



Q1 2021

April 28, 2021

Helena Hedblom, President and CEO
Anders Lindén, CFO



Record orders received

Key highlights Q1 2021

- High customer activity and record orders received
 - Strong demand for all types of aftermarket solutions
 - Investment willingness remains
 - Several medium/large equipment orders
- Strong demand for autonomous solutions
- Improved profitability and stable cash flow
- Dare to think new
- Creating options for the future
 - Acquisition of Meglab
 - Acquisition of DandA Heavy Industries

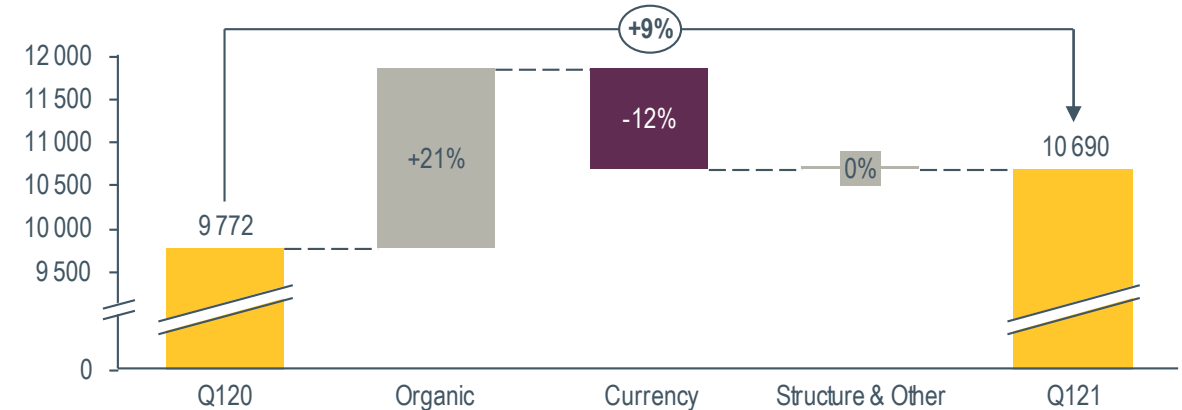


Key financials

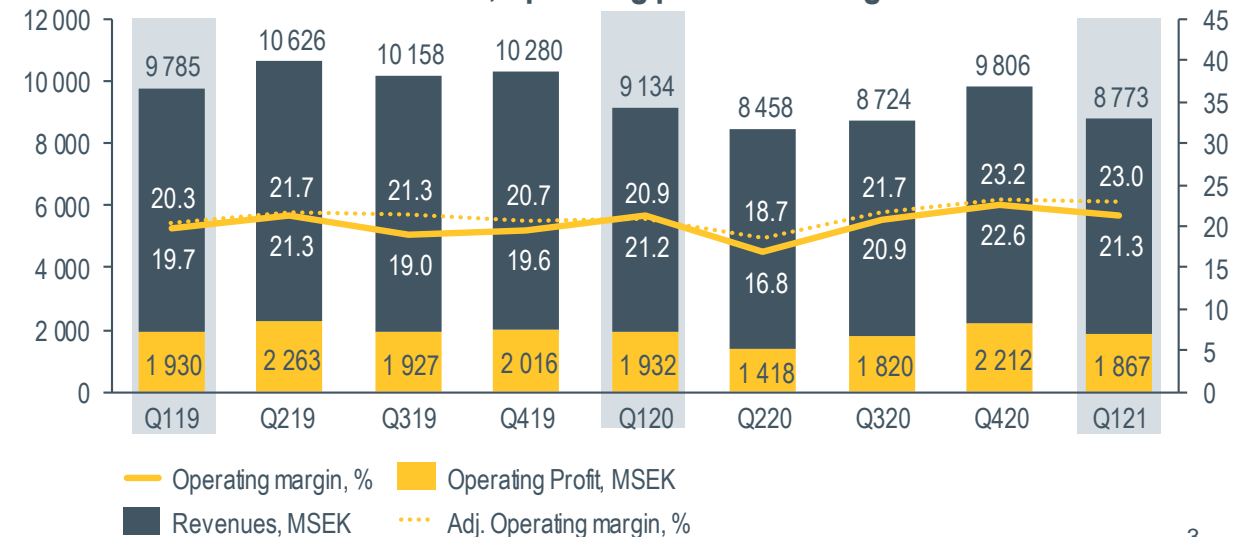
Q1 2021

- Order intake up 9% to 10 690, +21% organic
 - Equipment +55% organic
 - Service +4% organic
 - Tools & Attachments +14% organic
- Organic revenue growth of 6%
- Operating profit decreased 3% to MSEK 1 867
 - MSEK -149 (21) affecting comparability
- Adjusted margin improved to 23.0% (20.9)
 - Reported margin 21.3% (21.2)
- Operating cash flow of MSEK 1 610 (1 532)

Orders received, MSEK and change, %

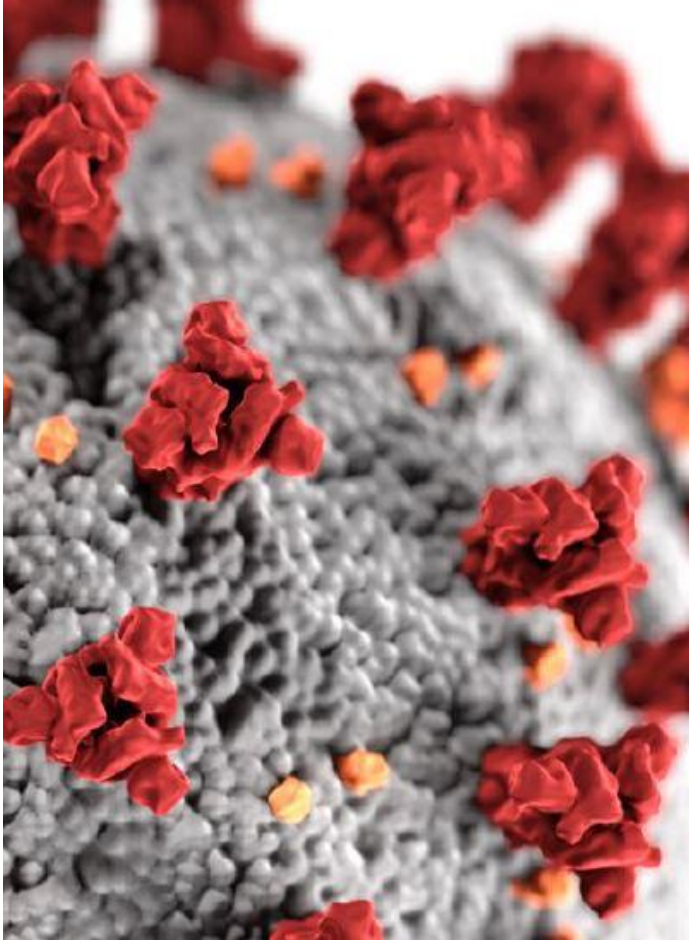


Revenues, operating profit and margin



Covid-19

Current status



- Aftermarket
 - Focus on safeguarding the availability in aftermarket
 - Distribution centers and manufacturing facilities operational
 - Transports challenging but manageable
 - A few customers working with reduced capacity
- Equipment
 - Manufacturing facilities operational
 - Some disturbances in the incoming supply chain

Driving the future in intelligent mining and infrastructure



Q1 2021

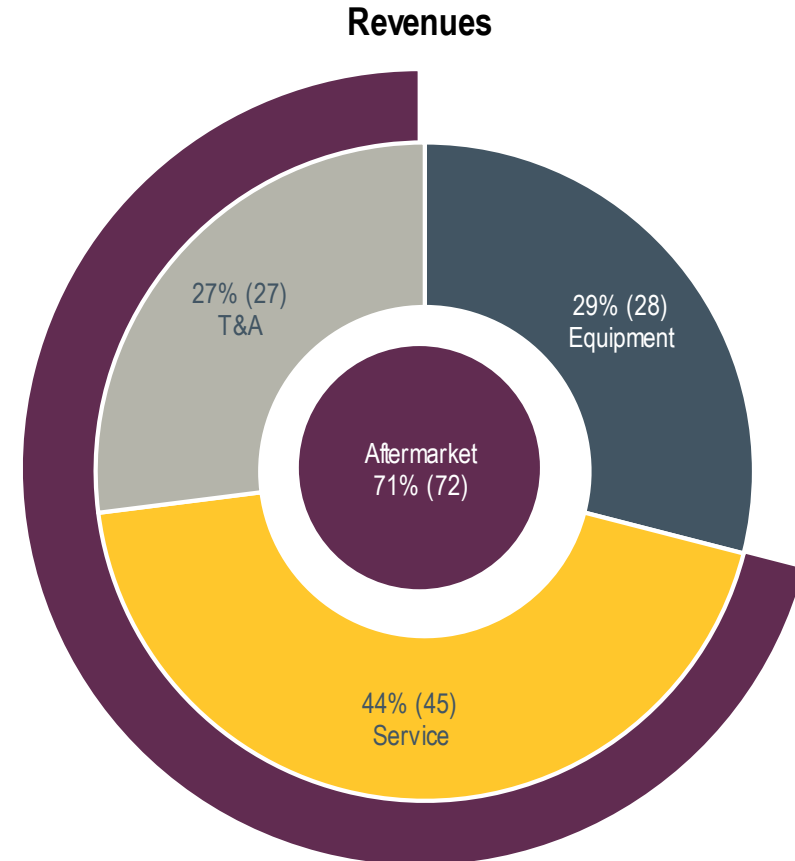
- Strong demand for autonomous solutions
- Boomer M20
 - New generation of our most sold face-drilling rig
 - Unique features: protected hydraulics and sensors
- Battery retrofit for existing equipment
 - Diesel engine replaced with electric equivalent
- Creating options for the future
 - Acquisition of Meglab
 - Acquisition of DandA Heavy Industries



Strong demand for all types of aftermarket solutions

Q1 2021

- Strong focus on safeguarding customers' continuous operations
- Strong demand over the line
 - Consumables
 - Hydraulic attachments
 - Services – e.g. midlife upgrades
- Increased customer share
- Connected fleet growing



Actions for operational excellence

Q1 2021

- Actions for operational excellence
 - Supply-chain improvement program continues
 - Increased availability in aftermarket
 - Service excellence
 - Improved efficiency in the service organization
 - And more
- Actions for cost savings
 - MSEK +500 savings program annually completed already in 2020. Full impact from Q3 2020
 - Discretionary savings remained at a good level



Sustainability: People & planet

Q1 2021

- New Code of Conduct
- Improved sustainability results
- People:
 - Increased proportion of women managers
 - Fewer work-related lost-time injuries
- Planet:
 - MWh energy from operations decreased
 - The CO₂ emissions, tonnes, from transport the last 12 months decreased



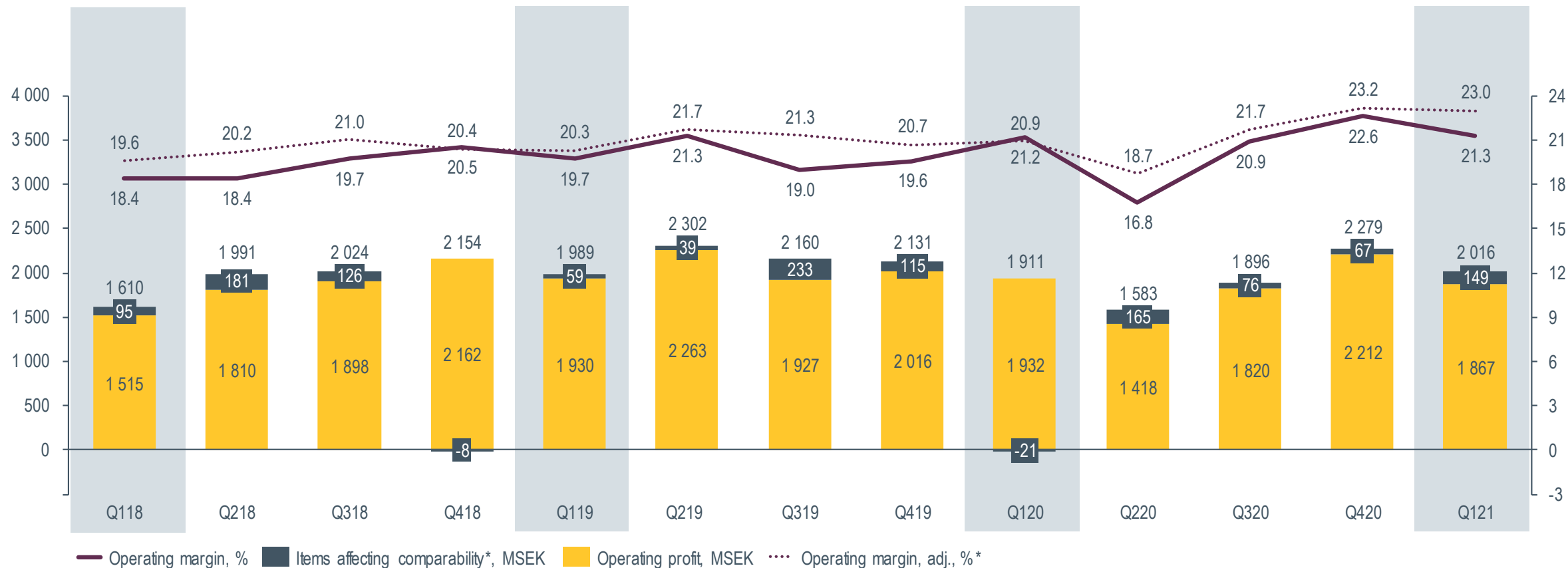
Financials



Operating profit and margin

Q1 2021

Operating profit and margin



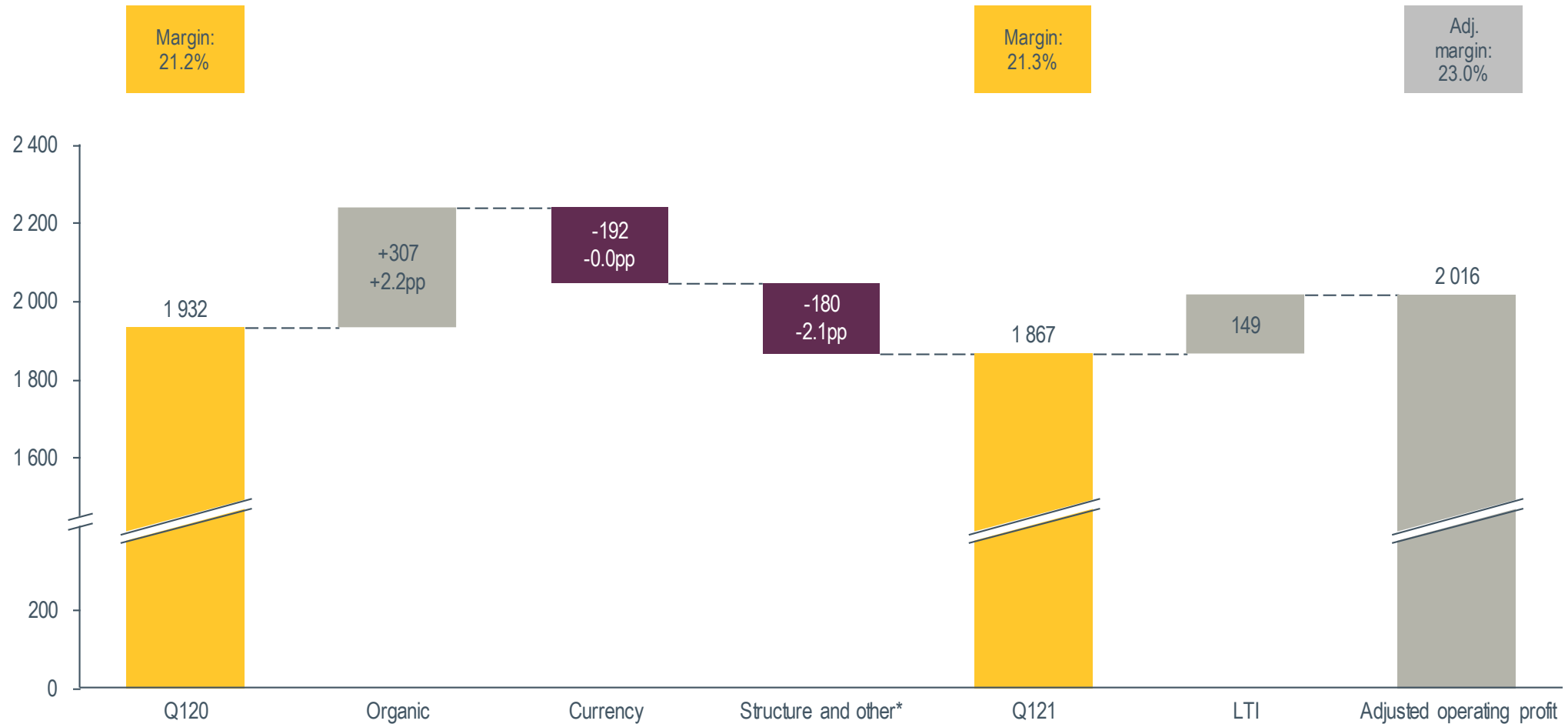
* Q1 2018-Q4 2018 includes costs related to the split from Atlas Copco.

* Q1 2021 includes items affecting comparability of MSEK -149 related to change in provision for long-term incentive programs.

All details can be found in the quarterly report.

Epiroc Group – Profit bridge

Q1 2021



**Structure and other" includes operating profit/loss from acquisitions and divestments, items affecting comparability, one-time items, and change in provision for share-based long-term incentive programs.
LTI is change in provision for share-based long-term incentive programs of MSEK 149.*

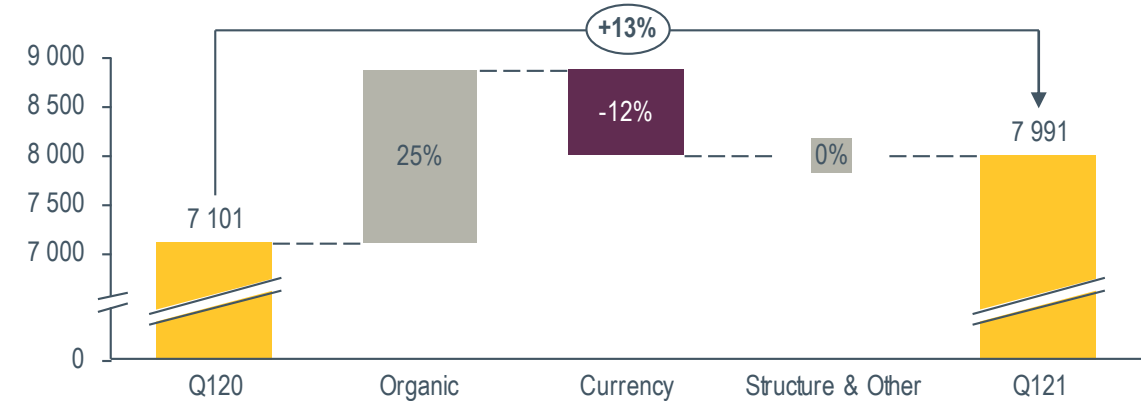
Segment: Equipment & Service



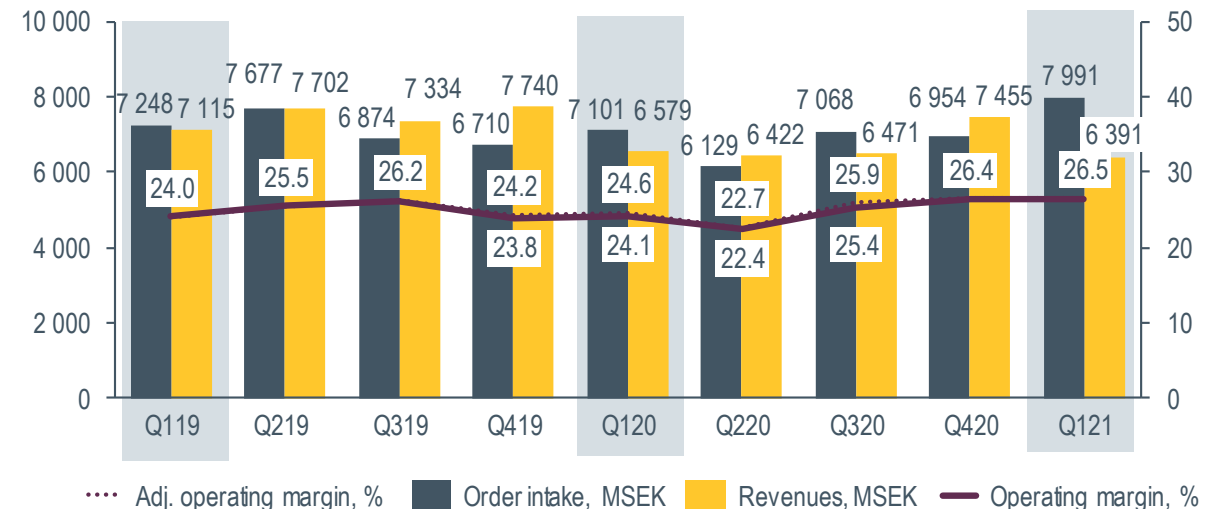
Q1 2021

- Orders received up 25% organic
 - Equipment +55%: Several medium/large orders
 - Service +4%: High customer activity and strong service offering
- Revenues up 7% organic
- Operating profit up 7% to MSEK 1 696 (1 586)
 - Record margin 26.5% (24.1)
 - Positive impact from higher volumes and cost savings

Orders received, MSEK and change, %



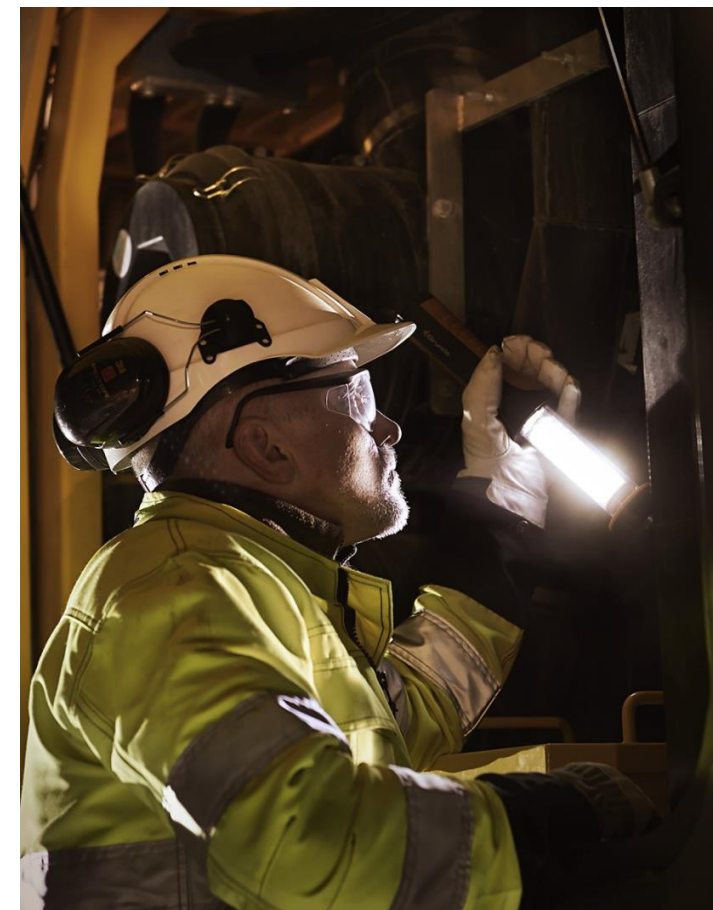
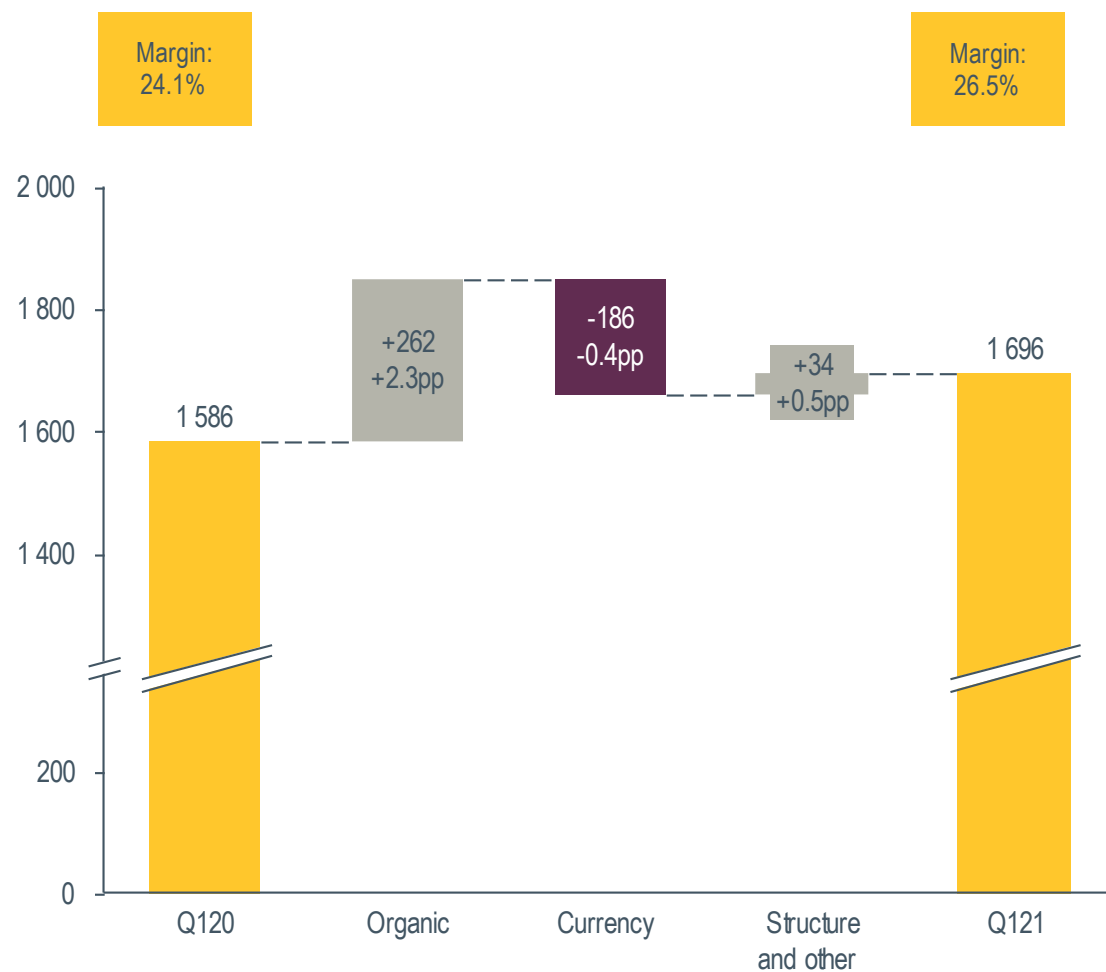
Orders received, revenues and operating margin



As from Q2 2020, the Epiroc IT-function is included in the segment E&S instead of in common group functions. Figures for 2019 have been restated and are not material.

Equipment & Service – Profit bridge

Q1 2021

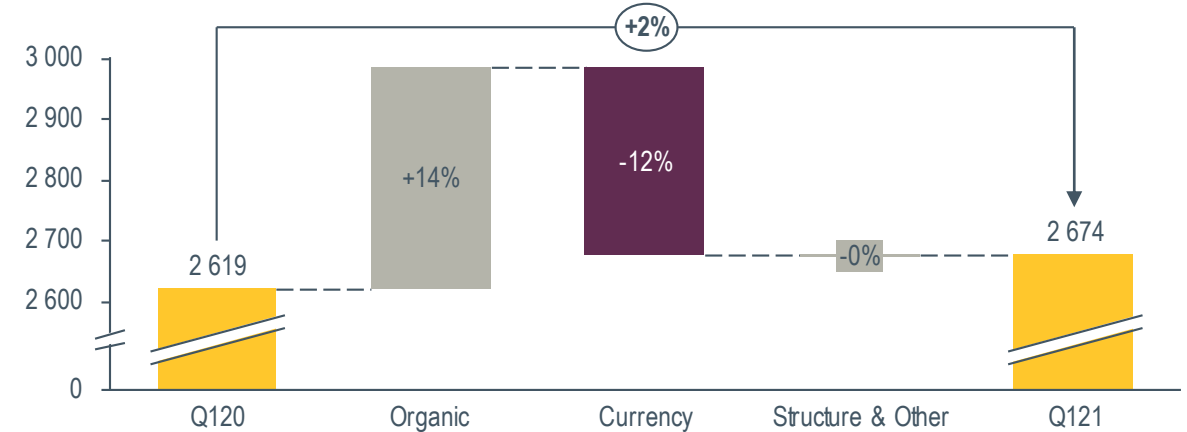


Segment: Tools & Attachments

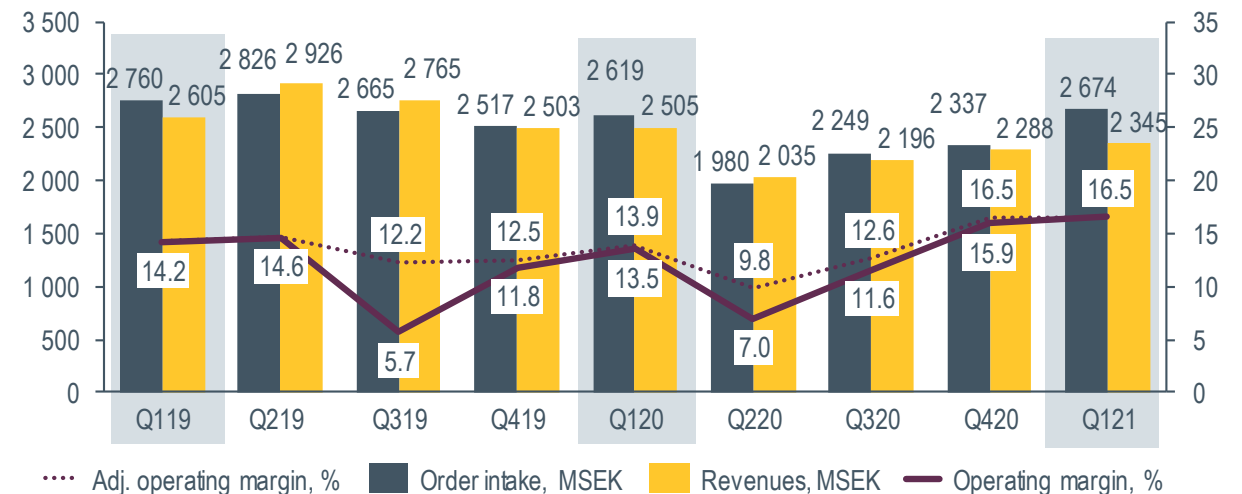
Q1 2021

- Orders received up 14% organic
 - Orders for both hydraulic attachments and consumables increased
 - Strong growth in exploration consumables
- Revenues up 4% organic
- Operating profit up 15% to MSEK 386 (337)
 - Successful actions, negative currency
 - Record margin of 16.5% (13.5)

Orders received, MSEK and change, %

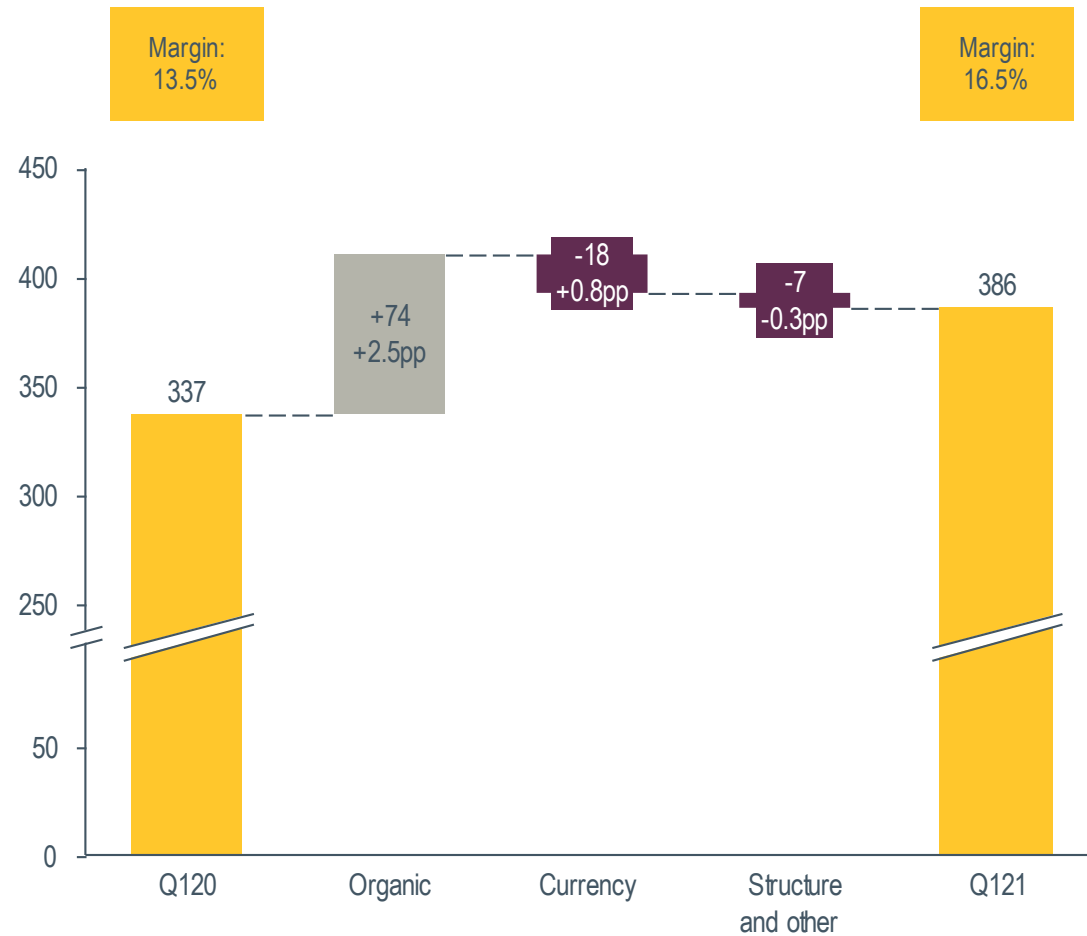


Orders received, revenues and operating margin



Tools & Attachments – Profit bridge

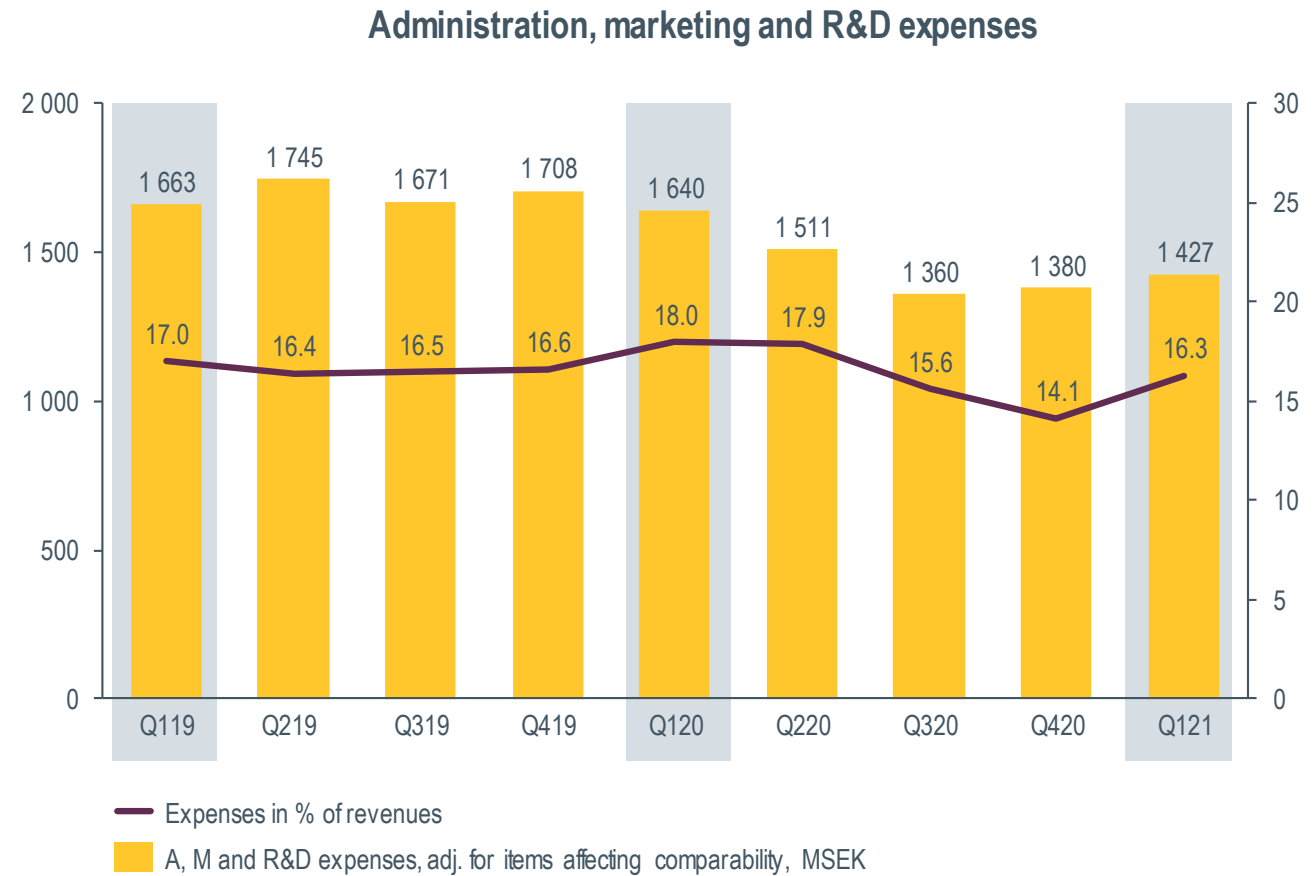
Q1 2021



Costs, net financials and tax

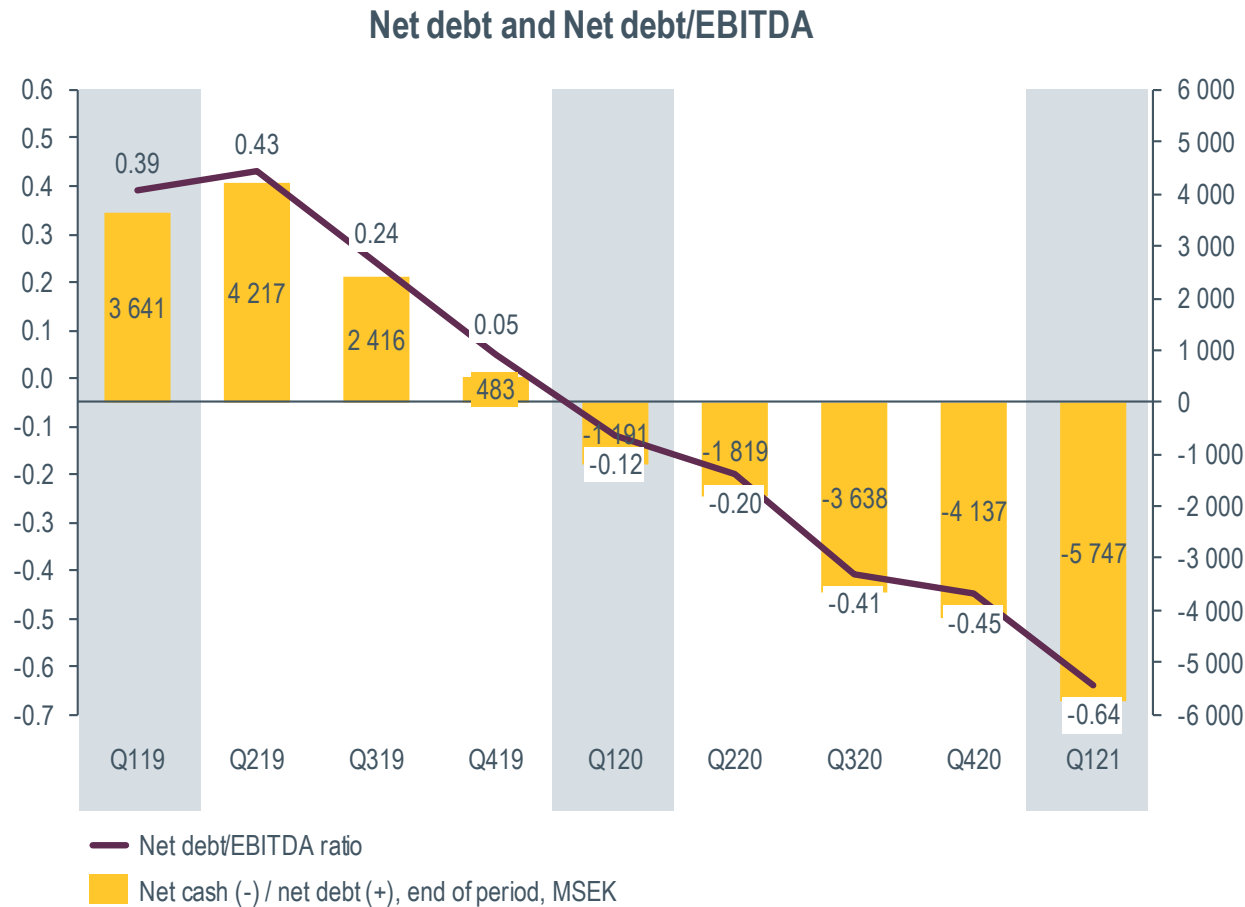
Q1 2021

- Lower costs (excl. LTI)
 - Full effect from savings program (MSEK +500 p.a.)
- Net financial items MSEK -33 (-46)
 - Interest net MSEK -20 (-33)
- Tax expense MSEK -444 (-464)
 - Effective tax rate 24.2% (24.6)
 - Guidance: below 25%



Capital structure

Q1 2021



- Strong financial position
 - Net cash MSEK 5 747 (1 191)
- Net debt/EBITDA ratio at -0.64 (-0.12)
- Proposed distribution to shareholders of SEK 5.50 per share, in total BSEK 6.6:
 - A dividend of SEK 2.50 (2.40) per share
 - A distribution of SEK 3.00 per share through mandatory redemption

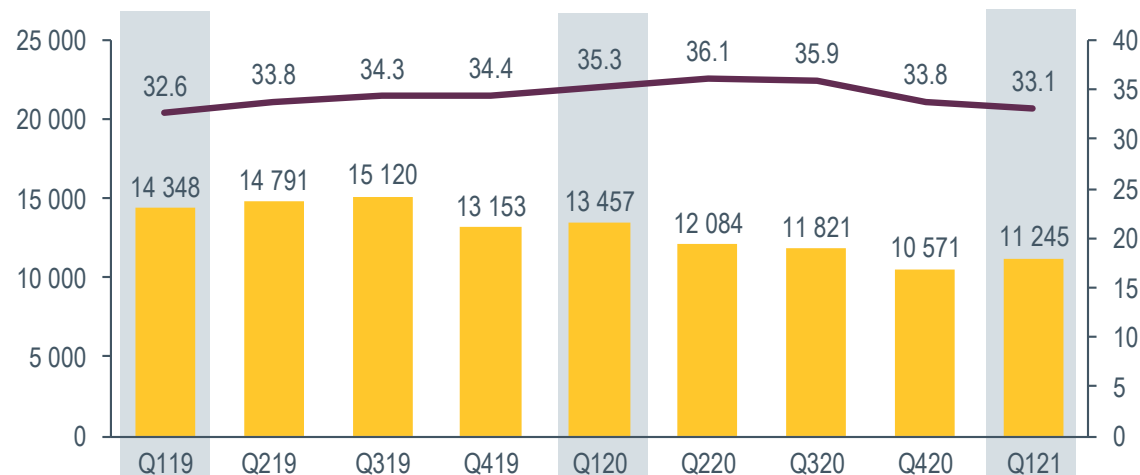
Capital efficiency

Q1 2021

Net working capital was MSEK 11 245 (13 457)

- Down 16%, of which 6% currency

Net working capital

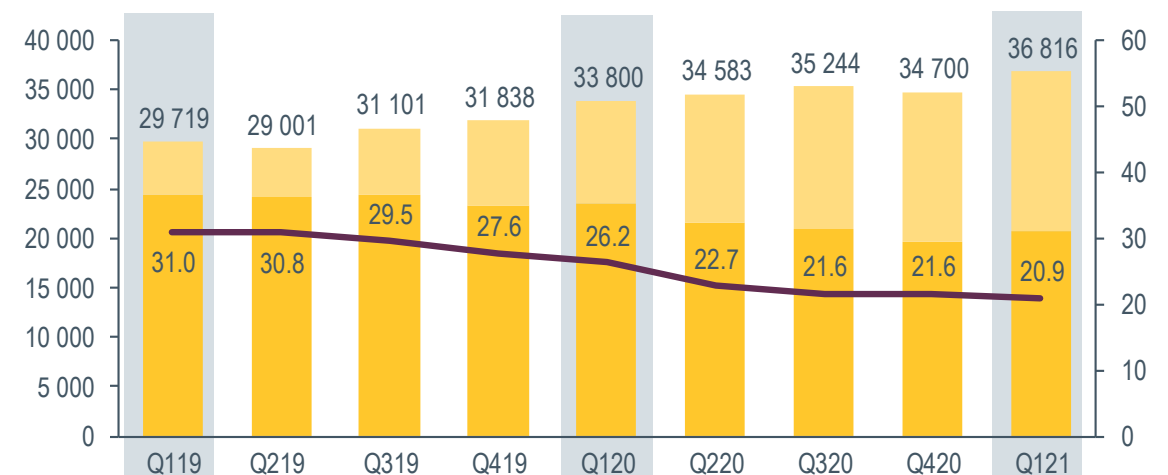


- Net working capital, % of revenues, 12 months
- Net working capital, period end

ROCE at 20.9% (26.2)

- Increased capital employed mainly due to accumulation of cash

Capital employed and ROCE



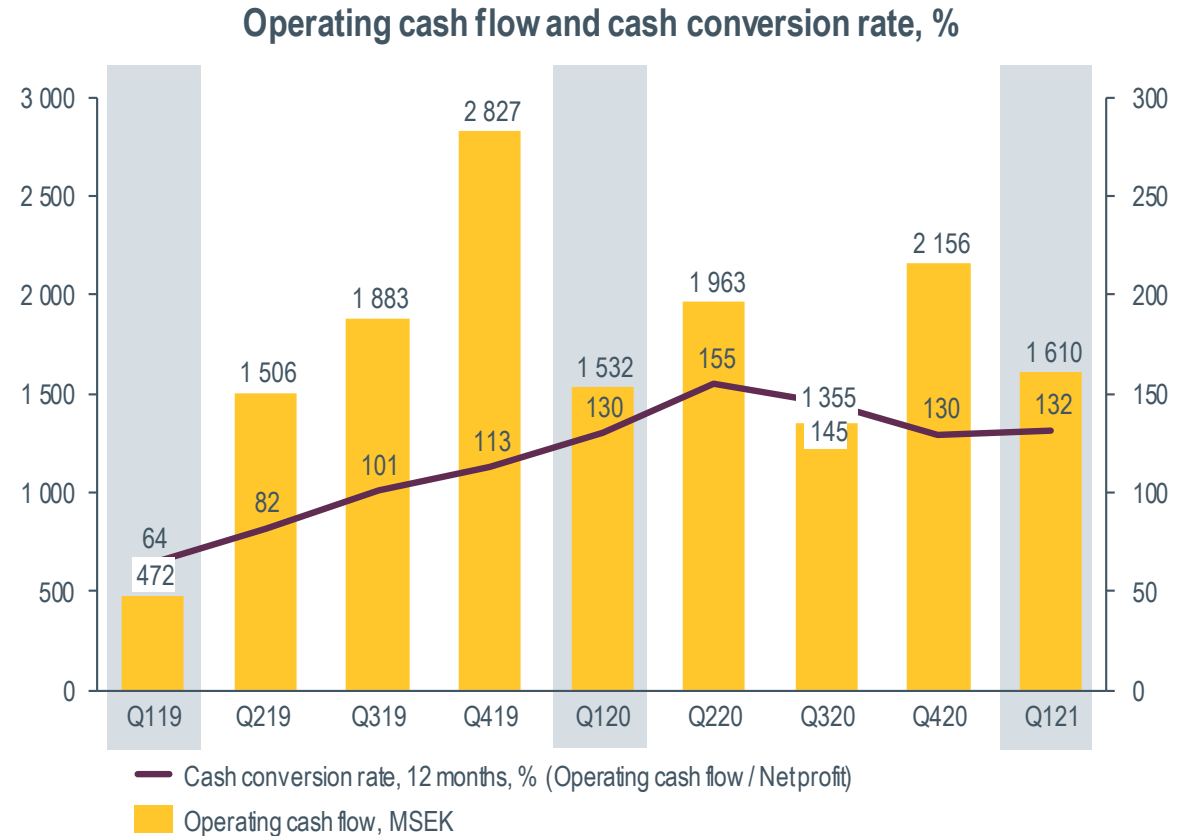
- Return on capital employed, %, 12 months
- Capital employed, cash, MSEK, period end
- Capital employed, ex cash, MSEK, period end

Operating cash flow

Q1 2021



MSEK	Q1 2021	Q1 2020
Operating profit	1 867	1 932
Depreciation, amortization and impairment	382	440
Capital gain/loss and other non-cash items	6	110
	2 255	2 482
Net financial items received/paid	235	263
Taxes paid	-471	-385
Change in working capital	-156	-519
Investments, incl. rental equipment*	-284	-279
Pension funding and other**	31	-30
Operating cash flow	1 610	1 532
Acquisitions and divestments	0	-15



* Investments include rental investments, net, other PPE, net, and intangible assets, net.

** Other includes adjustments for currency hedges of loans and proceeds to/from other financial assets, adjusted for divestment of Financial Solutions credit portfolios.

Record orders received

Q1 summary



- High customer activity and investment willingness
- Several medium/large equipment orders and strong demand for automation and aftermarket
- Improved profitability and stable cash flow
- Improved sustainability KPIs
- We dare to think new
- Creating options for the future

“We expect that the demand, both for equipment and aftermarket, will remain at a stable high level in the near term.



Save the date

Capital Markets Day

December 1, 15:00 CET

See you online!



Q&A



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Performance unites us, innovation inspires us,
and commitment drives us to keep moving forward.
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to succeed today and the technology to lead tomorrow.

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