



Q2 2025 report

25 July 2025



Opening comments

Anders Svensson

Day 5 at Hexagon

Initial reflections & immediate priorities

Hexagon has guided and driven progress in precision measurement for 25 years

- Hexagon is renowned for its innovation and its strong track record of delivery
- A leader in several very attractive markets with convincing long-term dynamics
- The potential separation of Hexagon and Octave drives a great deal of value on both sides
- Today's results are encouraging but there is potential for further improvement
- Work is underway on a cost improvement programme. Further details to be provided at the Q3 2025 results at latest



Q2 2025 performance summary

Norbert Hanke

Highlights of the quarter

Mitigating uncertain markets to deliver strong financial results

- Return to organic growth as divisions mitigated impacts of ongoing macro uncertainty
- Operating margins diluted by a significant negative currency impact of 130bps
- Successful Hexagon LIVE Global event in June attended by ~3,000 customers & partners, included debut of new humanoid, AEON and the name of our potential spin-off company, Octave
- Potential separation of Octave on track to complete in H1 2026

Q2 2025

Category	Achievement
Organic growth	3%
Adj. gross margin	67%
Operating margin (EBIT1)	26%
Cash conversion	104%



207 in TIME World's Most Sustainable Companies in 2025

Direct tariff impacts

Mitigated the majority of the direct impact in Q2

- ~2 MEUR headwind to EBIT1 in Q2, primarily as a result of Manufacturing Intelligence shipping from backlog
- Business quickly implemented a number of actions to insulate from the direct impact of tariffs
 - Price increases
 - Review of transfer pricing
 - Logistics optimisation
 - Transfer of end-assembly
- Monitoring the situation closely with longer-term actions available:
 - Changes to manufacturing footprint
 - Changes to sourcing
- The main tariff headwind remains the impact on customer behaviour



Q2 2025 divisional performance review

Ben Maslen

Divisional performance

Return to growth in an uncertain macro environment

Q2 2025, MEUR	Manufacturing Intelligence	Asset Lifecycle Intelligence	Geosystems	Autonomous Solutions	Safety, Infrastructure, & Geospatial	Hexagon
Revenue	487.5	206.3	389.6	167.2	118.3	1,370.7*
Organic Growth	3% (0%)	6% (9%)	-1% (-5%)	11% (-2%)	2% (6%)	3% (0%)
EBIT1	120.7	62.5	103.7	54.5	27.6	360.6*
Operating Margin	24.8% (26.7%)	30.3% (34.7%)	26.6% (32.3%)	32.6% (37.3%)	23.3% (19.9%)	26.3% (29.5%)

* Hexagon total includes revenue, gross earnings and EBIT1 from other operations (such as R-evolution and group costs)

Manufacturing Intelligence

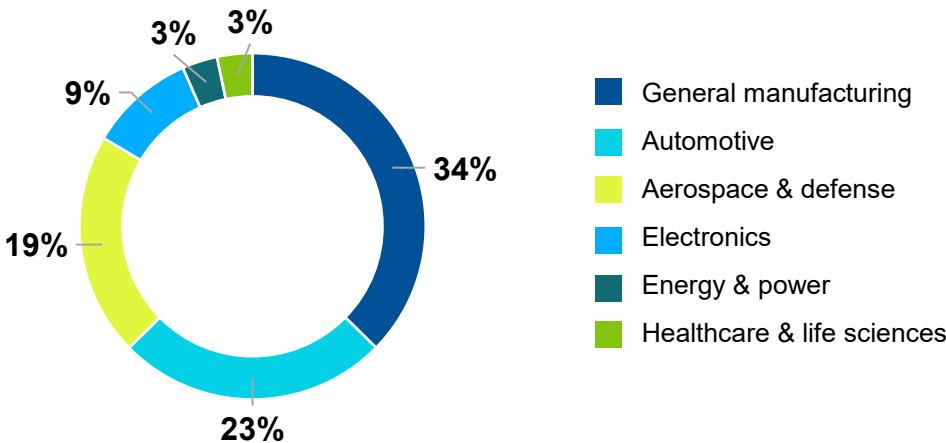
Q2 2025, MEUR (Q2 2024)

Category	Achievement
Revenue	487.5 (483.8)
Organic growth	3% (0)
EBIT1	120.7 (129.1)
Operating margin	24.8% (26.7)

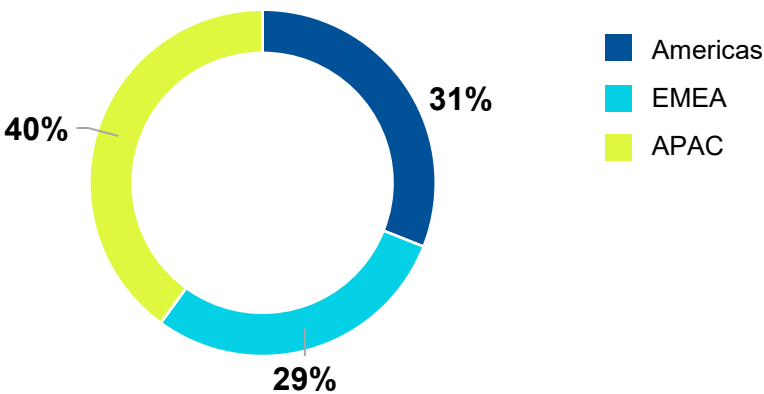
Business update

- Strength in general manufacturing, aerospace & defence and electronics
- Continued to note extended customer decision-making
- Asia grew high-single-digit, led by 10% growth in China
- EBIT1 decline reflecting currency headwinds and temporary differences between tariff impacts and price increases
- Successful launch of new products ATS800 and MAESTRO

Revenue by industry (FY 2024)



Revenue by geography (FY 2024)



Asset Lifecycle Intelligence

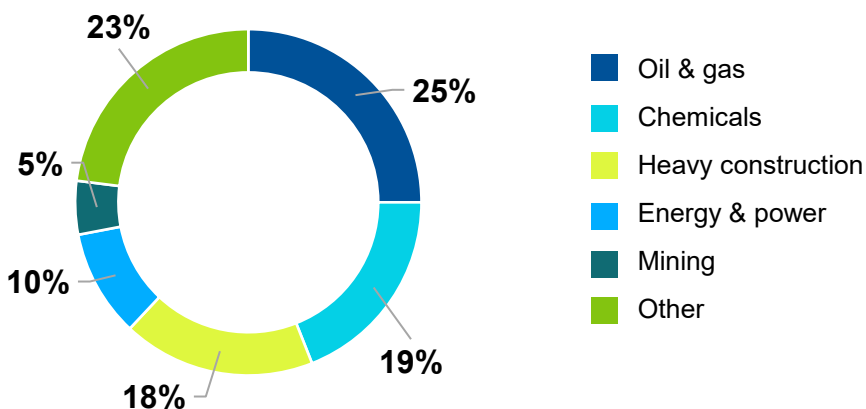
Q2 2025, MEUR (Q2 2024)

Category	Achievement
Revenue	206.3 (203.1)
Organic growth	6% (9)
EBIT1	62.5 (70.5)
Operating margin	30.3% (34.7)

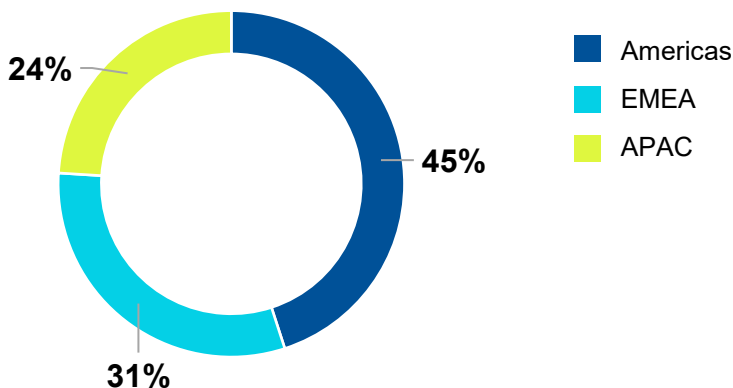
Business update

- Uncertainty in some market segments
- Broad geographic growth, some weakness in North America
- Strong growth in project planning and operations & maintenance; double-digit growth in SaaS
- EBIT1 reflects product mix, investments in new products and integration of the Octave businesses
- Potential separation on track for first half of 2026

Revenue by industry (FY 2024)



Revenue by geography (FY 2024)



Geosystems

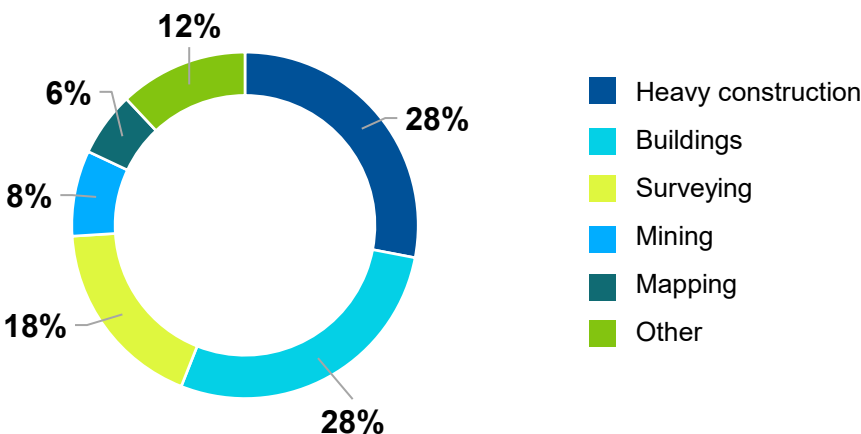
Q2 2025, MEUR (Q2 2024)

Category	Achievement
Revenue	389.6 (405.5)
Organic growth	-1% (-5)
EBIT1	103.7 (131.0)
Operating margin	26.6% (32.3)

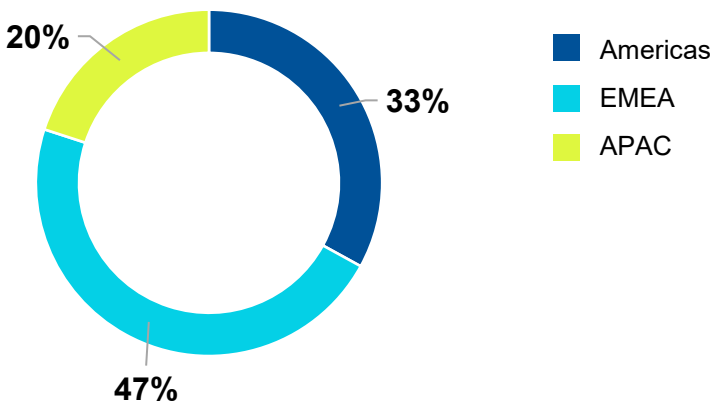
Business update

- Mid-single-digit growth in software and recurring revenues, growth in new products
- Sensor & robotic solution portfolio impacted by weak construction markets
- High single-digit growth in the Americas; EMEA & China declined
- Operating margins declined, reflecting lower volumes, product mix and currency

Revenue by industry (FY 2024)



Revenue by geography (FY 2024)



Autonomous Solutions

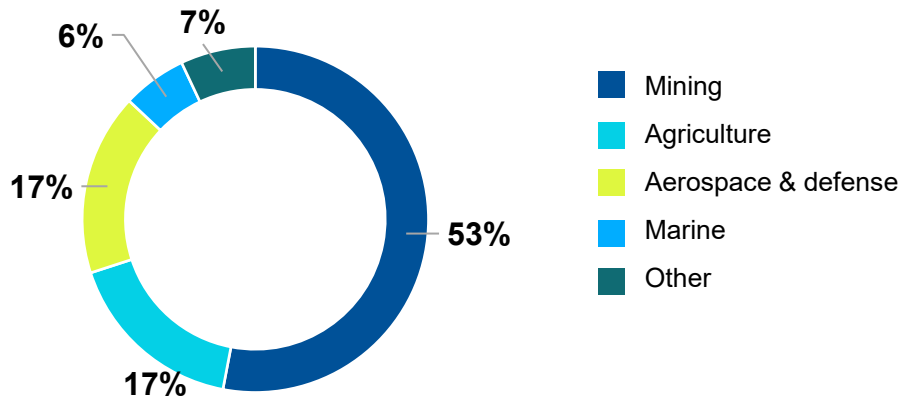
Q2 2025, MEUR (Q2 2024)

Category	Achievement
Revenue	167.2 (141.2)
Organic growth	11% (-2)
EBIT1	54.5 (52.6)
Operating margin	32.6% (37.3)

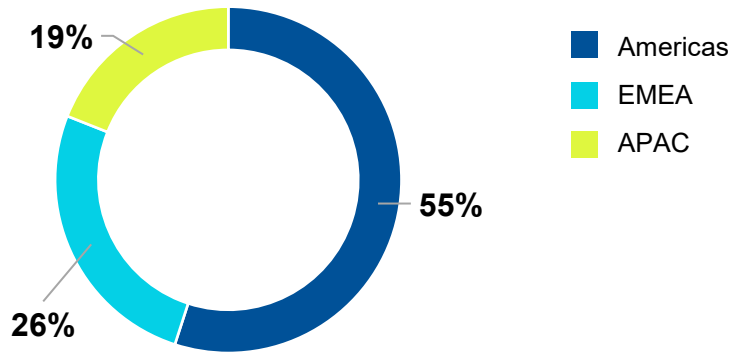
Business update

- Good growth in aerospace & defence, agriculture declined but signs of stabilisation
- Delayed customer decisions in mining offset by demand for mine planning & operations software
- Autonomous road-train project continues to ramp-up
- Margins impacted by currency, product mix and comparatives

Revenue by industry (FY 2024)



Revenue by geography (FY 2024)



Safety, Infrastructure & Geospatial

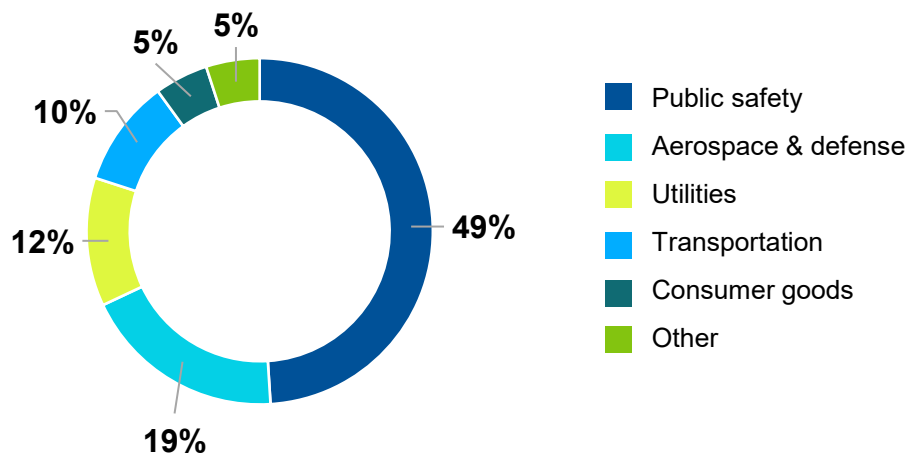
Q2 2025, MEUR (Q2 2024)

Category	Achievement
Revenue	118.3 (119.8)
Organic growth	2% (6)
EBIT1	27.6 (23.8)
Operating margin	23.3% (19.9)

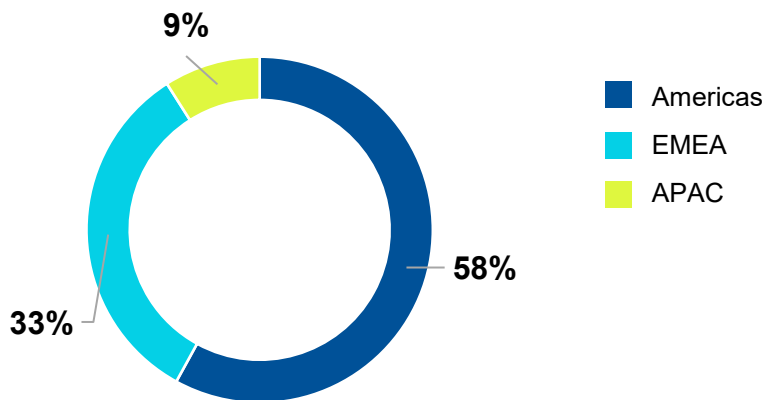
Business update

- Public safety saw strong double-digit growth, offset by delays in US Federal
- Americas slightly down due to US Federal, Asia continued to grow
- OnCall public safety product grew double-digit
- EBIT1 increase driven by growth in public safety
- Potential separation on track for first half of 2026

Revenue by industry (FY 2024)



Revenue by geography (FY 2024)



Acquisition

Aero Photo Europe Investigation (APEI)

Announced 12 June 2025

- French company specialising in aerial mapping
- A fleet of private aircraft dedicated to aerial data acquisition, primarily within France, wider Europe and Africa
- Enhances Hexagon's ability to support growing demand for accurate, large-scale geospatial content
- Improves access to the French market, which is one of the largest geospatial data markets in the EU
 - Driven by the French government's ambition to maintain updated mapping content of the entire country



Divestment

Non-core assets in Safety, Infrastructure & Geospatial

Announced 2 July 2025

- Sale of certain non-core business assets within the Safety, Infrastructure & Geospatial (SIG) division
 - Includes IT services, geospatial data production services and supply of ruggedised hardware supporting the US Federal market
 - Also, a small reseller business focused on APIs and related services to solve challenges in mapping and geospatial positioning
 - Most of these products are not sold elsewhere in Hexagon or Octave
- Disposal allows SIG to focus on the core public safety software portfolio
- In total the divested businesses contributed 90MUSD in revenues in 2024
- The carve out will take place by the end of July 2025



Hexagon LIVE Global 2025

~3k

External attendees

20k+

Livestream views

Major announcements

AEON
Octave



Aeon

A humanoid built for industry

Future of
Robotics 2035

[Get the report](#)



Launched by
Hexagon's Robotics
division at Hexagon
LIVE Global

- With a true live demonstration of multiple use cases on stage – a first in the market



Designed to meet the
needs of industrial
customers

- Use cases include manipulation, asset inspection, reality capture, operator support, and teleoperation
- Targeting sectors such as automotive, aerospace, transportation, manufacturing & warehousing



Combines agility,
awareness, and
versatility

- Leverages precision measurement with spatial intelligence and AI-based motion control
- Working with several pilot customers, including Schaeffler, Pilatus and others



Initial responses
have been very
positive

- Hexagon are a legitimate player in a highly sizeable market
- High customer interest across use cases.



MAESTRO

Engineered for speed, precision and performance,
MAESTRO meets the evolving demands of
manufacturing and delivers quality remastered.



Faster inspection

Designed and engineered from the ground up to deliver precision while closing productivity gaps and eliminating bottlenecks



Intuitive operation

Easy to use by all skill levels with simplified workflows and cloud-powered software



Built for connected facilities

End-to-end digital architecture, seamless automation integration and scalable update paths



Q2 2025 financial update

David Mills

Income statement

Operating margins impacted currency impacts

Adjusted income statement MEUR	Q2 2025	Q2 2024	Change %
Net sales	1,370.7	1,353.4	3*
COGS	-452.1	-442.4	-2
Gross earnings	918.6	911.0	1
Gross margin	67.0%	67.3%	-0.3
Operating earnings (EBITDA)	478.3	507.9	-6
EBITDA margin	34.9%	37.5%	-2.6
Operating earnings (EBIT1)	360.6	399.5	-10
EBIT1 margin	26.3%	29.5%	-3.2
Earnings before taxes	325.2	357.4	-9
Earnings per share, Euro cent	9.8	10.8	-9
EBIT1, incl PPA	332.6	371.3	-10
EBIT1, incl PPA, margin	24.3%	27.4%	-3.2

*Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth

Sales bridge	
2024, MEUR	1,353.4
Structure, %*	2%
Currency, %	-4%
Organic growth, %**	3%
Total, %	1%
2024, MEUR	1,370.7

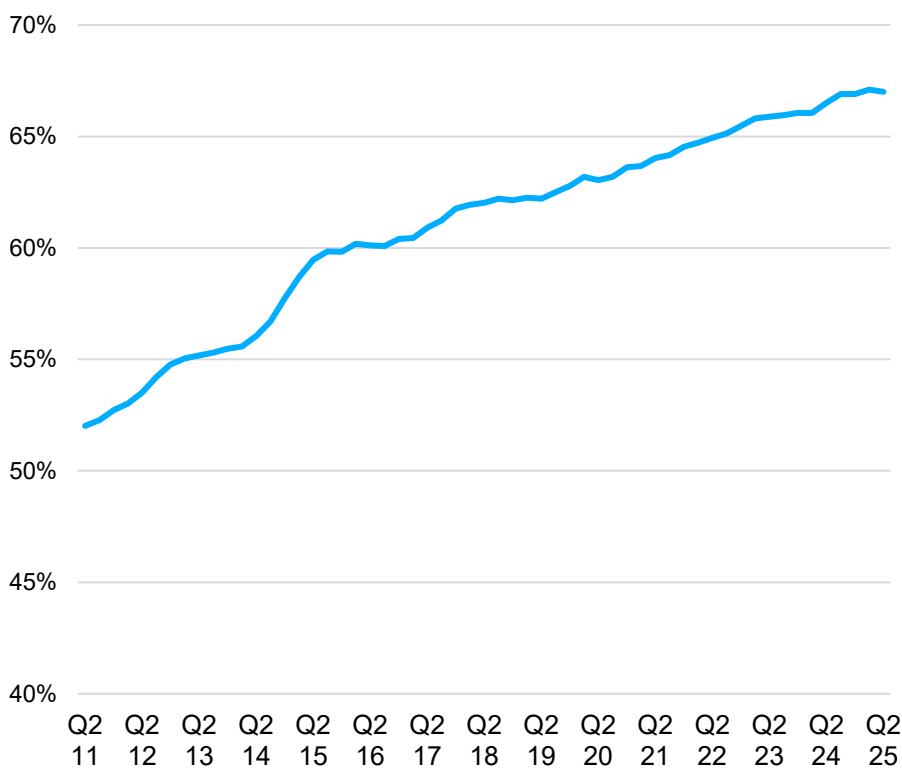
* All acquisitions/divestments are included in structural growth for the first 12 months

** Organic growth calculated as the growth excluding impacts from structure and currency during the period

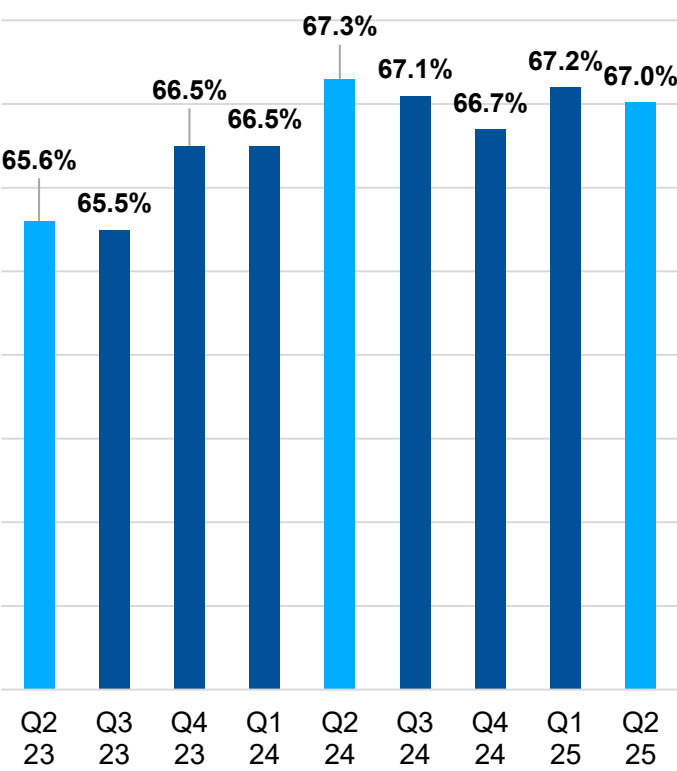
Gross margin

Continued strong gross margin progression

Rolling 12-months gross margin



Gross margin by quarter



Resilient GM% development

- R12M gross margin of 67.0%
- Q2 adjusted gross margin of 67.0% (67.3)
- Negatively impacted by currency

Revenue & profitability bridge

Significant currency headwinds effects

MEUR	Q2 2024	Currency	Structure	Organic	Q2 2025
Operating net sales	1,353.4	-50	27	40	1,370.7
Growth		-4%	2%	3%	1%
Adjusted operating earnings (EBIT1)	399.5	-32	11	-17	360.6
Adjusted operating margin	29.5%	65%	39%	-43	26.3%
Accretion / (dilution) on margin		-1.3%	0.2%	-2.1%	

Revenue & profitability bridge Q1 to Q2

Operational improvements driving margin growth

MEUR	Q1 2025	Currency	Structure	Organic	Q2 2025
Operating net sales	1,322.8	-62	13	97	1,370.7
Growth		-5%	1%	7%	4%
Adjusted operating earnings (EBIT1)	344.7	-30	6	39	360.6
Adjusted operating margin	26.1%	48%	47%	41%	26.3%
Accretion / (dilution) on margin		-1.0%	0.2%	1.0%	

Cash flow

Continued operational discipline

Cash flow statement MEUR	Q2 2025	Q2 2024	Change %
Adjusted operating earnings (EBIT1)	360.6	399.5	-10
D&A (Excluding adjustments)	117.7	108.4	9
Adjusted EBITDA	478.3	507.9	-6
Non-cash items	-9.2	-10.8	-15
Cash flow from operations before change in working capital excluding taxes and interest	469.1	497.1	-6
Capital expenditures	-149.6	-155.5	-4
Cash flow post investment	319.5	341.6	-6
Working capital	55.6	-3.1	na
Operating cash flow before tax and interest	375.1	338,5	11
Cash conversion*	104%	85%	19
Taxes paid	-66.1	-50.7	30
Interest received and paid, net	-38.2	-39.3	-3
Cash flow before non-recurring items	270.8	248.5	9
Non-recurring cash flow	-31.9	-19.5	64
Operating cash flow	238.9	229.0	4

- Excellent cash generation in an uncertain macro environment

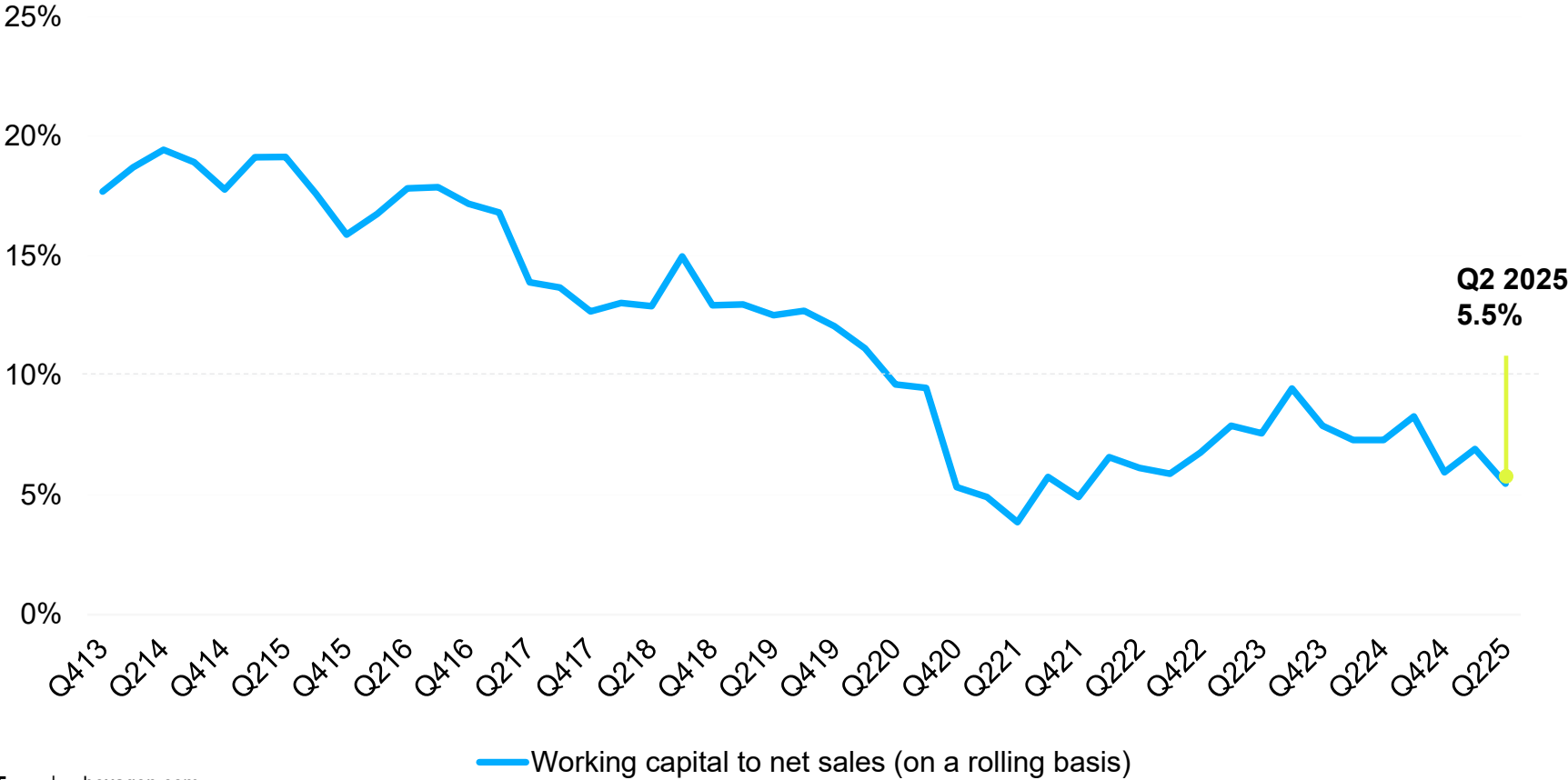
- Working capital release

* Operating cash flow before tax and interest divided by adjusted operating earnings (EBIT1)

Working capital to sales

Returning to trend

WC/Sales, %



WC Bridge	Q2 2025
Receivables & prepaid expenses	-30.1
Inventories	1.8
Liabilities	-17.2
Deferred revenue	25.1
Accrued expenses	-35.2
Change in WC	-55.6

Conclusions

Norbert Hanke, Anders Svensson

Q2 2025 Summary



Good financial metrics

Mitigated customer uncertainty to deliver a return to organic growth, stable gross margins and strong cash



Operating margins

Impacted by negative currency movements



End markets

Encouraging momentum, but continued uncertainty makes it hard to forecast the second half of 2025



Potential separation of Octave

On track for completion in the first half of 2026



New products

Successful launches of AEON & MAESTRO





HEXAGON

Cautionary statement

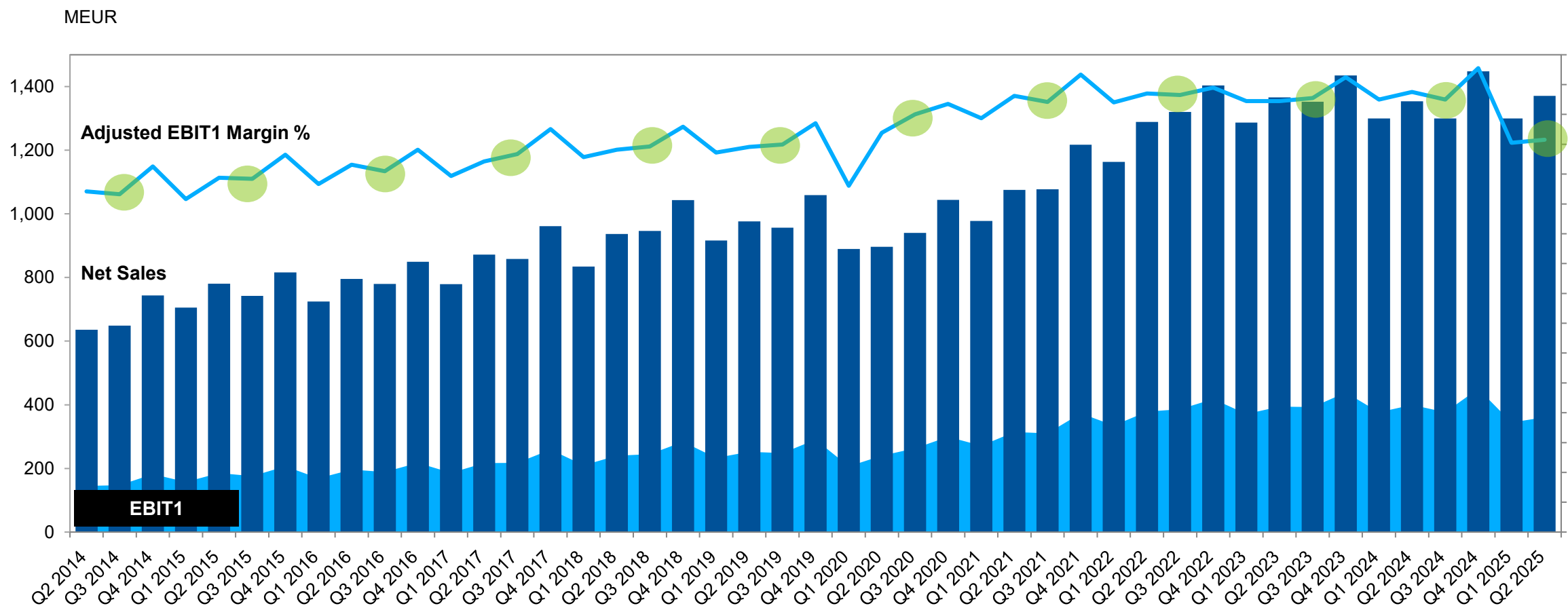
This communication may contain forward-looking statements. When used in this communication, words such as "anticipate", "believe", "estimate", "expect", "intend", "plan" and "project" are intended to identify forward-looking statements. They may involve risks and uncertainties, including technological advances in the measurement field, product demand and market acceptance, the effect of economic conditions, the impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of Hexagon's management as of the date made with respect to future events and are subject to risks and uncertainties. All of these forward-looking statements are based on estimates and assumptions made by Hexagon's management and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements. Hexagon disclaims any intention or obligation to update these forward-looking statements.

Appendix

Q2 2025

Seasonality

Seasonal pattern: Q2 & Q4 tend to be the strongest quarters



Divisional performance

Division	Category (MEUR)	Q2 2024	Q3 2024	Q4 2024	FY 2024	Q1 2025	Q2 2025
Hexagon*	Revenue	1,353.4	1,299.8	1,448.0	5,401.1	1,322.8	1,370.7
	Organic growth in revenue	0%	-2%	1%	0%	0%	3%
	EBIT1	399.5	376.6	450.3	1,602.9	344.7	360.6
	EBIT1 margin%	29.5%	29.0%	31.1%	29.7%	26.1%	26.3%
Manufacturing Intelligence	Revenue	483.8	463.8	530.0	1,955.7	469.9	487.5
	Organic growth in revenue	0%	-2%	-2%	0%	-2%	3%
	EBIT1	129.1	118.3	159.0	531.2	117.1	120.7
	EBIT1 margin %	26.7%	25.5%	30.0%	27.2%	24.9%	24.8%
Asset Lifecycle Intelligence	Revenue	203.1	207.6	228.8	831.7	204.4	206.3
	Organic growth in revenue	9%	6%	10%	7%	5%	6%
	EBIT1	70.5	72.5	87.4	296.9	62.9	62.5
	EBIT1 margin %	34.7%	34.9%	38.2%	35.7%	30.8%	30.3%
Geosystems	Revenue	405.5	373.0	400.1	1,555.4	375.7	389.6
	Organic growth in revenue	-5%	-5%	-2%	-4%	-3%	-1%
	EBIT1	131.0	121.5	124.3	494.3	102.8	103.7
	EBIT1 margin %	32.3%	32.6%	31.1%	31.8%	27.4%	26.6%
Autonomous Solutions	Revenue	141.2	134.8	146.5	558.0	151.1	167.2
	Organic growth in revenue	-2%	-12%	-2%	-2%	2%	11%
	EBIT1	52.6	45.8	46.0	192.0	47.7	54.5
	EBIT1 margin %	37.3%	34.0%	31.4%	34.4%	31.6%	32.6%
Safety, Infrastructure & Geospatial	Revenue	119.8	119.6	140.8	497.1	120.5	118.3
	Organic growth in revenue	6%	2%	11%	6%	2%	2%
	EBIT1	23.8	24.6	41.9	114.7	22.3	27.6
	EBIT1 margin %	19.9%	20.6%	29.8%	23.1%	18.5%	23.3%

* Hexagon total includes revenue, gross earnings and EBIT1 from other operations (such as R-evolution and group costs)

Customer story | Greater Anglia

Customer background

Greater Anglia is a British train operating company with over 1,300 daily services, 134 stations, 76M annual passenger journeys and a fleet of more than 190 modern trains.

Customer challenge

To eliminate risk of compliance breaches through automation, reduce admin burden on depot and control room teams, prevent lost revenue, and simplify coordination between teams.



How Hexagon is helping

By leveraging **HxGN EAM**, Greater Anglia has seen:

- £250,000 per period in third-party servicing revenue from one location alone
- 24-hour compliance across audit categories
- Over 94% punctuality sustained for over 18 months
- 15 minutes vs 3 days: Third-party billing task now fully automated



Customer story | SKANSKA

Customer background

Skanska is a world leading project development and construction company with 135 years of history.

Customer challenge

Skanska is building the Northern part of Norway's Rogfast tunnel, the world's longest and deepest sub-sea road tunnel. They must ensure their part of the tunnel is built within 3-5 cm accuracy so that the tunnel segments meet correctly.



How Hexagon is helping

Hexagon provided world-class **surveying equipment** serving as “the eyes of the project”:

- consistently delivering millimetre-level accuracy over 12-18 scans daily
- **MS60 robotic total station** achieved accuracy down to 1-2 mm, surpassing SKANSKA's requirements



SKANSKA