



**ISS Holding A/S**  
**Investor Presentation**  
**Interim Report January - September 2008**

**28 November 2008**



# 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. ISS 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 ISS. Although ISS 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, e.g. as the result of risks related to the facility service industry in general or ISS in particular including those described in the annual report 2007 of ISS Holding A/S and other information made available by ISS.

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

The Annual Report 2007 of ISS Holding A/S is available from the Group’s website, [www.issworld.com](http://www.issworld.com).

# Agenda

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- Key Events
- Interim Report
- Acquisitions
- Other Financial Measures





## Key Events

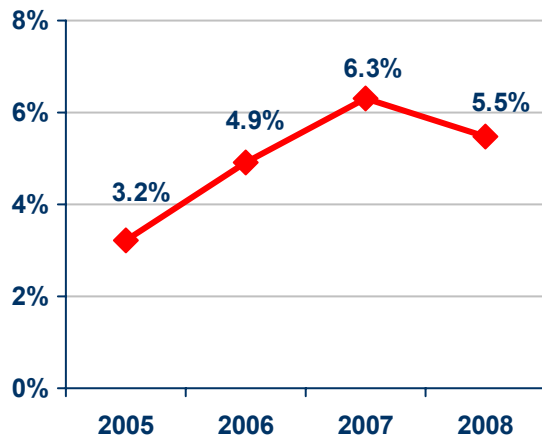


# Key Events YTD

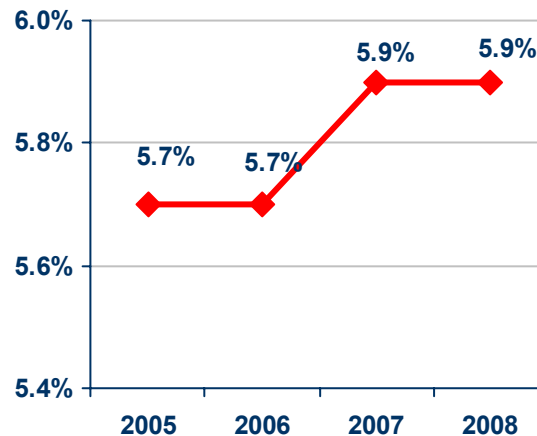
## Financials

- Operational performance still strong
  - 11% top line growth at constant exchange rates
  - Organic growth of 5.5%
  - Operating margin at 5.9%
  - De-leveraging - Net Debt to Pro forma EBITDA approaches 6x

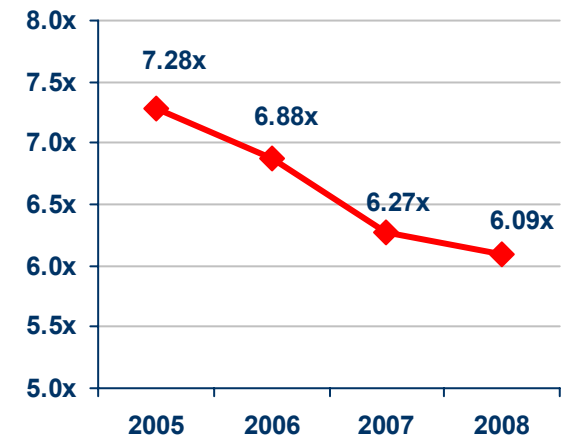
Organic Growth YTD September



Operating margin YTD September



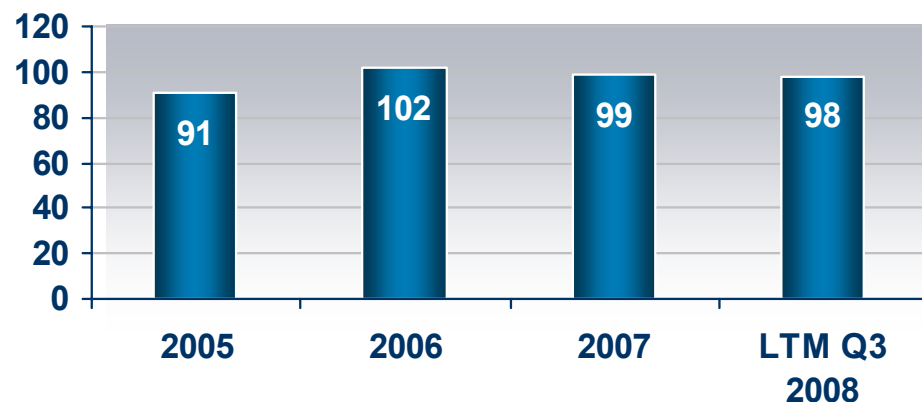
Net Debt/PF EBITDA September LTM\*)



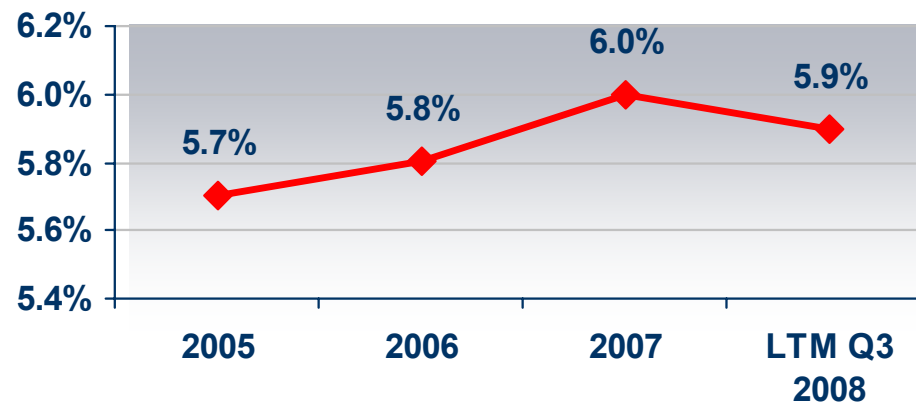
\*) LTM: Last twelve months

# The 4 Key Operational Priorities - Unchanged

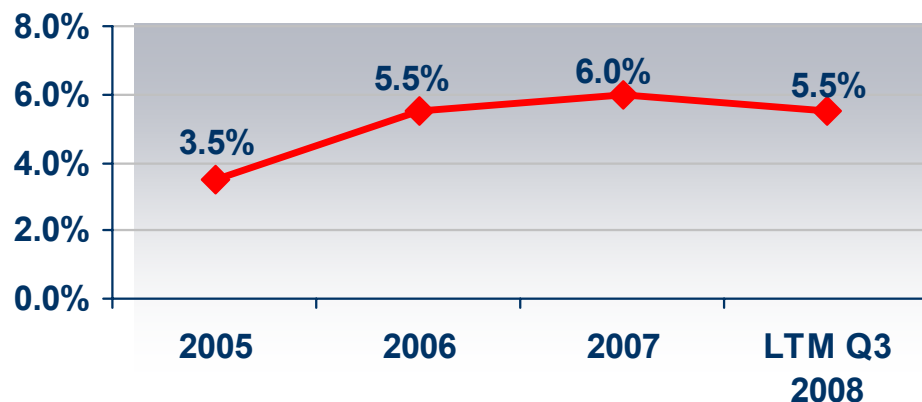
**Priority 1: Cash Conversion (EBITA)**



**Priority 2: Operating Margin (EBITA)**



**Priority 3: Organic Growth**



**Priority 4: Deleveraging on a multiple basis**





## **Interim Report**

January – September 2008



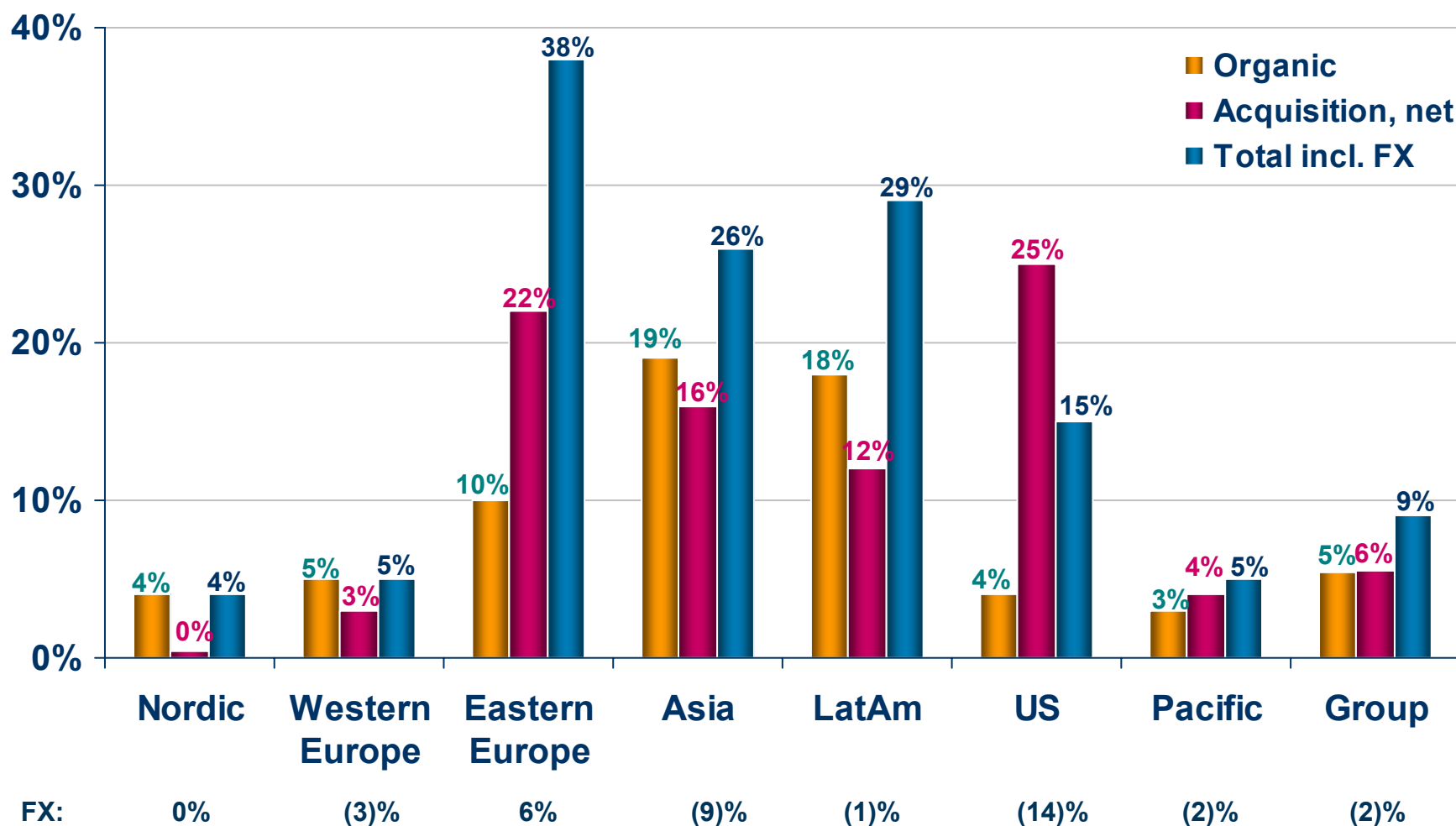
# Key Figures YTD September

DKKm	2008	2007	Δ	FX	C*)
Revenue	51,074	46,991	+9%	-2%	+11%
Operating profit before other items	2,989	2,796	+7%	-2%	+9%
Operating margin before other items	5.9%	5.9%			
Operating profit	2,949	2,753	+7%	-2%	+9%
Organic growth	5.5%	6.3%			

\*) C: Growth at constant exchange rates



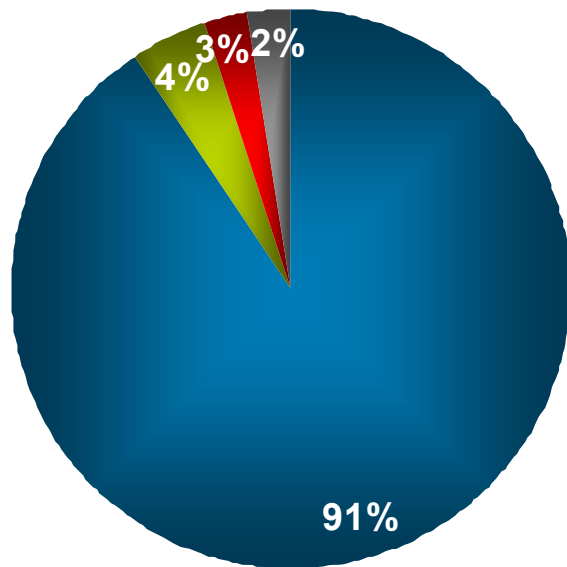
# YTD September 2008 Revenue Growth - By Region



Note: For US the growth rates are presented on a like-for-like basis

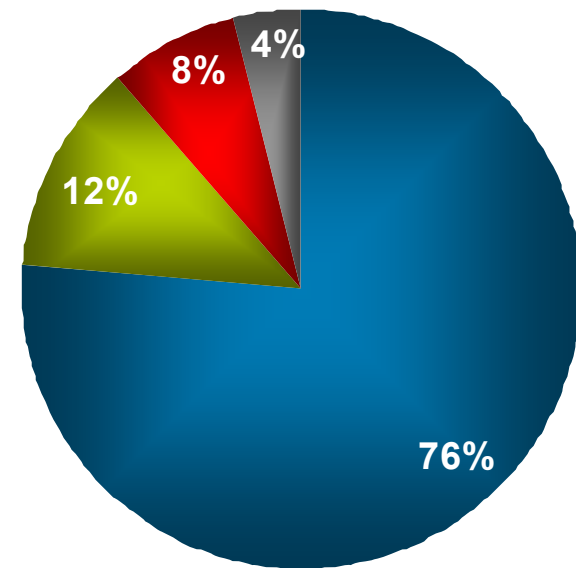
# Organic Growth in Emerging Markets

**Revenue**  
YTD September 2008

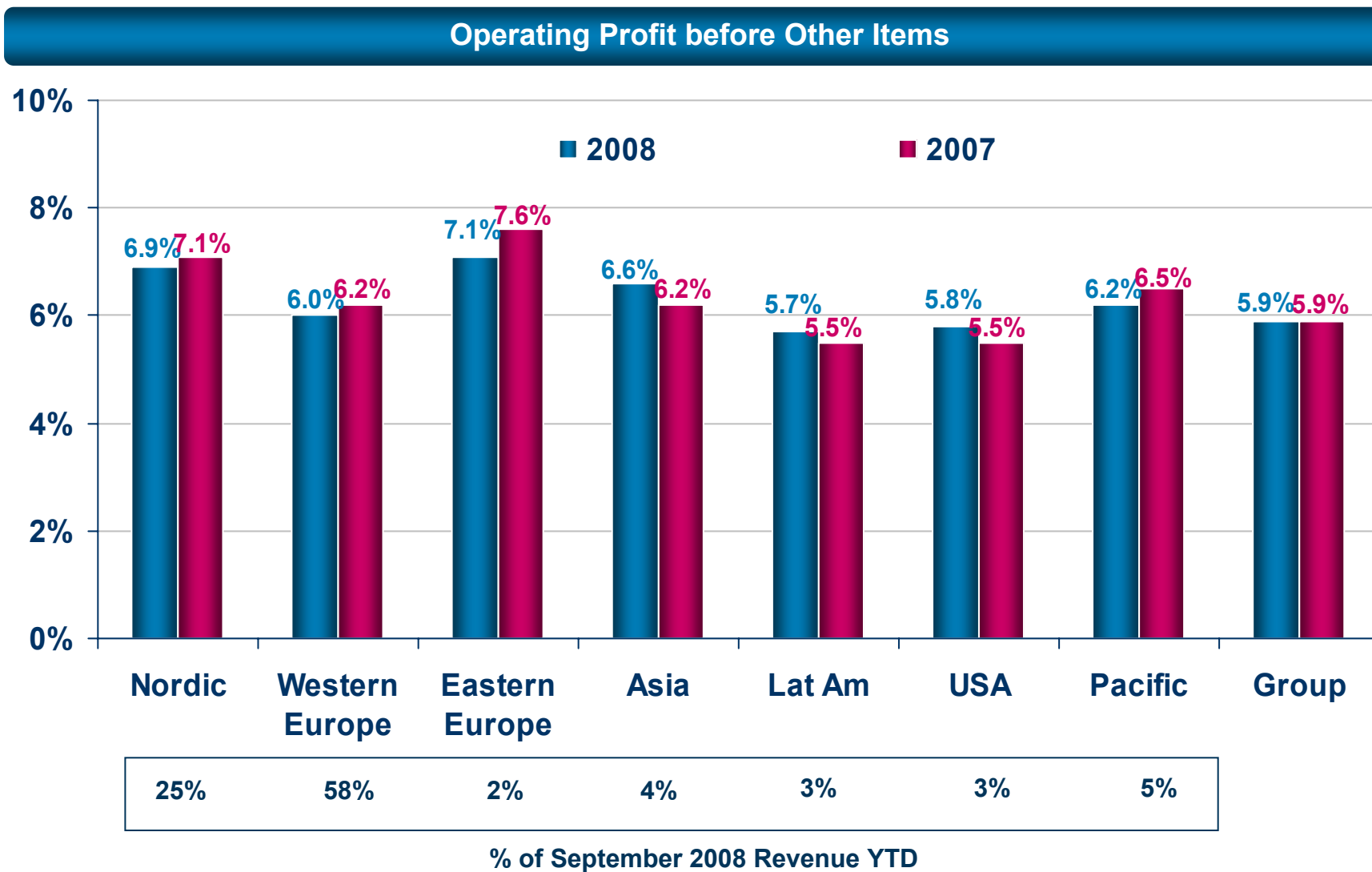


- Rest of Group
- Asia
- Latin America
- Eastern Europe

**Organic Growth Contribution**  
YTD September 2008



# YTD September Operating Margin - by Region





## Acquisitions



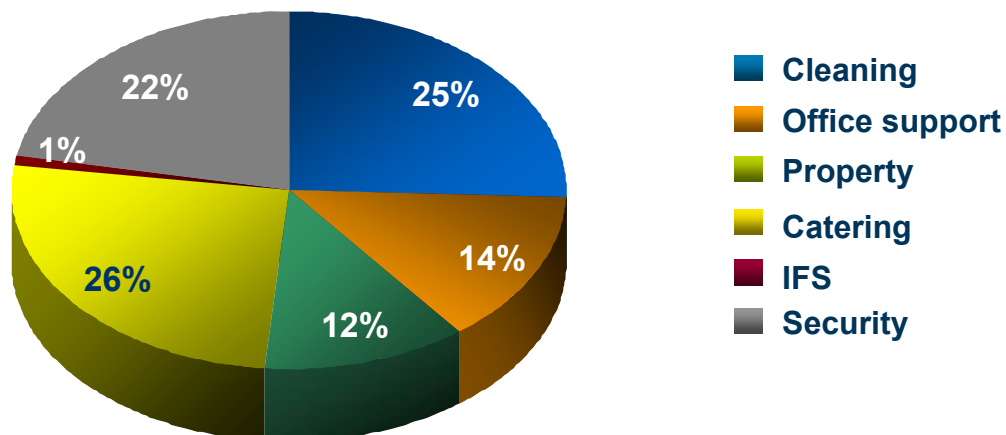
# Acquisitions 2008 - To 31 October

		Revenue, DKKm <sup>(1)</sup>
<b>Platform Developers</b>		
Adams Secuforce (Security)	Hong Kong	111
Kfir (Security, Office Support)	Israel	268
Strata (Security)	UK	152
BGM Industries (Security, Cleaning)	USA	510
Aspis (Security)	Greece	216
Sardunya (Catering)	Turkey	298
Topic Catering (Catering)	Australia	184
Loghis Logistica (Office Support)	Brazil	108
Golden Mind (Office Support)	Thailand	204
<b>Others, incl. small and medium</b>		
Total of 51 acquisitions		1,353
<b>Total - 60 acquisitions</b>		<b>3,404</b>

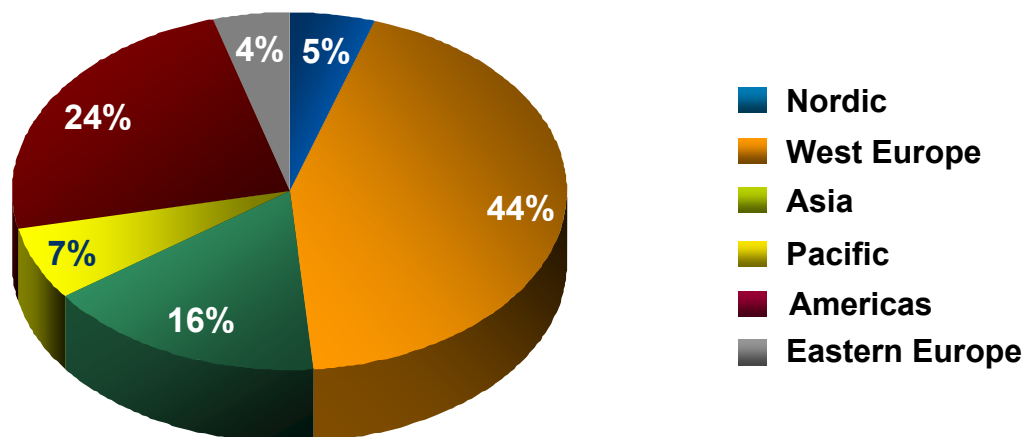
Note: (1) Unaudited approximate figures based on information available at the time of acquisition.

# Acquisitions 2008 - To 31 October

Acquired Revenue By Service <sup>(1)</sup>

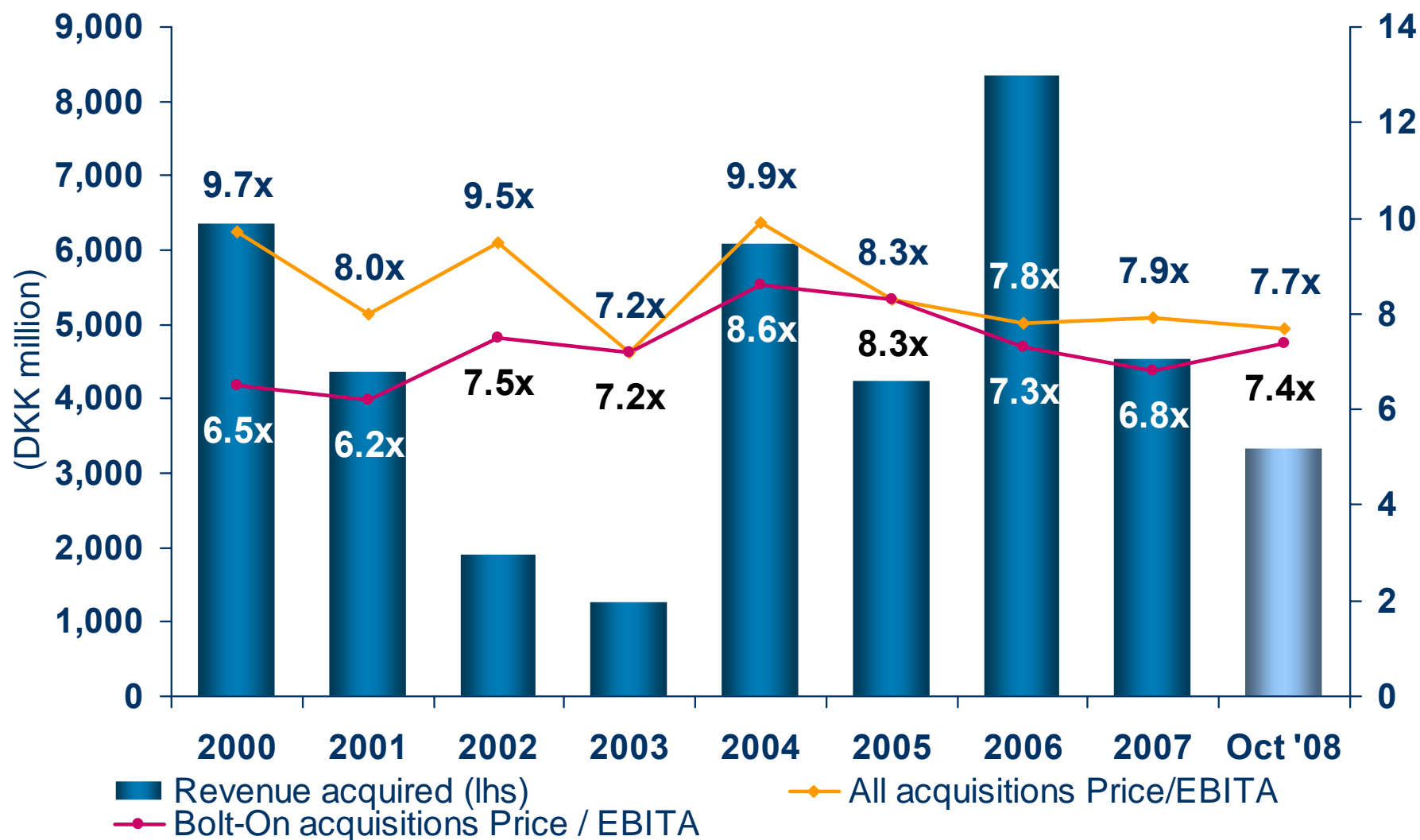


Acquired Revenue By Geography <sup>(1)</sup>



Note: (1) Unaudited approximate figures based on information available at the time of acquisition.

# Acquisition Track Record - Pricing Discipline



# Outlook

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- *The outlook set out below should be read in conjunction with "Forward-looking statements" on page 2 of this presentation*
- The Group will continue focusing on
  - Broadening facility services and strengthening single service excellence
  - Key operational objectives
    - Cash flow
    - Operating margin
    - Profitable organic growth
  - Roll out of "The ISS WAY" – the next phase of strategy plan
- Outlook<sup>(1)</sup>
  - Revenue in the continuing business is expected to experience double digit growth in 2008, excluding divested activities and adjusted for exchange rate changes;
  - The operating margin is expected to remain within the same range as realised YTD 2008
  - The organic growth rate is expected to be slightly lower in Q4 and 2009 than 2008 YTD
  - The financial leverage at 31 December 2008 is expected to remain stable around the leverage at 30 June 2008, adversely impacted by exchange rate changes

(1) See the Outlook section on page 7 in the quarterly report





## **Other Financial Measures**



# Other Financial Measures

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## Pro Forma Adjusted EBITDA

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

DKKm 12 months ended September 30, 2008

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<b>Adjusted EBITDA</b>	<b>4,875</b>
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Estimated PF adjusted EBITDA of acquired and divested businesses	163
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<b>Estimated PF Adjusted EBITDA</b>	<b>5,038</b>
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Note: (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.)

## Pro Forma Capital Structure – September 30, 2008

Capitalisation <sup>(1)</sup>	DKKm <sup>(2)</sup>	% of Total
Cash and securities	(1,527)	(5%)
Other Indebtedness	318	1%
Senior Facilities	18,136	57%
EMTNs	7,165	22%
<b>Total Net Senior Debt</b>	<b>24,092</b>	<b>75%</b>
Second Lien	4,477	14%
Senior Subordinated Notes	3,387	11%
<b>Total Net Cash Pay Debt</b>	<b>31,956</b>	<b>100%</b>

Notes:

(1) This Capitalisation table reflects the Capitalisation Table included in ISS Holding A/S's Interim Report January – June 2008.

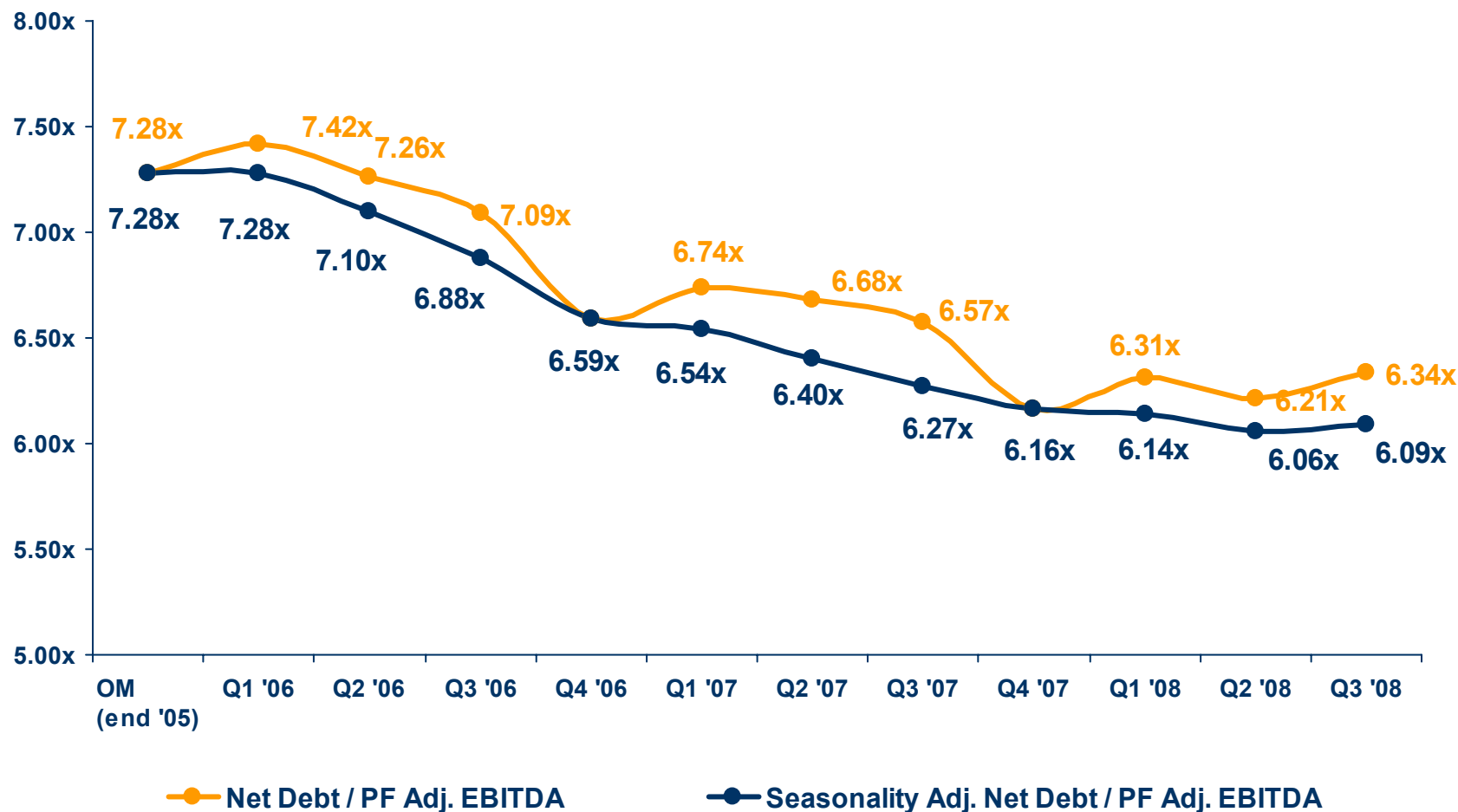
(2) Converted to DKK as per exchange rate of June 30, 2008.

# Pro Forma Credit Ratios

<b>CAPITALISATION (DKKm)</b>	<b>Q1 2008</b>	<b>H1 2008</b>	<b>Q3 2008</b>
<b>Total Net Cash Pay Debt</b>	<b>31,096</b>	<b>31,472</b>	<b>31,956</b>
<b>△ Working Capital YTD 2008</b>	<b>(1,067)</b>	<b>(910)</b>	<b>(1,360)</b>
<b>△ Working Capital LTM</b>	<b>221</b>	<b>140</b>	<b>80</b>
<b>= Seasonality Adj. Pro Forma Net Debt</b>	<b>30,250</b>	<b>30,702</b>	<b>30,676</b>
<b>PF Adjusted EBITDA</b>	<b>4,929</b>	<b>5,064</b>	<b>5,038</b>
<b>Seasonality Adjusted PF Net Cash Pay Debt / PF EBITDA</b>	<b>6.14x</b>	<b>6.06x</b>	<b>6.09x</b>

# Deleveraging On A Multiple Basis

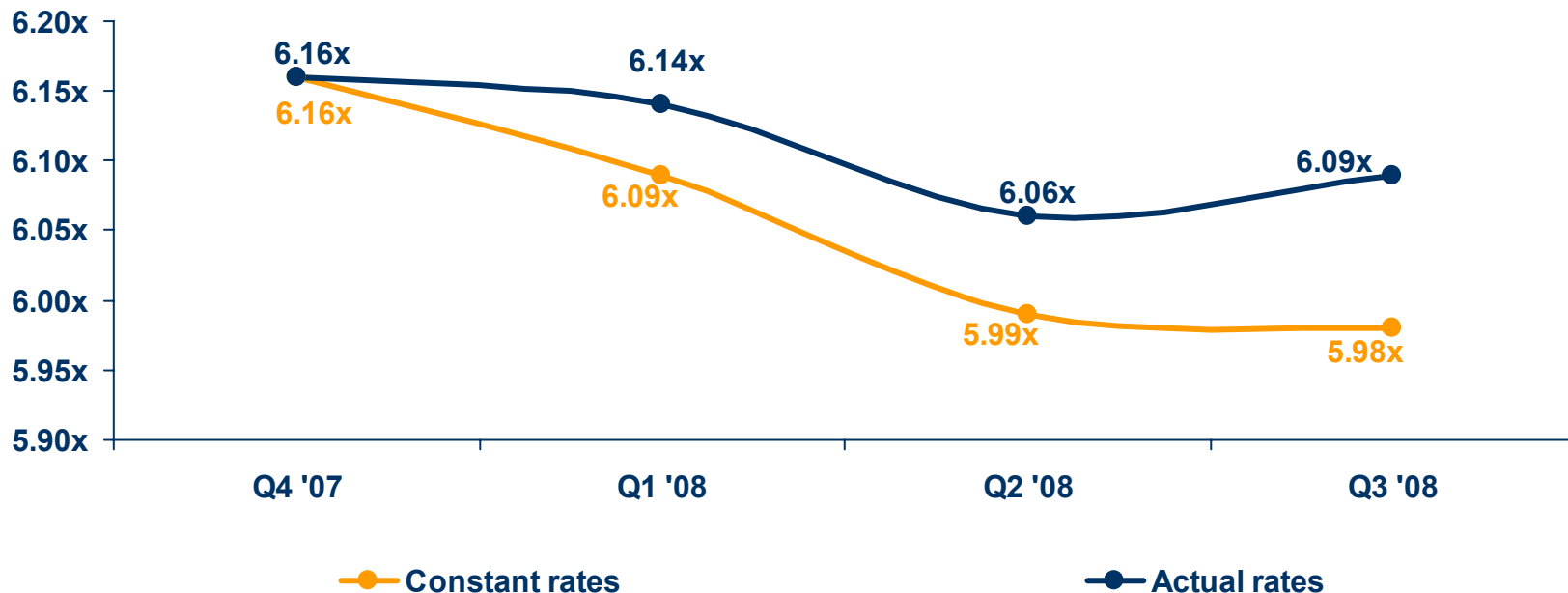
## Net Debt / Pro Forma Adj. EBITDA



# Has Deleveraging Bottomed Out?

- Operational performance has supported continued deleveraging in 2008
- FX – most significantly the depreciation of GBP vs DKK - has been an offsetting factor

## Net Debt / Pro Forma Adj. EBITDA (seasonality adjusted)



# Pro Forma Credit Ratios

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## Pro Forma Credit Ratios

Q3 2008

PF Net Cash Pay Debt / PF EBITDA

6.34

Seasonality adj. PF Net Cash Pay Debt/ PF EBITDA

6.09

PF Net Senior Debt (incl. EMTNs) / PF EBITDA

4.78

PF Net Senior Debt (excl. EMTNs) / PF EBITDA

3.36



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