Highest operating income ever for Lantmännen – high dividend to Swedish farmers

Lantmännen's net sales for 2024 increased to 68 billion SEK, and the operating income, adjusted for items affecting comparability, increased to 2 868 MSEK – a new record result for Lantmännen. The proposed dividend to members is the second highest ever.

"Our operating income of 2,9 billion SEK is Lantmännen's highest ever, and mirrors our strong business portfolio and robust strategy. The Food Sector, Swecon Business Area and Real Estate Business Area all improved their results during the year, while the Agriculture and Energy Sectors delivered lower results than the previous year. Since April of 2024, Scan is also part of Lantmännen, which has strengthened our position in the food value chain," says Magnus Kagevik, Lantmännen's Group President and CEO.

The adjusted result after net financial items amounted to 2 356 MSEK (2 426). The lower result was mainly due to increased financing costs as a result of higher deposit interest rates.

The figures below refer to operating income adjusted for items affecting comparability. The previous year's result is in parentheses.

The Agriculture Sector's result amounted to 302 MSEK (477). The result primarily decreased in the Swedish and Finnish grain businesses, due to knock-on effects from the weak harvest in 2023, and a lower than average harvest also in 2024. Lantmännen Maskin improved its result during the year.

The Energy Sector reported a result of 555 MSEK (968). The lower result is mainly explained by a significantly lower result in Lantmännen Biorefineries, due to the price of ethanol returning to more normal levels compared to the historically high levels in previous year. The result was also negatively impacted by Scandbio, which was divested in November. Lantmännen Aspen continued to develop positively.

The Food Sector's result amounted to 1 037 MSEK (730), an improvement primarily driven by increased sales of frozen bread and growth in most international markets, as well as continued production improvements and reduced distribution costs.

The Scan Business Area's result for the period of April-December amounted to 26 MSEK. The result has been adversely impacted by some 60 MSEK in costs related to the acquisition and integration of Scan into Lantmännen. Work is ongoing to raise the profitability of the business, and several investments to facilitate this were made during 2024.

The Swecon Business Area delivered a new record result: 692 MSEK (669). The improved result was mainly due to a favorable product mix and a higher result in the Swedish operations.

The Real Estate Business Area's result amounted to 379 MSEK (251). The higher result was driven both by the leasing business and property development, as well as capital gains of some 82 MSEK from property sales.

The Board of Directors proposes a total dividend of 1 125 MSEK (1 200). The dividend includes a refund and supplementary payment of 1,5 percent (2,0) on trading with Agriculture Sweden (excluding the fuel business), of 0,5 percent (0,5) for the fuel business – and a refund of 1,5 percent (0,0) on purchases from Lantmännen Maskin's and Swecon's Swedish businesses.

In total, refund and supplementary payment is proposed at 252 MSEK (324). In addition, the board proposes a contribution dividend of 10 percent (10) on the nominal value of the contributions, totalling 512 MSEK (453), as well as a contribution issue of 361 MSEK (423). The board also proposes a dividend on subordinated debentures of 9,75 percent (8,0). The dividend will be decided at Lantmännen's Annual General Meeting on May 7.

"It is gratifying that Lantmännen's board, in accordance with our dividend policy, yet again can propose a high dividend to our members, active Swedish farmers. The dividend is an important part of strengthening the agricultural companies and Swedish food production, and in the last decade, we have gradually increased the amount to significantly higher levels than previously," says Per Lindahl, Chairman of Lantmännen's Board of Directors.

"Over the past decade, Lantmännen has grown significantly and continuously delivered strong results – while at the same time continuing to make large investments to create growth in Swedish agriculture, Swedish food production, and our international businesses. We see good opportunities for growth in virtually all our businesses, and I look forward to continuing to lead the work of developing Lantmännen into an even better company together with all of our members and employees," says Magnus Kagevik.

Please find the year-end report attached, or at http://www.lantmannen.com/about-lantmannen/financial-information/.

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