Interim report first quarter 2026

Summary Q1

Strong start to the year

- Strong demand across all business areas with double-digit organic growth in the quarter
- Total order intake grew by 12% year on year. Organic order intake growth of 23%
- Total revenues increased by 5%. At fixed exchange rates, growth was 15%, of which organic 15%.
- Adjusted EBITA amounted to SEK 6,138 M (5,768), corresponding to a margin of 20.0% (19.7), adjusted EBITA margin R12 at 19.4 % (19.5)
- Adjusted profit for the period amounted to SEK 4.1 Bn (3.8)
- Free operating cash flow of SEK 3.6 Bn (3.8) corresponding to a cash conversion of 62%

15%
Revenue growth at fixed exchange rates

20.0%
Adjusted EBITA margin

0.8
Financial net debt/EBITDA

Key strategic highlights in the quarter

Mining

Acquisition

- **ThoroughTec Simulation**
- OEM agnostic mining training simulators and training management systems
- Strengthens aftermarket and digital capabilities

Rock Processing

Launched new cone crushers

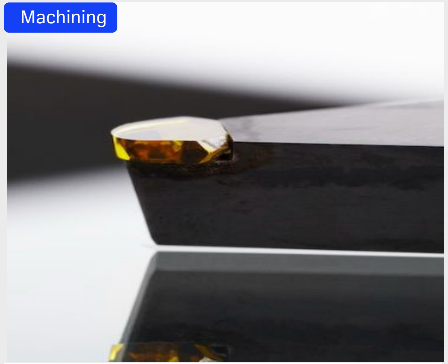
- **CH442 and CH662 cone crushers**
- Strengthened key components, simplified maintenance and intelligent automation
- Focus on smarter, safer and predictable operations

Intelligent Manufacturing

Next-gen toolpath platform

- **EverPath Technology**
- ToolPath platform for CAM programming
- Unique algorithms and innovative user interface
- Providing optimal quality at increased productivity

Machining



Acquisition

- **K&Y Diamond**
- Leading manufacturer of monocrystalline diamond tools for ultra-precision applications
- Segments with demands for super-finishing, such as optics, aerospace and medical

Mining market

Upstream

Downstream

- Activity levels remained high in the industry driven by favorable commodity prices
- High production pace and more advanced machinery in combination with an aging fleet drives consumption of parts and services
- Continued strong investments in digital and automation
- Increasing exploration activities

Infrastructure market

	↗ **Aggregates**	↗ **Demolition & recycling**
Europe	↗	↗
North America	↗	↗
Asia	→	→

New market segmentation for Machining

64%

General industry

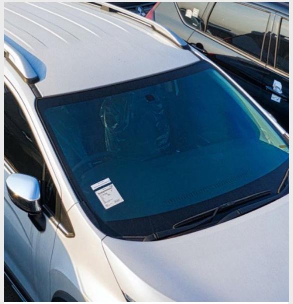
- General engineering
- Machine tools
- Pump & valve
- Die & mould
- Primary metals
- Small part machining
- Bearings

12%

Aerospace & defense

- Aerospace
- Defense
- Space

9%



Light vehicles

- ICE vehicles
- Hybrid vehicles
- Electric vehicles

7%

Mining & energy

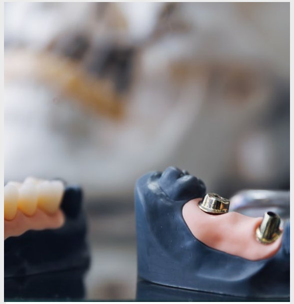
- Mining & construction
- Renewables
- Oil & gas
- Other energy

6%

Transportation

- Heavy vehicles
- Railway
- Ship building

2%



Medical & electronics

- Medical
- Electronics
- Optics

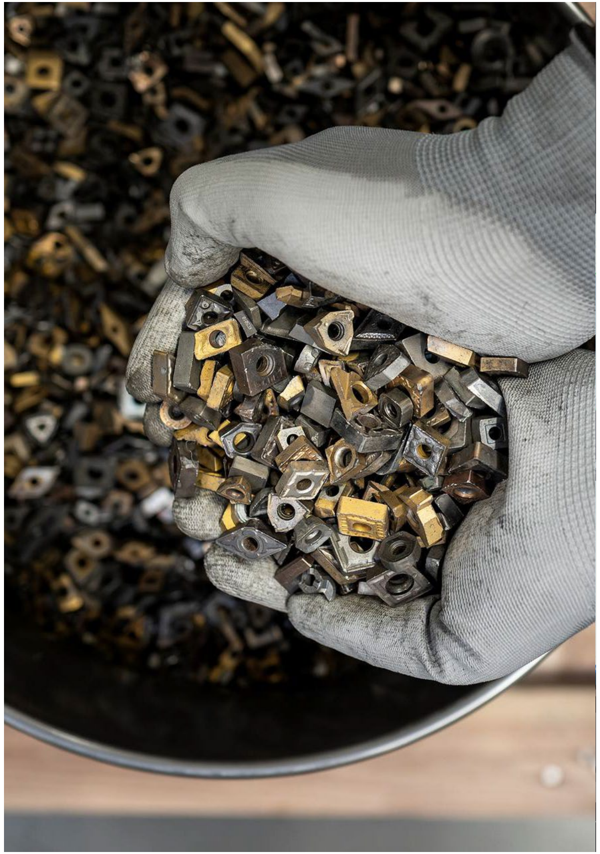
share of Machining revenues 2025

Industrial manufacturing market

	↗ General industry	↗ Aerospace & defense	↘ Light vehicles	↗ Mining & energy	↗ Transport-ation	↗ Medical & electronics
Europe	↗	↗	→	↗	↗	↗
North America	↗	↗	↘	→	↗	→
China	↗	→	↘	→	↗	→
India	↗	↗	↗			
Rest of world	↗	↗	↘			

Cutting tools organic order intake development

	General industry	Aerospace & defense	Light vehicles	Mining & energy	Transport-ation	Medical & Electronics
Europe	+++	++++	+	+++	+++	+++
North America	++++	++++	+	+++	++++	+++
China	++++	++++	0	++++	++++	++
India	++++	++++	++++			
Rest of world	++	++++	--			
Total	++++	++++	+	+++	++++	++++



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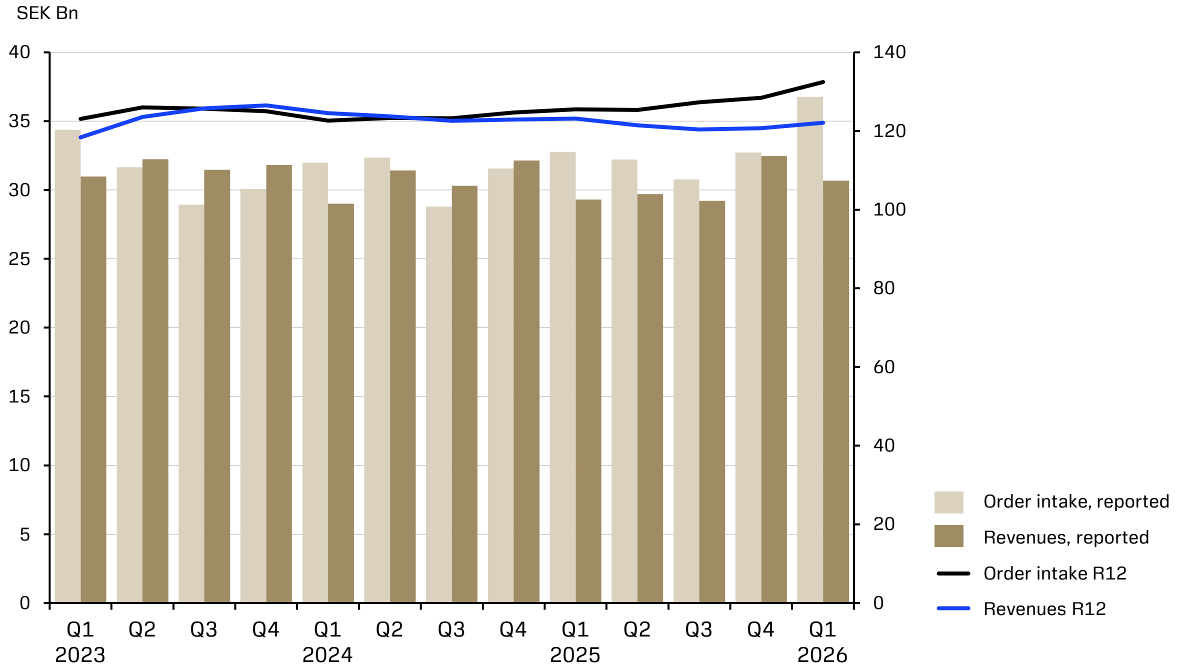
Order intake and revenues



Order intake
Reported (MSEK)

36,756

Revenues
Reported (MSEK)

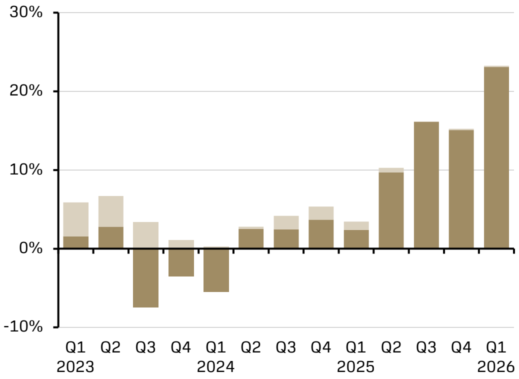
30,685

Book-to-bill

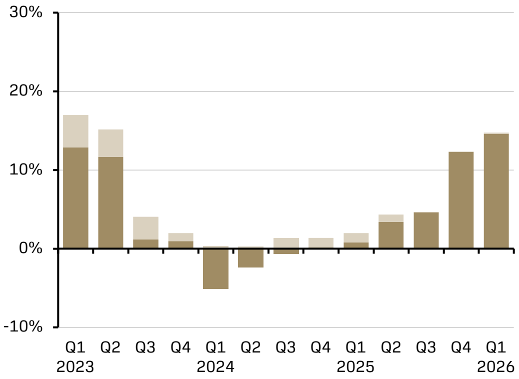
120%

Growth in order intake and revenues

Order intake



Revenue



Organic % Structure %

Growth Q1 2026	Order intake	Revenue
Organic	23%	15%
Structure	0%	0%
Growth at fixed exchange rates	**23%**	**15%**
Currency	-11%	-10%
Total	**12%**	**5%**

Mining

52% share of revenues 2025

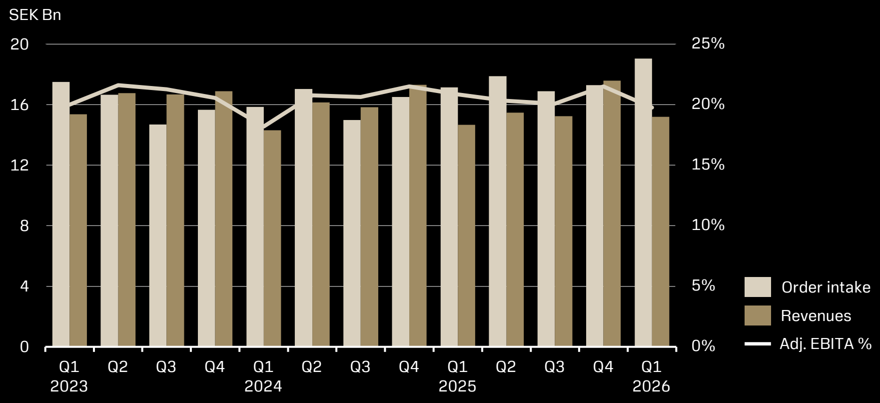
Order intake and revenues

- Continued positive momentum with strong demand across the board
- Record high order intake level, with double-digit organic order growth in equipment and aftermarket. Strong performance in Digital Mining Technologies
- Total order intake increased by 11%. At fixed exchange rates, order intake grew by 22%, of which organic 22%
- Excluding major orders of SEK 0.6 billion (1.0) organic order intake increased by 26%

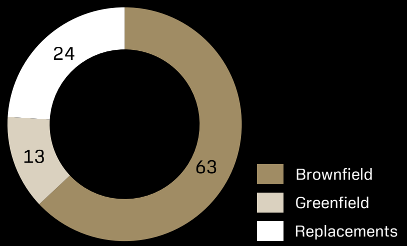
Profitability

- Adjusted EBITA was SEK 3,004 million (3,058), and profit margin of 19.8% (20.8)
- Strong operating leverage of 38% on higher volumes
- Significant negative currency impact of SEK 810 million year on year, corresponding to a margin dilution of 310 basis points

Order intake, revenues & adj. EBITA %



Share of orders % (Q1 2026)



Equipment vs. Aftermarket (Q1 2026)

	Equipment	Aftermarket
Organic order intake growth	43%	11%
Share of revenues	30%	70%

Rock Processing

9% share of revenues 2025

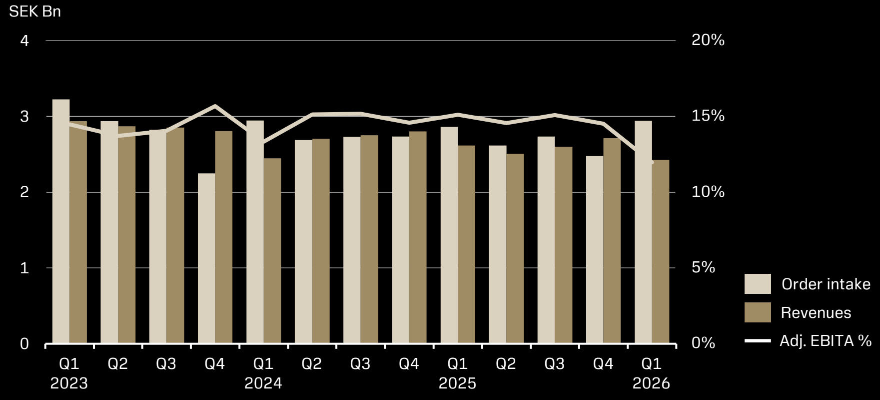
Order intake and revenues

- Solid recovery in infrastructure with strong broad-based demand in both demolition and recycling, and aggregates. Positive underlying demand in mining
- Total order intake increased by 3%. At fixed exchange rates, order intake increased by 13%, of which organic was 12%
- Excluding major orders of SEK 210 million (57), organic order intake growth of 6%

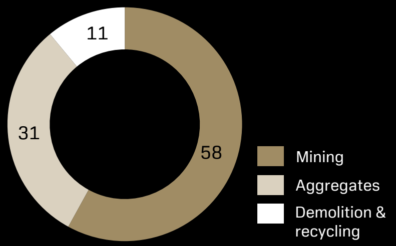
Profitability

- Adjusted EBITA was SEK 290 million (395), profit margin of 12.0% (15.1)
- Lower volumes due to timing of deliveries resulting also in negative equipment mix impact. Organic operating leverage was negative
- Significant impact from currency of SEK 85 million year on year, corresponding to a margin dilution of 220 basis points

Order intake, revenues & adj. EBITA %



Share of orders % (2025)



Equipment vs. Aftermarket (Q1 2026)

	Equipment	Aftermarket
Organic order intake growth	29%	-1%
Share of revenues	43%	57%

Machining

36% share of revenues 2025

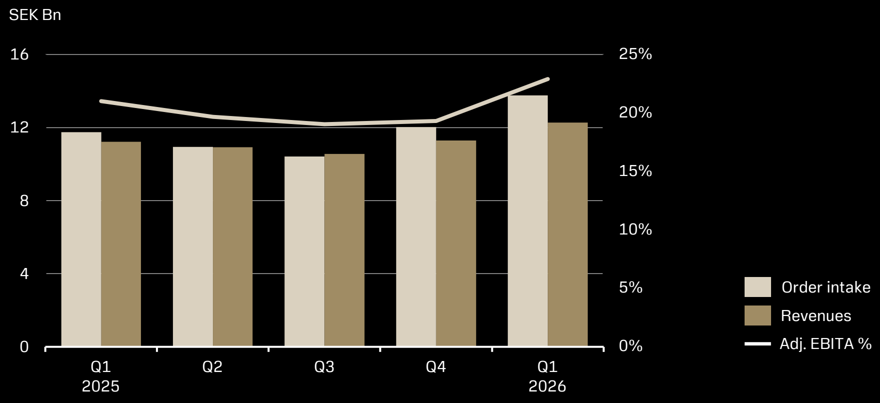
Order intake and revenues

- Strong underlying demand in strategically important segments. Solid demand in general industry, partly due to pre-buying, but also early signs of improved sentiment
- Cutting tools organic order intake and revenue growth of 18% and 10% respectively. Powder business more than doubled order growth on the back of surging tungsten prices
- Total order intake increased by 17%. At fixed exchange rates, order intake increased by 28% of which organic 28%
- Dailies for cutting tools was higher in the first two weeks of April versus the first quarter, taking normal seasonality into account

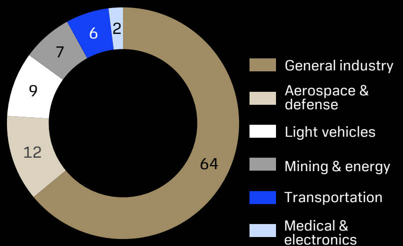
Profitability

- Adjusted EBITA was SEK 2,810 million (2,359), profit margin of 22.9% (21.0)
- Good price realization with cost inflation offset by pricing. Positive margin effect driven by timing in the powder business
- Higher volumes, and savings of SEK 97 million contributed positively. Organic operating leverage was 41% in the quarter
- Currency had a negative impact of SEK 431 million year on year, corresponding to a margin dilution of 130 basis points

Order intake, revenues & adj. EBITA %



Share of revenue, % (2025)



Organic order intake and revenue (Q1 2026)

	Order intake growth	Revenue growth
Cutting tools	++++	++++
Powder Solutions	++++	++++

Intelligent Manufacturing

3% share of revenues 2025

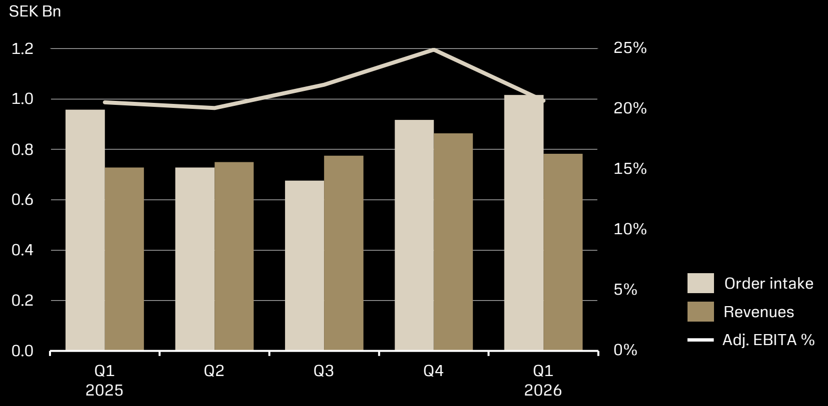
Order intake and revenues

- Solid broad-based demand for CAM and metrology software solutions. Strongest growth noted in North America and in aerospace and defense
- High-single digit organic order intake growth in maintenance and double-digits in new license sales, partly due to lower comparables. Good growth in subscription sales
- Total order intake increased by 6%. At fixed exchange rates, order intake increased by 18% of which organic 11%

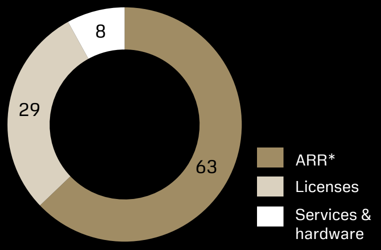
Profitability

- Adjusted EBITA was SEK 162 million (150), profit margin of 20.7% (20.6)
- Higher volumes and good price realization partly off-set by restructuring charges of 100 bps. Leverage of 26%
- Currency had a negative impact of SEK 22 million year on year, corresponding to a margin dilution of 50 basis points
- Acquisitions had an accretive effect on the margin of 10 bps

Order intake, revenues & adj. EBITA %



Share of revenue (2025)



Order intake and revenues (Q1 2026)

	Order intake	Revenues
Underlying P/V order intake	13%	12%
Subscription transition impact	-2%	-1%
P/V	**11%**	**11%**

*ARR: Maintenance and subscription

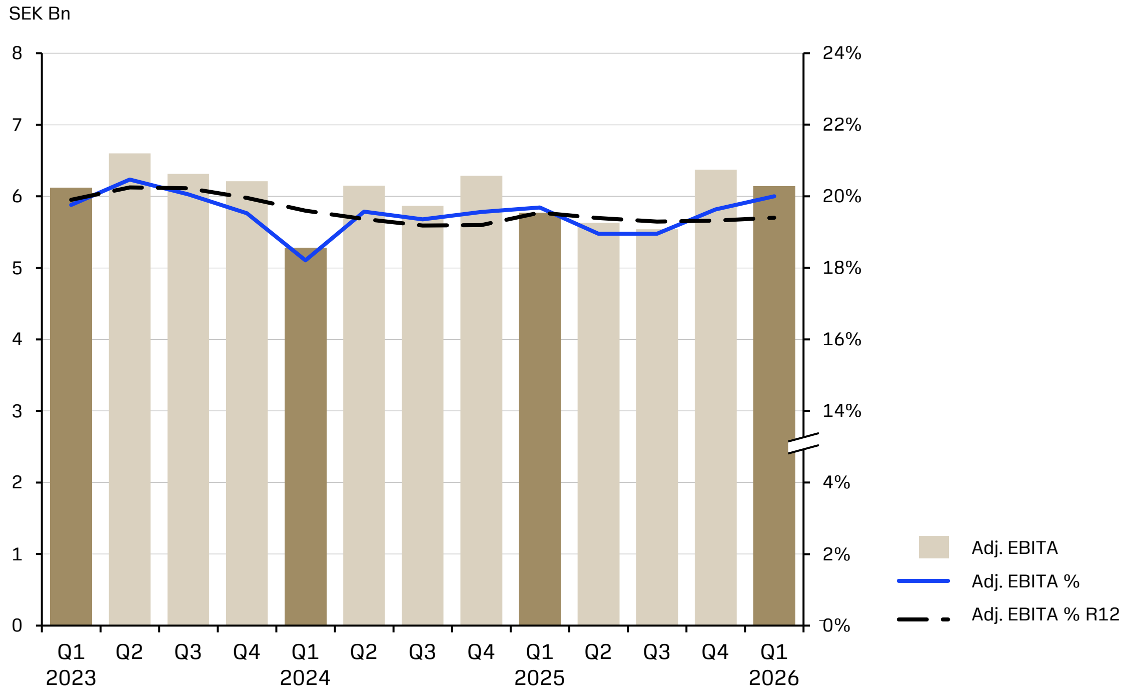
Cecilia Felton
CFO

Financial summary

MSEK	Q1’25	Q1’26
Order intake	32,763	36,756
Revenues	29,301	30,685
Adjusted EBITA	5,768	6,138
Adjusted EBITA margin	19.7%	20.0%
Net financial items	-296	-237
Tax rate excluding IAC	23.8%	25.2%
NWC [1]	29.8%	28.1%
Free operating cash flow	3,809	3,613
ROCE [1]	15.4%	15.5%
ROCE excl. amortization of surplus values [1]	16.7%	16.8%
Adjusted EPS, diluted	3.01	3.27

1) R12 revenues and R12 month average NWC / ROCE

Profitability development



Adj. EBITA margin:

20.0%

- Adj. EBITA SEK 6,138 M (5,768)
- Good price realization and higher volumes. Positive margin effect driven by timing in the powder business.
- Savings accretive with 40 bps
- Good leverage of 41%
- Major currency impact with dilution of 240 basis points
- R12 adj. EBITA margin 19.4% (19.5)

Bridge analysis

MSEK	Q1 2025	Organic	Currency	Structure	Q1 2026
Revenues	29,301	4,260	-2,928	51	30,685
Adjusted EBITA	5,768	1,731	-1,389	27	6,138
Adjusted EBITA margin	19.7%	41%			20.0%
Accretion/dilution		2.7%	-2.4%	0.1%	

Net financials

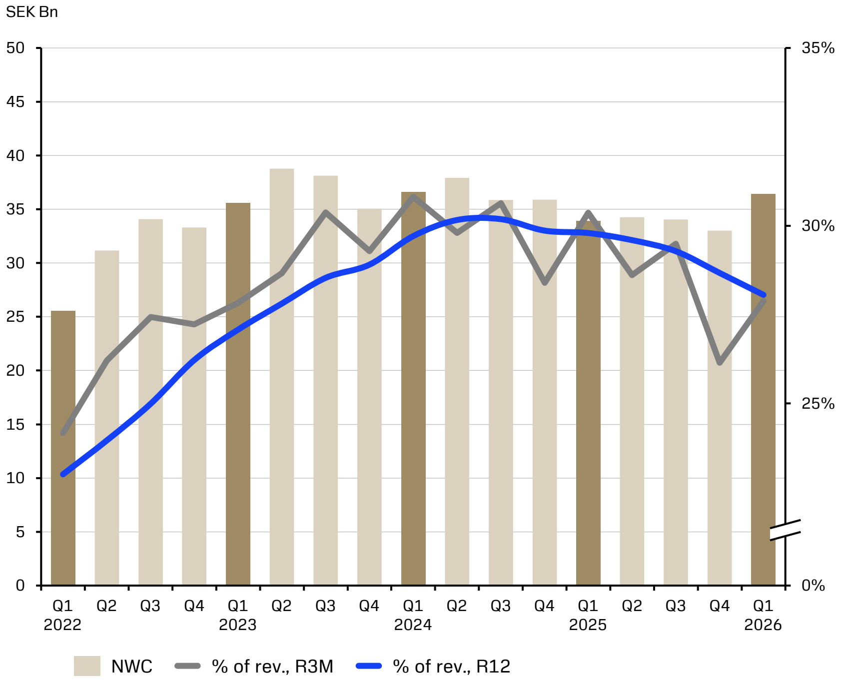
MSEK	Q1 ’25	Q1 ’26
Interest net	-206	-150
Pension	-21	-11
Bank charges	-29	-26
Other financial income and cost	51	-11
Leases IFRS16	-66	-64
Fx and other asset classes	-25	26
Total	**-296**	**-237**
Total yield cost, R3	3.7%	3.7%
Total yield cost, R12	4.7%	3.6%

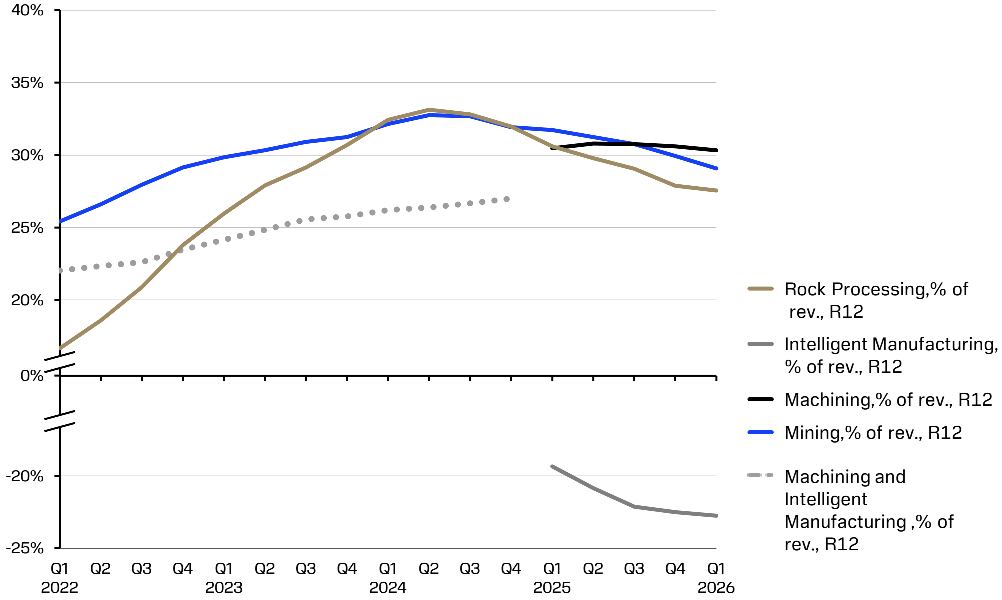
Tax rate

MSEK	Q1 ’25	Q1 ’26
Reported	23.9%	23.9%
Excluding IAC	23.8%	25.2%
Normalized	23.8%	24.0%

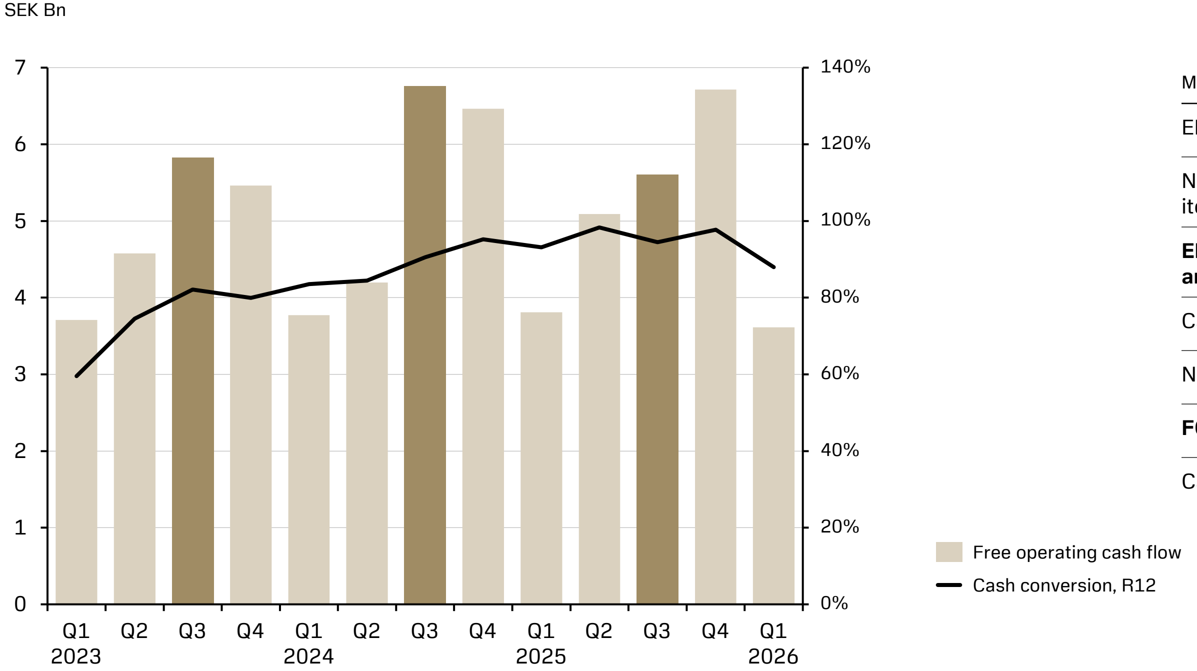
- Normalized tax: In line with guidance for 2026 – 23-25%

Net working capital





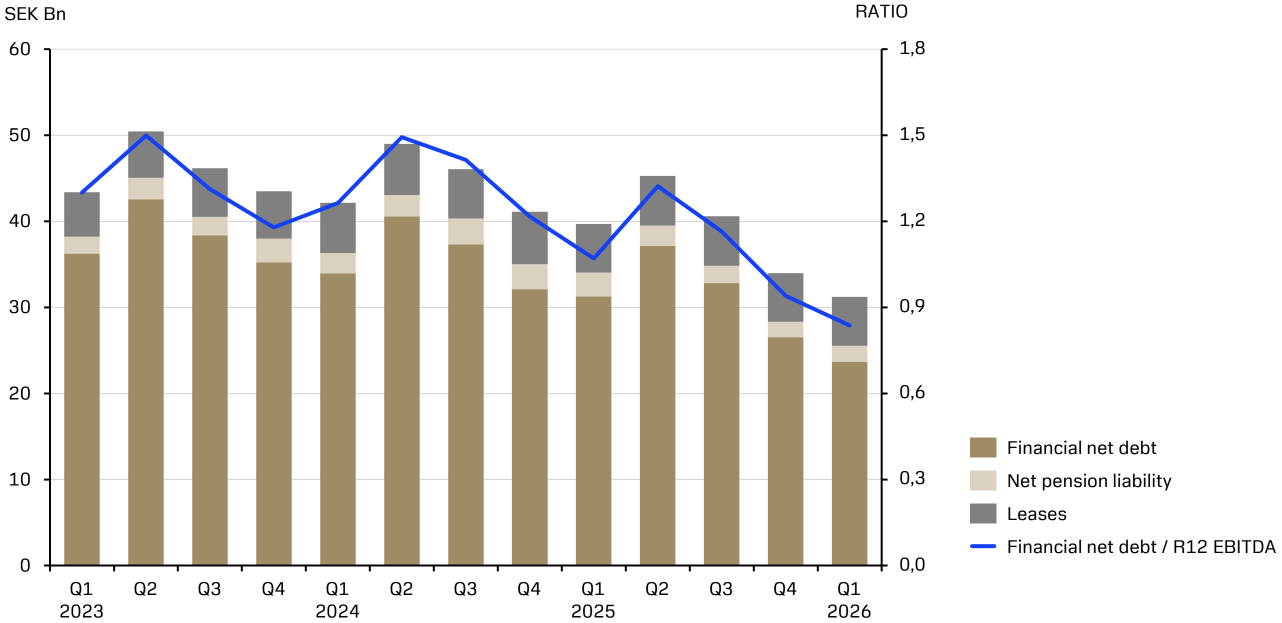
Free operating cash flow



MSEK	Q1 '25	Q1 '26
EBITDA	7,094	7,147
Non-cash and other items*	-1,523	-456
EBITDA adj for non-cash and other items	**5,571**	**6,691**
Capex	-1,015	-758
NWC	-747	-2,320
FOCF	**3,809**	**3,613**
Cash conversion	70%	62%

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

Net debt



Financial net debt/R12 EBITDA

0.8

- Financial net debt SEK 24 billion
- Net debt SEK 31 billion

Outcome versus guidance

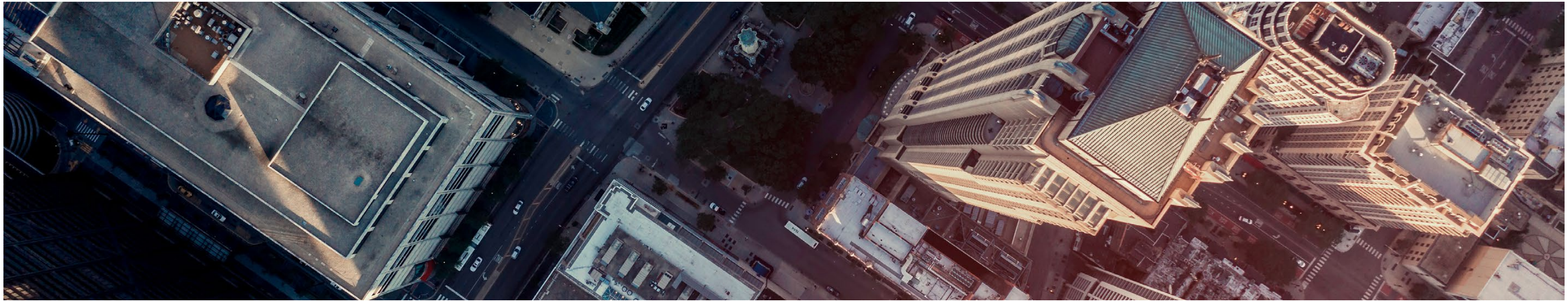
	Outcome Q1	Guidance Q1
Currency YoY effect (MSEK)	-1,389	-1,400

	Outcome Q1	Guidance FY26
Capex (BSEK)	0.8	4-4.5
Interest net (BSEK)	-0.2	-0.6
Normalized tax rate (%)	24.0%	23-25%

Guidance Q2 and FY 2026

Currency effect	Given currency rates per April 20, the effect on operating profit from transaction and translation would be **SEK -0.5 Bn for Q2 2026**
CAPEX (Cash)	Estimated to approximately **SEK 4.0-4.5 Bn for 2026**
Interest net	Underlying interest net is estimated to approximately **SEK -0.6 Bn for 2026**
Tax rate	The normalized tax rate is estimated to **23% - 25% for 2026**

Conclusion



Markets & macro

- Strong mining market, recovery in infrastructure
- Signs of improved sentiment in manufacturing
- Continued uncertain geopolitical and macro economic environment

Financial performance

- Strong demand across all business areas
- Order intake and revenues grew double digits
- Margin within target corridor despite significant currency headwinds

Strategic progress

- Acquisitions to strengthen the offering and position
- Double-digit growth in digital businesses
- Continued good innovation pace

Advancing to 2030

- Consistent delivery each quarter, while building long-term strength
- Targeted investments reinforcing our leadership
- Solid platform, strong culture and flexible mindset

Q&A

Backup slides

Adjusted EBITA bridge, per BA

MSEK	Q1 2025	Organic	Currency	Structure	Q1 2026
Mining					
Revenues	14,675	**2,002**	-1,471	-	15,206
Adjusted EBITA	3,058	**757**	-810	-	3,004
Adjusted EBITA margin	20.8%	38%			19.8%
Accretion/dilution		2.0%	-3.1%	0.0%	
Rock Processing					
Revenues	2,615	**11**	-241	41	2,425
Adjusted EBITA	395	**-28**	-85	8	290
Adjusted EBITA margin	15.1%	N/A			12.0%
Accretion/dilution		-1.1%	-2.2%	0.1%	
Machining					
Revenues	11,224	**2,175**	-1,128	-	12,271
Adjusted EBITA	2,359	**882**	-431	-	2,810
Adjusted EBITA margin	21.0%	41%			22.9%
Accretion/dilution		3.2%	-1.3%	0.0%	
Intelligent Manufacturing					
Revenues	728	**73**	-88	70	783
Adjusted EBITA	150	**19**	-22	15	162
Adjusted EBITA margin	20.6%	26%			20.7%
Accretion/dilution		0.5%	-0.5%	0.1%	

Comments and numbers refer to continuing operations unless otherwise stated.

Loan and duration profile

MSEK	Amount	Duration
Bonds MTN	19,152	2.9 years
Bank Loans	8,862	5.3 years
Commercial papers	0	-
Bonds MTN	3,839	0.2 years
Bank Loans	34	0.5 years
Total	**36,246**	**3.3 years**

Long term:

88%

Short term:

12%

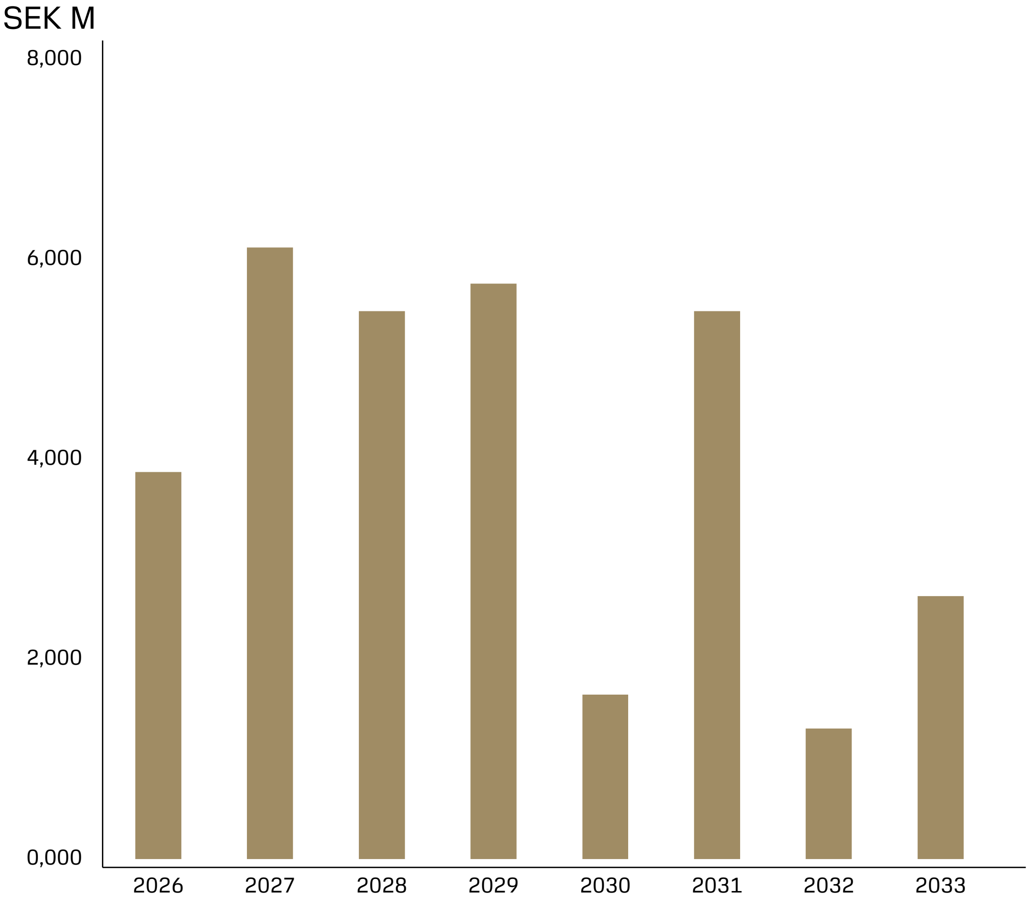
Committed Credit facilities **SEK 16,585 million**

Loan maturity profile

Average interest rate:

~2.8%

(excluding swap costs)



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