



# Q3 2020

January–September

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## Business review

President and CEO Hannu Martola | 27 October 2020



# Q3 ›

## 20.6

net sales, €m  
(26.9)

## -23.4

net sales change-%  
(9.5)

## 2.8

EBIT excluding NRI, €m  
(5.1)

## 13.4

EBIT-% excluding NRI  
(19.1)

## Q3 2020 ›

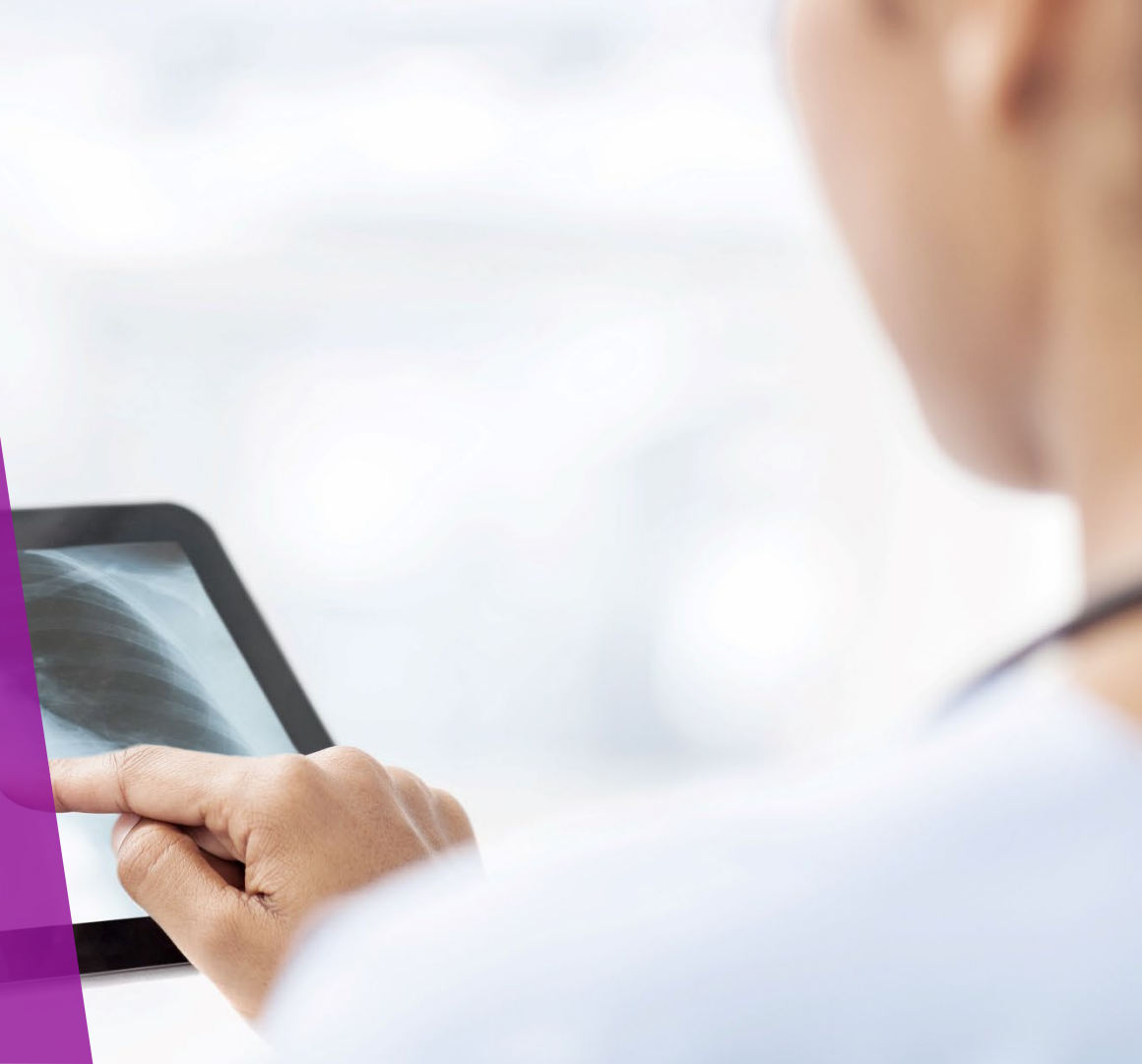
Presented little surprises and was a sequel to Q2 both in terms of market dynamics and actuals

COVID-19 continued to batter the security market, and the medical CT market had a fair tailwind

Weak demand in security applications resulted in a decrease in y-o-y net sales

Profitability remained healthy

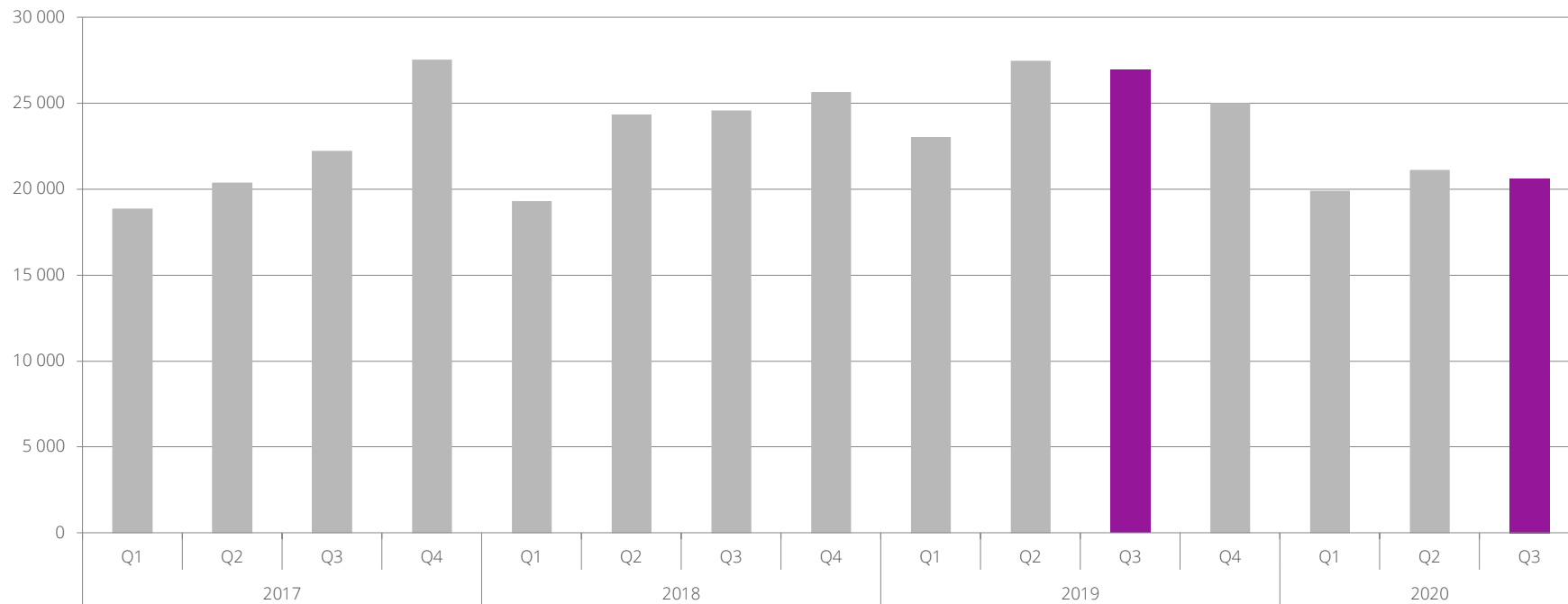
Medium-term growth drivers are sound, worst may already be behind



# NET SALES BY QUARTER



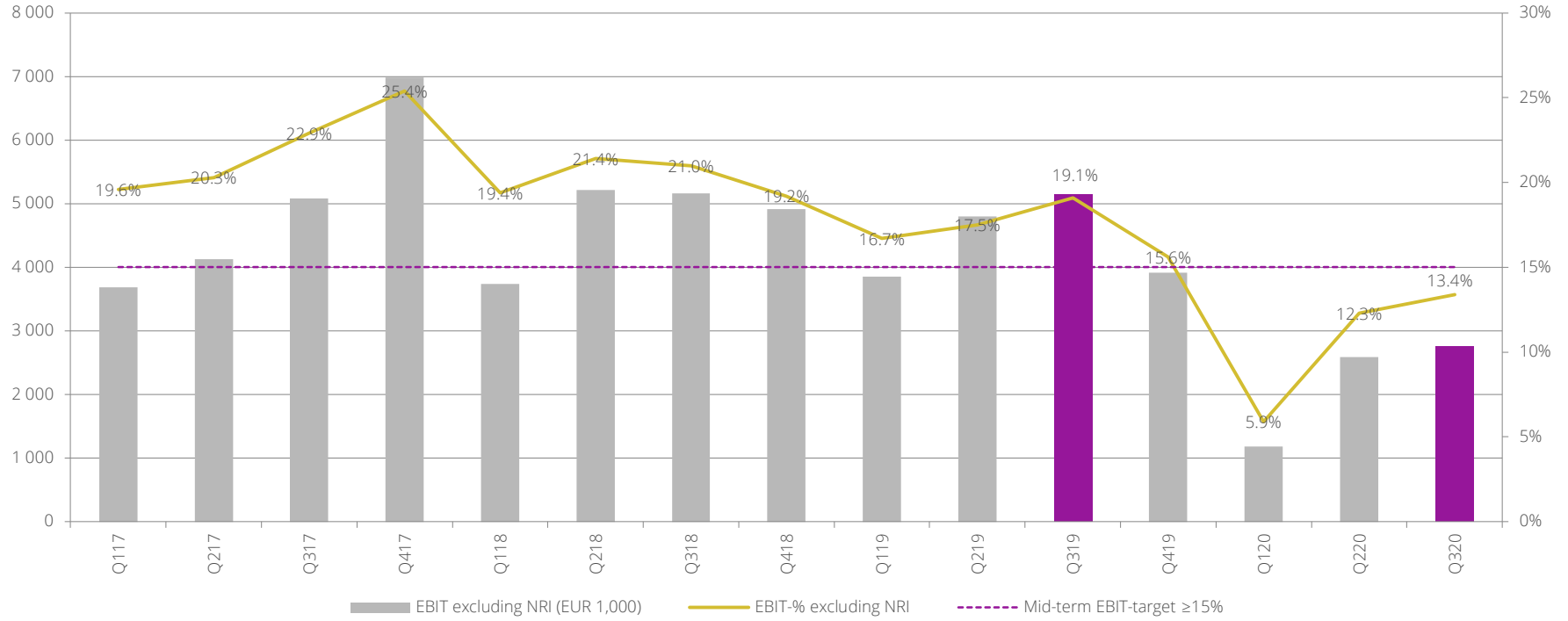
(EUR 1,000)



# OPERATING PROFIT



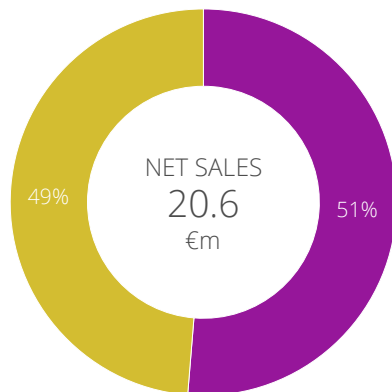
(EUR 1,000)



# SALES SPLIT Q3 2020



BY BUSINESS UNIT >



MBU

NET SALES €m 10.1

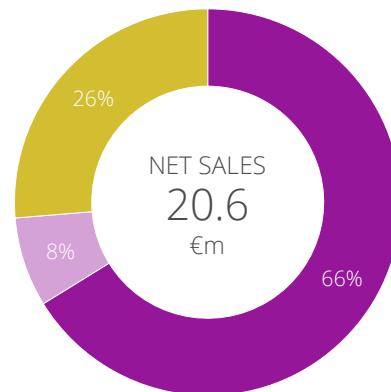
YOY CHANGE-% 20.2

SBU

10.6 NET SALES €m

-43.1 YOY CHANGE-%

BY REGION >



APAC

-28.8

AMERICAS

-26.3

EMEA

-4.0 YOY CHANGE-%



Q1-Q3 ›

61.7

net sales, €m  
(77.5)

-20.4

net sales change-%  
(13.5)

6.5

EBIT excluding NRI, €m  
(13.8)

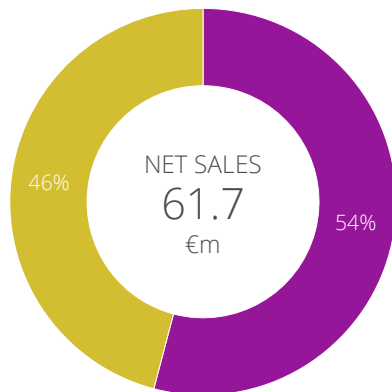
10.6

EBIT-% excluding NRI  
(17.8)

# SALES SPLIT Q1-Q3 2020



BY BUSINESS UNIT >



MBU

NET SALES €m 28.3

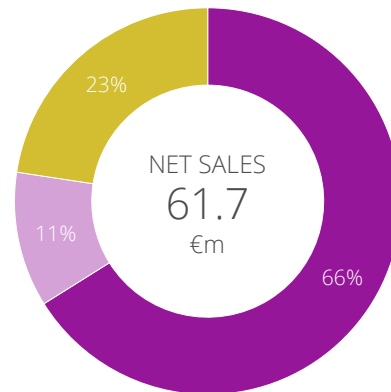
YOY CHANGE-% 13.2

SBU

33.3 NET SALES €m

-36.4 YOY CHANGE-%

BY REGION >



APAC

-19.2

AMERICAS

-32.8

EMEA

-16.3

YOY CHANGE-%



# KEY FIGURES



	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	FY 2019
Net sales, EUR 1,000	20,628	26,934	61,653	77,459	102,480
Change in net sales, %	-23.4%	9.5%	-20.4%	13.5%	9.1%
Operating profit excluding non-recurring items (NRI)	2,758	5,148	6,528	13,807	17,719
Operating margin excluding NRI, %	13.4%	19.1%	10.6%	17.8%	17.3%
Non-recurring items (NRI)	163	0	163	0	699
Operating profit, EUR 1,000	2,595	5,148	6,365	13,807	17,019
Operating margin, %	12.6%	19.1%	10.3%	17.8%	16.6%
R&D costs, EUR 1,000	2,282	2,602	7,588	8,046	10,706
R&D costs, % of net sales	11.1%	9.7%	12.3%	10.4%	10.4%
Cash flow from operating activities, EUR 1,000	2,052	3,328	4,221	3,240	11,599
Investments, EUR 1,000	578	775	1,587	2,182	4,041
Earnings per share, EUR	0.12	0.28	0.30	0.74	0.87

## STRATEGY ›

Has continued developing its business in line with the DT-2025 strategy

Launched a 1412 panel size in its X-Panel product family, expanded the product family from dental applications to industrial imaging, which is a strategically significant milestone

Moved French operations to new facilities, introduced X-Scan ME immediately after the end of the review period

Progressed with product transfers to the Wuxi production and service site as planned, the production of sub-systems with a higher value added level of assembly was ramped up



# BUSINESS OUTLOOK



5%  
MEDICAL MARKET  
annual growth rate



6%  
SECURITY MARKET  
annual growth rate



5%  
INDUSTRIAL MARKET  
annual growth rate



- Estimates the market disruption to continue in all of its main markets, with the exception of medical CT imaging, and 2020 and H1 2021 annual growth rates in all other segments to be lower than the aforementioned industry views given before the COVID-19-outbreak.
  - According to the latest market research, post-pandemic growth will compensate slower demand during the pandemic resulting in about 5% CAGR in the security segment in 2020–2025.
- Expects MBU sales to grow in Q4 and to continue to grow in Q1 2021, albeit more slowly than in 2020.
- Expects the security market to head for growth in Q2 2021 at the earliest, and the lower-than-usual growth in the industrial segment to continue at least until the end of 2020 and thus SBU sales to decrease in Q4 YOY but to improve in H1 2021.
- The COVID-19 pandemic creates extraordinary uncertainty for the global economy and the company's business, and the predictability of the market is still lower than usual.

## FINANCIAL TARGETS ›

MEDIUM TERM  
Annual  
sales growth  
 $>10\%$

MEDIUM TERM  
Operating  
margin  
 $\geq 15\%$

ANNUAL  
Dividend or  
returned capital  
30-60%

