



Year-end report 2014

Published on February 6, 2015

Fourth quarter 2014 – Another strong quarter – high acquisition activity

- Sales rose 21 per cent to 2,331 MSEK (1,923).
- Operating profit increased 19 per cent to 382 MSEK (321), excluding acquisition, integration and restructuring costs (Vigar). Including these costs, operating profit rose to 344 MSEK (321).
- Acquisition, integration and restructuring costs for the acquisition of Vigar were estimated to 38 MSEK.
- Operating margin amounted to 16.4 per cent (16.7), excluding acquisition, integration and restructuring costs (Vigar).
- Profit after tax amounted to 248 MSEK (254).
- Earnings per share amounted to 7.21 SEK (7.38).
- Operating cash flow increased to 517 MSEK (398).
- Acquisition of the business of VIGAR Rubber Compounding.
- Acquisition of the business in Portage Precision Polymers.
- Agreement signed to acquire RheTech Thermoplastic Compounding.

Full-year 2014 – Strong development - best year so far

- Sales rose 11 per cent to 8,919 MSEK (8,036).
- Operating profit increased 16 per cent to 1,456 MSEK (1,255).
- Operating margin improved to 16.3 per cent (15.6).
- Profit after tax rose 13 per cent to 1,048 MSEK (930).
- Earnings per share increased 13 per cent to 30.45 SEK (27.02).
- Operating cash flow rose to 1,676 MSEK (1,418).
- The Board of Directors proposes a dividend of 12.00 SEK per share (9.00), an increase by 33 per cent.
- High acquisition activity, four acquisitions within Polymer Compounding.

President's comments

“The fourth quarter of 2014 was again a strong quarter for the HEXPOL Group. The volume development was again positive in all geographic regions and gratifying is a continued strong volume development in NAFTA. Group sales improved 21 per cent. Our operating profit improved by 19 per cent and the operating cash flow continued to be very strong.

2014 was our best year so far with strong volume increases in all geographical regions and with strong earnings development. Our earnings per share increased with 13 per cent to 30.45 SEK (27.02). Our balance sheet is strong and, with net cash of 259 MSEK, we are well equipped for continued expansion.

Acquisition activities have been high during 2014. During the second half year, we made four acquisitions within our focus area Polymer Compounding. The acquisitions strengthens our market positions and gives us competences within new end user segments and materials.”

Georg Brunstam, President and CEO

Group summary

| Key Figures MSEK | Oct-Dec | | Jan-Dec | |
|---|---------|-------|---------|-------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | 2 331 | 1 923 | 8 919 | 8 036 |
| Operating profit, excl. acquisition, integration and restructuring costs (Vigar) | 382 | 321 | 1 494 | 1 255 |
| Operating profit, | 344 | 321 | 1 456 | 1 255 |
| Operating margin, %, excl. acquisition, integration and restructuring costs (Vigar) | 16,4 | 16,7 | 16,8 | 15,6 |
| Operating margin, % | 14,8 | 16,7 | 16,3 | 15,6 |
| Profit before tax | 340 | 317 | 1 436 | 1 236 |
| Profit after tax | 248 | 254 | 1 048 | 930 |
| Earnings per share, SEK | 7,21 | 7,38 | 30,45 | 27,02 |
| Equity/assets ratio, % | | | 69,3 | 61,5 |
| Return on capital employed, % | | | 28,5 | 27,0 |
| Operating cash flow | 517 | 398 | 1 676 | 1 418 |

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gasket), and plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are primarily OEM manufacturers of plate heat exchangers and trucks, global systems suppliers to the automotive and engineering industries, the energy sector and the medical equipment manufacturers. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2014 amounted to 8,919 MSEK. The HEXPOL Group has approximately 3,900 employees in eleven countries. Further information is available at www.hexpol.com.

Fourth quarter of 2014

The HEXPOL Group’s sales rose 21 per cent to 2,331 MSEK (1,923) during the fourth quarter. Currency effects had a positive impact of 219 MSEK on sales, primarily due to a strengthening of the USD and the Euro.

Sales growth (adjusted for currency effects) amounted to 10 per cent. Organic growth (adjusted for currency effects and acquisitions) was a full 3 per cent. Prices for our principal raw materials within Rubber Compounding were relatively stable during the quarter, while prices on the principal raw materials within TPE and Thermoplastic Compounding showed a downward trend at the end of the quarter, which is expected to continue during the first quarter in 2015.

The volume development was positive in all geographical regions, compared with the year-earlier period. Sales in NAFTA were higher year-on-year and sales remained strong primarily to automotive-related customers. Sales in Mexico remained strong in all segments. Also in Europe sales were higher year-on-year, primarily thanks to increased sales to automotive-related customers.

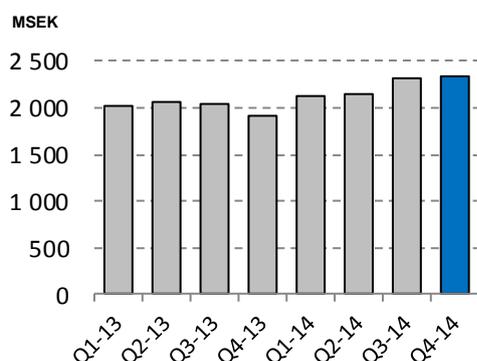
Operating profit rose 19 per cent to 382 MSEK (321), excluding acquisition, integration and restructuring costs (Vigar), corresponding to an operating margin of 16.4 per cent (16.7). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations. Acquisition, integration and restructuring costs for the acquisition of Vigar were estimated to 38 MSEK. Including these costs, operating profit rose to 344 MSEK (321) and the operating margin amounted to 14.8 per cent (16.7). Exchange-rate fluctuations had a positive impact of 39 MSEK on operating profit for the quarter.

In November the business of VIGAR Rubber Compounding, a well-known Rubber Compounder with manufacturing facilities in Rubi, Spain and in Viersen, Germany, was acquired. Acquisition, integration and restructuring costs including planned closing of Vigar’s German manufacturing facilities in Viersen, were estimated to 38 MSEK, which were recognised in the fourth quarter.

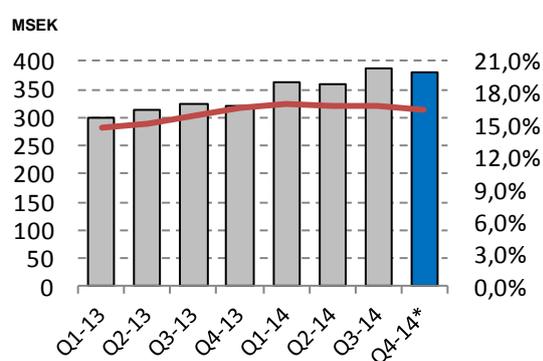
In December the business of Portage Precision Polymers, a well-known Rubber Compounder with two manufacturing facilities in Ohio (Ravenna and Mogadore), US, was acquired. The Ravenna facility is not included in the transaction and its business will be transferred to other HEXPOL facilities.

In December was an agreement signed to acquire RheTech, a well-known provider within Thermoplastic Compounding, with four facilities (including manufacturing and laboratories) located in Whitmore Lake, Michigan (RheTech), Fowlerville, Michigan (RheTech), Sandusky, Ohio (RheTech Colors) and in Blacksburg, South Carolina (RheTech Engineered Plastics), US.

Sales



Operating profit & operating margin



*Excluding acquisition, integration and restructuring costs (Vigar)

The HEXPOL Compounding business area's sales increased 23 per cent during the quarter to 2,148 MSEK (1,749). Year-on-year increases in volume were noted once again in all geographical regions in the fourth quarter. Sales in NAFTA increased compared with the year-earlier period and sales remained strong primarily to the automotive-related customers. Sales in Europe increased year-on-year, mainly thanks to increased sales to automotive-related customers. The HEXPOL TPE Compounding product area continued its positive development. Operating profit for the HEXPOL Compounding business area increased 23 per cent to 363 MSEK (294), excluding acquisition, integration and restructuring costs (Vigar). Including these costs, operating profit rose to 325 MSEK (294). The operating margin improved to 16.9 per cent (16.8), excluding acquisition, integration and restructuring costs (Vigar). Including these costs, operating margin amounted to 15.1 per cent (16.8).

The HEXPOL Engineered Products business area's sales for the quarter increased to 183 MSEK (174). Operating profit amounted to 19 MSEK (27), which corresponded to an operating margin of 10.4 per cent (15.5). During the fourth quarter 2013, insurance compensation of 7 MSEK was recognised for rebuilding the in April 2013 fire damaged production line at HEXPOL Wheel's facility in Laxå, Sweden.

The HEXPOL Group's sales in NAFTA (including Kardoes and Portage Precision Polymers) increased by 27 per cent compared with the year-earlier period. Sales remained strong to automotive-related customers. Sales continued to be strong in all segments in Mexico. The HEXPOL Group's sales in Europe (including Vigar) increased year-on-year by 10 per cent, mainly thanks to increased sales to automotive-related customers. In Asia, the HEXPOL Group's sales were 23 per cent higher than in the year-earlier period, also here thanks to increased sales to automotive-related customers.

The Group's operating cash flow rose to 517 MSEK (398). The Group's net financial items amounted to an expense of 4 MSEK (expense: 4).

Profit before tax rose to 340 MSEK (317) and profit after tax amounted to 248 MSEK (254). Earnings per share amounted to 7.21 SEK (7.38).

January-December 2014

The HEXPOL Group's sales for the year increased 11 per cent to 8,919 MSEK (8,036). Currency effects had a positive impact of 422 MSEK on sales, primarily due to a strengthening of the USD and the Euro.

Sales growth (adjusted for currency effects) amounted to 6 per cent, including the effects of lower prices for our principal raw materials, compared to the corresponding period last year. Organic growth (adjusted for currency effects and acquisitions) amounted to 4 per cent.

Operating profit rose 16 per cent to 1,456 MSEK (1,255), which improved the operating margin to 16.3 per cent (15.6). Exchange-rate fluctuations, primarily strengthening of the Euro and USD, had a positive impact of 81 MSEK on operating profit.

The HEXPOL Compounding business area's sales increased 12 per cent to 8,198 MSEK (7,345). Operating profit rose 16 per cent to 1,364 MSEK (1,177) and the operating margin improved to 16.6 per cent (16.0). Sales in NAFTA were strong primarily to automotive-related customers. Sales in Europe improved, also here primarily to automotive-related customers. The HEXPOL TPE Compounding product area had a favourable development.

Within the HEXPOL Compounding business area four acquisitions, with eight operating units in Germany, Spain and USA, have been made within the focus area Polymer Compounding.

The HEXPOL Engineered Products business area's sales increased to 721 MSEK (691). Operating profit increased to 92 MSEK (78), and operating margin improved to 12.8 per cent (11.3).

The Group's operating cash flow increased by 18 per cent to 1,676 MSEK (1,418). The Group's net financial items amounted to an expense of 20 MSEK (expense: 19).

Profit before tax increased to 1,436 MSEK (1,236) and profit after tax rose to 1,048 MSEK (930). Earnings per share increased 13 per cent to 30.45 SEK (27.02).

Profitability

The return on average capital employed increased to 28.5 per cent (27.0). The return on shareholders' equity amounted to 24.2 per cent (28.5).

Financial position and liquidity

The equity/assets ratio increased to 69.3 per cent (61.5). The Group's total assets amounted to 7,284 MSEK (5,878). Net cash amounted to 259 MSEK (net debt 312). The dividend of 310 MSEK (207) resolved at the Annual General Meeting was paid by HEXPOL in May 2014.

The Group has the following three credit agreements with Nordic banks:

- A five-year credit agreement with a limit of 100 MUSD that will fall due in October 2015.
- A five-year credit agreement with a limit of 125 MUSD that will fall due in February 2018.
- A three-year credit agreement with a limit of 750 MSEK that will fall due in February 2016.

Cash flow

The operating cash flow rose to 1,676 MSEK (1,418). Cash flow from operating activities increased to 1,432 MSEK (1,223).

Investments, depreciation and amortisation

The Group's investments amounted to 129 MSEK (145). Investments are mainly attributable to maintenance investments (primarily in USA), capacity investments (Mexico and HEXPOL TPE Compounding) and the reconstruction of the fire-damaged production line in HEXPOL Wheels facility in Sweden. Depreciation, amortisation and impairment amounted to 166 MSEK (156).

Tax expenses

The Group's tax expenses amounted to 388 MSEK (306), corresponding to a tax rate of 27.0 per cent (24.8).

Personnel

The number of employees at the end of the year was 3,666 (3,433). The number of employees has increased with 217 through acquisitions.

Acquisitions

In August the business of Kardoes Rubber Co. was acquired from the founder Mr Frank Kardoes and his family. Frank Kardoes started Kardoes Rubber in 1988 and Kardoes developed to a well-known Rubber Compounder in the US market. Kardoes Rubber, with a manufacturing facility in LaFayette, Alabama, US, had a turnover of 43 MUSD in 2013 with an EBITDA margin below the HEXPOL Group. Kardoes Rubber has around 90 employees. The acquisition is a good complement to HEXPOL Compounding in the US and broadens and strengthens our presence with Rubber Compounds into end user segments like industrial materials handling, agriculture equipment and off the road tires. The acquisition price amounted to 31.8 MUSD on a cash and debt free basis. The transaction costs, 2 MSEK, was reported during the second quarter. The acquired surplus value amounted preliminary to 16.4 MUSD and relates to goodwill.

In November the business of VIGAR Rubber Compounding within Grupo Vigar was acquired from the founders' families. Vigar Rubber Compounding with more than 50 years' experience of rubber compounding is a well-known Rubber Compounder in the Spanish and German markets. The acquisition is a good complement to HEXPOL Compounding in Europe and broadens and strengthens our presence with Rubber Compounds in the Spanish and German markets. Vigar Rubber Compounding, with manufacturing facilities in Rubi, Spain and Viersen, Germany, had a turnover of 57 MEUR in 2013 with a positive EBITDA margin well below the HEXPOL Group. The business has an insignificant effect on earnings per share excluding the acquisition, integration and restructuring costs. Vigar Rubber Compounding has around 130 employees. The acquisition price amounts to approximately 17.5 MEUR (including an option to acquire certain land and building in Spain) on a cash and debt free basis. The acquired surplus value amounted preliminary to 4 MEUR and relates to goodwill and customer relations, which are amortized annually. Acquisition, integration and restructuring costs including planned closing of Vigar's German manufacturing facilities, were estimated to 38 MSEK, which were recognised in the fourth quarter.

In December the business of Portage Precision Polymers Inc. was acquired from the founder Mr. Doug Hartley and his family. Doug Hartley started Portage Precision Polymers in 2002 and Portage Precision is today a well-known Rubber Compounder in the US market. Portage Precision Polymers, with two manufacturing facilities in Ohio (Ravenna and Mogadore), US, had a turnover of 29 MUSD in 2013 and an EBITDA margin below the HEXPOL Group. The Ravenna facility is not included in the transaction and its business will be transferred to other HEXPOL facilities. The acquisition price amounts to approximately 13.2 MUSD on a cash and debt free basis. The acquired surplus value amounted preliminary to 9.4 MUSD and relates to goodwill.

Business area HEXPOL Compounding

The HEXPOL Compounding business area is one of the world's leading suppliers in the development and manufacturing of high-quality advanced polymer compounds (Compounding) for demanding applications. Customers are manufacturers of polymer products and components who impose rigorous demands on performance and global delivery capacity. The market is global and the largest end-customer segments are the automotive and engineering industries. Other key segments are the construction and infrastructure industry, energy, oil and gas sector, cabling and water treatment industry, as well as medical technology.

| MSEK | Oct-Dec | | Jan-Dec | |
|---|---------|-------|---------|-------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | 2 148 | 1 749 | 8 198 | 7 345 |
| Operating profit, excl. acquisition, integration and restructuring costs (Vigar) | 363 | 294 | 1 402 | 1 177 |
| Operating profit | 325 | 294 | 1 364 | 1 177 |
| Operating margin, %, excl. acquisition, integration and restructuring costs (Vigar) | 16,9 | 16,8 | 17,1 | 16,0 |
| Operating margin, % | 15,1 | 16,8 | 16,6 | 16,0 |

HEXPOL Compounding's sales (including the acquired business of Kardoes, Vigar and Portage Precision Polymers) increased 23 per cent to 2,148 MSEK (1,749), during the fourth quarter. The volume increased in all geographical regions, compared with the year-earlier period. Operating profit rose 23 per cent to 363 MSEK (294), excluding acquisition, integration and restructuring costs (Vigar). Including these costs, operating profit increased to 325 MSEK (294). The operating margin improved to 16.9 per cent (16.8) excluding acquisition, integration and restructuring costs (Vigar). Including these costs the operating margin amounted to 15.1 per cent (16.8).

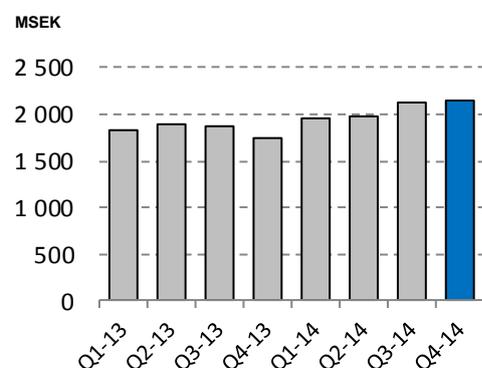
Sales in NAFTA increased compared with the year-earlier period and sales remained strong to automotive-related customers. Sales remained strong in all segments in Mexico. The integration of the business in Kardoes, acquired during the third quarter, has been successfully implemented. The business of Portage Precision Polymers was acquired in the end of the quarter and the integration of the business has started. The facility in Ravenna, Ohio, US, was not included in the transaction and the transfer of the business to other HEXPOL facilities, has started.

Sales in Europe increased compared with the year-earlier period, mostly thanks to increased sales to automotive-related customers. The business of Vigar Rubber Compounding with manufacturing facilities in Rubi, Spain and Viersen, Germany, was acquired during the quarter. Integration of the business has started and negotiations of the planned closing of the manufacturing facilities in Viersen are initiated.

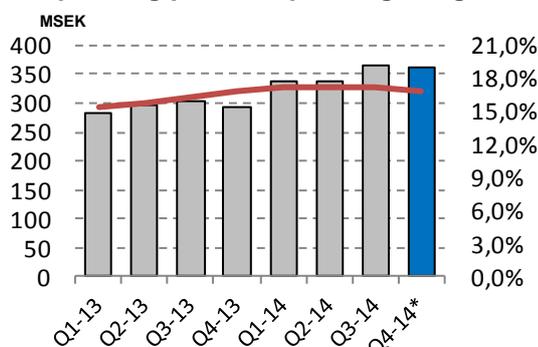
Sales in Asia increased compared with the year-earlier period primarily to automotive-related customers in China were the customer project portfolio continued to be strong.

The HEXPOL TPE Compounding product area continued its positive development.

Sales



Operating profit & operating margin



*Excluding acquisition, integration and restructuring costs (Vigar)

Business area HEXPOL Engineered Products

The HEXPOL Engineered Products business area is one of the world's leading manufacturers of advanced products, such as gaskets for plate heat exchangers (Gaskets) and wheels for truck and castor applications (Wheels). The market for gaskets and wheels is global. Gasket customers include manufacturers of plate heat exchangers and wheel customers are manufacturers of trucks and castors.

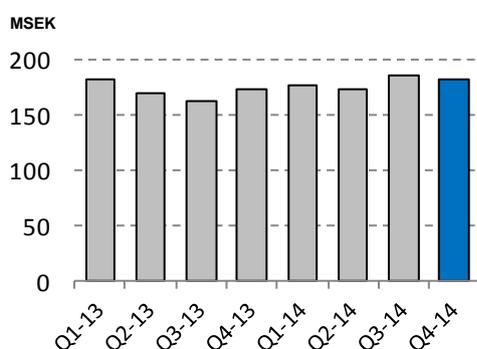
| MSEK | Oct-Dec | | Jan-Dec | |
|---------------------|---------|------|---------|------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | 183 | 174 | 721 | 691 |
| Operating profit | 19 | 27 | 92 | 78 |
| Operating margin, % | 10,4 | 15,5 | 12,8 | 11,3 |

The HEXPOL Engineered Products business area's fourth quarter sales increased 5 per cent to 183 MSEK (174). Operating profit amounted to 19 MSEK (27), corresponding to an operating margin of 10.4 per cent (15.5). Operating profit was positively affected by insurance compensation of 7 MSEK, during the fourth quarter 2013, for rebuilding the fire damaged production line at HEXPOL Wheel's facility in Laxå Sweden, which was affected by the fire in early April 2013.

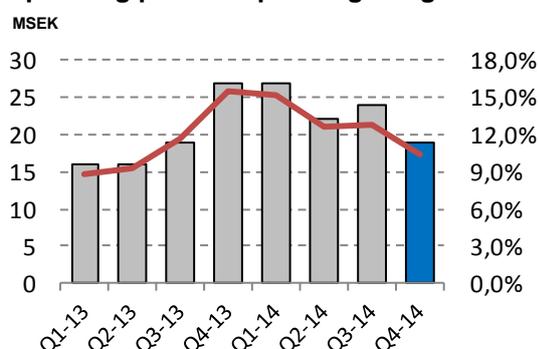
The sales development for the HEXPOL Gaskets product area was stable during the fourth quarter on all geographical regions, but sales remained weak to project-related operations. The HEXPOL Gaskets business in China developed positively. As before, the markets were characterised by general price pressure.

Sales in the HEXPOL Wheels product area improved somewhat compared to the year-earlier period. The HEXPOL Wheels business in US had a continued positive development.

Sales



Operating profit & operating margin



Parent Company

The Parent Company's profit after tax amounted to 280 MSEK (365), which includes dividends from subsidiaries. Shareholders' equity amounted to 3,209 MSEK (3,239).

Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2013 Annual Report. No significant events occurred during the year that affected or changed these descriptions of the Group's or the Parent Company's risks and their management.

Accounting policies

The consolidated financial statements in this year-end report have been prepared in compliance with International Financial Reporting Standards (IFRS), as adopted by the EU. The Parent Company's financial statements have been prepared in compliance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Reporting for Legal Entities. This year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting and measurement policies, as well as the assessment bases, applied in the 2013 Annual Report have also been applied in this year-end report. No new or revised IFRSs that entered into force in 2014 have had any significant impact on the Group.

Ownership structure

HEXPOL AB (publ), with Corporate Registration Number 556108-9631, is the Parent Company of the HEXPOL Group. HEXPOL's Class B shares are listed on the Stockholm Large Cap segment of the NASDAQ OMX Nordic exchange. HEXPOL had 8,280 shareholders on December 31, 2014. The largest shareholder is Melker Schörling AB with 26 per cent of the capital and 47 per cent of the voting rights. The 20 largest shareholders own 62 per cent of the capital and 73 per cent of the voting rights.

Annual General Meeting, May 4, 2015

The Annual General Meeting will be held on May 4, 2015 at 3:00 p.m. CET in Malmö (Börshuset, Skeppsbron 2), Sweden. The Annual Report for 2014 will be available on HEXPOL's website and at the head office no later than April 13, 2015 and will be distributed to the shareholders no later than in the week beginning Monday April 20. Shareholders who wish to participate in the AGM must be registered in the shareholders' register maintained by Euroclear Sweden AB not later than April 27, 2015 and notify their intention to participate to HEXPOL's head office not later than April 28. Shareholders whose shares are registered with a trustee must temporarily re-register the shares in their own name not later than April 27 to be entitled to participate in the AGM.

Dividend proposal

The Board of Directors proposes that the Annual General Meeting on May 4 approve a dividend of 12.00 SEK (9.00) per share, an increase by 33 per cent.

Invitation to the presentation of the report

This report will be presented at ABG Sundal Colliers office, Regeringsgatan 65, Stockholm, Sweden, on February 6 at 1:00 p.m. CET. A presentation will also be presented through a telephone conference on February 6 at 4:00 p.m. CET. The presentation, as well as information concerning participation, is available at www.hexpol.com.

Events after the reporting period

The acquisition of RheTech LLC and RheTech Colors from the founders' families was completed in January 2015. RheTech is a leading provider of polyolefin compounds, engineered resins and multifunctional colorant and additives. RheTech has four facilities (including manufacturing and laboratories) located in Whitmore Lake, Michigan (RheTech), Fowlerville, Michigan (RheTech), Sandusky, Ohio (RheTech Colors) and in Blacksburg, South Carolina (RheTech Engineered Plastics), US. RheTech had a turnover of 117 MUSD in 2013 and has around 212 employees. The acquired business has an EBITDA margin well below the HEXPOL Group and is expected to have a positive impact on earnings per share from start. The acquisition price amounted to approximately 112 MUSD on a cash and debt free basis. The business will be consolidated from the acquisition date. The groups shareholding is 100 per cent.

Calendar for financial information

HEXPOL AB will publish financial information on the following dates:

- | | |
|---|------------------|
| ▪ Interim report January-March 2015 | May 4, 2015 |
| ▪ Annual General Meeting 2015 | May 4, 2015 |
| ▪ Six month report January-June 2015 | July 20, 2015 |
| ▪ Interim report January-September 2015 | October 23, 2015 |

Financial information is also available in Swedish and English on HEXPOL AB's website – www.hexpol.com.

The year-end report for 2014 has not been audited by HEXPOL AB's auditors.

Malmö, February 6, 2015
HEXPOL AB (publ)

Georg Brunstam,
President and CEO

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This report may contain forward-looking statements. When used in this report, words such as "anticipate", "believe", "estimate", "expect", "plan" and "project" are intended to identify forward-looking statements. Such statements could encompass risks and uncertainties pertaining to product demand, market acceptance, effects of economic conditions, impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of HEXPOL's management as of the date made with respect to future events but are subject to risks and uncertainties. While all of these forward-looking statements are based on estimates and assumptions made by HEXPOL's management and are believed to be reasonable, they are inherently uncertain and difficult to predict. Actual results and experience could differ materially from the forward-looking statements. HEXPOL disclaims any intention or obligation to update these forward-looking statements.

This report consists of such information that HEXPOL AB is obliged to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on February 6, 2015, at 12:00 p.m. CET. This report has been prepared both in Swedish and English. In case of any divergence in the content of the two versions, the Swedish version shall have precedence.

Condensed consolidated income statement

| MSEK | Oct-Dec | | Jan-Dec | |
|---|------------|------------|--------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | 2 331 | 1 923 | 8 919 | 8 036 |
| Cost of goods sold | -1 837 | -1 513 | -6 984 | -6 370 |
| Gross profit | 494 | 410 | 1 935 | 1 666 |
| Selling and administrative cost, etc. | -150 | -89 | -479 | -411 |
| Operating profit | 344 | 321 | 1 456 | 1 255 |
| Financial income and expenses | -4 | -4 | -20 | -19 |
| Profit before tax | 340 | 317 | 1 436 | 1 236 |
| Tax | -92 | -63 | -388 | -306 |
| Profit after tax | 248 | 254 | 1 048 | 930 |
| - of which, attributable to Parent Company shareholders | 248 | 254 | 1 048 | 930 |
| Earnings per share, SEK | 7,21 | 7,38 | 30,45 | 27,02 |
| Shareholders' equity per share, SEK | | | 146,69 | 105,08 |
| Average number of shares, 000s | 34 420 | 34 420 | 34 420 | 34 420 |
| Depreciation, amortisation and impairment | -50 | -37 | -166 | -156 |

Condensed statement of comprehensive income

| MSEK | Oct-Dec | | Jan-Dec | |
|--|------------|------------|--------------|------------|
| | 2014 | 2013 | 2014 | 2013 |
| Profit after tax | 248 | 254 | 1 048 | 930 |
| Items that will not be reclassified to the income statement | | | | |
| Remeasurements of defined benefit pension plans | 0 | 0 | 0 | -3 |
| Income tax relating to items that will not be reclassified to the income statement | 0 | 0 | 0 | 1 |
| Items that may be reclassified to the income statement | | | | |
| Cash-flow hedges | 0 | 0 | 0 | 0 |
| Income tax relating to cash-flow hedges | 0 | 0 | 0 | 0 |
| Translation differences | 321 | 39 | 694 | -13 |
| Comprehensive income | 569 | 293 | 1 742 | 915 |
| - of which, attributable to Parent Company's shareholders | 569 | 293 | 1 742 | 915 |

Condensed consolidated balance sheet

| MSEK | Dec 31 | |
|---|--------------|--------------|
| | 2014 | 2013 |
| Intangible fixed assets | 3 364 | 2 730 |
| Tangible fixed assets | 1 427 | 1 186 |
| Financial fixed assets | 1 | 0 |
| Deferred tax asset | 40 | 30 |
| Total fixed assets | 4 832 | 3 946 |
| Inventories | 580 | 488 |
| Accounts receivable | 945 | 725 |
| Other receivables | 76 | 100 |
| Prepaid expenses and accrued income | 25 | 22 |
| Cash and cash equivalents | 826 | 597 |
| Total current assets | 2 452 | 1 932 |
| Total assets | 7 284 | 5 878 |
| Attributable to Parent Company's shareholders | 5 049 | 3 617 |
| Total shareholders' equity | 5 049 | 3 617 |
| Interest-bearing liabilities | 219 | 928 |
| Provision for deferred tax | 240 | 191 |
| Provision for pensions | 20 | 17 |
| Total non-current liabilities | 479 | 1 136 |
| Interest-bearing liabilities | 348 | 34 |
| Accounts payable | 1 017 | 775 |
| Other liabilities | 60 | 67 |
| Accrued expenses, prepaid income, provisions | 331 | 249 |
| Total current liabilities | 1 756 | 1 125 |
| Total shareholders' equity and liabilities | 7 284 | 5 878 |

Consolidated changes in shareholders' equity

| MSEK | Dec 31, 2014 | | Dec 31, 2013 | |
|-----------------------|---|--------------|---|--------------|
| | Attributable to Parent Company shareholders | Total equity | Attributable to Parent Company shareholders | Total equity |
| Opening equity | 3 617 | 3 617 | 2 909 | 2 909 |
| Comprehensive income | 1 742 | 1 742 | 915 | 915 |
| Dividend | -310 | -310 | -207 | -207 |
| Closing Equity | 5 049 | 5 049 | 3 617 | 3 617 |

Changes in number of shares

| | Total number of Class A shares | Total number of Class B share | Total number of shares |
|--|--------------------------------|-------------------------------|------------------------|
| Number of shares at January 1 | 1 476 562 | 32 943 566 | 34 420 128 |
| Number of shares at the end of the period | 1 476 562 | 32 943 566 | 34 420 128 |

Condensed consolidated cash-flow statement

| MSEK | Oct-Dec | | Jan-Dec | |
|---|------------|------------|--------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Cash flow from operating activities before changes in working capital | 364 | 295 | 1 260 | 1 080 |
| Changes in working capital | 168 | 87 | 172 | 143 |
| Cash flow from operating activities | 532 | 382 | 1 432 | 1 223 |
| Acquisitions | -194 | - | -413 | -3 |
| Cash flow from other investing activities | -45 | -47 | -118 | -136 |
| Dividend | - | - | -310 | -207 |
| Cash flow from other financing activities | -278 | -360 | -467 | -853 |
| Change in cash and cash equivalents | 15 | -25 | 124 | 24 |
| Cash and cash equivalents at January 1 | 789 | 605 | 597 | 564 |
| Exchange-rate differences in cash and cash equivalents | 22 | 17 | 105 | 9 |
| Cash and cash equivalents at the end of the period | 826 | 597 | 826 | 597 |

Operating cash flow, Group

| MSEK | Oct-Dec | | Jan-Dec | |
|--------------------------------------|------------|------------|--------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Operating profit | 344 | 321 | 1 456 | 1 255 |
| Depreciation/amortisation/impairment | 50 | 37 | 166 | 156 |
| Change in working capital | 168 | 87 | 172 | 143 |
| Sales of fixed assets | 4 | 9 | 11 | 9 |
| Investments | -49 | -56 | -129 | -145 |
| Operating Cash flow | 517 | 398 | 1 676 | 1 418 |

Other key figures, Group

| | Oct-Dec | | Jan-Dec | |
|---|---------|-------|---------|-------|
| | 2014 | 2013 | 2014 | 2013 |
| Profit margin before tax, % | 14,6 | 16,5 | 16,1 | 15,4 |
| Return on shareholders' equity, % | | | 24,2 | 28,5 |
| Interest-coverage ratio, multiple | | | 72,8 | 52,5 |
| Net cash, MSEK | | | 259 | -312 |
| Net debt ratio, multiple | | | 0,0 | 0,1 |
| Cash flow per share, SEK | 15,45 | 11,10 | 41,60 | 35,53 |
| Cash flow per share before change in working capital, SEK | 10,58 | 8,57 | 36,61 | 31,38 |

Financial instruments recognized at fair value in the Balance Sheet

| MSEK | Dec 31 | |
|----------------------------------|--------|------|
| | 2014 | 2013 |
| Other current receivables | | |
| Currency derivatives | 85 | 84 |
| Other current liabilities | | |
| Currency derivatives | 94 | 134 |

Derivatives consist of currency forward contracts and are used primarily for hedging purposes and are measured at the level 2.

Quarterly data, Group

Sales per business area

| MSEK | 2014 | | | | Full-Year | 2013 | | | | Full-Year |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | Q3 | Q4 | |
| HEXPOL Compounding | 1 954 | 1 971 | 2 125 | 2 148 | 8 198 | 1 831 | 1 889 | 1 876 | 1 749 | 7 345 |
| HEXPOL Engineered Products | 177 | 174 | 187 | 183 | 721 | 183 | 171 | 163 | 174 | 691 |
| Group total | 2 131 | 2 145 | 2 312 | 2 331 | 8 919 | 2 014 | 2 060 | 2 039 | 1 923 | 8 036 |

Sales per geographic region

| MSEK | 2014 | | | | Full-Year | 2013 | | | | Full-Year |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | Q3 | Q4 | |
| Europe | 699 | 677 | 684 | 671 | 2 731 | 655 | 642 | 617 | 609 | 2 523 |
| NAFTA | 1 314 | 1 343 | 1 496 | 1 524 | 5 677 | 1 261 | 1 309 | 1 310 | 1 203 | 5 083 |
| Asia | 118 | 125 | 132 | 136 | 511 | 98 | 109 | 112 | 111 | 430 |
| Group total | 2 131 | 2 145 | 2 312 | 2 331 | 8 919 | 2 014 | 2 060 | 2 039 | 1 923 | 8 036 |

Operating profit per business area

| MSEK | 2014 | | | | Full-Year | 2013 | | | | Full-Year |
|----------------------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | Q3 | Q4 | |
| HEXPOL Compounding | 337 | 338 | 364 | 325 | 1 364 | 282 | 296 | 305 | 294 | 1 177 |
| HEXPOL Engineered Products | 27 | 22 | 24 | 19 | 92 | 16 | 16 | 19 | 27 | 78 |
| Group total | 364 | 360 | 388 | 344 | 1 456 | 298 | 312 | 324 | 321 | 1 255 |

Operating margin per business area

| % | 2014 | | | | Full-Year | 2013 | | | | Full-Year |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 | Q2 | Q3 | Q4 | |
| HEXPOL Compounding | 17,2 | 17,1 | 17,1 | 15,1 | 16,6 | 15,4 | 15,7 | 16,3 | 16,8 | 16,0 |
| HEXPOL Engineered Products | 15,3 | 12,6 | 12,8 | 10,4 | 12,8 | 8,7 | 9,4 | 11,7 | 15,5 | 11,3 |
| Group total | 17,1 | 16,8 | 16,8 | 14,8 | 16,3 | 14,8 | 15,1 | 15,9 | 16,7 | 15,6 |

Condensed income statement, Parent Company

| MSEK | Oct-Dec | | Jan-Dec | |
|--|------------|------------|------------|------------|
| | 2014 | 2013 | 2014 | 2013 |
| Sales | 9 | 6 | 35 | 32 |
| Administrative costs, etc. | -12 | -12 | -59 | -47 |
| Operating loss | -3 | -6 | -24 | -15 |
| Financial income and expenses | 208 | 243 | 303 | 372 |
| Profit/loss after net financial items | 205 | 237 | 279 | 357 |
| Appropriations | 0 | 8 | 0 | 8 |
| Profit/loss before tax | 205 | 245 | 279 | 365 |
| Tax | -3 | -5 | 1 | 0 |
| Profit/loss after tax | 202 | 240 | 280 | 365 |

Condensed balance sheet, Parent company

| MSEK | Dec 31 | |
|---|--------------|--------------|
| | 2014 | 2013 |
| Total fixed assets | 4 990 | 4 921 |
| Total current assets | 1 361 | 1 028 |
| Total assets | 6 351 | 5 949 |
| Total shareholders' equity | 3 209 | 3 239 |
| Total non-current liabilities | 486 | 940 |
| Total current liabilities | 2 656 | 1 770 |
| Total shareholders' equity and liabilities | 6 351 | 5 949 |

Financial definitions

| | |
|---------------------------------------|--|
| Capital employed | Total assets less non-interest-bearing liabilities. |
| Cash flow | Cash flow from operating activities after changes in working capital. |
| Cash flow per share | Cash flow from operating activities after changes in working capital divided by the average number of shares. |
| Earnings per share | Profit after tax, attributable to Parent Company shareholders, divided by the average number of shares. |
| EBIT | Operating profit after depreciation, amortisation and impairment. |
| EBITDA | Operating profit before depreciation, amortisation and impairment. |
| Equity/assets ratio | Shareholders' equity as a percentage of total assets. |
| Interest-coverage ratio | Profit before tax plus interest expenses divided by interest expenses. |
| Net investments | Purchases less sales of intangible and tangible fixed assets, excluding those included in acquisitions and divestments of subsidiaries. |
| Net debt/equity ratio | Interest-bearing liabilities less cash and cash equivalents divided by shareholders' equity. |
| Net debt | Interest-bearing liabilities less cash and cash equivalents. |
| Operating cash flow | Operating profit excluding items affecting comparability less depreciation/amortisation and net investments, and after changes in working capital. |
| Operating margin | Operating profit as a percentage of sales for the period. |
| Profit margin before tax | Profit before tax as a percentage of sales for the period. |
| Return on capital employed | Profit before tax plus interest expenses as a percentage of average capital employed. |
| Return on equity | Net profit attributable to Parent Company shareholders as a percentage of average shareholders' equity, excluding minority interests. |
| Shareholders' equity per share | Shareholders' equity attributable to Parent Company shareholders divided by the number of shares at the end of the period. |