

Q1 2018

JANUARY-MARCH

PRESIDENT AND CEO HANNU MARTOLA 25 APRIL 2018

Q1 2018

19.3

net sales, M€ (18.9)

2.4

net sales growth-% (22.7)

3.7

EBIT, M€ (3.7)

19.4

EBIT-% (19.6)



Q1 2018

After an excellent 2017 sales **started slowly**

Profitability remained good despite increased R&D costs

MBU had a strong quarter with growth coming from both North America and China

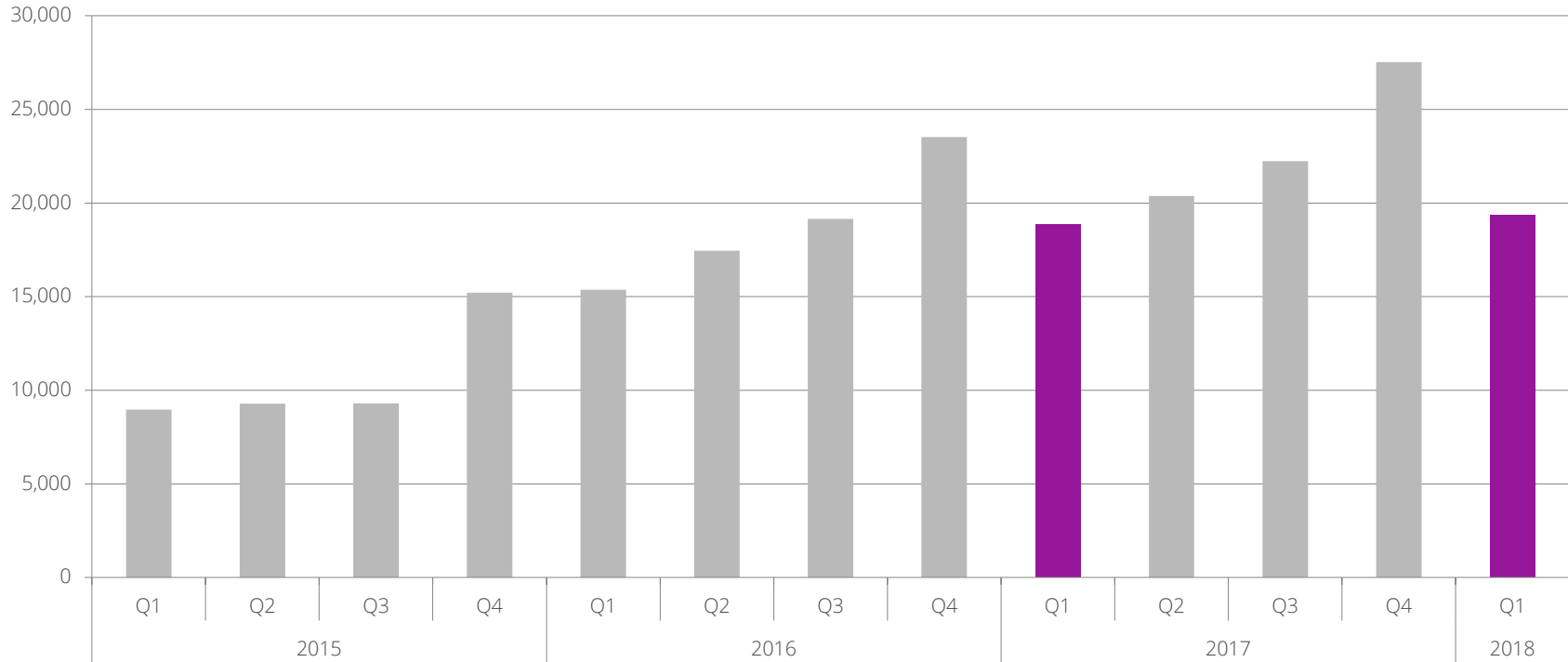
SBU-sales fell slightly due to timing of deliveries, especially in the Chinese market

Sales split was more even by key accounts, regions and applications

NET SALES BY QUARTER

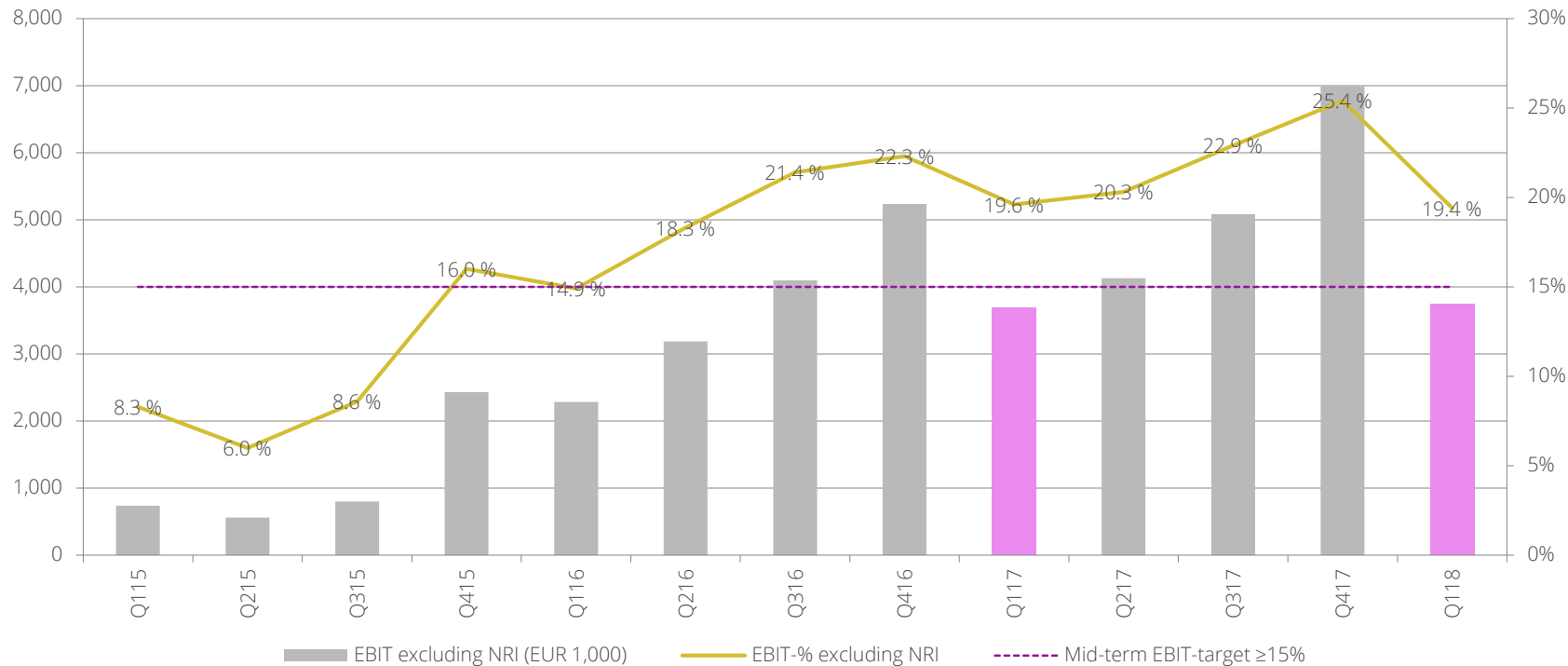


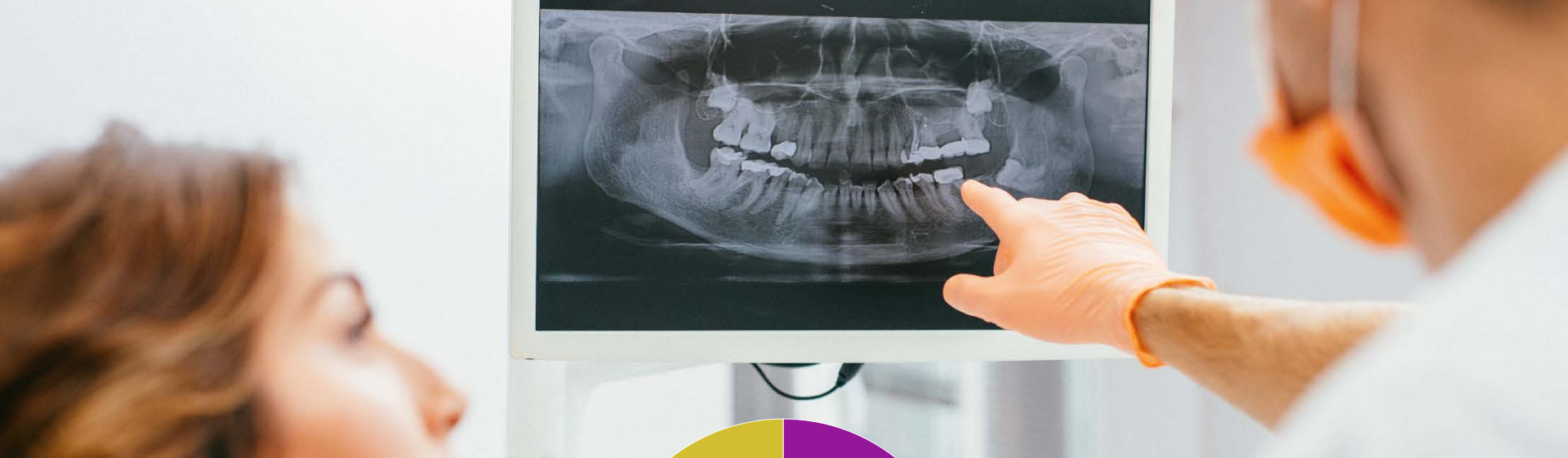
(EUR 1,000)



OPERATING PROFIT

(EUR 1,000)



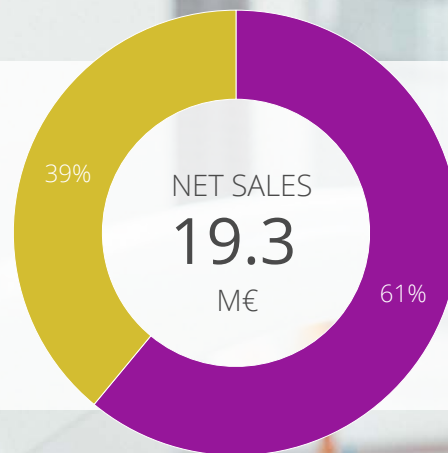


MBU

MEDICAL BUSINESS UNIT

NET SALES M€ **7.5**

YOY CHANGE-% **11.2**



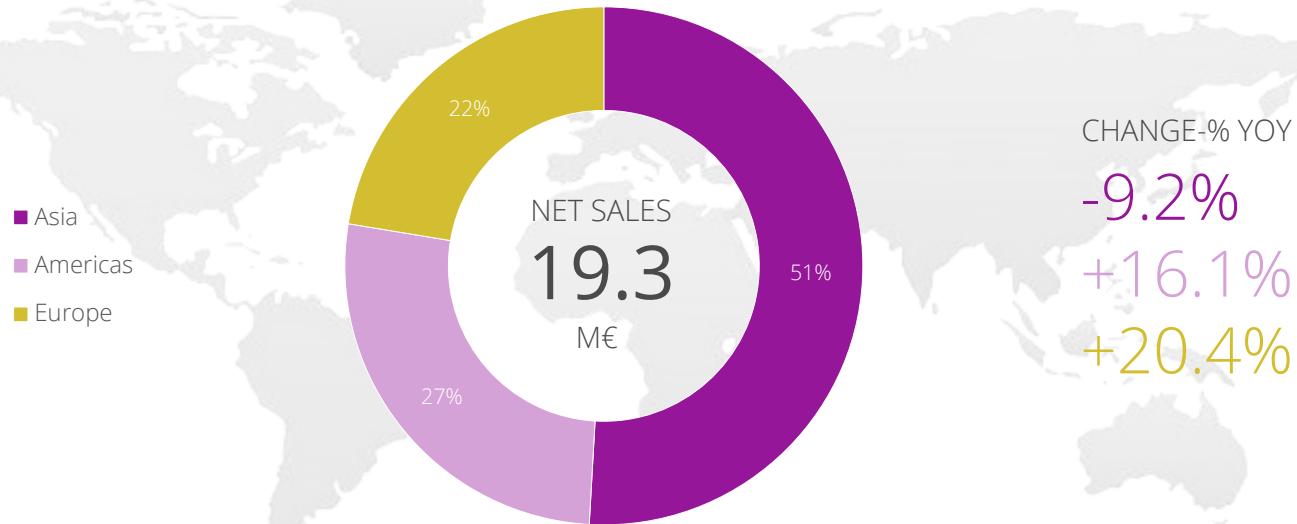
SBU

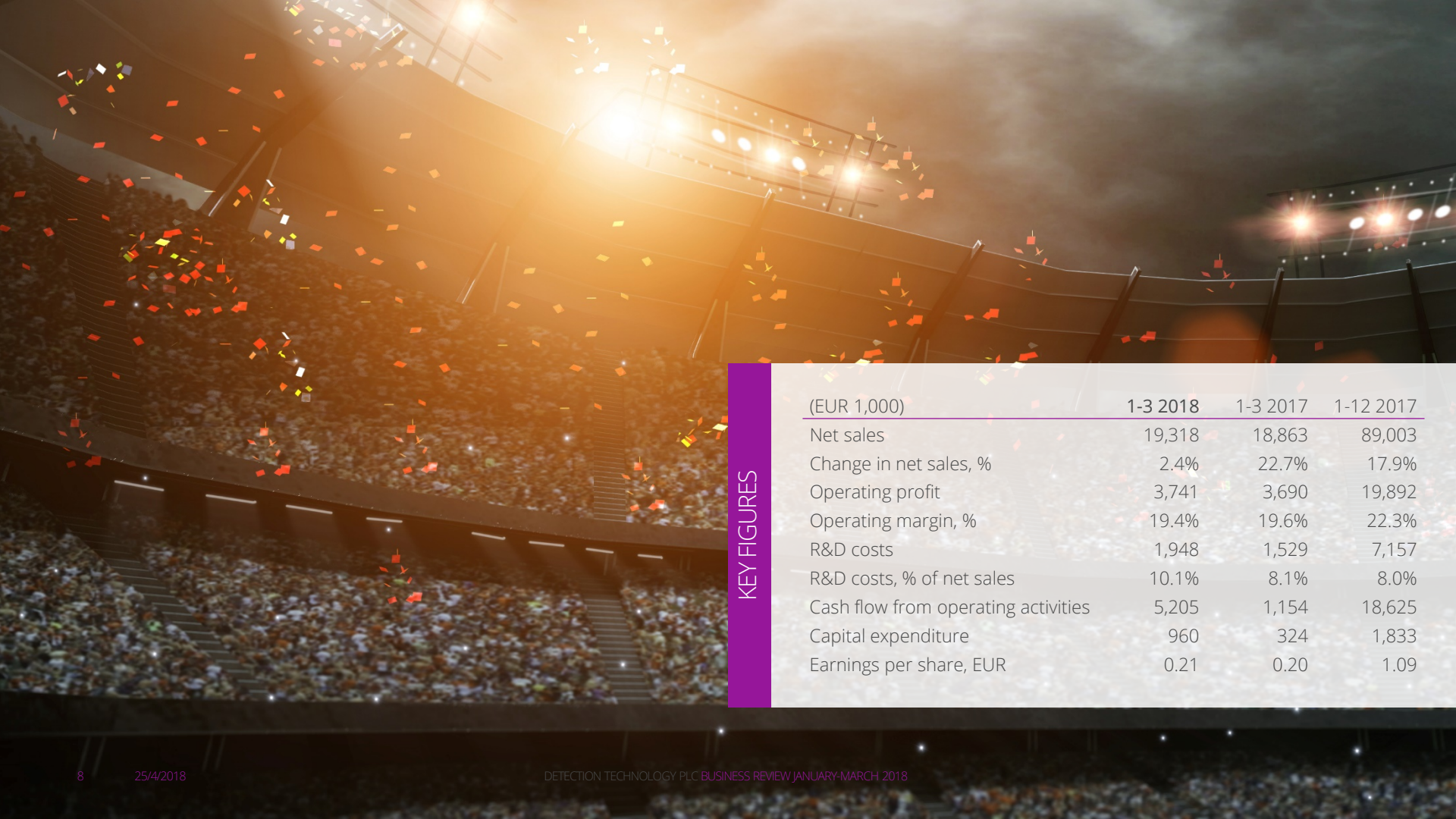
SECURITY AND INDUSTRIAL BUSINESS UNIT

11.8 NET SALES M€

-2.5 YOY CHANGE-%

SALES SPLIT BY REGIONS





KEY FIGURES

(EUR 1,000)	1-3 2018	1-3 2017	1-12 2017
Net sales	19,318	18,863	89,003
Change in net sales, %	2.4%	22.7%	17.9%
Operating profit	3,741	3,690	19,892
Operating margin, %	19.4%	19.6%	22.3%
R&D costs	1,948	1,529	7,157
R&D costs, % of net sales	10.1%	8.1%	8.0%
Cash flow from operating activities	5,205	1,154	18,625
Capital expenditure	960	324	1,833
Earnings per share, EUR	0.21	0.20	1.09

- Product development projects and investments in new technology development as well as new customer acquisitions continued as planned
- Proceeded to implement the Enterprise Resource Planning System (ERP) and focused on finalizing the Product Data Management System (PDM)

BUSINESS OUTLOOK



MEDICAL MARKET
ANNUAL GROWTH RATE

5%



SECURITY MARKET
ANNUAL GROWTH RATE

7%



INDUSTRIAL MARKET
ANNUAL GROWTH RATE

5%



ASIA-PACIFIC IS THE FASTEST
GROWING MARKET

- Expects H1 sales to grow in both business units, and to achieve double-digit growth in net sales
- Estimates that H2 sales will stay at previous year's level as a key customer stops manufacturing a device that uses one of DT's products
- Uncertainty in demand, and the intensified competition might be reflected in product prices
- Protectionist trade policies may have an impact on the company's business

FINANCIAL TARGETS UNCHANGED



MEDIUM TERM TARGET

Annual
sales growth

$>15\%$

MEDIUM TERM TARGET

Operating
margin

$\geq 15\%$

ANNUAL

Dividend or
returned capital

30-60%

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