



# Q1

## January–March 2021 **BUSINESS REVIEW**

President and CEO Hannu Martola | 27 April 2021



Q1 2021

18.3

net sales, €m  
(19.9)

-8.0

net sales change-%  
(-13.6)

1.4

EBIT, €m  
(1.2)

7.5

EBIT-%  
(5.9)

## Q1 2021

Despite the double-digit increase in medical and industrial sales, the beginning of the year was slow as COVID-19 did not loosen its grip on the security market

Demand was good for medical CT applications, and continued to be stable in the food, pharmaceutical, and mining industries

Stagnation of people flows and gatherings resulted in low sales for the security applications, but the downward curve was already less steep than in Q4 2020

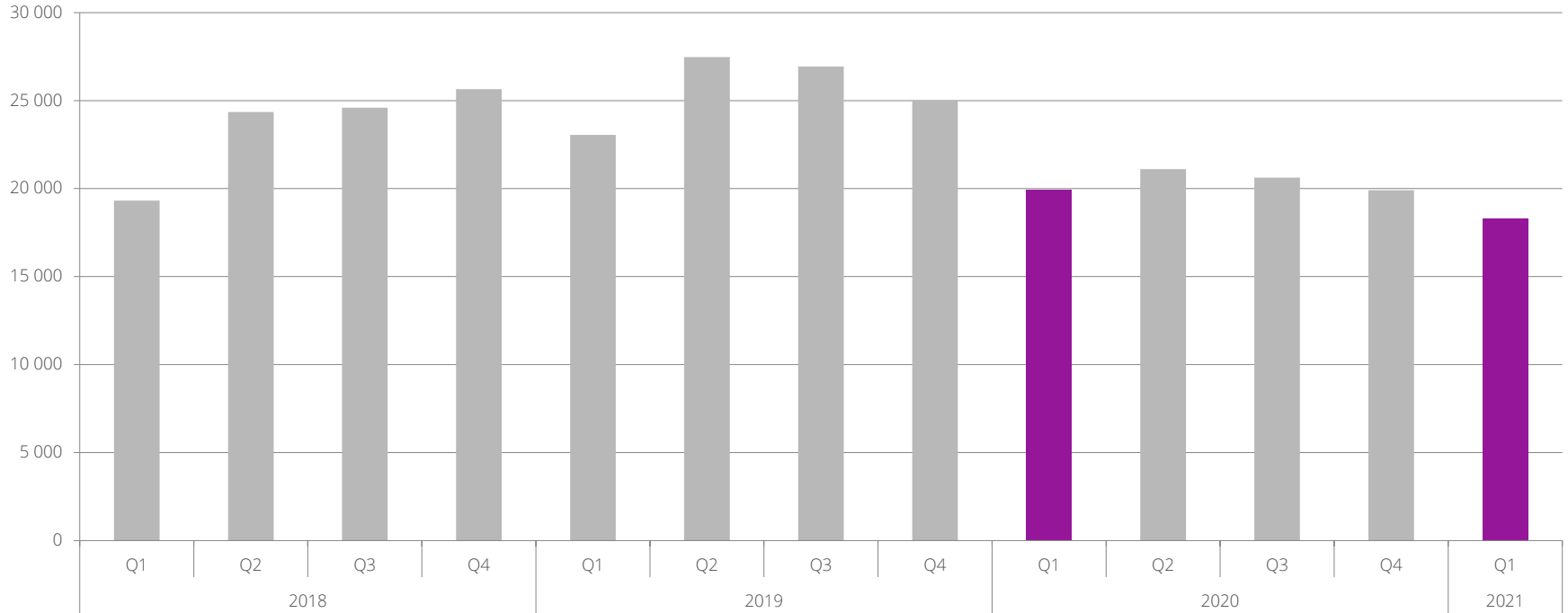
Profitability remained healthy

The worst challenges in demand are behind, heads for double-digit growth starting in Q2 2021

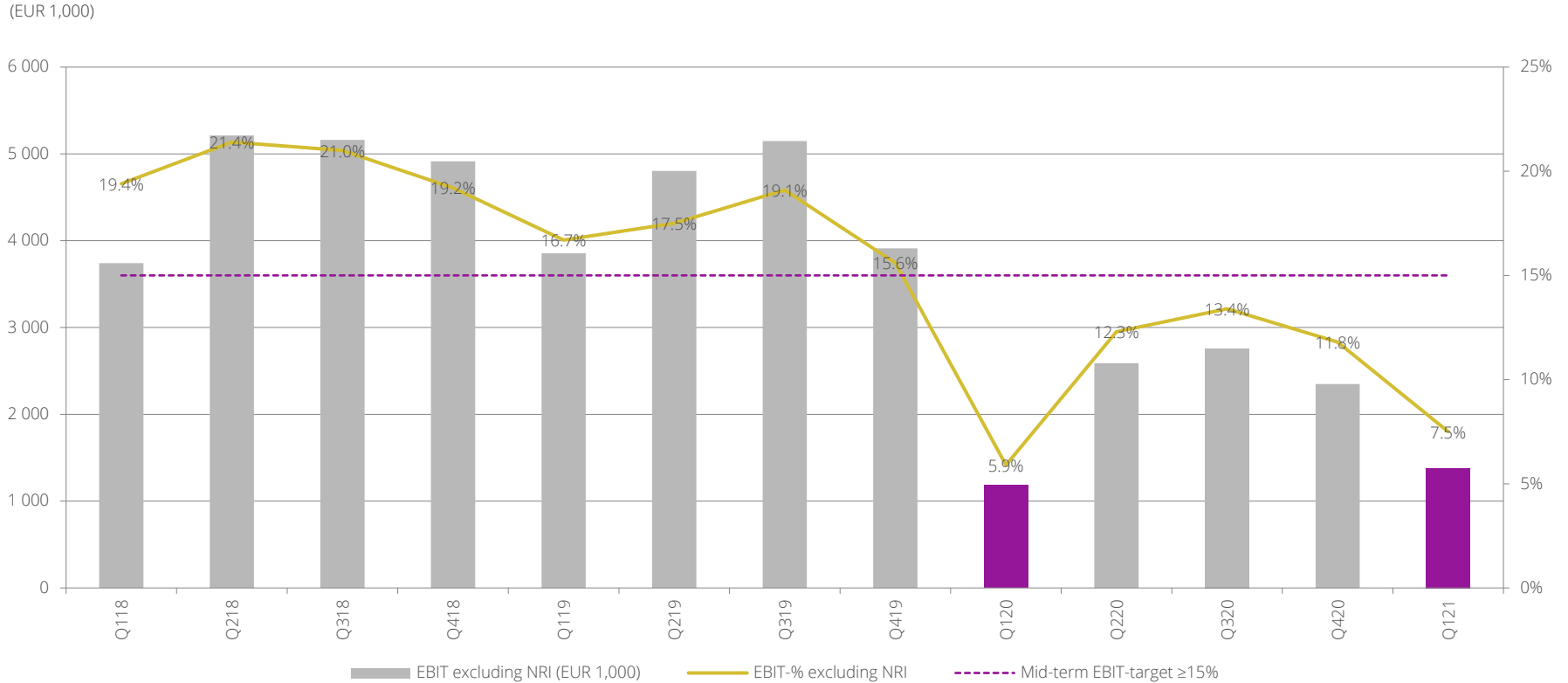
# NET SALES BY QUARTER



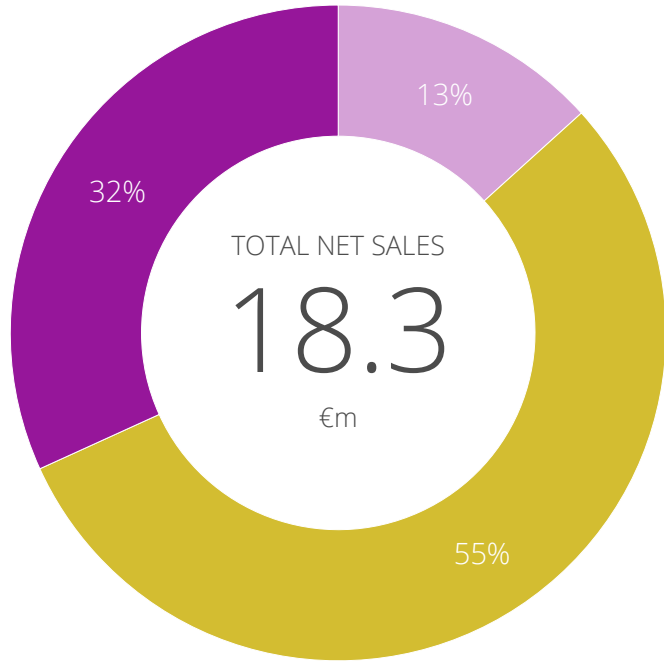
(EUR 1,000)



# OPERATING PROFIT

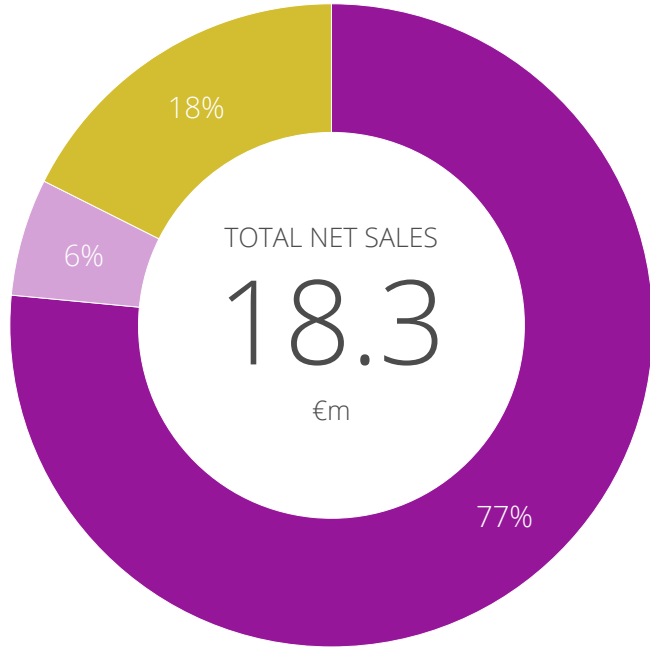


# Q1 SALES SPLIT BY BUSINESS UNIT



	NET SALES €m	YOY CHANGE-%
IBU	2.4	11.3
MBU	10.1	20.1
SBU	5.8	-37.7

# Q1 SALES SPLIT BY REGION



	NET SALES €m	YOY CHANGE-%
AMERICAS	1.1	-66.9
APAC	14.0	13.6
EMEA	3.2	-24.8

# KEY FIGURES



	Q1 2021	Q1 2020	FY 2020
Net sales, EUR 1,000	18,323	19,917	81,561
Change in net sales, %	-8.0%	-13.6%	-20.4%
Operating profit, EUR 1,000	1,382	1,181	8,714
Operating margin, %	7.5%	5.9%	10.7%
R&D costs, EUR 1,000	2,405	2,618	9,827
R&D costs, % of net sales	13.1%	13.1%	12.0%
Cash flow from operating activities, EUR 1,000	1,707	3,387	7,522
Investments, EUR 1,000	430	695	3,081
Earnings per share, EUR	0.09	0.06	0.47



# STRATEGY

Focused on

- Customer acquisition, managing the record number of customers won in 2020, and further improving customer service.
- The development of its product portfolio and new product solutions, and acceleration of the product development cycle.
- Arranging its organization in compliance with the new business and reporting model. Implemented a new business structure as of 1 January 2021, the newly-launched IBU champions the industrial segment and scouts solutions beyond hardware.



# BUSINESS OUTLOOK

Anticipates the medical and industrial markets to grow in line with the estimates by the experts given prior COVID-19 outbreak, but the market disturbance caused by the pandemic will continue to affect the security market, which will decrease in H1 of 2021, and take an upward turn in H2.

## EXPECTS **TOTAL NET SALES TO GROW DOUBLE-DIGIT IN Q2 AND IN H2** OF 2021

- MBU sales to grow more in Q2 and H2 than in Q1
- IBU sales to be at the same level as in the comparison period in Q2 but to grow in H2
- SBU sales to head for growth in late Q2 and to grow in H2, but demand is characterized by uncertainty.

The COVID-19 pandemic creates extraordinary and temporary uncertainty for the global economy and the company's business in particular in the security application markets, and the predictability of the company's target markets is still lower than usual.



5%

Annual growth rate of **MEDICAL MARKET**



6%

Annual growth rate of **SECURITY MARKET**



5%

Annual growth rate of **INDUSTRIAL MARKET**



## FINANCIAL TARGETS

MEDIUM TERM  
Annual  
sales growth  
**>10%**

MEDIUM TERM  
Operating  
margin  
**≥15%**

ANNUAL  
Dividend or  
returned capital  
**30-60%**



Detection  
Technology  
FOREKNOW. FORESAVE.®