Investor Presentation

Q1 2015 Results

21 May 2015

THE POWER OF THE HUMAN TOUCH

Forward-looking statements

This presentation contains forward-looking statements, including, but not limited to, the statements and expectations contained in the “Outlook” section of this presentation. 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 2014 of ISS A/S and other information made available by ISS.

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The Annual Report 2014 of ISS A/S is available at the Group’s website, www.issworld.com.

Agenda

- Highlights
- Regional Performance
- Financial Results
- Outlook
- Q&A

Highlights

Business Highlights

Operating Performance

- Robust organic growth
- Improved operating margin
- Solid LTM cash conversion
- Significantly improved net result

Integrated Facility Services (IFS)

- Strong growth in IFS (+9% in local currency) which now represents 32% of Group revenue
- Significant IFS contract start-ups with Vattenfall (Germany) and Swisscom (Switzerland)
- Recent local IFS wins include UBS (UK), Huawei (China), an expansion with RWE (Czech Rep.) and Danske Bank (Nordic)
- Global Corporate Clients (GCC) revenue increased 6% in local currency

Emerging Markets

- Represents 26% of group revenues
- Organic growth of 7% and an operating margin of 6.1% (+10 bps year-on-year)

Strategic Initiatives

- Strategic initiatives are progressing according to plans
- Positive effect on margins continues to be seen
- Further divestment of non-core activities
- Technical Services competencies in Europe strengthened with the acquisition of GS Hall

Key IFS Contracts

	VATTENFALL	swisscom
Background	• ISS has provided soft, hard and specialised nuclear services to Vattenfall in Sweden since 2006 • A new German contract was announced in November 2014 and operations commenced 1 January, 2015	• ISS has been providing Cleaning and Caretaker services for Swisscom since 1999 • ISS now selected to provide Technical and Infrastructure services, starting 1 January, 2015
Scope	• 5 year contract with an option to extend for 2 years • Broad range of services provided at c. 500 Vattenfall sites across Germany with more than 500 Vattenfall employees transferring to ISS	• 5 year contract with an option to extend • More than 3,000 buildings including 11 data centres and 90 office parks • More than 1,000 ISS employees engaged on the account
Why ISS?	• Global credentials and experience were clearly recognised • ISS worked in partnership with Vattenfall to explore the optimal way to deliver maximum value within facility services	• High quality and commercially competitive offering • Proven track record of large scale transitions • Local decision-making authority
Future potential	• ISS profile in Germany now significantly higher • Provides significant footprint from which to expand German customer base	• Increased self-delivery and increased services (e.g. Technical Field Services) • Increase scope of ‘project work’ for Swisscom and its subsidiaries

Financial Highlights

Three key financial priorities

1. Resilient Organic Growth

- **Organic growth was 3.1% in Q1 2015 vs. 2.7% in Q4 2014**
- Driven by continued strong growth in IFS and Emerging Markets, Pacific as well as large contract launches in Europe
- Partly offset by challenging macroeconomic conditions in certain European countries.

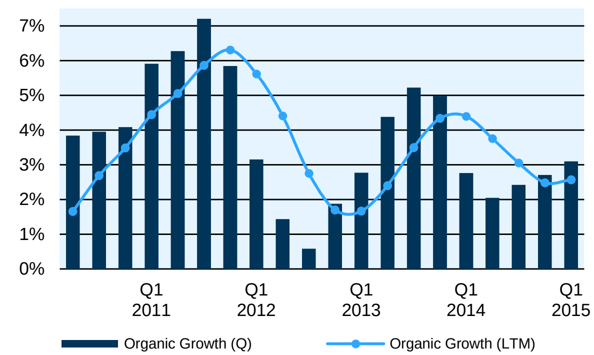
2. Improved Operating Margin[1)]

- **Operating margin was 4.4% in Q1 2015 vs. 4.3% in Q1 2014**
- The development was supported by margin progression across several regions
- Strategic initiatives to improve profitability and competitiveness progressing according to plan

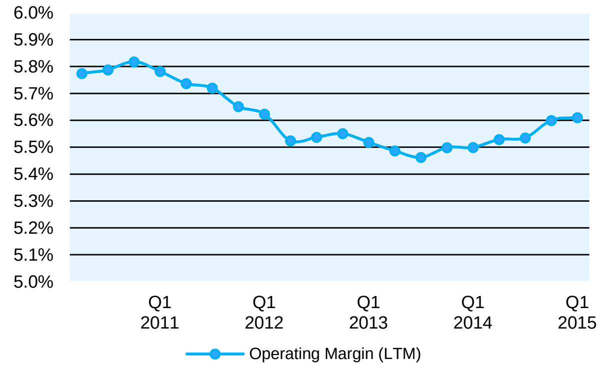
3. Strong Cash Conversion

- **LTM cash conversion was 97% in 2014 compared with 98% in Q4 2014**
- Ensuring a strong cash performance continues to be a key priority
- Result reflects our efforts to ensure payment for work performed

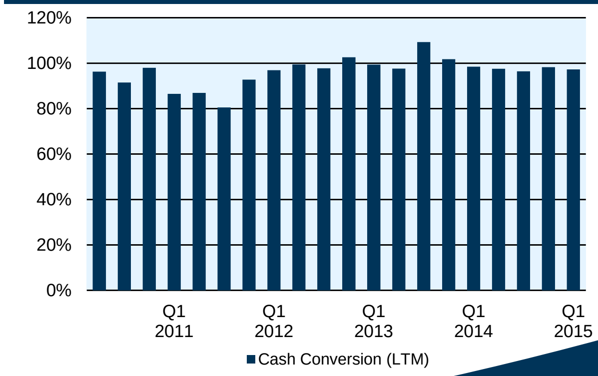
ORGANIC GROWTH



OPERATING MARGIN (LTM)



CASH CONVERSION (LTM)

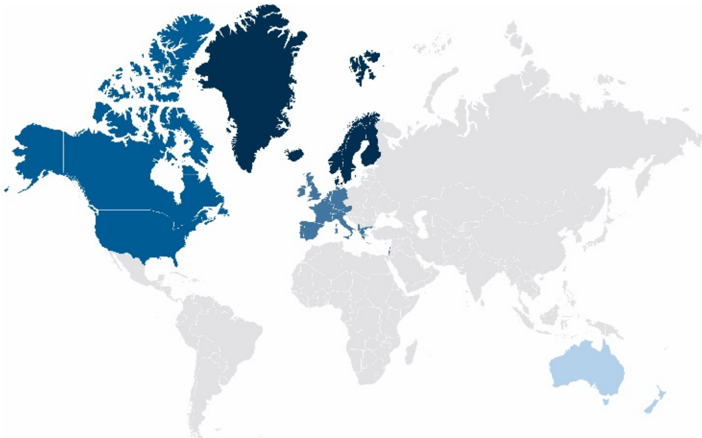


1) Operating profit before other items
2) Cash conversion is defined as Operating profit before other items plus Changes in working capital as a percentage of Operating profit before other items

Regional Performance

Regional Performance Q1

Developed Markets



74%
of Group revenue

43%
of Group employees

2%
Organic growth
(1% Q4 2014)

4.9%
Operating margin[2)]
(4.5% Q1 2014)

Emerging Markets[1)]

26%
of Group revenue

57%
of Group employees

7%
Organic growth
(7% Q4 2014)

6.1%
Operating margin[2)]
(6.0% Q1 2014)

1) Emerging Markets comprise Asia, Eastern Europe, Latin America, Israel, South Africa and Turkey
2) Operating profit before other items and corporate costs

Regional Performance Q1

Western Europe

2%
Organic growth
(0% Q4 2014)

- Continued challenging macroeconomic conditions
- Low demand for non-portfolio services
- Switzerland (Swisscom), Germany (Vattenfall) and Turkey main organic growth contributors

5.1%
Operating margin[1)]
(4.6% Q1 2014)

- In part driven by strategic initiatives…
- …but also positively impacted by FX, net acquisitions/ divestments
- Year-over-year improvement led by by France, UK, Germany and Turkey
- Partly offset by operational challenges in the Netherlands

Nordic

1%
Organic growth
(3% Q4 2014)

- Finland and Sweden main contributors
- Partly offset by contract losses in Norway and annualisation of a sizable contract in Denmark

5.3%
Operating margin[1)]
(5.0% Q1 2014)

- Solid margin supported by strategic initiatives
- Improvement driven by Norway and Finland

1) Operating profit before other items and corporate costs

Regional Performance Q1

Asia

8%
Organic growth
(7% Q4 2014)

- Double-digit organic growth in India, Indonesia and China
- Hong Kong flat

6.8%
Operating margin[1)]
(7.1% Q1 2014)

- Continued strong operating margin
- Negatively impacted by India as a result of investments in operational improvements as well as the divestment of the margin accretive security activities

Latin America

6%
Organic growth
(6% Q4 2014)

- Organic growth strength in Chile, Argentina and Mexico
- Brazil flat

4.0%
Operating margin[1)]
(5.0% Q1 2014)

- Margins improved across most countries driven by operational efficiencies
- More than offset by margin decline in Brazil due to contract losses, cost increases and scope reductions

1) Operating profit before other items and corporate costs

Regional Performance Q1

Pacific

10%
Organic growth
(13% Q4 2014)

- Double digit growth
- Driven by the remote site resource segment, other contract wins and higher demand for non-portfolio services within the Aviation segment

5.1%
Operating margin[1)]
(4.4% Q1 2014)

- Solid margin development driven by operational efficiencies across several divisions
- Positively impacted by the divestment of margin dilutive commercial security activities

North America

-2%
Organic growth
(2% Q4 2014)

- Positive impact from start-up of Molson Coors and higher non-portfolio demand within GCC
- Negative impact from higher customer attrition, especially in single service segment

2.7%
Operating margin[1)]
(2.3% Q1 2014)

- Restructuring initiatives have yielded an improved operational performance
- Margin further supported by improved mix of contract portfolio

Eastern Europe

1%
Organic growth
(3% Q4 2014)

- Double digit growth in Russia and good growth across several other countries
- Partly offset by contract losses in Hungary and Slovakia

5.0%
Operating margin[1)]
(4.0% Q1 2014)

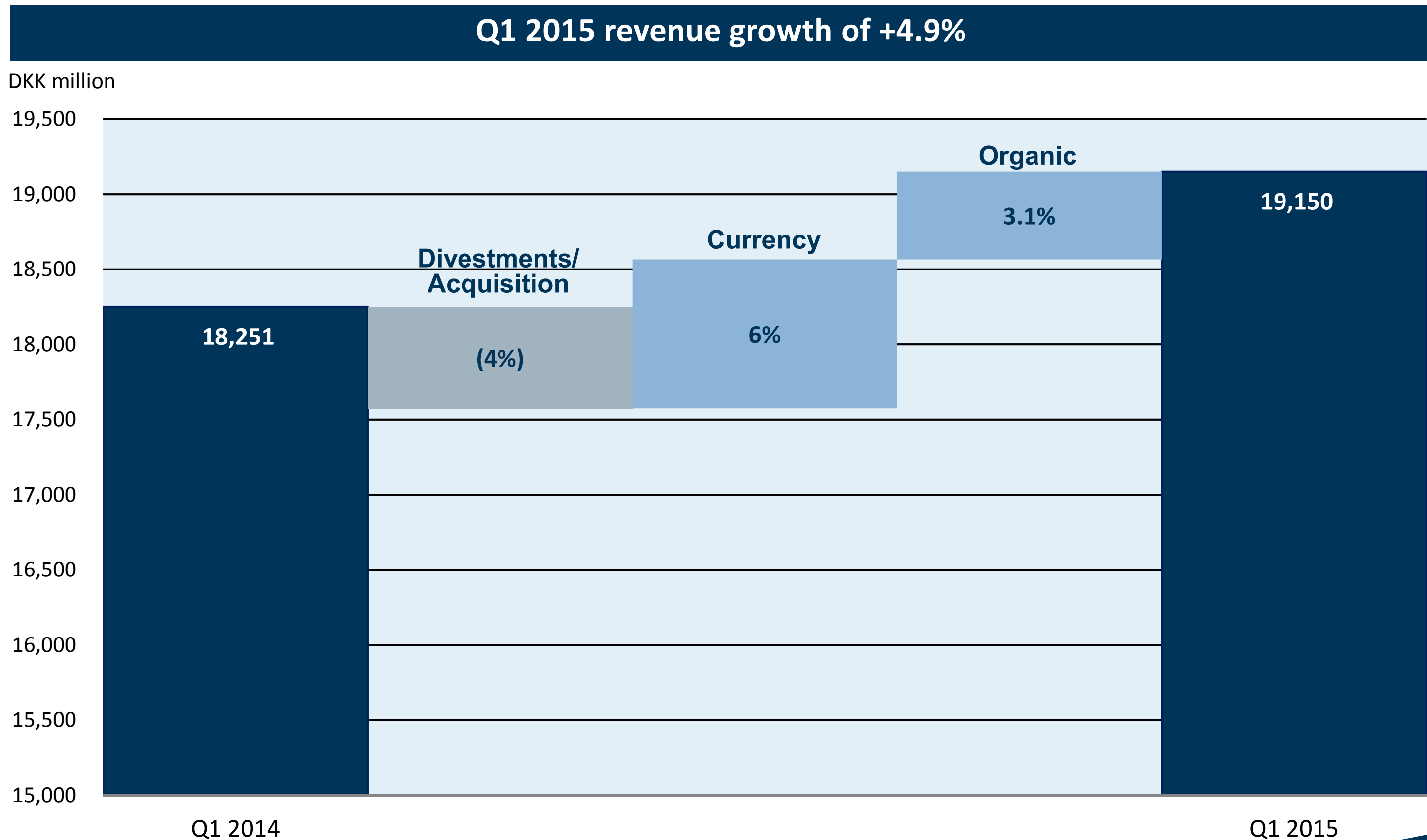
- Strong development in Slovenia, Slovakia and Poland

1) Operating profit before other items and corporate costs

Financial Results

THE POWER OF THE HUMAN TOUCH

Revenue Bridge

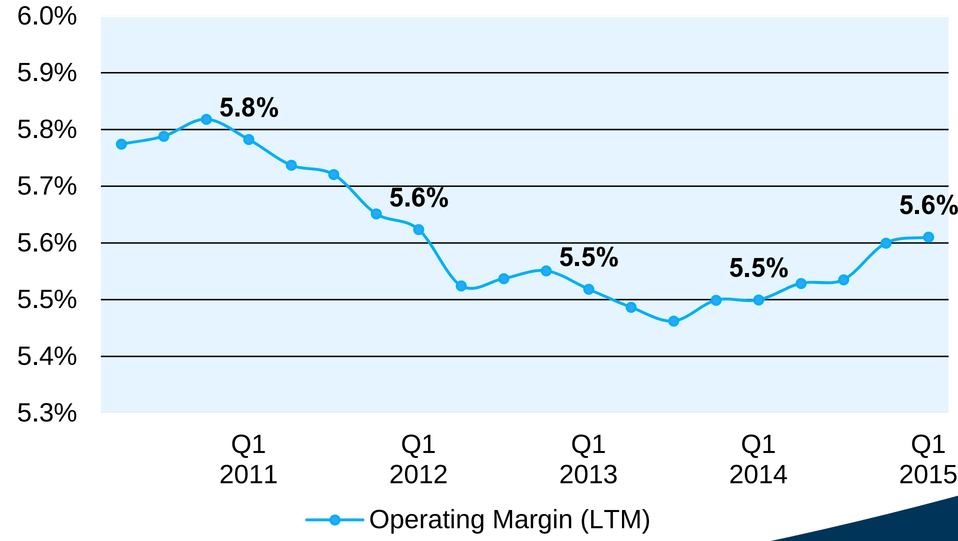


Operating Profit[1)]

- Operating margin improvement
- The development was supported by margin progression across several regions
- Strategic initiatives to improve profitability and competitiveness progressing according to plans
- Partially offset by higher corporate costs

DKK million	Q1 2015	Q1 2014	Δ
Operating profit[1)]	843	785	+58
Operating margin[1)]	4.4%	4.3%	+10bps

OPERATING MARGIN (LTM)



1) Operating profit before other items

Income Statement

DKK million	Q1 2015	Q1 2014	Δ
Revenue	**19,150**	**18,251**	**+899**
Operating expenses	(18,307)	(17,466)	*(841)*
Operating profit before other items	**843**	**785**	***+58***
Other income and expenses, net	(19)	(104)	*+85*
Operating profit	**824**	**681**	***+143***
Financial income and expenses, net	(216)	(557)	*+341*
Profit before tax and goodwill impairment and amortisation/impairment of brands and customer contracts	**608**	**124**	***+484***
Income taxes	(182)	(51)	*(131)*
Profit before goodwill impairment and amortisation/impairment of brands and customer contracts	**426**	**73**	***+353***
Goodwill impairment	(6)	-	*(6)*
Amortisation and impairment of brands and customer contracts	(164)	(150)	*(14)*
Income tax effect	41	44	*(3)*
Net profit/(loss) for the period	**297**	**(33)**	***+330***
Adjusted earnings per share, DKK[1)]	**2.3**	**0.5**	***+1.8***

Mainly covered DKK 104 million related to the IPO process

DKK million	**Q1 2015**
Net interest expense	116
Amortisation of financing fees	9
FX[2)]	54
Other[3)]	37
Financial income and expenses, net	**216**

Effective tax rate lowered from 41% in Q1 2014 to 30% in Q1 2015

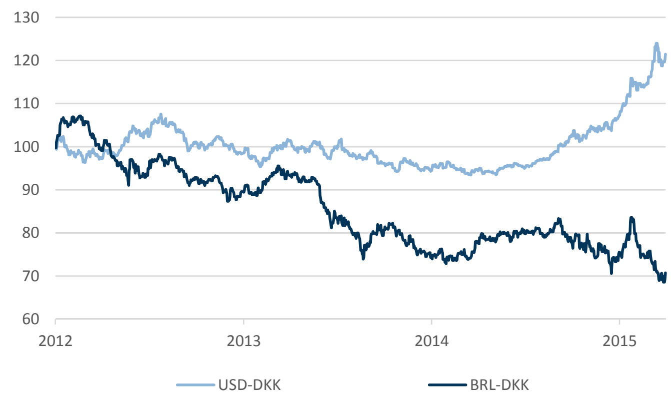
1) Calculated as 'Profit before goodwill impairment and amortisation/impairment of brands and customer contracts' / 'Average number of diluted shares'
2) Financial income and expense, net included a net loss on foreign exchange related to movements on intercompany loans as well as on external loans and borrowings denominated in currencies other than DKK
3) Includes recurring items related e.g. to interest on defined benefit obligations and local banking fees

Financial Income and Expenses – FX Impact

- Currency risk arises from changes in FX rates that affect the Group's result or value of financial instruments
- ISS is, to some extent, exposed to loans and borrowings (external) that are denominated in other currencies (now almost exclusively EUR) or intercompany loans
- The Group's policy is to fully hedge FX exposure towards DKK or EUR to the extent that the net exposure exceeds DKK 5m
- Where this is not possible, USD proxy-hedges are considered (e.g. IDR, ISK, BRL and TRY)
- Q1-2015 net financial income and expenses were primarily impacted by (i) depreciation of the DKK against the EUR, and (ii) exposure to the BRL (and associated USD proxy hedge)

EUR vs DKK

DKK vs USD and DKK vs BRL (indexed)



- Q1-2015 FX movements were unusually volatile
- These FX-related charges are non-cash
- ISS' BRL intercompany balance is now immaterial

Cash Flow

- Improved cash flow from operations
- Cash Flow from investing activities impacted by the acquisition of GS Hall in Q1 2015, while significant proceeds from divestments were received in Q1 2014
- Free Cash Flow[1)] improved significantly mainly due to lower financial expenses

DKK million	Q1 2015	Q1 2014	Δ
Operating profit before other items	843	785	*+58*
Depreciation and amortisation	191	180	*+11*
Share based payments (non-cash)	18	2	*+16*
Changes in working capital	(1,405)	(1,363)	*(42)*
Changes in provisions, pensions and similar obligations	64	(42)	*+106*
Other expenses paid	(72)	(134)	*+62*
Net Interest paid/received	(104)	(296)	*+192*
Income taxes paid	(217)	(172)	*(45)*
Cash flow from operations	**(682)**	**(1,040)**	***+358***
Cash flow from investing activities	(769)	872	*(1,641)*
Cash flow from financing activities	27	(29)	*+56*
Total cash flow	**(1,424)**	**(197)**	***(1,227)***
Free Cash Flow[1)]	**(908)**	**(1,235)**	***+327***

Includes DKK 85m impact from increased pension liability relating to the Vattenfall contract

Positively impacted by the reduction of debt and refinancings following the IPO in March 2014

Cash tax rate of 35% due to timing differences

Includes divestment of Landscaping (France) in Q114 and acquisition of GS Hall in Q115

1) Free Cash Flow defined as cash flow from operating activities minus CAPEX

Return to shareholders

Three key characteristics…

1. Strong operational performance

- Resilient organic growth
- Improving operating margins
- High cash conversion
- Asset light business model
- Strong and stable cash flow

2. Disciplined and efficient balance sheet

- Clear financial objective to maintain Investment Grade financial profile
- Target a financial leverage[1)] below 2.5x

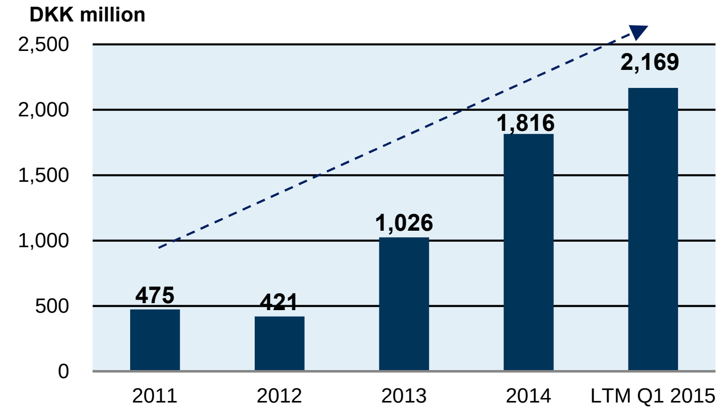
3. Acquisitions and divestments

- Considering competence enhancing acquisitions subject to tight strategic and financial filters
- Reviewing existing business for potential divestments of non-core activities

… which drive attractive returns

- **Dividend policy with a target pay-out ratio of ~50%[2)]**
- **Focus on additional shareholder returns to drive balance sheet efficiency**

PROFIT BEFORE GOODWILL IMPAIRMENTS[2)]



1) Financial leverage defined as Net Debt / Pro Forma Adjusted EBITDA. EBITDA pro forma adjusted for acquired and divested activities
2) Profit before goodwill impairment and amortisation/impairment of brands and customer contracts

Outlook

Outlook 2015

Organic growth 2% - 4% *(2014: 2.5%)*	▪ Continued growth in the existing portfolio expected, combined with the launch of new contracts won in recent months, especially within IFS ▪ Very modest pick-up in economic growth across our markets expected and believe that conditions in Europe will remain challenging. As such, we remain cautious on the likelihood of a pick-up in non-portfolio services ▪ Emerging markets should continue to be a source of healthy growth ▪ Under these assumptions we expect organic growth to be 2 – 4% Impact on total revenue from divestments, acquisition and foreign exchange rates in 2015 ▪ In addition we expect a positive impact from development in foreign exchange rates of approximately 4 – 5%[1)] ▪ We also expect a negative impact from the divestments and acquisition of approximately 1%[2)] ▪ Consequently, we expect total revenue growth in 2015 to be positive by 5 – 8%
Operating margin Above the level realised in 2014 *(2014: 5.6%)*	▪ We will maintain our focus on sustainable margin improvement ▪ This development will be supported by ongoing strategic initiatives around procurement, customer segmentation, organisational structure and Business Process Outsourcing (BPO)
Cash conversion Above 90% *(2014:98%)*	▪ Cash conversion will continue to be a priority in 2015

1) The forecasted average exchange rates for the financial year 2015 are calculated using the realised average exchange rates for the first four months of 2015 and the forecasted average exchange rates for the last eight months of 2015

2) Divestments and acquisition completed by 30 April 2015 (including in 2014)

Q&A