

Interim report first quarter 2025



Summary Q1

Mixed demand with strong growth in mining

- Good momentum in mining, while cutting tools and infrastructure continued to be impacted by uncertain macro environment. Manufacturing software grew mid-single digits
- Total order intake increased by 2%, organic growth was 2%
- Total revenue increased by 1%, of which organic was 1%

Improved all key financial metrics

- Adjusted EBITA improved by 1.5 ppts, corresponding to a margin of 19.7% (18.2), adjusted EBITA margin R12 at 19.5 (19.6)
- Savings from restructuring programs had a positive bridge effect of SEK 307 M
- Adjusted profit for the period amounted to SEK 3.8 Bn (3.3)
- Free operating cash flow of SEK 3.8 Bn (3.8)

Steady strategic progress

- Several innovations launched, key developments in the electric offering
- Nine acquisitions announced

2%

Revenue growth at fixed exchange rates

19.7%

Adjusted EBITA margin

1.1

Financial net debt/EBITDA

Innovation and product development are key to our organic growth

- Launch of intelligent cable electric rotary drill rig range with modular design
- Flexible power pack to cover the global power supply needs.
- AutoMine® and My Sandvik capable



DR410iE/DR411iE



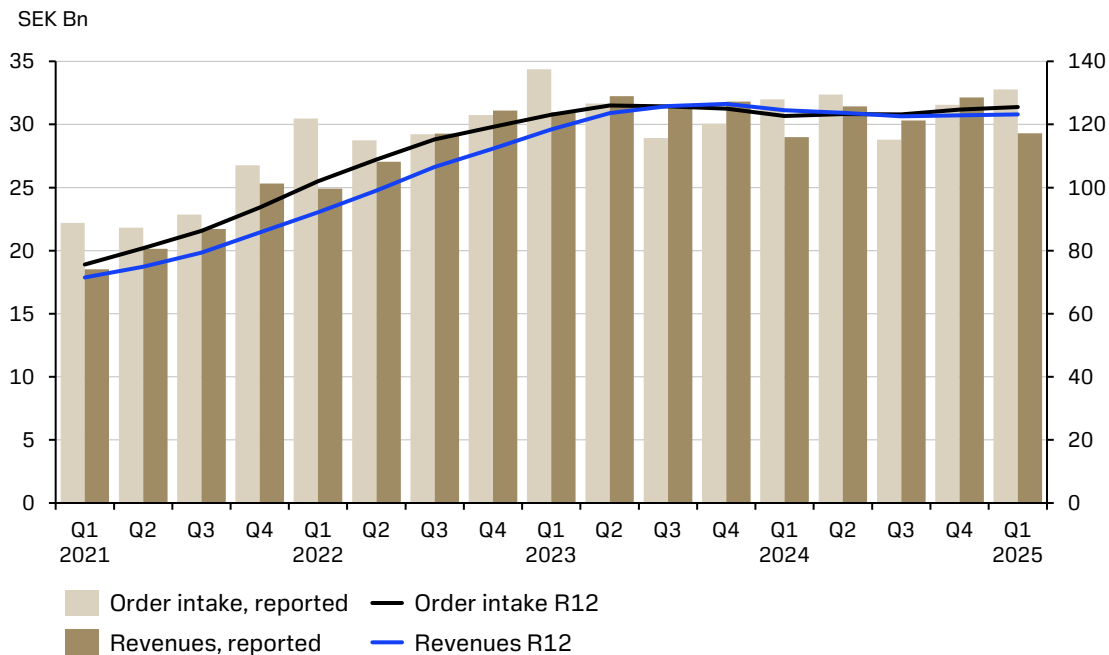
YoY market development

Percent of revenue 2024	Order intake Y/Y Q1 25	% of revenue 2024						
		Mining 51%	General Engineering 20%	Infrastructure 9%	Automotive 6%	Aerospace 4%	Other 10%	
Europe	26%	-8%	↗	↘	→	↘	↗	↘
North America	25%	4%	→	↘	→	↘	→	↗
Asia	18%	9%	→	→	→	↘	↘	↘
Africa and Middle East	12%	2%	→		↘			
Australia	12%	12%	↗		↘			
South America	7%	8%	↗		↘			

Other includes mainly energy, die and mold, electronics, medical, pump and valve, rail and defense.



Order intake and revenues



Order intake
 Reported (MSEK)
32,763

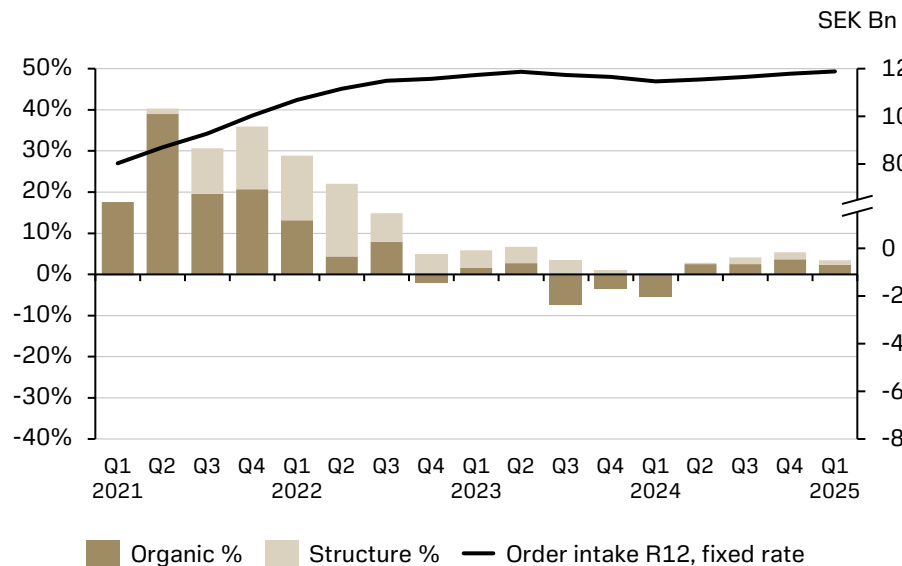
Revenues
 Reported (MSEK)
29,301

Book-to-bill
112%

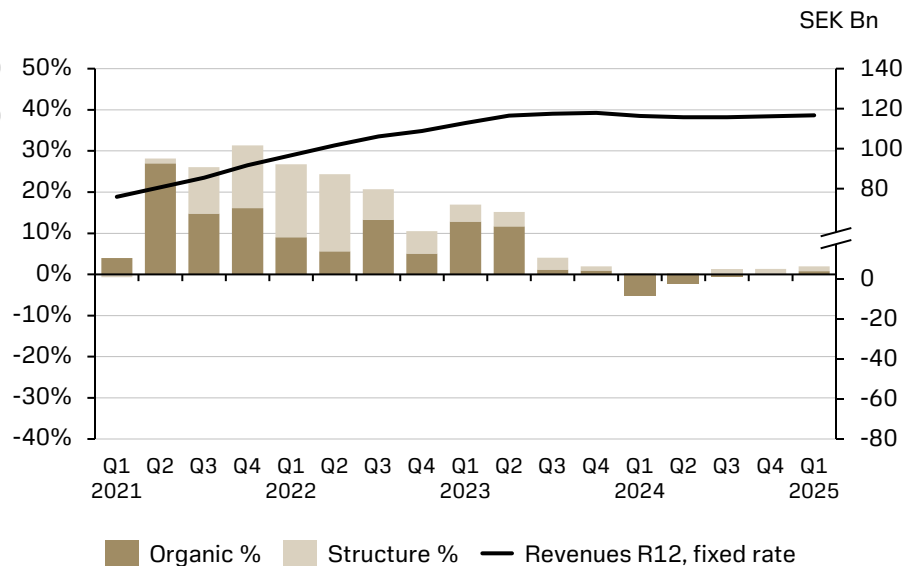


Growth in order intake and revenues

Order intake

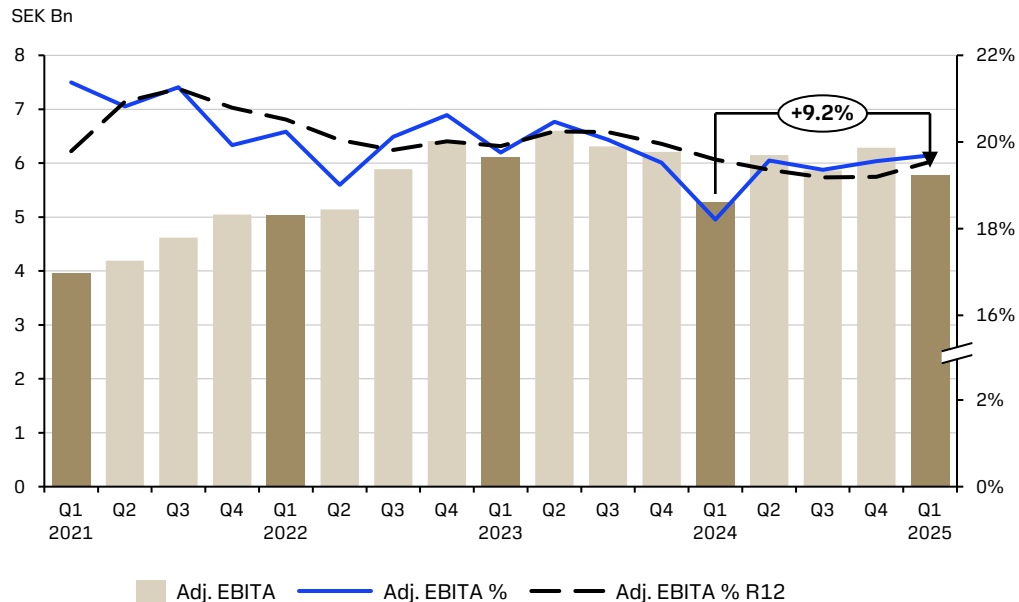


Revenue





Adjusted EBITA development



Adj. EBITA margin:

19.7%

- Adj. EBITA SEK 5,768 M (5,281)
- Good margin despite seasonally lower volumes
- Strong leverage on the back of structural savings and good cost control
- Currency accretion of 100 basis points
- R12 adj. EBITA 19.5% (19.6)



Mining and Rock Solutions

Order intake

- Strong organic order intake development, with double-digit growth in equipment. Good underlying demand in aftermarket with strong growth in the Parts and Services division. Excluding a major order, aftermarket grew by 5%
- Three major orders received, totaling SEK 977 million (522). Excluding major orders organic order intake increased by 7%
- Total order intake increased by 8%, and at fixed exchange rates, by 10%, of which organic 10%

Adjusted EBITA

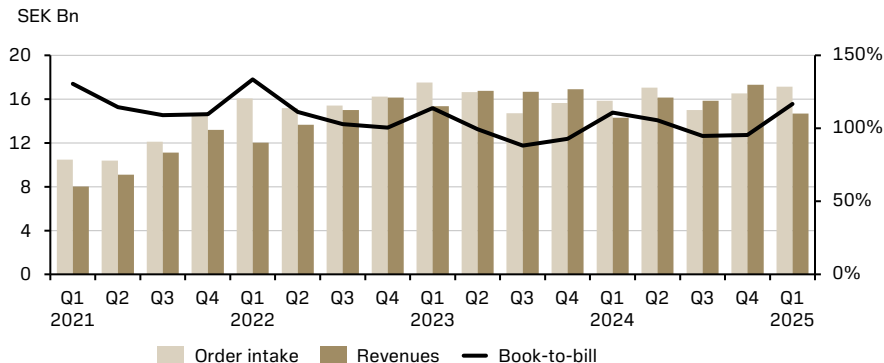
- Adjusted EBITA margin at 20.8% (18.2), with good leverage, and positive impact from savings
- Savings from restructuring programs had a positive year-on-year bridge effect of SEK 81 million
- Exchange rates were accretive to the margin by 100 bps

Shift to growth

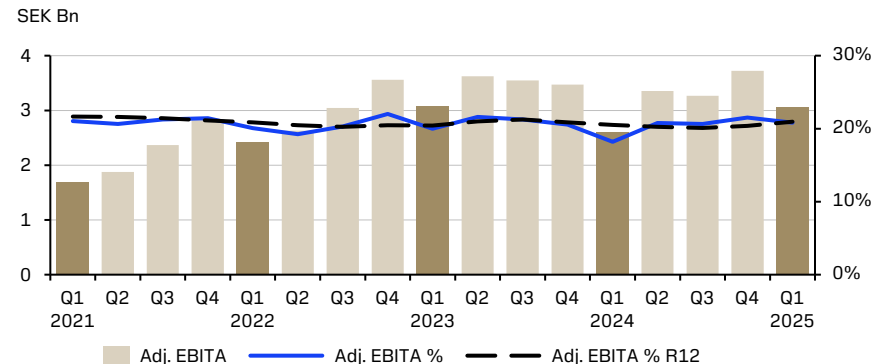
- Launch of electric intelligent rotary blasthole drill rig range
- Continued strong traction for digital solutions

Order intake and revenues

52% share of revenues 2024



Adjusted EBITA development





Rock Processing Solutions

Order intake

- Demand in mining remained stable while infrastructure activity remained low in most regions, and especially in Europe
- Total order intake decreased by 3%. At fixed exchange rate, orders declined by 2%, of which organic -2%
- One major order received amounting to SEK 57 million (169). Excluding major orders, organic order intake increased by 2%

Adjusted EBITA

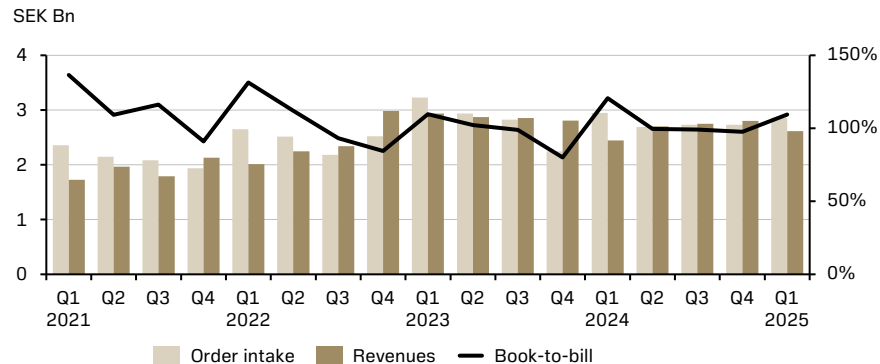
- Adjusted EBITA margin at 15.1% (13.3). Good savings realization and cost control contributed to the margin improvement
- Savings from restructuring programs had a bridge effect of SEK 34 million
- Exchange rates had a positive impact of 120 basis points on the margin

Shift to growth

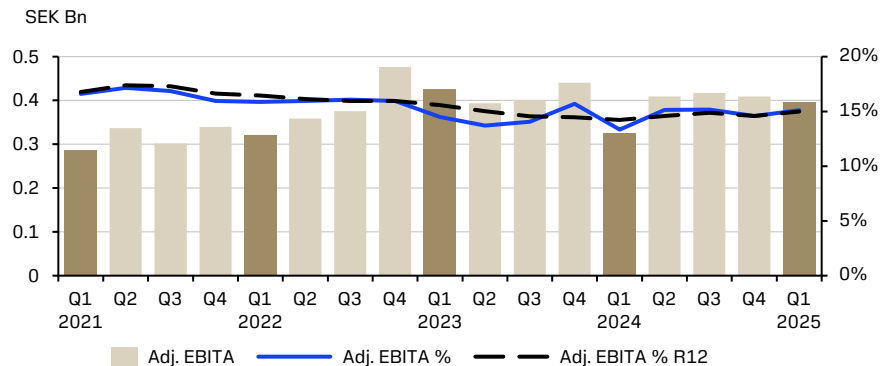
- New electric driven cone crusher launched, with features that contribute to significant fuel reduction
- Acquisition of OSA Demolition Equipment announced post the quarter

Order intake and revenues

9% share of revenues 2024



Adjusted EBITA development





Manufacturing and Machining Solutions

Order intake

- Industrial activity remained low, and cutting tools orders declined in general engineering and automotive in all major regions. Stable demand in aerospace, supported by positive development in Europe
- Software grew by mid-single digits driven by the US. Powder order intake declined year on year
- Total order intake decreased by 3%. At fixed exchange rates, orders decreased by 3%, of which organic was -6% representing stable development in dailies compared to the fourth quarter
- Daily order intake in the first two weeks of April was stable compared to the first quarter, taking normal seasonality into account. Due to external events, the uncertainty for the rest of the quarter is higher than normal

Adjusted EBITA

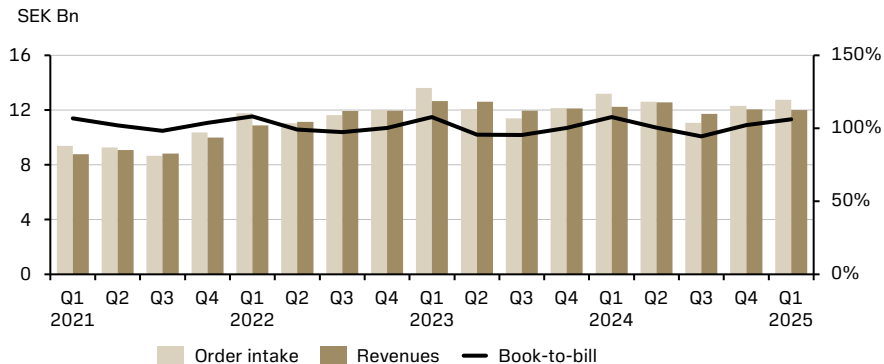
- Adjusted EBITA margin at 20.9% (20.3). Good cost control and savings compensated for the lower volumes
- Savings from the restructuring programs had a year-on-year bridge effect of SEK 193 million
- Exchange rates had an accretive impact of 90 basis points while structure diluted the margin by 20 basis points

Shift to growth

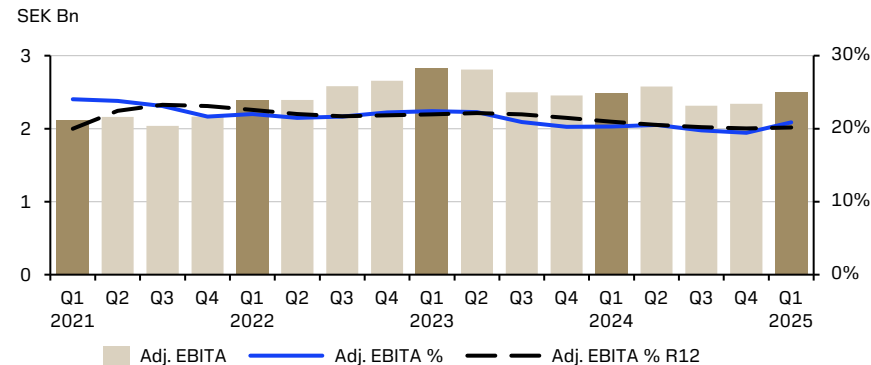
- Stronger CAM position with continued roll-up strategy of CAM re-sellers

Order intake and revenues

39% share of revenues 2024



Adjusted EBITA development



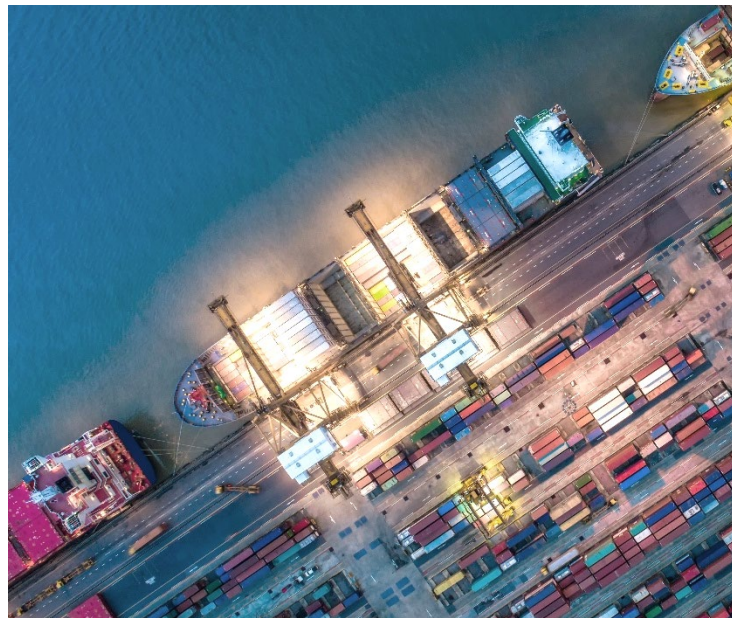


Tariff update

- At current tariff rates, expect limited margin impact
- The main risk is the overall impact on the global economy

Examples of mitigating activities

- The flows between China and the US have been mitigated
- The flows to Canada and Mexico are being re-routed
- Tungsten raw material exempt from tariffs, China export restrictions provides opportunities
- Tariff clauses have been re-visited in commercial agreements
- Customers and partners have been notified of potential upcoming tariff surcharges
- Re-balancing production capacity
- Preparing for increased production capacity in the US if rates increase materially beyond current levels





Cecilia Felton

CFO



Financial summary

MSEK	Q1 2024	Q1 2025
Order intake	31,981	32,763
Revenues	29,002	29,301
Adjusted EBITA	5,281	5,768
Adjusted EBITA margin	18.2%	19.7%
Net financial items	-506	-296
Tax rate excluding IAC	24.0%	23.8%
NWC ¹	29.7%	29.8%
Free operating cash flow	3,770	3,809
ROCE ¹	14.0%	15.4%
ROCE excl. amortization of surplus values ¹	15.5%	16.7%
Adjusted EPS, diluted	2.61	3.01

Growth	OI	Rev
Organic	2%	1%
Structure	1%	1%
Organic + structure	3%	2%
Currency	-1%	-1%
Total	2%	1%

¹ R12 revenues and R12 month average NWC / ROCE



Bridge analysis

MSEK	Q1 2024	Organic	Currency	Structure	Q1 2025
Revenues	29,002	230	-272	341	29,301
Adjusted EBITA	5,281	203	237	48	5,768
Adjusted EBITA margin	18.2%	88%			19.7%
Accretion/dilution		0.6%	1.0%	0.0%	



Net financials

MSEK	Q1 2024	Q1 2025
Interest net	-363	-206
Pension	-25	-21
Bank charges	-29	-29
Other financial income and cost	-4	51
Leases IFRS16	-61	-66
Fx and other asset classes	-24	-25
Total	-506	-296
Total yield cost, R3	5.2%	3.7%
Total yield cost, R12	5.0%	4.7%



Tax rate

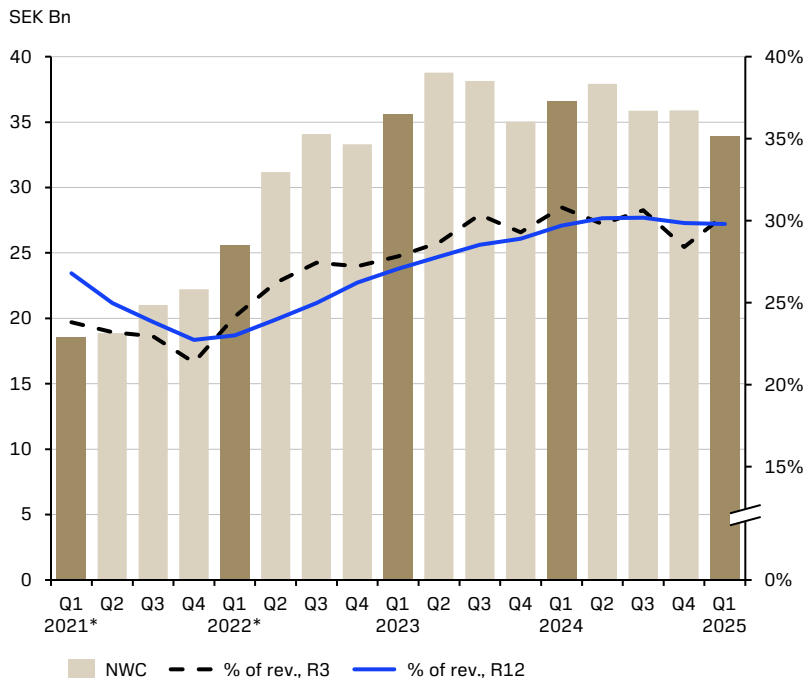
MSEK	Q1 2024	Q1 2025
Reported	26.1%	23.9%
Excluding IAC	24.0%	23.8%
Normalized	24.0%	23.8%

– Normalized tax: In line with guidance for 2025 – 23-25%

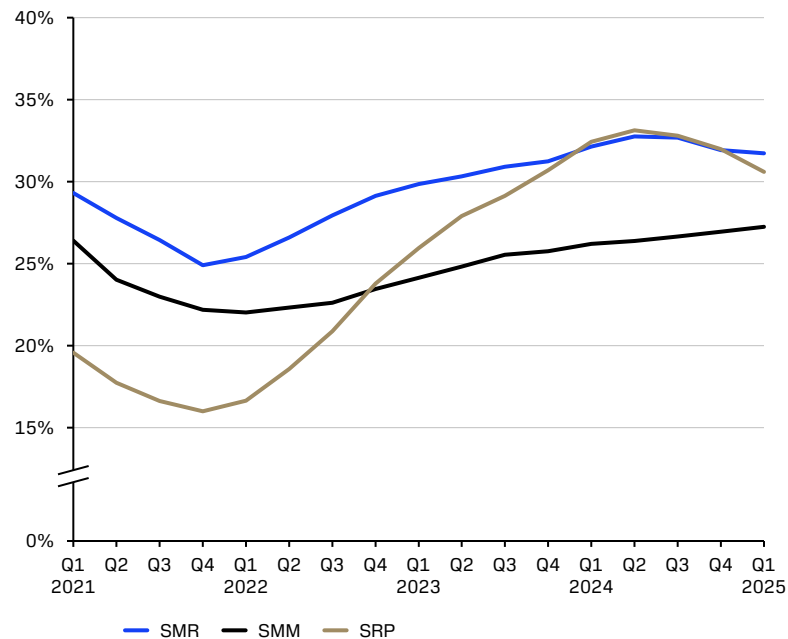


Net working capital

Net working capital



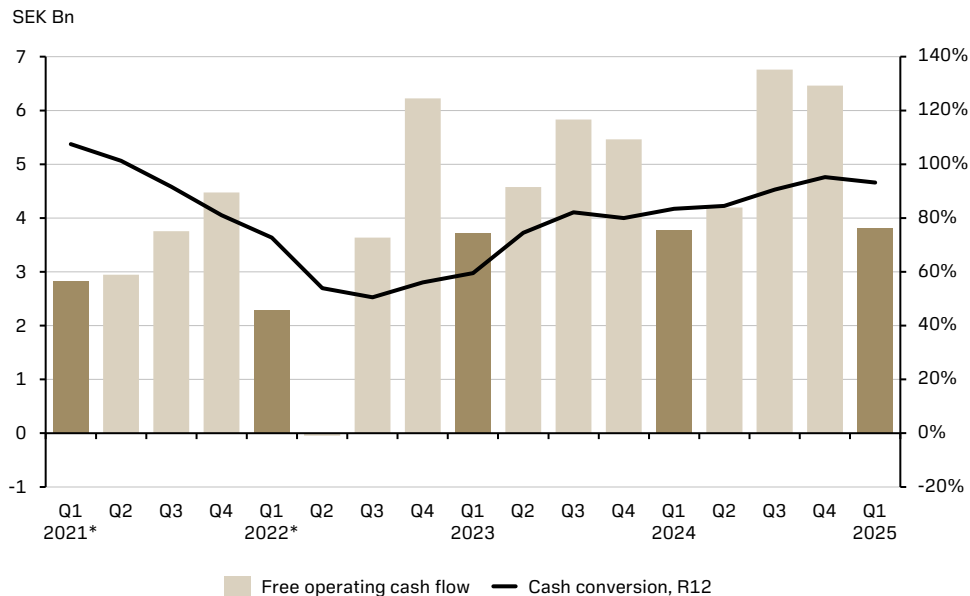
Per BA, % of revenues, R12



* Best estimates excluding Alleima



Free operating cash flow



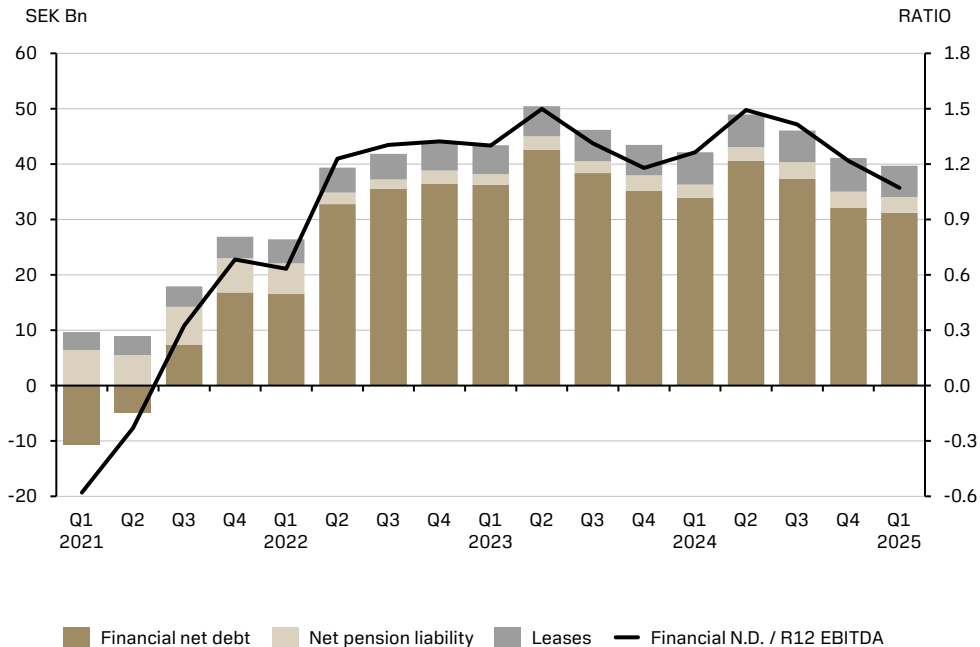
MSEK	Q1 2024	Q1 2025
EBITDA	4,320	7,094
Non-cash and other items**	638	-1,523
EBITDA adj for non-cash and other items	4,957	5,571
Capex	-1,186	-1,015
NWC	-1	-747
FOCF	3,770	3,809

* Best estimates excluding Alleima

**Includes rental equipment, lease payments and proceeds from asset sales



Net debt



Financial net debt/R12 EBITDA:

1.1

- Financial net debt SEK 31 billion
- Net debt SEK 40 billion



Outcome versus guidance

	Outcome Q1	Guidance Q1
Currency YoY effect (MSEK)	237	300

	Outcome Q1'25	Guidance FY25
Capex (BSEK)	1.0	5.0
Interest net (BSEK)	-0.2	-0.8
Normalized tax rate (%)	23.8%	23-25%



Guidance Q2 and FY 2025

Currency effect	Given currency rates at the end of March 2025 the effect on operating profit from transaction and translation would be SEK -600 M for Q2 2025
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CAPEX (Cash)	Estimated to approximately SEK 5.0 Bn for 2025
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Interest net	Underlying interest net is estimated to approximately SEK -0.8 Bn for 2025
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Tax rate	The normalized tax rate is estimated to 23% - 25% for 2025
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Conclusion

Mixed demand and good profit margin

- Mixed demand, strength in mining and continued order growth in software while cutting tools impacted by weakness in industrial activity
 - Improvements in all financial metrics and good margin performance with cost control and good savings realization
 - Proven resilience on top and bottom line, and strong focus on agile ways of acting
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Solid strategy execution

- Several innovations launched for improved value to customers, supporting organic growth
 - Strengthened position in CAM
 - Acquisition in Demolition and Recycling
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Well prepared and strong platform

- Challenging geo-political and macro-economic environment with tariffs and barriers to global trade
- Strong set-up with global footprint, manufacturing capabilities in all major regions, strong market positions and customer relations
- Continue to leverage on our strong platform to deliver on targets and strategic ambitions



Q&A



Backup slides



Adjusted EBITA bridge, per BA

MSEK	Q1 2024	Organic	Currency	Structure	Q1 2025
Mining & Rock Solutions					
Revenues	14,312	572	-221	12	14,675
Adjusted EBITA	2,605	356	96	1	3,058
Adjusted EBITA margin	18.2%				20.8%
Rock Processing Solutions					
Revenues	2,446	194	-25	-	2,615
Adjusted EBITA	326	42	27	-	395
Adjusted EBITA margin	13.3%				15.1%
Manufacturing & Machining Solutions					
Revenues	12,244	-536	-26	329	12,011
Adjusted EBITA	2,485	-132	107	47	2,506
Adjusted EBITA margin	20.3%				20.9%



Loan and duration profile

MSEK	Amount	Duration
Bonds MTN	22,690	3.5 years
Bank Loans	7,163	5.8 years
Commercial papers	5,151	0.3 years
Bonds MTN	799	0.4 years
Bank Loans	398	0.5 years
Total	36,202	3.4 years

Long term:

82%

Short term:

18%

Committed Credit facilities **SEK 11,100 million**

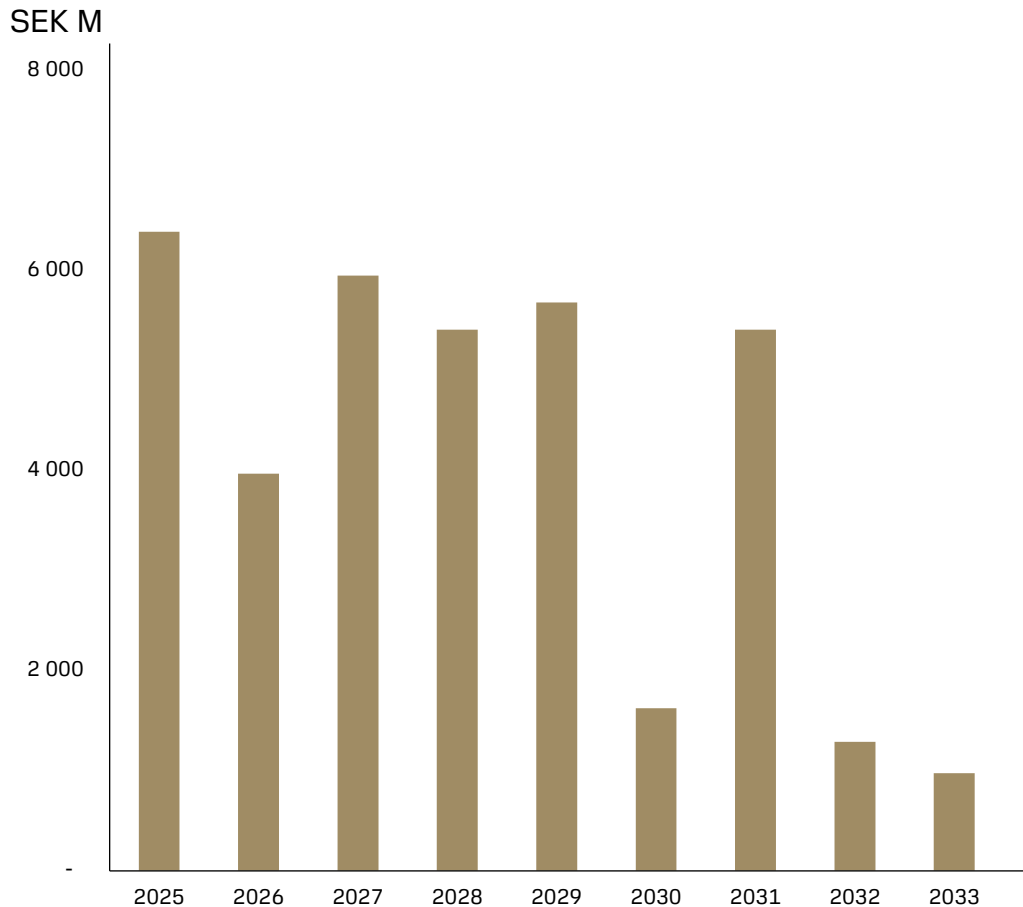


Loan maturity profile

Average interest rate:

~3.1%

(excluding swap costs)



Disclaimer statement

Some statements herein are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialization and technological difficulties, supply disturbances, and the major customer credit losses.