

Half-year report January-June 2015

Published on July 20, 2015

Second quarter 2015 – Continued very strong growth and strong margins

- Sales rose 36 per cent to 2,910 MSEK (2,145).
- Operating profit increased 41 per cent to 508 MSEK (360).
- Operating margin increased to 17.5 per cent (16.8).
- Profit after tax increased 38 per cent to 357 MSEK (258).
- Earnings per share rose 38 per cent to 1.04 SEK (0.75).
- Operating cash flow increased to 640 MSEK (412).
- The share split 10:1 (each existing share is divided into ten shares), resolved by the Annual General Meeting, was completed in May.

First half of 2015 – Very strong growth and strong margins

- Sales rose 37 per cent to 5,861 MSEK (4,276).
- Operating profit increased 39 per cent to 1,003 MSEK (724).
- Operating margin increased to 17.1 per cent (16.9).
- Profit after tax increased 36 per cent to 709 MSEK (520).
- Earnings per share rose 36 per cent to 2.06 SEK (1.51).
- Integration of units acquired in 2014/2015 (Kardoes, Vigar Rubber Compounding, Portage Precision Polymers and RheTech Thermoplastic Compounding) was completed according to plan.
- Operating cash flow increased to 1,120 MSEK (699).

President's comments

"The second quarter of 2015 was once again a strong quarter for the HEXPOL Group – our best quarter so far. The Group sales increased significantly, +36 per cent, and our operating profit also increased significantly, +41 per cent, while the operating cash flow once again was strong, 640 MSEK. We had strong sales growth primarily thanks to our (in 2014 and 2015) acquired units, positive currency effects and improved volumes in Europe and stable volumes in NAFTA. Simultaneously, sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period.

During the first half of 2015, we have continued to improve our market positions and the integration of the acquired units was completed according to plan. Our financial position remains very strong and with a net debt of 313 MSEK, we are well equipped for continued expansion. At the beginning of the year, the acquisition of RheTech Thermoplastic Compounding, a leading provider of thermoplastic compounds, was finalized and the business has developed according to plan."

Georg Brunstam, President and CEO

Group summary

Key Figures	Apr-Jun		Jan-Jun		Full Year	Jul 14-
MSEK	2015	2014	2015	2014	2014	Jun 15
Sales	2 910	2 145	5 861	4 276	8 919	10 504
Operating profit, EBIT	508	360	1 003	724	1 456	1 735
Operating margin, %	17,5	16,8	17,1	16,9	16,3	16,5
Profit before tax	502	354	992	712	1 436	1 716
Profit after tax	357	258	709	520	1 048	1 237
Earnings per share, SEK*	1,04	0,75	2,06	1,51	3,05	3,60
Equity/assets ratio, %			61,2	62,7	69,3	
Return on capital employed, %					28,5	28,0
Operating cash flow	640	412	1 120	699	1 676	2 097

* Adjusted for share split 10:1 May 2015.

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.

Second quarter of 2015

The HEXPOL Group's sales rose 36 per cent to 2,910 MSEK (2,145) during the second quarter. Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units, positive currency effects and improved volumes in Europe and stable volumes in NAFTA. Currency effects had a positive impact of 401 MSEK on sales, primarily thanks to a strengthening of the USD.

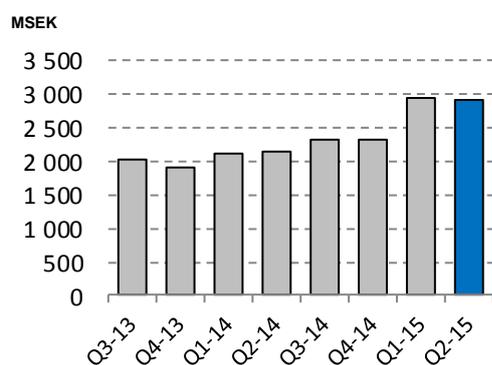
Sales growth (adjusted for currency effects) amounted to 17 per cent. Organic growth (adjusted for currency effects and acquisitions) was negative 2 per cent. Sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period.

The volume development was positive in all geographical regions, compared with the year-earlier period. Adjusted for acquisitions, volume development was positive in Europe and stable in NAFTA.

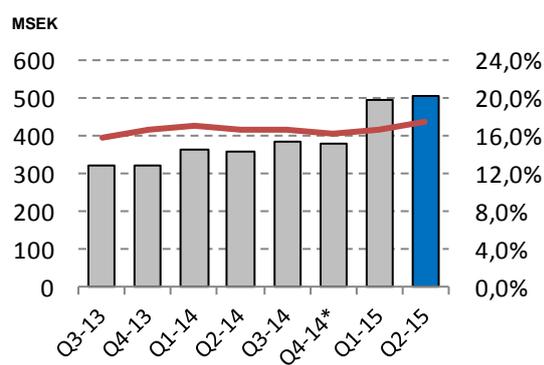
Operating profit rose 41 per cent to 508 MSEK (360), corresponding to an operating margin of 17.5 per cent (16.8). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations and positive exchange rate effects. Exchange rate fluctuations had a positive impact of 82 MSEK on operating profit for the quarter.

The integration of the units acquired in 2014/2015 was completed according to plan. Vigar Rubber Compounding's manufacturing facility in Germany is closed according to plan and the volumes are delivered from other HEXPOL units.

Sales



Operating profit & operating margin



*Excluding acquisition, integration and restructuring costs (Vigar)

The HEXPOL Compounding business area's sales increased 37 per cent during the quarter to 2,699 MSEK (1,971). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units, positive currency effects and improved volumes in Europe and stable volumes in NAFTA. Sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period. Operating profit rose 43 per cent to 482 MSEK (338). The operating margin increased to 17.9 per cent (17.1). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations as well as positive exchange rate effects.

The HEXPOL Engineered Products business area's sales for the quarter increased 21 per cent to 211 MSEK (174). Operating profit rose to 26 MSEK (22), which corresponded to an operating margin of 12.3 per cent (12.6).

The HEXPOL Group's sales in NAFTA (including Kardoes, Portage Precision Polymers and RheTech Thermoplastic Compounding) increased by 46 per cent compared with the year-earlier period. The HEXPOL Group's sales in Europe (including Vigar Rubber Compounding) increased 19 per cent,

compared to the corresponding quarter previous year. In Asia, the HEXPOL Group's sales were 10 per cent higher than in the year-earlier period.

The Group's operating cash flow rose to 640 MSEK (412). The Group's net financial items amounted to an expense of 6 MSEK (expense: 6).

Profit before tax rose to 502 MSEK (354) and profit after tax increased to 357 MSEK (258). Earnings per share increased 38 per cent to 1.04 SEK (0.75).

January-June 2015

The HEXPOL Group's sales for the first half-year increased 37 per cent to 5,861 MSEK (4,276). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units, positive currency effects and improved volumes in Europe and Asia and stable volumes in NAFTA. Currency effects had a positive impact of 837 MSEK on sales, primarily due to a strengthening of the USD.

Sales growth (adjusted for currency effects) amounted to 17 per cent. Organic growth (adjusted for currency effects and acquisitions) was negative 2 per cent. Sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period.

Operating profit rose 39 per cent to 1,003 MSEK (724), corresponding to an operating margin of 17.1 per cent (16.9). The operating profit improved mainly thanks to increased volumes, continued efficiency enhancements in the operations and positive exchange rate effects. Exchange rate fluctuations had a positive impact of 167 MSEK on operating profit for the first half-year.

At the beginning of the year, the acquisition of RheTech Thermoplastic Compounding, a well-known provider within Thermoplastic Compounding, with four facilities in US (including manufacturing and laboratories) located in Whitmore Lake, Michigan (RheTech Thermoplastic Compounding), Fowlerville, Michigan (RheTech Thermoplastic Compounding), Sandusky, Ohio (RheTech Colors) and in Blacksburg, South Carolina (RheTech Engineered Plastics), was finalized.

The integration of the units acquired in 2014/2015 was completed according to plan. Vigar Rubber Compounding's manufacturing facility in Germany is closed according to plan and the volumes are delivered from other HEXPOL units.

The HEXPOL Compounding business area's sales increased 39 per cent during the first half-year to 5,443 MSEK (3,925). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units, positive currency effects and improved volumes in Europe and Asia and stable volumes in NAFTA. Sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period. Operating profit rose 41 per cent to 955 MSEK (675). The operating margin amounted to 17.5 per cent (17.2). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations as well as positive exchange rate effects.

The HEXPOL Engineered Products business area's sales for the first half-year increased 19 per cent to 418 MSEK (351). Operating profit amounted to 48 MSEK (49), which corresponded to an operating margin of 11.5 per cent (14.0). During the first half-year 2014, insurance compensation of 6 MSEK was recognised for rebuilding the, in April 2013, fire damaged production line at HEXPOL Wheel's facility in Laxå, Sweden.

The Group's operating cash flow increased to 1,120 MSEK (699) during the first half-year. The Group's net financial items amounted to an expense of 11 MSEK (expense: 12).

Profit before tax for the first half-year rose to 992 MSEK (712) and profit after tax increased to 709 MSEK (520). Earnings per share increased 36 per cent to 2.06 SEK (1.51).

Profitability

The return on average capital employed (July 2014 - June 2015) amounted to 28.0 per cent (full year 2014 28.5). The return on shareholders' equity (July 2014 - June 2015) amounted to 23.7 per cent (full year 2014 24.2).

Financial position and liquidity

The equity/assets ratio amounted to 61.2 per cent (62.7). The Group's total assets amounted to 9,033 MSEK (6,322). Net debt amounted to 313 MSEK (175). The dividend of 413 MSEK (310) resolved at the Annual General Meeting was paid by HEXPOL in May.

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 2020.
- A three-year credit agreement with a limit of 750 MSEK that will fall due in February 2016.

The five-year credit agreement with a limit of 125 MUSD has been extended to fall due in February 2020.

Cash flow

The operating cash flow rose to 1,120 MSEK (699). Cash flow from operating activities increased to 864 MSEK (539).

Investments, depreciation and amortisation

The Group's investments amounted to 71 MSEK (54). Investments are mainly attributable to maintenance investments (primarily in USA) and capacity investments (primarily within HEXPOL TPE Compounding). Depreciation and amortisation amounted to 107 MSEK (76).

Tax expenses

The Group's tax expenses amounted to 283 MSEK (192), corresponding to a tax rate of 28.5 per cent (27.0).

Personnel

The number of employees at the end of the first half of the year was 3,913 (3,504). The increase in number of employees relates mainly to acquired units.

Acquisitions

In January 2015 the business of RheTech LLC and RheTech Colors, was acquired from the founders' families. RheTech Thermoplastic Compounding is a leading provider of thermoplastic compounds. RheTech has four facilities in the US (including manufacturing and laboratories) located in Whitmore Lake, Michigan (RheTech Thermoplastic Compounding), Fowlerville, Michigan (RheTech Thermoplastic Compounding), Sandusky, Ohio (RheTech Colors) and in Blacksburg, South Carolina (RheTech Engineered Plastics). RheTech Thermoplastic Compounding had a turnover of 117 MUSD in 2013 with an EBITDA margin well below the HEXPOL Group. RheTech Thermoplastic Compounding has around 210 employees. The acquisition price amounts to approximately 112 MUSD on a cash and debt free basis. The operations were consolidated from the acquisition date. Group ownership is 100 per cent. The acquired surplus value amounts preliminary to 70 MUSD and relates primarily to intangible assets.

The acquisition of Vigar Rubber Compounding included an option to acquire the real estate in Spain in which the business is conducted. During the second quarter the real estate in Spain was acquired for approximately 5.5 MEUR.

Business area HEXPOL Compounding

The HEXPOL Compounding business area is one of the world's leading suppliers in the development and manufacturing of advanced, high-quality polymer compounds. 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, followed by the construction sector. Other key segments are medical technology, cable and water treatment, energy, oil and gas industry, general industry and consumer.

MSEK	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Sales	2 699	1 971	5 443	3 925	8 198	9 716
Operating profit	482	338	955	675	1 364	1 644
Operating margin, %	17,9	17,1	17,5	17,2	16,6	16,9

HEXPOL Compounding's sales (including the acquired business of Kardoes, Vigar Rubber Compounding, Portage Precision Polymers and RheTech Thermoplastic Compounding) increased 37 per cent to 2,699 MSEK (1,971), during the second quarter. Sales growth was strong primarily due to acquired units, positive currency effects and improved volumes in Europe and stable volumes in NAFTA. Sales have been affected by lower prices for our principal raw materials, which have been lower than the corresponding year-earlier period. The price development has varied for our principal raw materials during the quarter, including higher prices on some raw materials within TPE and TP Compounding.

Operating profit increased by 43 per cent to 482 MSEK (338), which corresponded to an operating margin of 17.9 per cent (17.1). The operating profit improved mainly thanks to increased volumes, continued efficiency enhancements in the operations and positive exchange rate effects.

Sales in NAFTA increased compared with the year-earlier period. Excluding acquisitions, the volumes were positive to automotive-related customers while volumes to certain segments such as mining, exporting industry, oil and gas sector were considerably weaker.

The acquisition of RheTech Thermoplastic Compounding was finalized in the beginning of the year and the business has developed according to plan.

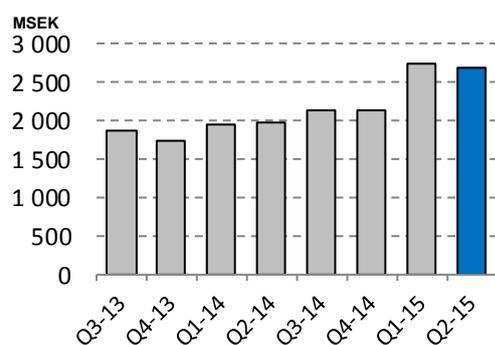
Sales in Europe increased compared with the year-earlier period. Excluding acquisitions the volumes developed positively, primarily to automotive-related customers. The integration of Vigar Rubber Compounding, acquired in the fourth quarter of 2014, has been completed according to plan and the closing of the manufacturing facility in Viersen, Germany, is completed.

Sales in Asia increased compared with the year-earlier period primarily to automotive-related customers in China.

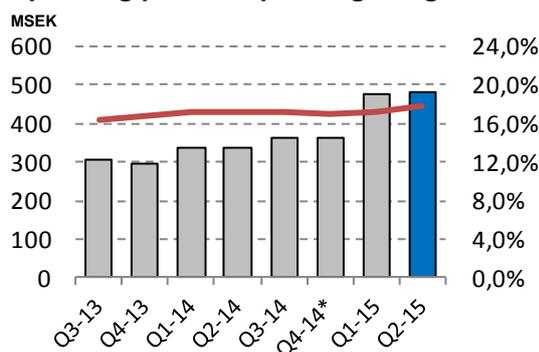
The HEXPOL TPE Compounding product area had a positive development during the quarter.

HEXPOL has decided to invest in further manufacturing capacity, an advanced 135 L Rubber Compounding line, in Mexico in order to support the growing demand from mainly automotive and engineering related customers in Mexico. The new line is expected to be on stream during second half of 2016.

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 suppliers of advanced products, such as gaskets for plate heat exchangers (Gaskets) and wheels for the forklift industry (Wheels). The market for gaskets and wheels is global. Gasket customers include manufacturers of plate heat exchangers and wheel customers are manufacturers of forklifts and castor wheels.

MSEK	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Sales	211	174	418	351	721	788
Operating profit	26	22	48	49	92	91
Operating margin, %	12,3	12,6	11,5	14,0	12,8	11,5

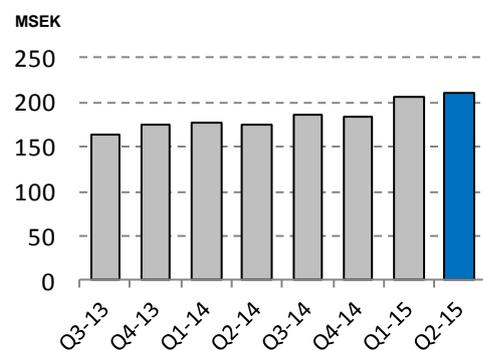
The HEXPOL Engineered Products business area's sales increased 21 per cent to 211 MSEK (174), during the second quarter. Operating profit rose to 26 MSEK (22), corresponding to an operating margin of 12.3 per cent (12.6).

The sales development for the HEXPOL Gaskets product area was positive on all geographical regions however sales remained weak to project-related operations. As before, the market was characterised by general price pressure.

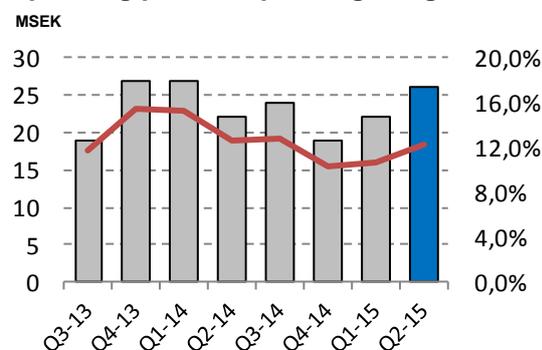
Furthermore, sales for HEXPOL Wheels product area developed positively on all geographical regions. The HEXPOL Wheels business in US had a continued positive development.

Jan Wikström, President HEXPOL Wheels, has also been appointed President of HEXPOL Gaskets within HEXPOL Engineered Products, during the quarter.

Sales



Operating profit & operating margin



Parent Company

The Parent Company's profit after tax amounted to 164 MSEK (83), which includes dividends from subsidiaries. Shareholders' equity amounted to 2,960 MSEK (3,012).

Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2014 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 half-year 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 half-year 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 2014 Annual Report have also been applied in this half-year report. No new or revised IFRSs that entered into force in 2015 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 10,763 shareholders on June 30, 2015. 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 60 per cent of the capital and 71 per cent of the voting rights.

Share split and change of the articles of association

The share split 10:1 (each existing share is divided into ten shares), resolved by the Annual General Meeting on May 4, 2015, was completed. The Annual General Meeting also decided to change section 4 "Aktier" of the articles of association in respect of the number of shares in the company so that the minimum is two hundred million and the maximum is eight hundred million, and with respect to the proportion of shares of series B in proportion to the total number of shares. After the share split, the number of shares in the company amounts to 344,201,280 of which 14,765,620 shares of series A and 329,435,660 shares of series B.

Invitation to the presentation of the report

This report will be presented via a telephone conference on July 20 at 12:00 p.m CET. The presentation, as well as information concerning participation, is available on www.hexpol.com.

Calendar for financial information

HEXPOL AB will publish financial information on the following dates:

- | | |
|---|------------------|
| ▪ Interim report January-September 2015 | October 23, 2015 |
| ▪ Year-end report 2015 | February 3, 2016 |
| ▪ Interim report January-March 2016 | April 29, 2016 |
| ▪ Annual General Meeting 2016 | April 29, 2016 |

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

Board assurance

The half-year report provides a fair view of the Parent Company's and the Group's operation, financial position and results. It also describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

This half-year report has not been subject to any particular review by HEXPOL AB's auditors.

Malmö, Sweden July 20, 2015
HEXPOL AB (publ)

Melker Schörling
Chairman of the Board

Ulrik Svensson

Alf Göransson

Malin Persson

Jan-Anders Månson

Georg Brunstam
President and CEO

Märta Schörling

For more information, please contact:

- Georg Brunstam, President and CEO
Tel: +46 708 55 12 51
- Karin Gunnarsson, Chief Financial Officer/ Investor Relations Manager
Tel: +46 705 55 47 32

Address: Skeppsbron 3
SE-211 20 Malmö, Sweden

Corporate Registered Number 556108–9631
Tel: +46 40-25 46 60
Fax: +46 40-25 46 89
Website: www.hexpol.com

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 July 20, 2015, at 11:00 a.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	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Sales	2 910	2 145	5 861	4 276	8 919	10 504
Cost of goods sold	-2 247	-1 675	-4 552	-3 340	-6 984	-8 196
Gross profit	663	470	1 309	936	1 935	2 308
Selling and administrative cost, etc.	-155	-110	-306	-212	-479	-573
Operating profit	508	360	1 003	724	1 456	1 735
Financial income and expenses	-6	-6	-11	-12	-20	-19
Profit before tax	502	354	992	712	1 436	1 716
Tax	-145	-96	-283	-192	-388	-479
Profit after tax	357	258	709	520	1 048	1 237
- of which, attributable to Parent Company shareholders	357	258	709	520	1 048	1 237
Earnings per share, SEK*	1,04	0,75	2,06	1,51	3,05	3,60
Shareholders' equity per share, SEK*			16,07	11,51	14,67	
Average number of shares, 000s*	344 201	344 201	344 201	344 201	344 201	344 201
Depreciation, amortisation and impairment	-54	-41	-107	-76	-166	-197

* Adjusted for share split 10:1 May 2015.

Condensed statement of comprehensive income

MSEK	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Profit after tax	357	258	709	520	1 048	1 237
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	0	0	0	0	0	0
Income tax relating to items that will not be reclassified to the income statement	0	0	0	0	0	0
Items that may be reclassified to the income statement						
Cash-flow hedges	0	0	0	0	0	0
Hedge of net investment	41	-30	-45	-30	-143	-158
Income tax relating to items that may be reclassified to the income statement	-9	7	10	7	32	35
Translation differences	-249	161	222	159	805	868
Comprehensive income	140	396	896	656	1 742	1 982
- of which, attributable to Parent Company's shareholders	140	396	896	656	1 742	1 982

Condensed consolidated balance sheet

MSEK	Jun 30		Dec 31
	2015	2014	2014
Intangible fixed assets	4 078	2 817	3 364
Tangible fixed assets	1 662	1 194	1 427
Financial fixed assets	1	0	1
Deferred tax asset	59	34	40
Total fixed assets	5 800	4 045	4 832
Inventories	727	503	580
Accounts receivable	1 341	940	945
Other receivables	170	133	76
Prepaid expenses and accrued income	29	49	25
Cash and cash equivalents	966	652	826
Total current assets	3 233	2 277	2 452
Total assets	9 033	6 322	7 284
Equity attributable to Parent Company's shareholders	5 532	3 963	5 049
Total shareholders' equity	5 532	3 963	5 049
Interest-bearing liabilities	215	793	219
Provision for deferred tax	271	190	240
Provision for pensions	20	17	20
Total non-current liabilities	506	1 000	479
Interest-bearing liabilities	1 064	34	348
Accounts payable	1 378	923	1 017
Other liabilities	147	122	60
Accrued expenses, prepaid income, provisions	406	280	331
Total current liabilities	2 995	1 359	1 756
Total shareholders' equity and liabilities	9 033	6 322	7 284

Consolidated changes in shareholders' equity

MSEK	Jun 30, 2015		Jun 30, 2014		Dec 31, 2014	
	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity
Opening equity	5 049	5 049	3 617	3 617	3 617	3 617
Comprehensive income	896	896	656	656	1 742	1 742
Dividend	-413	-413	-310	-310	-310	-310
Closing Equity	5 532	5 532	3 963	3 963	5 049	5 049

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
Share split 10:1	13 289 058	296 492 094	309 781 152
Number of shares at the end of the period	14 765 620	329 435 660	344 201 280

Condensed consolidated cash-flow statement

MSEK	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Cash flow from operating activities before changes in working capital	316	244	796	589	1 260	1 467
Changes in working capital	111	33	68	-50	172	290
Cash flow from operating activities	427	277	864	539	1 432	1 757
Acquisitions	-64	0	-983	0	-413	-1 396
Cash flow from other investing activities	-33	-22	-58	-51	-118	-125
Dividend	-413	-310	-413	-310	-310	-413
Cash flow from other financing activities	126	-127	699	-152	-467	384
Change in cash and cash equivalents	43	-182	109	26	124	207
Cash and cash equivalents at the beginning of the period	965	803	826	597	597	652
Exchange-rate differences in cash and cash equivalents	-42	31	31	29	105	107
Cash and cash equivalents at the end of the period	966	652	966	652	826	966

Operating cash flow, Group

MSEK	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Operating profit	508	360	1 003	724	1 456	1 735
Depreciation/amortisation/impairment	54	41	107	76	166	197
Change in working capital	111	33	68	-50	172	290
Sales of fixed assets	13	3	13	3	11	21
Investments	-46	-25	-71	-54	-129	-146
Operating Cash flow	640	412	1 120	699	1 676	2 097

Other key figures, Group

	Apr-Jun		Jan-Jun		Full Year	Jul 14-
	2015	2014	2015	2014	2014	Jun 15
Profit margin before tax, %	17,3	16,5	16,9	16,7	16,1	16,3
Return on shareholders' equity, %					24,2	23,7
Interest-coverage ratio, multiple			91,2	72,2	72,8	82,7
Net cash, MSEK			-313	-175	259	
Net debt ratio, multiple			0,1	0,0	0,0	
Cash flow per share, SEK*	1,24	0,81	2,51	1,57	4,16	5,10
Cash flow per share before change in working capital, SEK*	0,92	0,71	2,31	1,71	3,66	4,26

* Adjusted for share split 10:1 May 2015.

Financial instruments recognized at fair value in the Balance Sheet

MSEK	Jun 30		Dec 31
	2015	2014	2014
Other current receivables			
Currency derivatives	0	0	0
Other current liabilities			
Currency derivatives	0	0	0

Derivatives consist of currency forward contracts and are used for hedging purposes and are measured at the level 2. Fair value for other financial assets and liabilities are consistent in all material respects with the accounting value in the balance sheet.

Quarterly data, Group

Sales per business area

MSEK	2015		2014				Full-Year	Jul 14- Jun 15	2013				Full-Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
HEXPOL Compounding	2 744	2 699	1 954	1 971	2 125	2 148	8 198	9 716	1 831	1 889	1 876	1 749	7 345
HEXPOL Engineered Products	207	211	177	174	187	183	721	788	183	171	163	174	691
Group total	2 951	2 910	2 131	2 145	2 312	2 331	8 919	10 504	2 014	2 060	2 039	1 923	8 036

Sales per geographic area

MSEK	2015		2014				Full-Year	Jul 14- Jun 15	2013				Full-Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
Europe	850	808	699	677	684	671	2 731	3 013	655	642	617	609	2 523
NAFTA	1 963	1 964	1 314	1 343	1 496	1 524	5 677	6 947	1 261	1 309	1 310	1 203	5 083
Asia	138	138	118	125	132	136	511	544	98	109	112	111	430
Group total	2 951	2 910	2 131	2 145	2 312	2 331	8 919	10 504	2 014	2 060	2 039	1 923	8 036

Operating profit per business area

MSEK	2015		2014				Full-Year	Jul 14- Jun 15	2013				Full-Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
HEXPOL Compounding	473	482	337	338	364	325	1 364	1 644	282	296	305	294	1 177
HEXPOL Engineered Products	22	26	27	22	24	19	92	91	16	16	19	27	78
Group total	495	508	364	360	388	344	1 456	1 735	298	312	324	321	1 255

Operating margin per business area

%	2015		2014				Full-Year	Jul 14- Jun 15	2013				Full-Year
	Q1	Q2	Q1	Q2	Q3	Q4			Q1	Q2	Q3	Q4	
HEXPOL Compounding	17,2	17,9	17,2	17,1	17,1	15,1	16,6	16,9	15,4	15,7	16,3	16,8	16,0
HEXPOL Engineered Products	10,6	12,3	15,3	12,6	12,8	10,4	12,8	11,5	8,7	9,4	11,7	15,5	11,3
Group total	16,8	17,5	17,1	16,8	16,8	14,8	16,3	16,5	14,8	15,1	15,9	16,7	15,6

Condensed income statement, Parent Company

MSEK	Apr-Jun		Jan-Jun		Full Year	
	2015	2014	2015	2014	2014	2014
Sales	11	8	22	17	35	35
Administrative costs, etc.	-16	-16	-31	-31	-59	-59
Operating loss	-5	-8	-9	-14	-24	-24
Financial income and expenses	126	76	173	94	303	303
Profit/loss before tax	121	68	164	80	279	279
Tax	0	2	0	3	1	1
Profit/loss after tax	121	70	164	83	280	280

Condensed balance sheet, Parent company

MSEK	Jun 30		Dec 31
	2015	2014	2014
Total fixed assets	5 018	4 939	4 990
Total current assets	2 465	1 142	1 361
Total assets	7 483	6 081	6 351
Total shareholders' equity	2 960	3 012	3 209
Total non-current liabilities	215	790	219
Total current liabilities	4 308	2 279	2 923
Total shareholders' equity and liabilities	7 483	6 081	6 351

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.