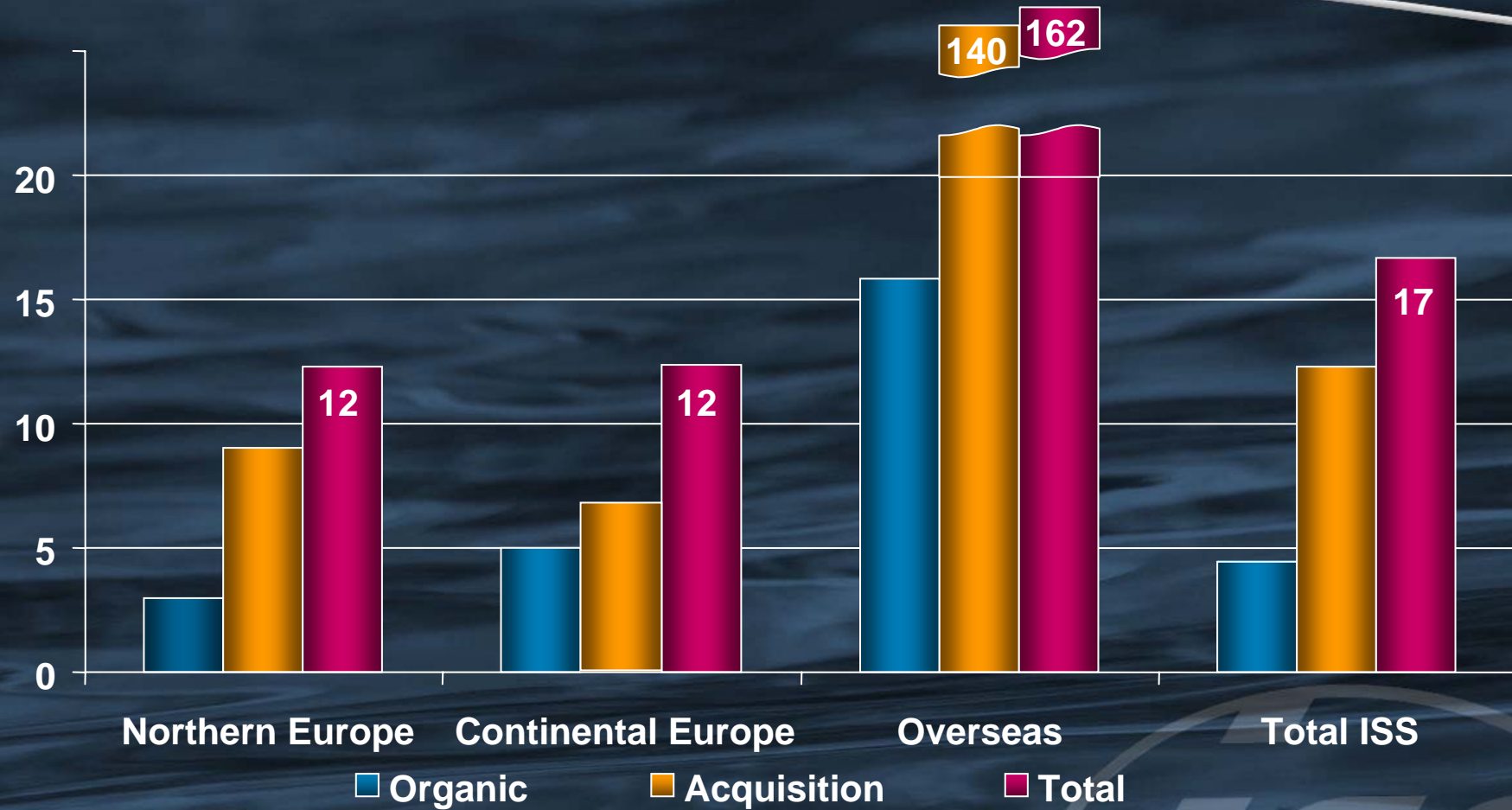
DKK millions	H1 2006 <sup>(1)</sup>	Growth
Revenue	26,443	<ul style="list-style-type: none"> <li>Organic 4%</li> <li>Acquisitions 12%</li> <li>FX Adjustments 1%</li> </ul>
Operating profit before other items	1,396	
Operating margin before other items	5.3%	
Operating profit	1,323	<ul style="list-style-type: none"> <li>Total 17%</li> </ul>
Carrying amount of net debt	26,048	
Total equity	6,293	

(1) Financial figures according to IFRS.



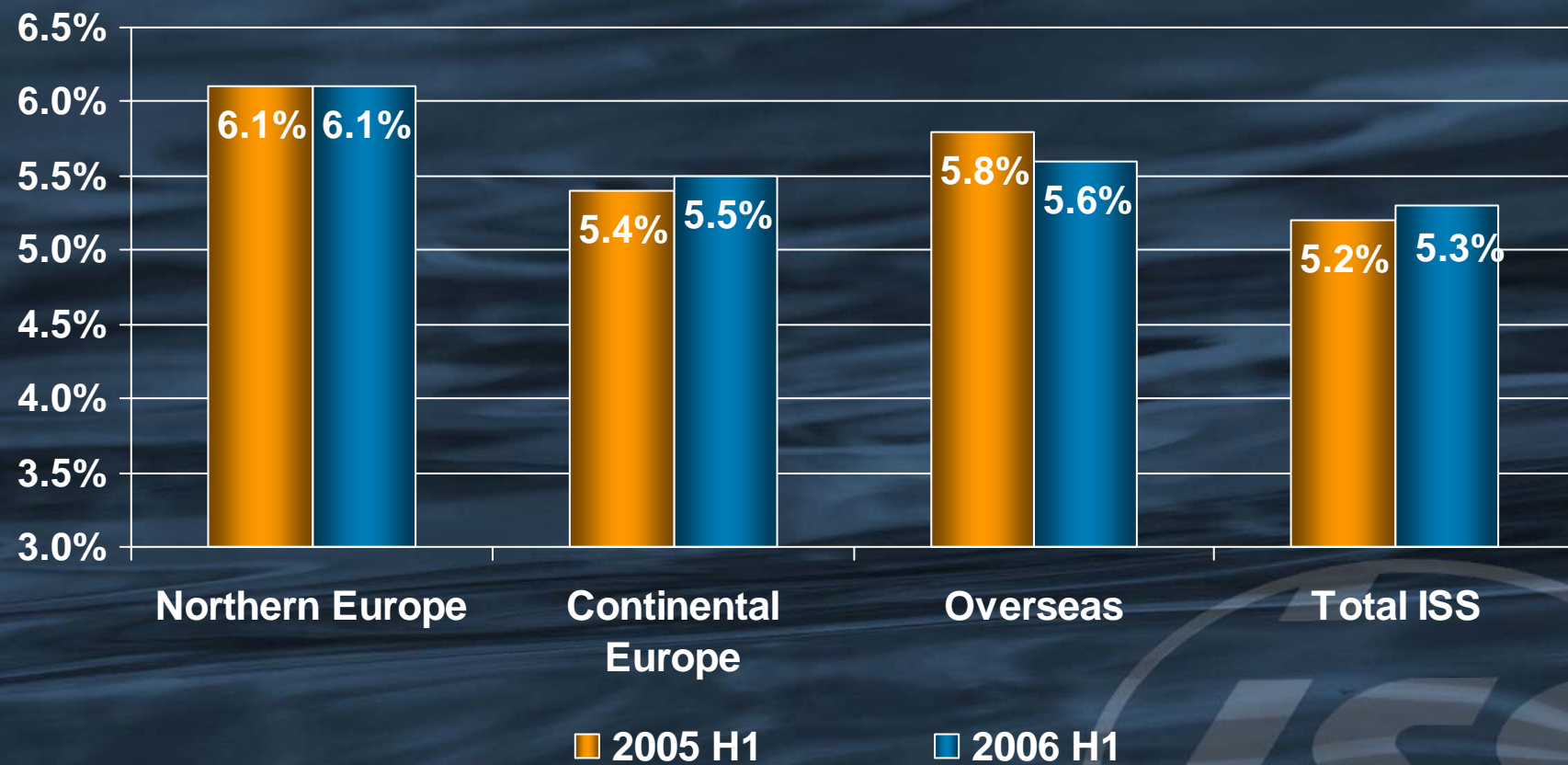
# ISS Revenue Growth – H1 2006, %

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# Operating margin before other items, %

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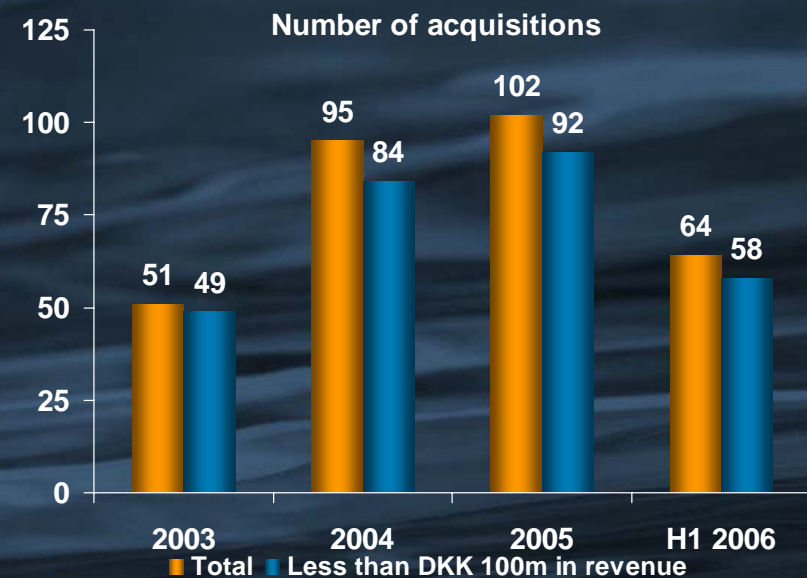




# Acquisitions

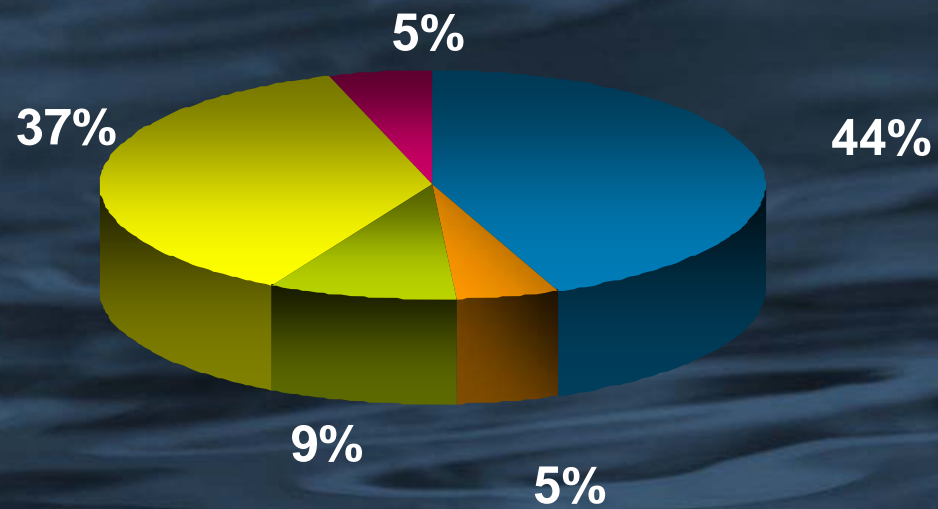
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- In H1 2006 64 acquisitions were completed
  - Representing annual revenue of approx. DKK 5.6 billion
  - 58 acquisitions had revenue of less than DKK 100 million
  - 26 countries
  - More than 46,000 employees
  - The remaining 51% of shares in Tempo, Australia was by far the largest acquisition



# Service mix of acquisitions – H1 2006

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- IFS
- Office support
- Catering
- Property
- Cleaning



# Acquisitions in H1 2006

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	Services	Revenue, DKKm *)
Tempo, Australia	Facility Services	2,923
Pegasus, UK	Security	427
Norfolk, Israel	Catering	374
San Rafael, Mexico	Cleaning	276
Charlestown, France	Office Support	159
ServiceGroup, Turkey	Facility Services	148
Sum		4,307
58 acquisitions with less than DKK 100m in revenue		1,253
Total		5,560

\*) Unaudited approximate figures based on information available at the time of acquisition



# Other Financial Measures

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## Pro Forma Adjusted EBITDA – H1 2006

Pro Forma calculation<sup>(1)</sup>

DKK millions

12 months ended June 30, 2006

<b>Adjusted EBITDA</b>	<b>3,532</b>
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Estimated Adjusted EBITDA of the Acquired and Divested Businesses	263
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<b>Estimated Pro Forma Adjusted EBITDA</b>	<b>3,795</b>
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(1) The calculations of pro forma adjusted EBITDA are based in part on management estimates and the unaudited internal management accounts of the acquired businesses. These numbers have not been, and cannot be, audited. The Pro Forma EBITDA is based on "Last Twelve Months" figures.



# Other Financial Measures (cont.)

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## Pro Forma Capital Structure - H1 2006

### Capitalization <sup>(1)</sup>

	DKK millions <sup>(2)</sup>	% of Total
Cash <sup>(3)</sup>	(2,150)	(6%)
Other Indebtedness	387	1%
Senior Facilities <sup>(4)</sup>	9,519	28%
EMTNs	10,070	30%
<b>Total Net Senior Debt</b>	<b>17,826</b>	<b>53%</b>
Senior Subordinated Notes	9,726	28%
<b>Total Net Cash Pay Debt</b>	<b>27,552</b>	<b>81%</b>
Shareholders Funding <sup>(5)</sup>	6,293	19%
Minorities	55	0%
<b>Total <sup>(6)</sup></b>	<b>33,900</b>	<b>100%</b>

(1) This Capitalization table reflects the Capitalization Table included in FS Funding A/S's Interim Report January – June 2006.

(2) Converted to DKK as per exchange rate of June 30, 2006.

(3) Cash includes cash equivalents and securities.

(4) FS Funding's portion of the senior facility Term Loan B amounts to DKK 450 millions as per June 30, 2006.

(5) Equity contribution at the date of the take-over amounted to DKK 7,693 millions. Reduction of Shareholders Funding relates to accounting items.

(6) The Total amount in the above table differs from the total capitalization, Consolidated As Adjusted, in FS Funding A/S's Interim Report January – June 2006.

# Other Financial Measures (cont.)

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## Pro Forma Credit Ratios - H1 2006

Pro Forma Net Cash Pay Debt / Pro Forma EBITDA	7.26x
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Pro Forma Net Senior Debt (incl. EMTNs) / Pro Forma EBITDA	4.70x
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Pro Forma Net Senior Bank Debt (excl. EMTNs) / Pro Forma EBITDA	2.04x
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