Investor Presentation
Q3 2015 Results

18 November 2015

THE POWER OF THE HUMAN TOUCH

Forward-looking statements

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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 Q3 2015

Operating Performance

- Solid organic growth
- Improved operating margin, despite operational challenges in the Netherlands and Brazil
- Strong LTM cash conversion
- Significantly improved net result

Business Development

- Continued strong growth in IFS of +7% in local currency (33% of group revenue)
  - Significant IFS contract start-ups: Danske Bank (Denmark), Homerton University Hospital (UK)
  - Notable contract wins: Danish Broadcasting Corporation (Denmark), Gotthard Base Tunnel (Switzerland), and a local health care provider (Singapore)
- Global Corporate Clients (GCC) revenues +11% in local currency
  - Expansion of IFS framework contract with a large international food producer to deliver services in Australia starting Q1 2016

Emerging Markets

- Strong organic growth (8%) and an improved operating margin (6.4%)
- Notable strength in Asia
- Represents 25% of group revenue

Strategic Initiatives

- Strategic initiatives progressing according to plans
- Positive effect on margins continuing
- Phase III of procurement excellence programme targeting additional savings of around DKK 100m
- Finalised group organisational structure to facilitate alignment across the group and boost customer focus
- Divestment of CMC completed after quarter-end

Key IFS Contracts Launched in Q3 2015

	Danske Bank	Homerton University Hospital NHS Foundation Trust
Background	• ISS and Danske Bank have worked in partnership for some 40 years • Historic services were mainly Cleaning and in Denmark • Danske Bank strategic priorities: (i) outstanding customer experience, (ii) employee motivation/ productivity, (iii) cost efficiency	• ISS has not worked with Homerton since 2003 when cleaning and catering services were provided • Homerton chose to bundle together a number of services previously provided by several suppliers… • …and ran a competitively tendered procurement process
Scope	• A fully integrated facility services solution… • …across 391 sites in 5+ countries (Denmark, Sweden, Finland, Norway and Lithuania with more to follow) • 5-year contract, ramping up from 1 September 2015 • 500+ ISS employees	• 3 sites: Homerton Hospital, Mary Secole, East London Mental Health • 50,000m^2 with 550 patient beds • Patient & retail catering, cleaning, security, portering, waste, linen & laundry, pest control • 5-year contract with a 2-year extension option
Why ISS?	• Danske Bank viewed self-delivery as an important differentiator • ISS committed to (i) a smooth transition of Danske Bank workers (TUPE), (ii) service excellence, (iii) reporting and visibility, (iv) end-user centricity • ISS credentials evident from Barclays/ other Financial Services clients	• ISS scored best on both cost and quality • Strong cultural alignment with regards patient care and people engagement • Specific healthcare technology initiatives offered, derived from ISS work in the Singapore hospital sector (e.g. bed turnaround/ utilisation)
Future potential	• Opportunities to grow non-portfolio revenues with Danske Bank • ISS now a clear leader in global Financial Services… • …with significant scope for further growth	• ISS is the leading supplier of soft FM services to the NHS but the pipeline remains strong • Longer term opportunities in Hard FM

Financial Highlights Q3 2015

Three key financial priorities

1. Resilient Organic Growth

Organic growth was 4.8% in Q3 2015 vs. 4.8% in Q2 2015

- Continued positive impact from large contract launches in Western Europe
- Improved organic growth in the Nordic and Asia regions
- Weakening growth in the Pacific
- Strong growth in IFS and GCC
- Difficult market conditions in certain countries

2. Improved Operating Margin

Operating margin was 6.5% in Q3 2015 vs. 6.4% in Q3 2014

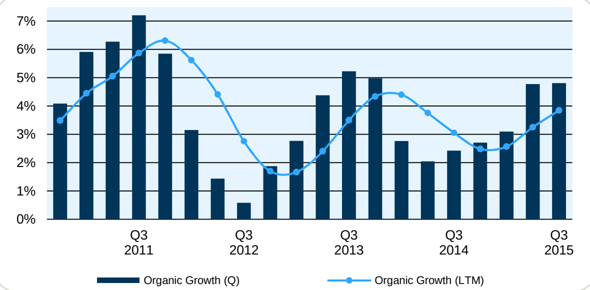
- Improvement driven by Asia, North America and the Pacific regions
- Strategic initiatives to improve profitability and competitiveness continue to progress according to plan
- Operational challenges in the Netherlands and Brazil

3. Strong Cash Conversion

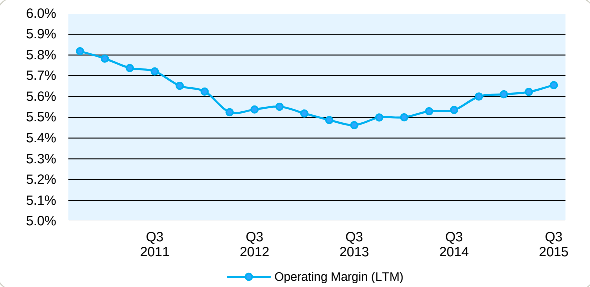
LTM cash conversion was 99% in Q3 2015 vs. 99% in Q2 2015

- Ensuring a strong cash performance remains a key priortity
- Result reflects our efforts to ensure timely payment for work performed

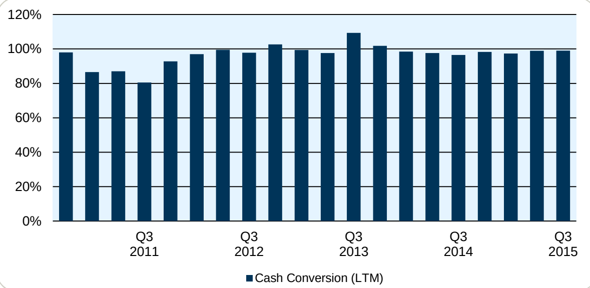
Organic Growth (%)



LTM Operating Margin (LTM)



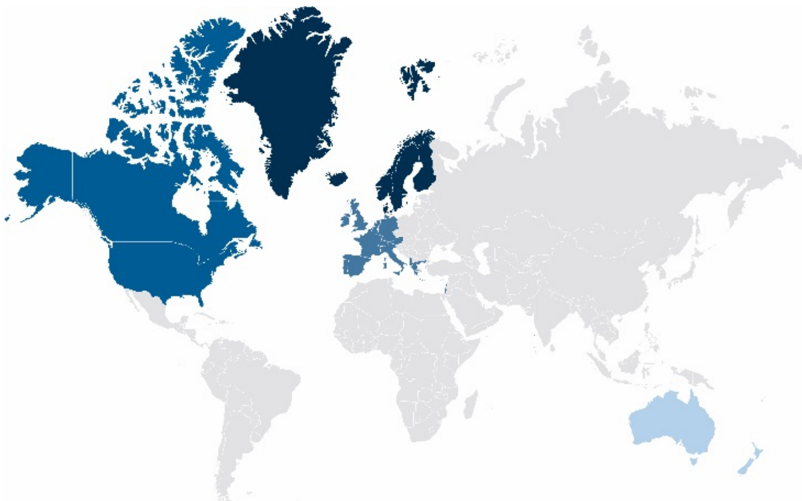
Cash Conversion (LTM)



Regional Performance

Regional Performance Q3 2015

Developed Markets



75%
of Group revenue

43%
of Group employees

4%
organic growth
(vs. 4% in Q2 2015)

7.5%
operating margin[2]
(vs. 7.5% in Q3 2014)

Emerging Markets[1]

25%
of Group revenue

57%
of Group employees

8%
organic growth
(vs. 8% in Q2 2015)

6.4%
operating margin[2]
(vs. 6.1% in Q3 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 Q3 2015

Western Europe

4%
organic growth
(vs. 5% in Q2 2015)

- Significant IFS growth driven by Switzerland (Swisscom), Germany (Vattenfall), UK (UBS) and Spain (Bankia)
- Growth in Turkey also remains strong
- Negatively impacted by contract annualisation with a Swiss food producer and the timing of holidays
- Macro conditions remain challenging

6.6%
operating margin[1]
(vs. 6.7% in Q3 2014)

- Positively impacted by strategic initiatives…
- …with a notable improvement in the United Kingdom and Germany
- Negatively impacted by challenging macroeconomic conditions in certain European countries
- Continued profitability challenges in the Netherlands and quarterly timing differences

Nordic

3%
organic growth
(vs. 1% in Q2 2015)

- Start-up of Danske Bank
- Strong performance in Norway and Sweden but driven by one-offs/ seasonality
- Negative growth in Finland due to a large Business Services and IT customer downsizing

10.2%
operating margin[1]
(vs. 10.3% in Q3 2014)

- Impacted by quarterly timing differences as well as reduced project-based work within the property service business unit in Denmark

(1) Operating profit before other items and corporate costs

Regional Performance Q3 2015

Asia

14%
organic growth
(vs. 10% in Q2 2015)

- Strong growth across the region
- New contract wins, contract expansions and demand for non-portfolio services in Hong Kong and China
- Contract start-ups in Indonesia
- GCC strength in India

8.4%
operating margin(1)
(vs. 7.5% in Q3 2014)

- Positively impacted by cost savings in India
- One-off positive related to final assessment of contractual obligations in Singapore

Latin America

5%
organic growth
(vs. 4% in Q2 2015)

- Continued strong performance in Chile
- Price increases in Argentina
- Negatively impacted by the annualisation of large contract launches in Mexico in 2014
- Contract losses and less demand for non-portfolio services in Brazil

4.0%
operating margin(1)
(vs. 4.5% in Q3 2014)

- Improved performance in Argentina and Chile
- Operational challenges and negative economic environment in Brazil

(1) Operating profit before other items and corporate costs

Regional Performance Q3 2015

Pacific

5%
organic growth
(vs. 8% in Q2 2015)

- Lower activity, including a contract loss, in the remote site resource segment
- Lower demand for non-portfolio services in Australia

6.4%
operating margin(1)
(vs. 5.6% in Q3 2014)

- Strong performance mainly within IFS and the aviation segment

North America

1%
organic growth
(vs. 1% in Q2 2015)

- Strong suppport from IFS and contract wins in general
- Higher demand for non-portfolio services
- Negatively impacted by contract losses in 2014 and 2015

4.9%
operating margin(1)
(vs. 3.4% in Q3 2014)

- Strategic initiatives have yielded an improved operational performance
- Positive impact from IFS

Eastern Europe

4%
organic growth
(vs. 4% in Q2 2015)

- Driven by new contracts and expansion of existing contracts in Russia, Slovakia and Slovenia
- Partly offset by contract losses in Poland

6.2%
operating margin(1)
(vs. 7.5% in Q3 2014)

- Contract scope reductions in Romania and contract losses in the Czech Republic
- Negatively impacted by start-up of new contracts in Slovakia

(1) Operating profit before other items and corporate costs

HP Update: Future Regional Impact

HP portfolio revenue base has increased more than fivefold since 2008

2008	2009	2010	2011	2012	2013	2014	2015
Contract launched EMEA & APJ			Contract expanded, Americas included			Contract renegotiation & extension	HP splits in two

Hewlett Packard Enterprise

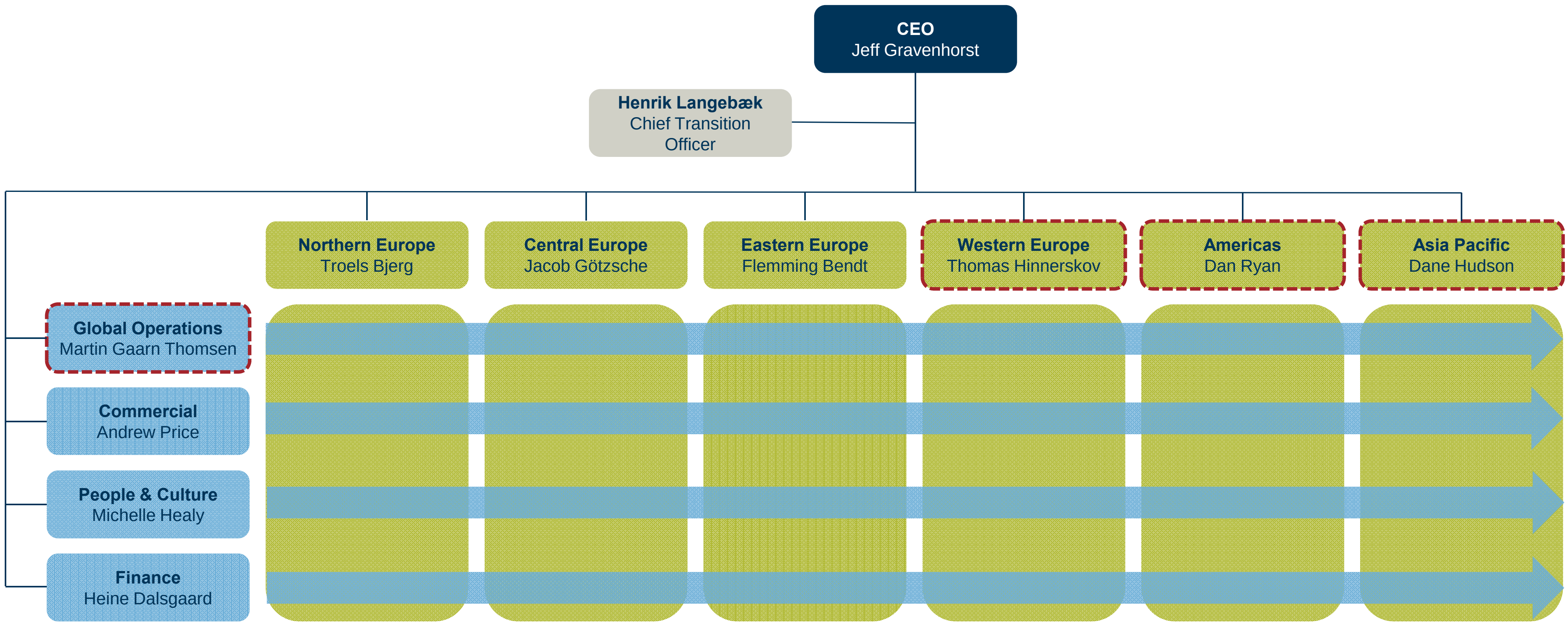
Key points:

- 3 individual regional contracts for HP will become 2 global contracts – for HP Inc. and HPE
- **No change to overall ISS revenues or profitability**
- Revenue (and margin) will change by country and ISS region
- Changes came into effect on 1 November, 2015…
- …and better reflect future, ongoing needs of HP Inc. and HPE

Margin impact:

North America	Latin America	Eastern Europe	Western Europe	ISS
Positive	*Positive*	*Negative*	*Slightly negative*	***Zero***

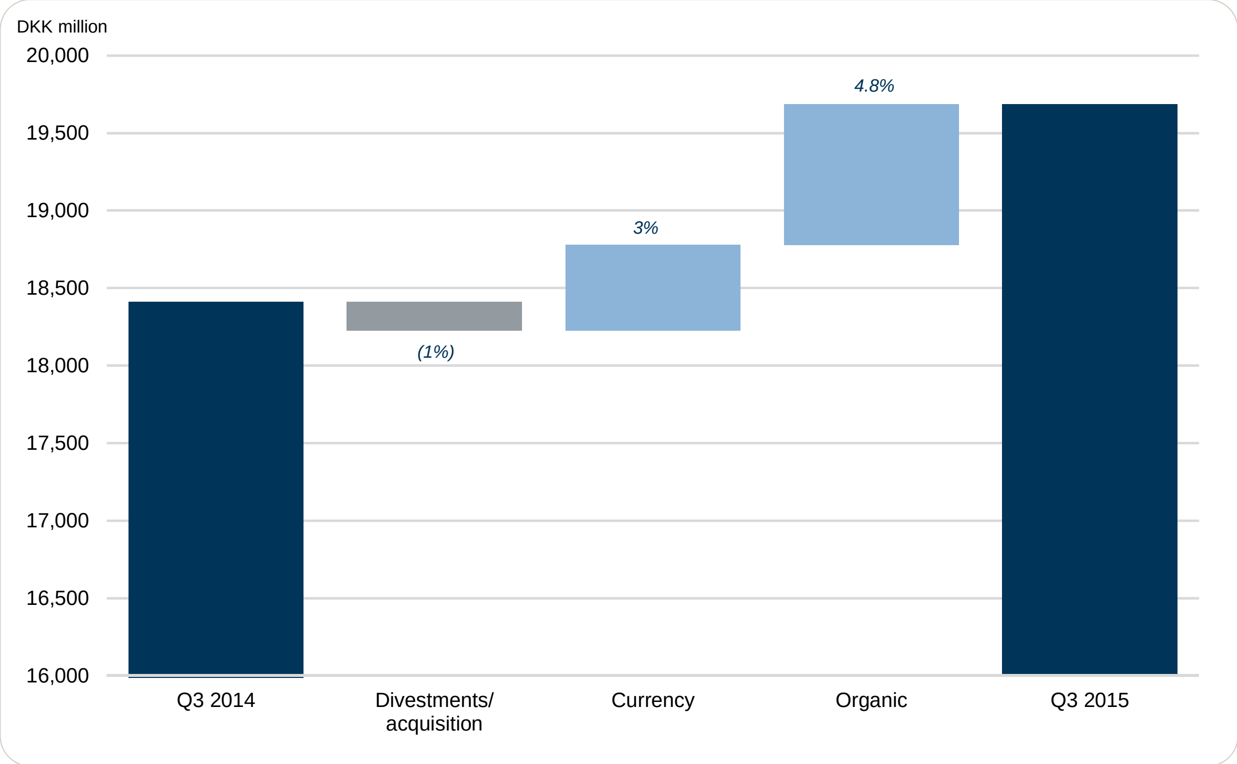
Efficient, Customer-Focused Group Structure Finalised



Financial Results

Revenue Bridge

Q3 2015 revenue growth of 6.9%

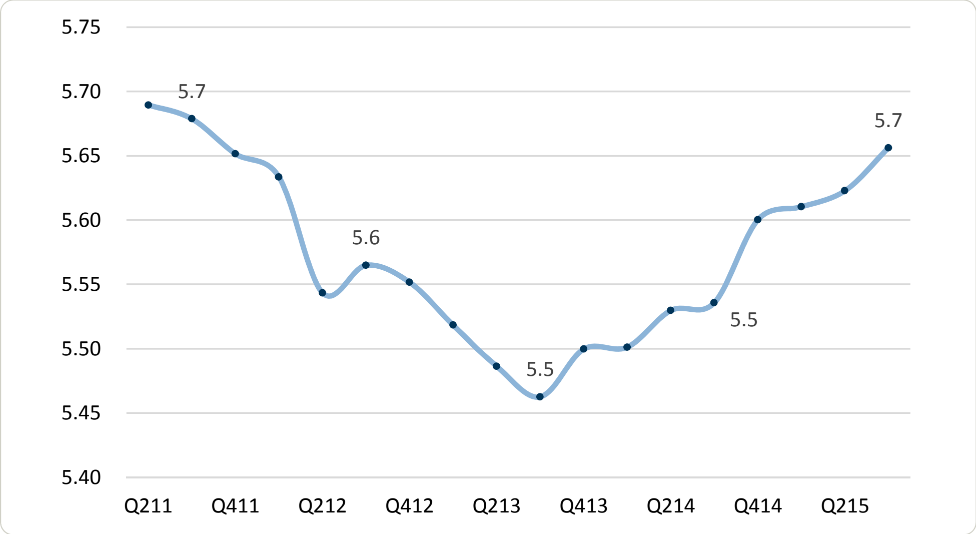


Note net currency impact due primarily to GBP, USD and CHF

Operating Profit[1]

DKK million	Q3 2015	Q3 2014	Δ	9M 2015	9M 2014	Δ
Operating profit[1]	1,276	1,178	+98	3,186	2,919	+267
Operating margin[1]	6.5%	6.4%	+8 bps	5.4%	5.3%	+10 bps

LTM Operating margin (%)



8 consecutive quarters of LTM margin improvement

(1) Operating profit before other items

Income Statement

DKK million	Q3 2015	Q3 2014	Δ	YTD 2015	YTD 2014	Δ
Revenue	**19,688**	**18,410**	**+1,278**	**59,044**	**55,058**	**+3,986**
Operating expenses	(18,412)	(17,232)	*(1,180)*	(55,858)	(52,139)	*(3,719)*
Operating profit before other items	**1,276**	**1,178**	***+98***	**3,186**	**2,919**	***+267***
Other income and expenses, net	(55)	20	*(75)*	(118)	(113)	*(5)*
Operating profit	**1,221**	**1,198**	***+23***	**3,068**	**2,806**	***+262***
Financial income and expenses, net	(168)	(248)	*+80*	(548)	(1,023)	*+475*
Profit before tax and goodwill impairment and amortisation/impairment of brands and customer contracts	**1,053**	**950**	***+103***	**2,520**	**1,783**	***+737***
Income taxes	(316)	(299)	*(17)*	(756)	(573)	*(183)*
Profit before goodwill impairment and amortisation/impairment of brands and customer contracts	**737**	**651**	***+86***	**1,764**	**1,210**	***+554***
Goodwill impairment	-	-	-	(6)	-	*(6)*
Amortisation and impairment of brands and customer contracts	(163)	(147)	*(16)*	(494)	(448)	*(46)*
Income tax effect	42	41	*1*	128	128	-
Net profit/(loss) for the period	**616**	**545**	***+71***	**1,392**	**890**	***+502***
Adjusted earnings per share, DKK[1)]	**4.0**	**3.5**	***+0.5***	**9.5**	**7.0**	***+2.5***

Includes DKK 50 million of restructuring related to strategic initiatives

DKK million	Q3 2015	9M 2015
Net interest expense	101	332
Amortisation of financing fees	9	27
FX	33	93
Other[2)]	25	96
Financial income and expenses, net	**168**	**548**

(1) Calculated as 'Profit before goodwill impairment and amortisation/ impairment of brands and customer contracts' / ''average number of diluted shares'

(2) Includes recurring items – for example interest on defined benefit obligations and local banking fees

Cash Flow

- Cash flow from operations and Free Cash Flow[(1)] significantly improved

DKK million	Q3 2015	Q3 2014	Δ	YTD 2015	YTD 2014	Δ
Operating profit before other items	1,276	1,178	*+98*	3,186	2,919	*+267*
Depreciation and amortisation	187	182	*+5*	567	545	*+22*
Share based payments (non-cash)	22	14	*+8*	65	29	*+36*
Changes in working capital	(226)	(238)	*+12*	(1,649)	(1,681)	*+32*
Changes in provisions, pensions and similar obligations	(43)	(49)	*+6*	(44)	(164)	*+120*
Other expenses paid	(81)	(59)	*(22)*	(220)	(283)	*+63*
Net Interest paid/received	(60)	(123)	*+63*	(235)	(623)	*+388*
Income taxes paid	(191)	(171)	*(20)*	(625)	(646)	*+21*
Cash flow from operating activities	**884**	**734**	***+150***	**1,045**	**96**	***+949***
Cash flow from investing activities	(184)	(316)	*+132*	(1,109)	386	*(1,495)*
Cash flow from financing activities	(651)	(692)	*+41*	(1,105)	(1,808)	*+703*
Total cash flow	**49**	**(274)**	***+323***	**(1,169)**	**(1,326)**	***+157***
Free Cash Flow[1)]	**711**	**521**	***+190***	**418**	**(512)**	***+930***

Change in timing of interest payments following the refinancing of Term Loan A with bonds in November 2014.
In addition, both margins and underlying rates are lower in Q3 2015.

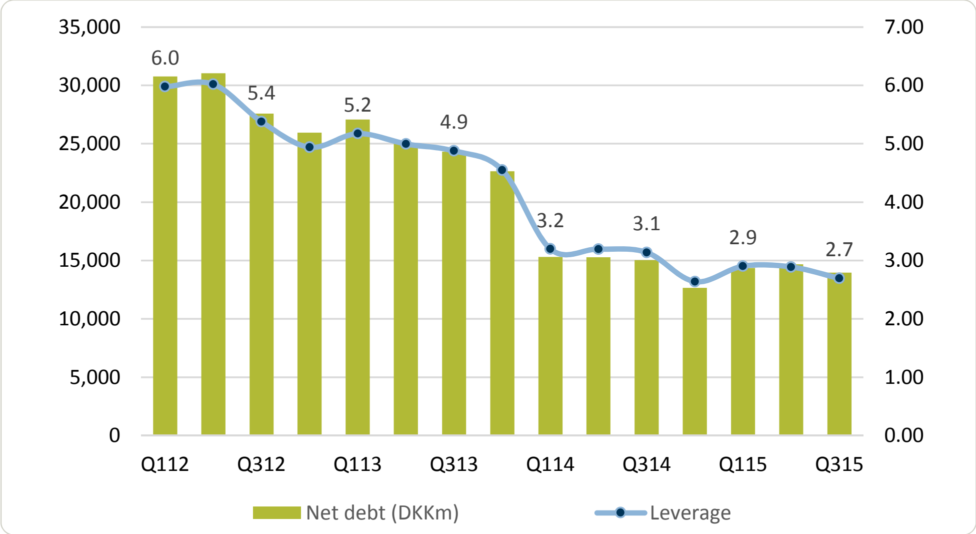
ISS bond annual interest payments
- 5-year (2020): Interest paid in January
- 10-year (2024): Interest paid in December

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

Leverage

DKK million	Q3 2015	Q3 2014	Δ	Q3 2015	Q4 2014	Δ
Net debt	13,955	15,023	-1,068	13,955	12,647	+1,308
Leverage[1]	2.7	3.1	-0.4	2.7	2.6	+0.1

Net debt and leverage[1]



(1) Net debt / Pro forma adjusted EBITDA (LTM)

Outlook

Outlook 2015

Organic growth

'4.0 to 4.5%'

(2014: 2.5%)

- Organic growth expectation improved from 3.5%-4.5% to 4.0-4.5%
- Change mainly due to large contract launches, especially in Europe, and IFS in general
- Benefits expected to continue for the remainder of the year
- Reduced activity seen in the remote site resource segment in the Pacific
- We remain cautious that certain countries across the Group pose macroeconomic challenges

Impact on total revenue from divestments, acquisitions and foreign exchange rates in 2015

- We expect a positive impact from development in foreign exchange rates of approximately 4%(1)
- We expect a negative impact from divestments and the acquisition of approximately 1%(2)
- Consequently, we expect total revenue growth in 2015 to be positive by 7.0-7.5%

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 ten months of 2015 and the forecasted average exchange rates for the last two months of 2015

(2) Divestments and acquisition completed by 31 October 2015 (including 2014)

Q&A