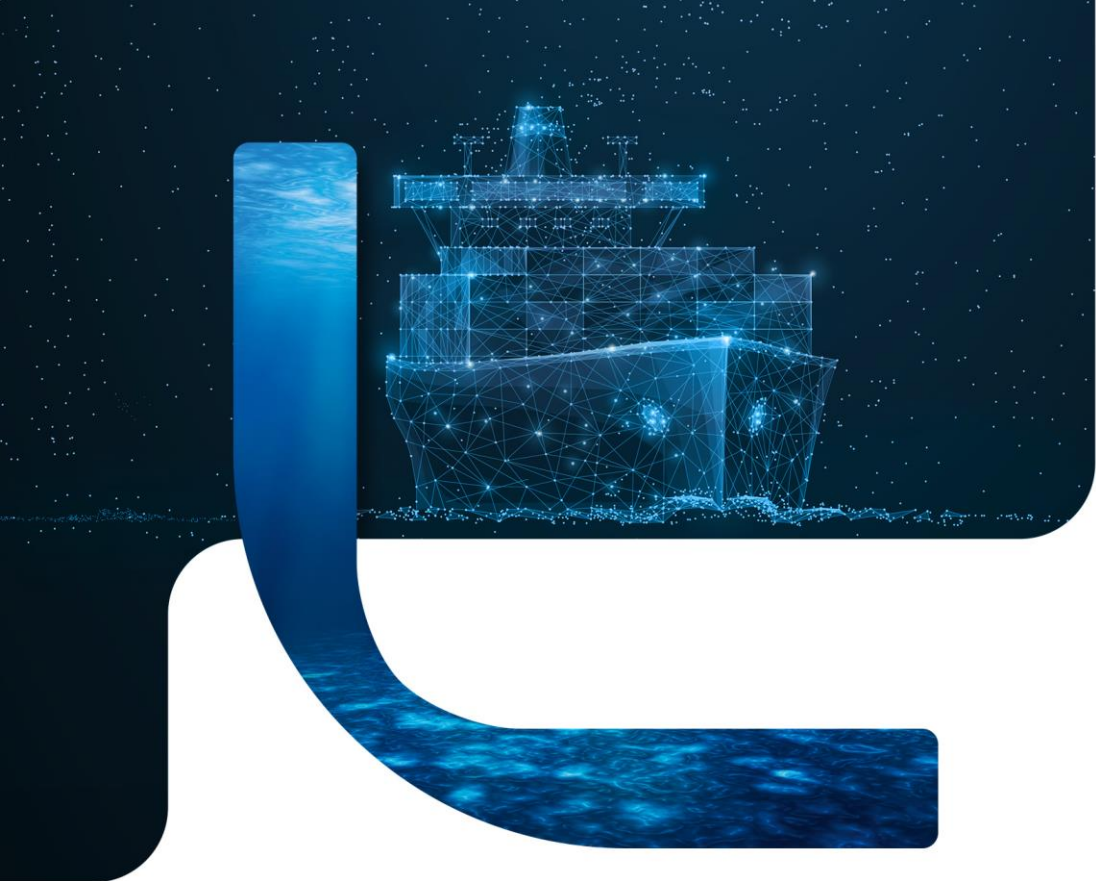


Report for Q2 2022

Tom Erixon

President and CEO

Alfa Laval Group

Key figures

– MSEK

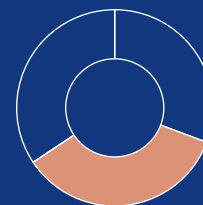


	Q2 2022	Q2 2021	Tot Δ, %	Organic Δ, %*
Order intake	14,421	12,183	18	9
Net sales	11,852	9,975	19	9
Adjusted EBITA	1,959	1,738	13	
Adjusted EBITA-margin (%)	16.5	17.4		

*) Organic growth i.e. excluding currency effects and structural changes.

Food & Water division

– Highlights and comments, MSEK



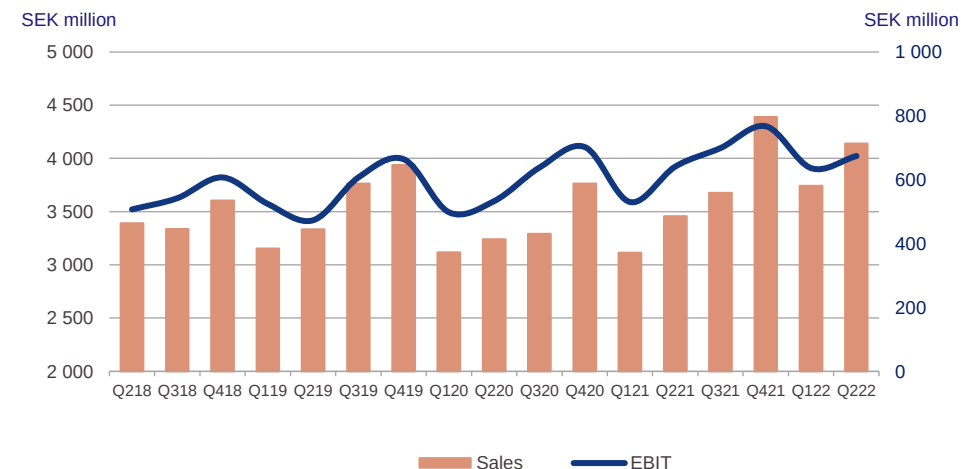
MARKETS & ORDER INTAKE

- Continued strong demand.
- Invoicing impacted by China lockdowns.
- All-time high service orders.

PROFITABILITY (EBIT)

- Underlying profitability remained stable, but supply chain challenges had a negative effect on operating margin.

	Q2 22	Q2 21	Tot Δ, %	Org Δ, %	Q1 22
ORDERS	5,033	4,554	10.5	0.4	5,652
SALES	4,140	3,458	19.7	8.6	3,742
EBIT	674	641			639
EBIT (%)	16.3	18.5			17.1



Energy division

– Highlights and comments, MSEK



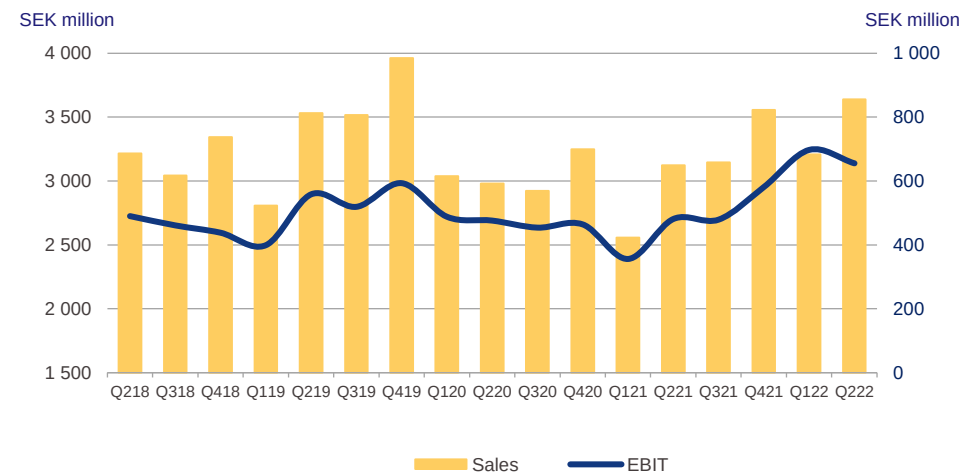
MARKETS & ORDER INTAKE

- Record high order intake.
- Growth driven by HVAC and Refrigeration and ongoing energy efficiency initiatives, supported by improved demand in gas production.
- All-time high service orders.

	Q2 22	Q2 21	Tot Δ, %	Org Δ, %	Q1 22
ORDERS	4,496	3,553	26.5	18.0	3,808
SALES	3,639	3,123	16.5	7.6	3,209
EBIT	665	481			697
EBIT (%)	18.3	15.4			21.7

PROFITABILITY (EBIT)

- Operating margin increased. The improvement was mainly driven by higher volumes and pricing.



Marine division

– Highlights and comments, MSEK



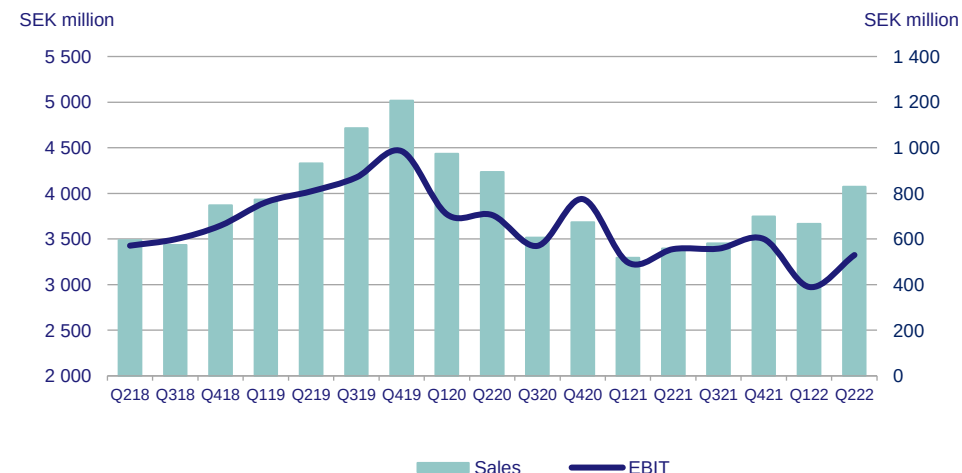
MARKETS & ORDER INTAKE

- Good order growth in most product areas, especially in environmental and offshore.
- Acquisition of ScanJet to strengthen the environmental offering.
- Service improved as demand grew in both shipping and offshore.

PROFITABILITY (EBIT)

- Profitability declined year-over-year but improved compared to the first quarter 2022. Operating margin continues to be negatively impacted by increased material costs effects on the order backlog and mix.

	Q2 22	Q2 21	Tot Δ, %	Org Δ, %	Q1 22
ORDERS	4,892	4,076	20.0	9.9	3,795
SALES	4,073	3,394	20.0	9.8	3,664
EBIT	530	556			390
EBIT (%)	13.0	16.4			10.6

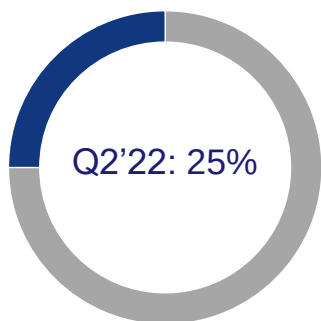


Service, by division

– Order intake Q2 2022, share and development



ENERGY

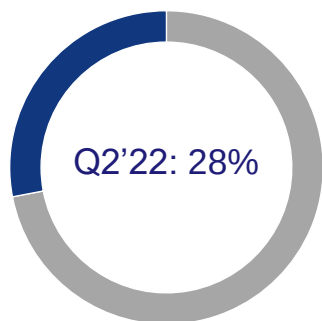


Organic growth



YoY

FOOD & WATER

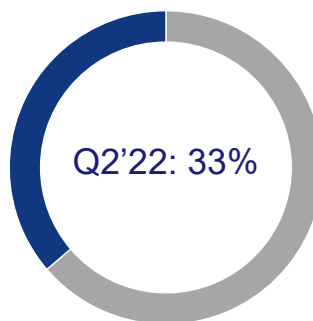


Organic growth



YoY

MARINE



Organic growth

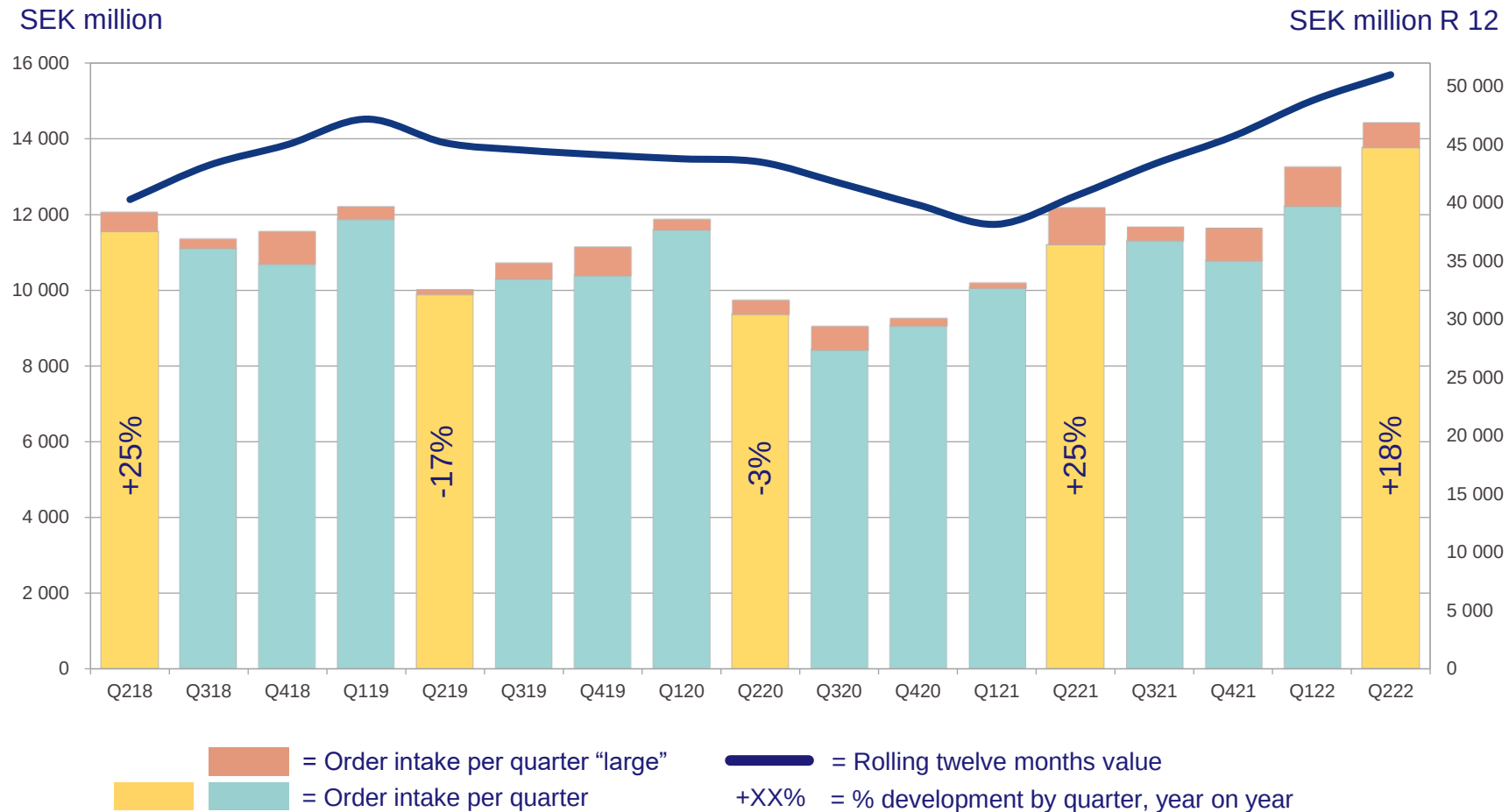


YoY

 = Service share of total order intake

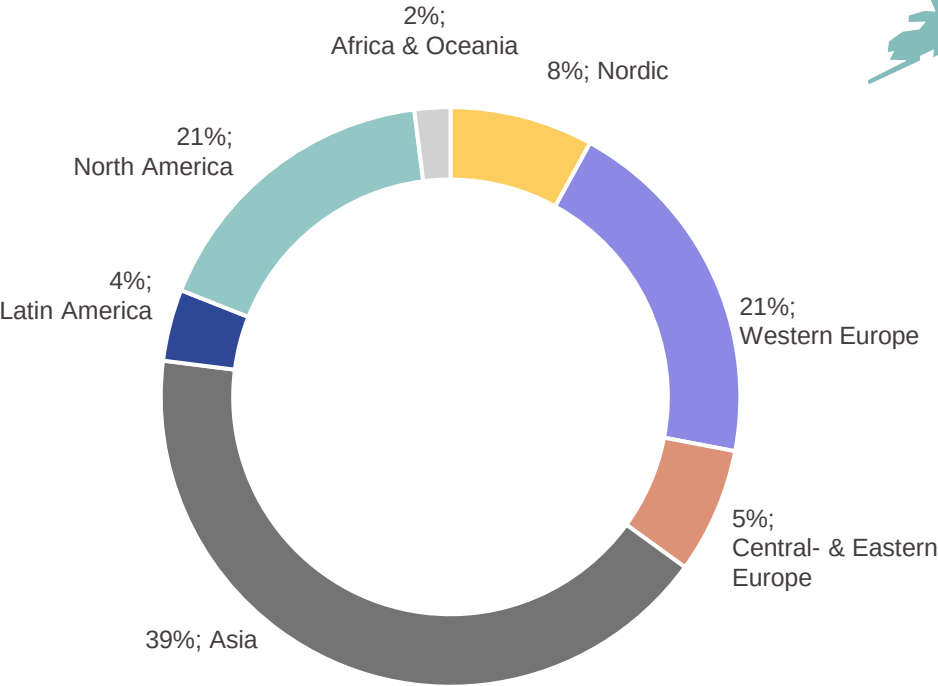


Orders received

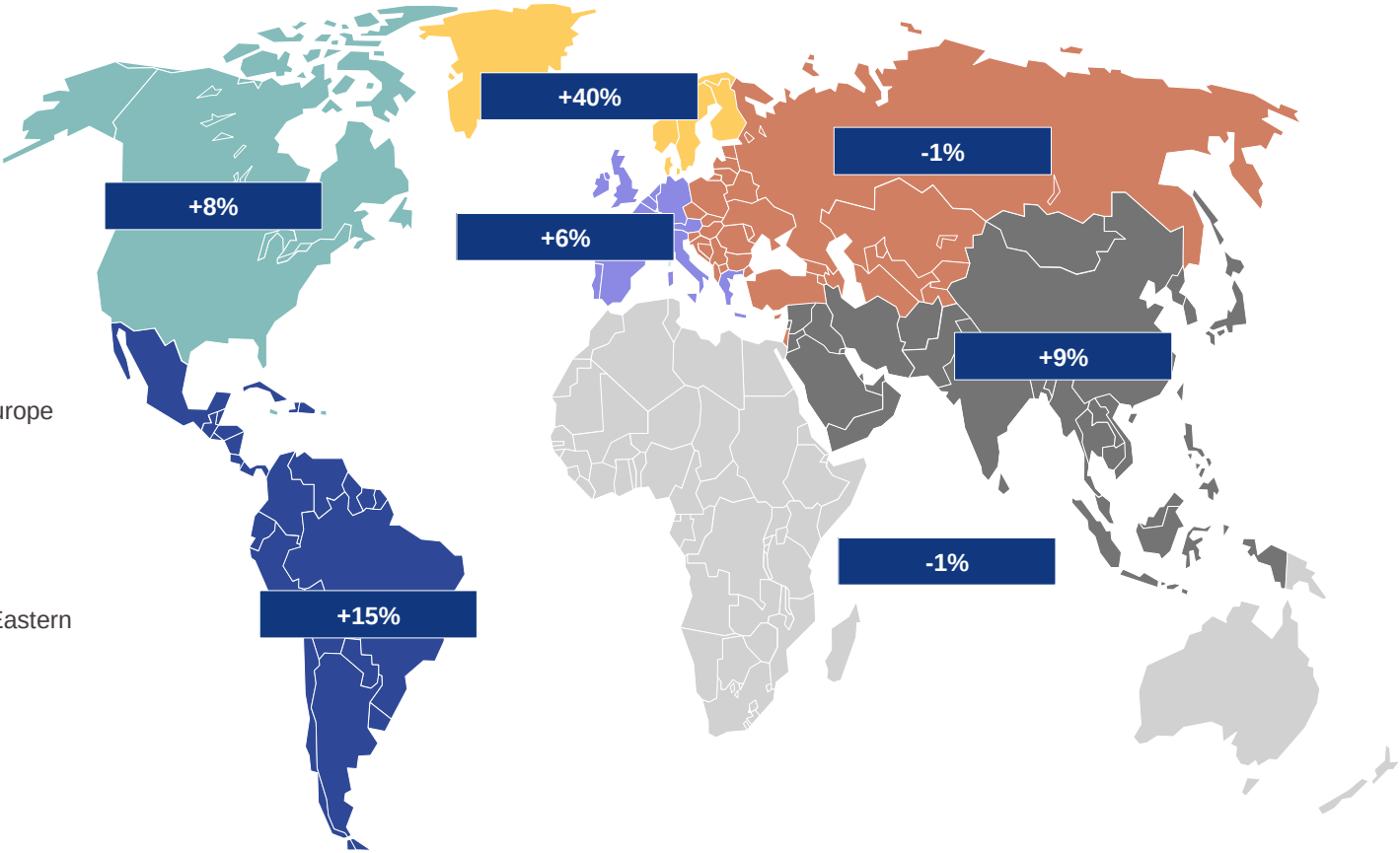


Orders received by region

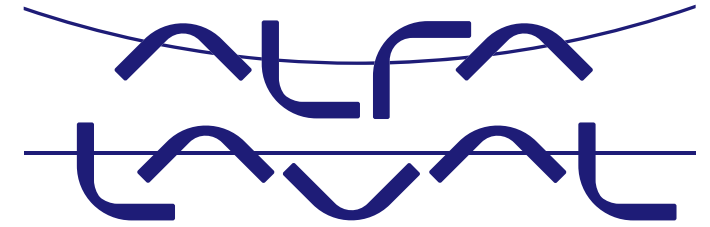
– at fixed rates



Share %: Jan – June 2022



vs Q2-21



Report for Q2 2022

Jan Allde
CFO
Alfa Laval Group

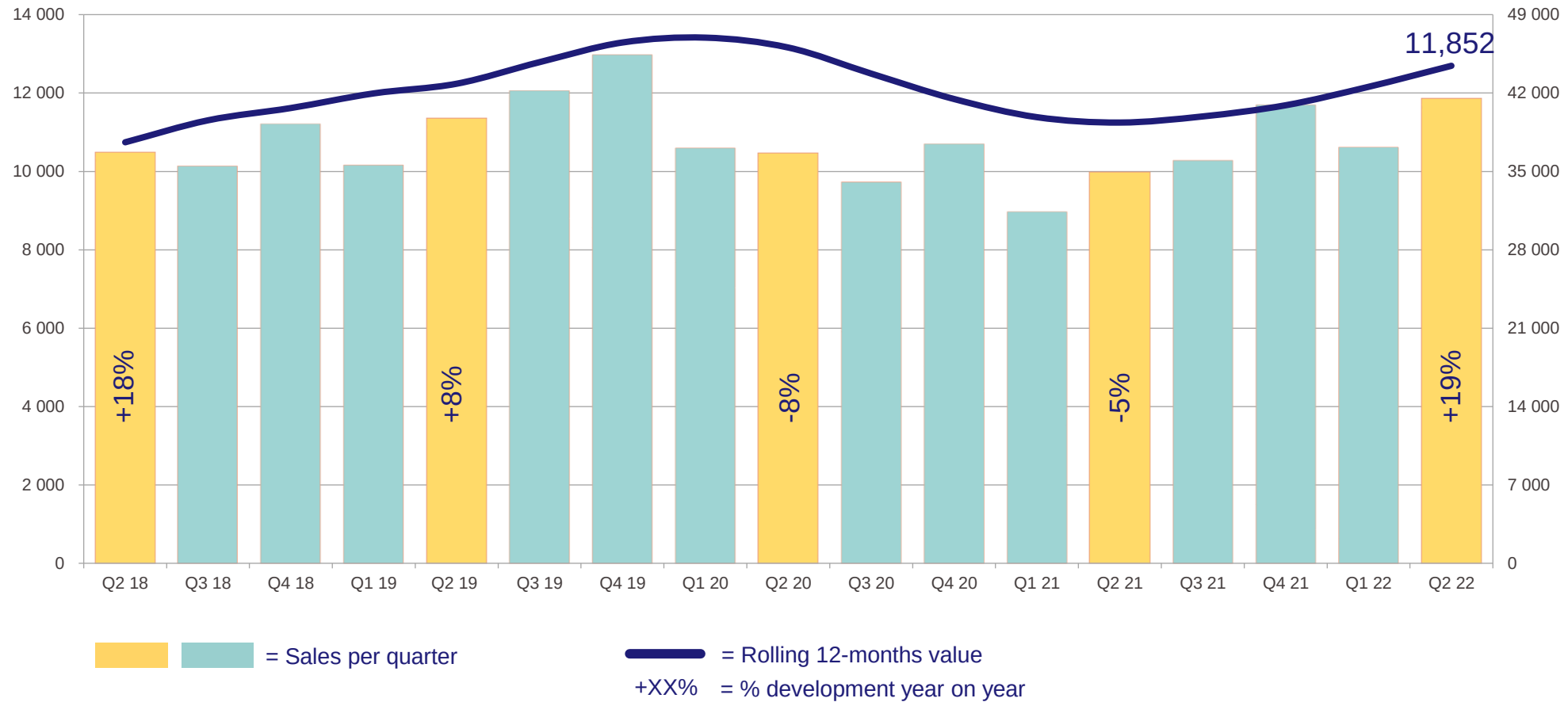
Sales

– MSEK



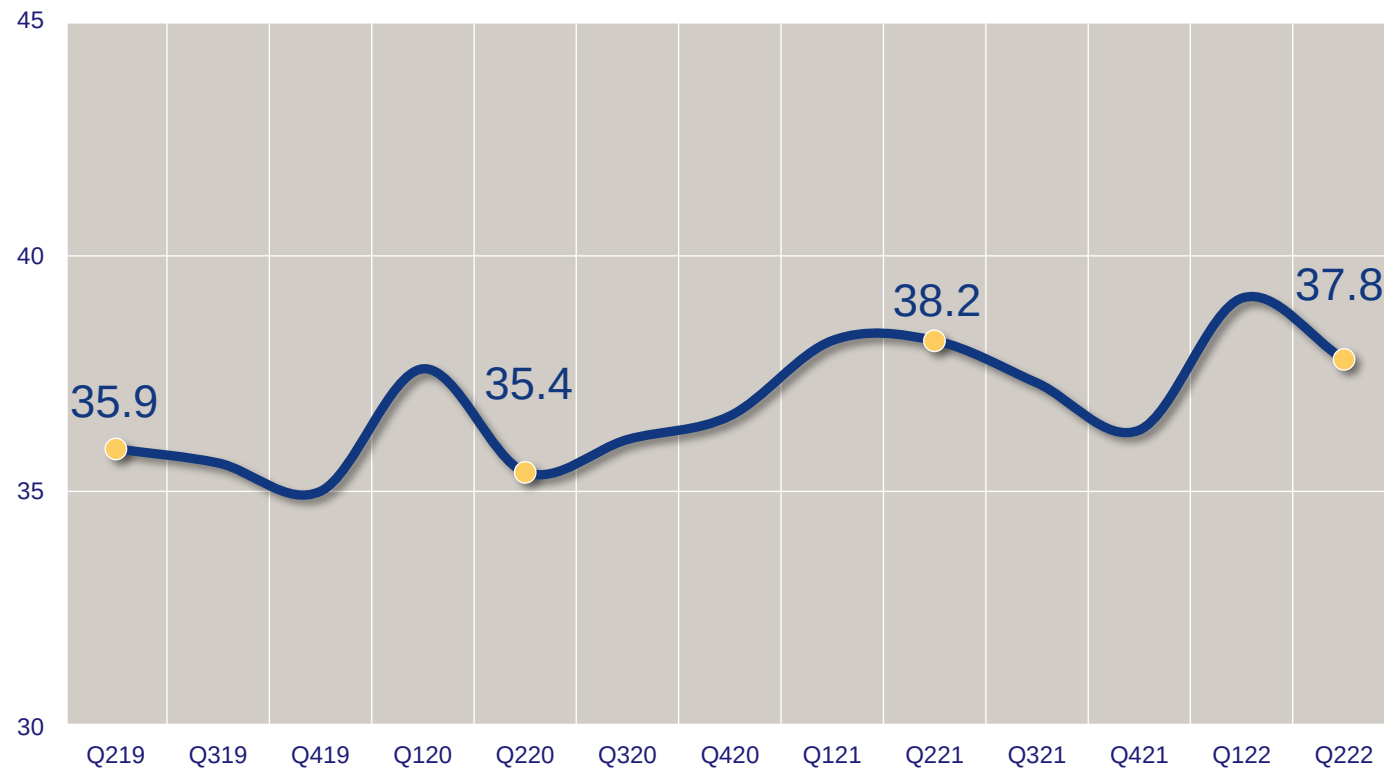
SEK million

SEK million R 12



Adjusted gross margin

– In percent of sales



Q2 2021	38.2
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Mix/price	+
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Load/volume	-
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PPV/metals	=
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FX	-
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Structure	+
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Q2 2022	37.8
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S&A Expense development

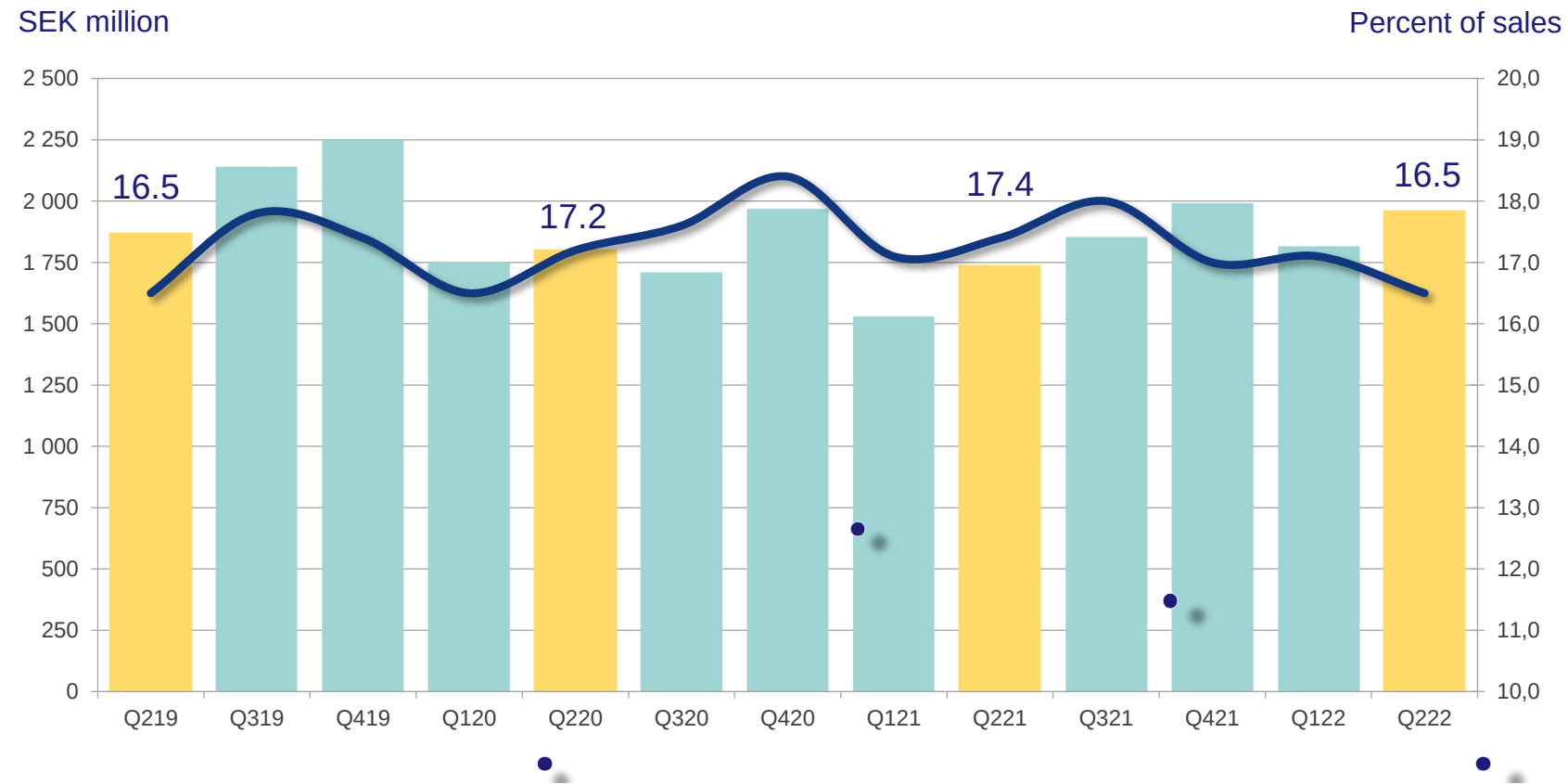
– MSEK



	Q2 2022	Q2 2021	Tot Δ, %	YTD 2022	YTD 2021	Tot Δ, %
Sales costs	1,328	1,110	19.6%	2,550	2,129	19.8%
Admin costs	622	504	23.4%	1,201	940	27.8%
Total S&A costs	1,950	1,614	20.8%	3,751	3,069	22.2%
Excl. FX impacts and acq./divestments			11.8%			11.5%

Adjusted EBITA/margin*

– SEK millions and in percent of sales



* Adjusted EBITA – "Earnings before interests, taxes, amortization of goodwill and step up values and comparison distortion items."

Key figures

– MSEK



	Q2 2022	Q2 2021
Sales	11,852	9,975
Gross profit	4,263	3,616
Sales & Admin	-1,950	-1,614
R&D	-323	-286
Net other cost/income	-254	-390
Operating income	1,744	1,344
Financial net	-168	-113
Profit before tax	1,576	1,231
Taxes	-424	-246
EPS	2.75	2.32

Cash-flow statement

– MSEK



	Q2 2022	Q2 2021	YTD 2022	YTD 2021
EBITDA	1,885	2,006	4,070	3,804
Working Capital	-1,204	-193	-2,141	-236
Taxes paid	-489	-392	-970	-1,184
Cash flow from operating activities	192	1,421	959	2,384
Capital expenditures	-311	-172	-585	-438
Disposals	12	1	17	26
Acquisitions	-	-3,588	-4	-3,601
Cash flow from investing activities	-299	-3,759	-572	-4,013
Financial net paid	-134	-3	-204	87
Cash flow	-241	-2,341	183	-1,542
Free cash flow*	-253	1,246	170	2,033

*) Incl. cash flow from operating activities, capital expenditure and financial net paid.

Foreign exchange

– Estimated impact on adjusted EBITA from FX fluctuations, MSEK



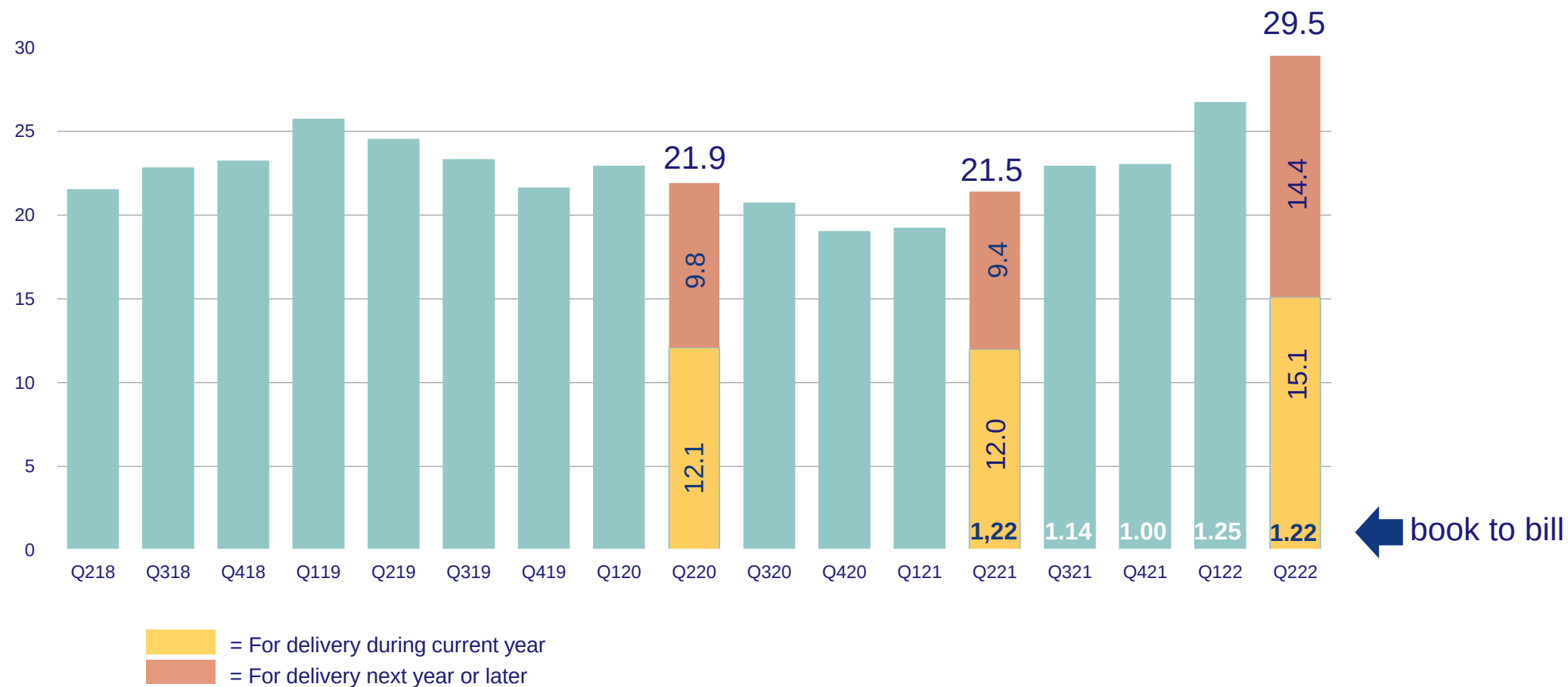
	Q2 2022	FY 2022	FY 2023*
Transaction effect	-25	-40	120
Translation effect	115	430	-
Total	90	390	120

Note: Excludes FX effects caused by revaluation of balance items in foreign currency

*) Based on EUR/USD 1,0752 and EUR/SEK 10,7174

Order backlog as per June 30

– SEK billion



Sales

– FY 2022, SEK billion



YTD 2022	22.5
Backlog for delivery in 2022	15.1
Subtotal	37.6

For you to consider:

Price

“In-for-out”*

FX translation

Acquisitions

FY 2022

*IFO in Q3-Q4 2021 was SEK 9.9 bn.

Outlook for the third quarter:

“We expect demand in the third quarter to be somewhat lower compared to the second quarter.”



Cautionary statement



This presentation contains forward-looking statements that are based on the current expectations of the management of Alfa Laval Group.

Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment, other government actions and fluctuations in exchange rates. Alfa Laval undertakes no obligation to publicly update or revise these forward-looking statements, other than as required by law or other regulations.

