

## Patria Group's Interim Report for 1 January – 30 June 2020

15.7.2020

Patria Nemo interests the U.S. Army and Patria 6x6 vehicle chosen to the joint Finnish-Estonian-Latvian project

<b>Key figures</b>	<b>1-6/2020</b>	<b>1-6/2019</b>	<b>2019</b>
New orders, EUR million	217.5	219.8	432.4
Order stock, EUR million	608.3	672.8	649.2
Net sales, EUR million	255.5	239.1	507.5
Operating profit, EUR million	11.2	4.3	7.8
Income before taxes, EUR million	9.4	2.6	3.9
Equity ratio, %	35.9	40.7	39.1
Gearing, %	90.3	76.5	70.8
Return on equity, %	4.6	10.0	1.8
Return on capital employed, %	3.4	8.1	2.1
Personnel, end of period (FTE)	3,069	3,099	3,055

- Patria Group's net sales for the first quarter was EUR 255.5 million (EUR 239.1 million in 2019).
- Operating profit was EUR 11.2 million (4.3). The profitability impact from the pandemic during the period has been moderate.
- Equity ratio was 35.9% (40.7%) and net gearing 90.3% (76.5%).
- Estonia decided to join the Finnish and Latvian vehicle development programme for sustained mobility enhancement to which Patria is delivering the 6x6 vehicle platform.
- Patria and the U.S. Army entered into an agreement for a feasibility study of Patria Nemo 120 mm mortar system.
- Patria signed a contract with Saab regarding a delivery of one AMV 8x8 System Platform vehicle.
- Milworks is the new name for Milrem LCM. The name change supports better the company's identity and its actual operations.
- Patria announced employee co-operation negotiations in its Aerostructures and Pilot Training units due to productional and financial reasons caused by the pandemic. Negotiations in Aerostructures resulted in temporary lay-offs equal to 14 man-years of the unit's personnel during 2020. Additionally, the factory is closed six weeks during summertime. Pilot Training laid off 20 flight instructors and 15 employees on a temporary basis.
- In the beginning of July Patria announced to consolidate its helicopter maintenance operations in Norway for better customer support and efficiency by selling its Bardufoss operations (Patria Helicopters AS) to Kongsberg Aviation Maintenance Services (KAMS) of which Patria owns 49,9% of the shares.

## **Outlook for the rest of the year**

Patria Group's operative effectiveness is one of the main internal focus areas in 2020. The HX Program for replacing Finland's current Hornet fleet with new fighters continues. Patria 6x6 vehicle programme proceeds, and the programme will also be of interest to other countries wishing to improve mobility of their armed forces. Patria's reliable and cost-effective lifecycle support services have a key role in maintaining the required performance of customers' fleets in all conditions.