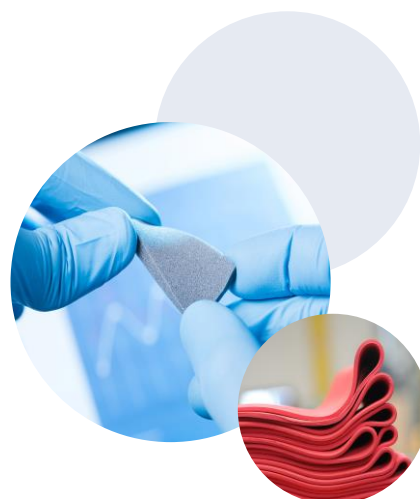


Published on January 27, 2023

# Year-end report 2022



## OCTOBER – DECEMBER 2022

- Sales increased by 35 percent and amounted to 5,495 MSEK (4,085).
- EBIT increased by 57 percent and amounted to 841 MSEK (537).
- EBIT-margin amounted to 15.3 percent (13.1).
- Adjusted EBIT (excl. non-recurring items) increased by 29 percent to 811 MSEK (628).
- Adjusted EBIT-margin (excl. non-recurring items) amounted to 14.8 percent (15.4).
- Profit after tax amounted to 624 MSEK (446).
- Earnings per share amounted to 1.81 SEK (1.29).
- Operating cash flow amounted to 1,366 MSEK (752 excluding insurance compensation 2021).

## JANUARY – DECEMBER 2022

- Sales increased by 39 percent and amounted to 22,243 MSEK (16,005).
- EBIT increased by 7 percent and amounted to 3,290 MSEK (3,074).
- EBIT-margin amounted to 14.8 percent (19.2).
- Adjusted EBIT (excl. non-recurring items) increased by 19 percent to 3,260 MSEK (2,737).
- Adjusted EBIT-margin (excl. non-recurring items) amounted to 14.7 percent (17.1).
- Profit after tax increased to 2,483 MSEK (2,358).
- Earnings per share increased by 5 percent to 7.21 SEK (6.85).
- Operating cash flow amounted to 2,813 MSEK (2,731).
- The Board of Directors propose a dividend of 3.60 SEK per share (3.00) for 2022.

**”Continued growth and strong margin gave our best fourth quarter ever”**

*Georg Brunstam, President and CEO*

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### ABOUT HEXPOL

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gaskets and Seals), and wheels made of polymer materials for truck and forklift applications (Wheels). Customers are primarily system suppliers to the global automotive and engineering industry, building and construction industry and within sectors as transportation, energy, consumer and cable industry and manufacturers of medical equipment, plate heat exchangers and forklifts. The Group is organized in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2022 amounted to 22,243 MSEK and the Group has approximately 5,100 employees in fourteen countries.

## Continued growth and strong margin gave our best fourth quarter ever

Once again, we delivered a very strong quarter. Adjusted EBIT amounted to 811 MSEK (628), which in terms of results is our best fourth quarter so far and represents an increase of 29 percent compared with the corresponding quarter previous year. The sales growth for the quarter as a total was strong with an increase of 35 percent compared with the corresponding quarter last year, with good sales in all markets and all product areas. However, at the end of December we saw lower sales compared to the beginning of the quarter affected by inventory reductions at customers and the effects of the extreme winter weather in USA. Despite that, America showed overall a continued strong development. The development for HEXPOL Engineered Products was very strong during the quarter, driven by increased demand for energy saving products. Included in the positive sales development for HEXPOL Group are effects from acquisitions, positive currency effects and increased sales prices.

Sales to automotive-related customers show a slight improvement but still varies globally. We see continued great uncertainty in Europe, mainly in the building and construction industry. In addition to the challenges of uneven demand and supply issues, we have seen continued price increases for certain raw materials, and increased energy costs. Acquired companies continue to have lower margins than HEXPOL Group's total profitability margin.

Strong execution of our solid business model with high customer focus combined with our ability to offer fast and stable deliveries, and the implementation of price adjustments are the key to our strong results. This together with our large geographical coverage with manufacturing close to our customers increases our delivery capacity.

Our acquisition strategy is set and we work focused according to it. We recently acquired McCann Plastics LLC, an American specialist in thermoplastic compounds which has a significant proportion of recycled products. Earlier during the year we acquired almaak international GmbH, based in Germany. The company is a specialist in high quality recycled engineered polymer compounds and we see great interest from the automotive industry for projects with recycled materials.

The work on sustainability continues, not least with reducing our carbon footprint in order to achieve our goal of a reduction by 75 percent to 2025. Since the establishment of the target we have reduced our carbon footprint by 51 percent so we are well on our way to achieving our goal.

As deliveries of specific raw materials have stabilized, we have also actively reduced our raw material inventory, which helped to deliver a record high operating cashflow of 1,366 MSEK (752\*) in the quarter.

The uncertainty going forward remains high with sharply rising inflation and interest rates, disturbances in supply chains and Russia's invasion of Ukraine. However, we believe that our strong customer focus in combination with our geographical closeness to our customers gives us continued opportunities to deal with the disruptions and further strengthen our market position. We are flexible and ready to meet the expected increase in vehicle production. The strong business model in combination with a clear acquisition strategy and strong financial position give us good conditions for continued growth and acquisitions.

Sales  
**5,495 MSEK (4,085)**

**+35%**

EBIT  
**841 MSEK (537)**

**+57%**

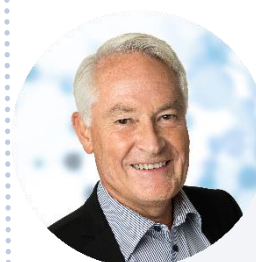
Adjusted EBIT  
**811 MSEK (628)**

**+29%**

Operating cashflow  
**1,366 MSEK (752\*)**

**+82%**

\*Excluding insurance compensation 2021



**Georg Brunstam**  
 President and CEO

## Group Summary

Key figures	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
MSEK	2022	2021	2022	2021
Sales	5 495	4 085	22 243	16 005
EBITA, adjusted	837	651	3 358	2 812
EBITA-margin, adjusted, %	15,2	15,9	15,1	17,6
EBITA	867	560	3 388	3 149
EBITA-margin, %	15,8	13,7	15,2	19,7
EBIT, adjusted	811	628	3 260	2 737
EBIT-margin, adjusted, %	14,8	15,4	14,7	17,1
EBIT	841	537	3 290	3 074
EBIT-margin, %	15,3	13,1	14,8	19,2
Profit before tax	810	523	3 244	3 031
Profit after tax	624	446	2 483	2 358
Earnings per share, adjusted, SEK	1,74	1,48	7,14	6,09
Earnings per share after dilution, SEK	1,81	1,29	7,21	6,85
Equity/assets ratio, %			58	65
Return on capital employed, % R12			19,2	22,8
Operating cash flow	1 366	1 296	2 813	2 731



# Group development

## October - December 2022

### Sales

Our sales once again increased strongly during the fourth quarter 2022 compared to the corresponding quarter previous year. The HEXPOL Group's sales increased by 35 percent and amounted to 5,495 MSEK (4,085) during the quarter, including positive currency effects of 681 MSEK. In addition to the positive currency effects, the sales were positively affected by organic growth of 10 percent and acquisitions (almaak and McCann) with 8 percent.

The HEXPOL Compounding business area's sales increased by 36 percent during the quarter, compared to the corresponding quarter 2021. The sales amounted to 5,148 MSEK (3,791) including positive currency effects of 648 MSEK. Adjusted for these, the sales amounted to 4,500 MSEK. In addition to the positive currency effects, the sales were positively affected by organic growth of 11 percent and acquisitions with 8 percent. All regions and all product areas showed sales increases compared to the corresponding quarter previous year. However, at the end of December we saw lower sales compared to the beginning of the quarter affected by inventory reductions at customers and the effects of the extreme winter weather in USA. Despite that, America showed overall a continued strong development.

Sales to automotive-related customers show a slight improvement but still varies globally. We see a continued great uncertainty in Europe, mainly in the building and construction industry.

We saw continued price increases for certain raw materials, as well as continued high energy costs, during the quarter.

The HEXPOL Engineered Products sales also increased during the quarter, affected by increased demand for energy saving products and amounted to 347 MSEK (294), an increase by 18 percent.

From a geographical perspective the sales increased in Europe by 34 percent compared to the corresponding quarter previous year. The sales in America increased at the same time by 35 percent and in Asia by 36 percent compared with the corresponding quarter previous year.

### Earnings

Adjusted EBITA increased to 837 MSEK (651), which meant a corresponding EBITA margin of 15.2 percent (15.9).

The adjusted EBIT increased by 29 percent to 811 MSEK (628). Positive currency effects of 111 MSEK are included. The corresponding operating margin amounted to 14.8 percent (15.4). The continued need to constant adapt production to rapidly changing demand from customers in combination with non-optimized recipes due to raw material shortages and price increases for raw materials and energy continue to affect our gross margin negatively also during this quarter. In addition, as previously communicated, the acquired companies continue to have lower margin than HEXPOL Group's total profitability margin.

The Group's net financial items amounted to an expense 31 MSEK (expense 14). Profit before tax amounted to 810 MSEK (523), profit after tax amounted to 624 MSEK (446) and earnings per share 1.81 SEK (1.29). Adjusted for non-recurring items earnings per share amounted to 1.74 SEK (1.48).

**Sales**  
**5,495 MSEK**  
**+35%**

**Adjusted EBIT**  
**811 MSEK**  
**+29%**

## January - December 2022

### Sales

Our organic sales increased during the period by 39 percent compared to the corresponding period previous year. The HEXPOL Group's sales amounted to 22,243 MSEK (16,005) during the period, including positive currency effects of 2,269 MSEK. In addition to the positive currency effects, the sales were positively affected by organic sales growth of 17 percent and acquisitions (VICOM, Unica, almaak and McCann) with 7 percent.

The HEXPOL Compounding business area's sales increased by 40 percent during the period, compared to the corresponding period 2021. The sales amounted to 20,834 MSEK (14,888) including positive currency effects of 2,151 MSEK. Adjusted for these, the sales amounted to 18,683 MSEK. In addition to the positive currency effects, the sales were positively affected by organic growth of 17 percent and acquisitions with 8 percent. We saw good underlying demand during the period, however, the outcome was negatively affected by the global disturbances regarding component- and raw material shortages as well as transport problems and frequent production stoppage mainly at automotive customers. Sales to automotive-related customers show a slight improvement but still varies globally. We see a continued great uncertainty in Europe, mainly in the building and construction industry.

During the period, we also saw continued price increases of raw materials, albeit at a lower rate at the end of the period, and continued high energy costs.

The HEXPOL Engineered Products sales also increased during the period compared to the corresponding period 2021, and amounted to 1,409 MSEK (1,117), an increase by 26 percent.

From a geographical perspective the sales increased in Europe by 40 percent compared to the corresponding period previous year. The sales in America increased at the same time by 39 percent and in Asia by 28 percent compared to the corresponding period previous year.

### Earnings

Adjusted EBITA amounted to 3,358 MSEK (2,812), which meant a corresponding EBITA margin of 15.1 percent (17.6).

Adjusted EBIT increased by 19 percent to 3,260 MSEK (2,737). Positive currency effects of 351 MSEK are included. The corresponding operating margin amounted to 14.7 percent (17.1). The need to constant adapt production to rapidly changing demand from customers in combination with non-optimized recipes due to raw material shortages and price increases for raw materials and energy has affected our gross margin negatively during the period. VICOM and Unica, acquired during 2021, and almaak, acquired during 2022, have all a continued lower margin than the HEXPOL Group's.

The Group's net financial items amounted to an expense 46 MSEK (expense 43). Profit before tax amounted to 3,244 MSEK (3,031), profit after tax amounted to 2,483 MSEK (2,358) and earnings per share 7.21 SEK (6.85). Adjusted for non-recurring items earnings per share amounted to 7.14 SEK (6.09).

Sales  
**22,243 MSEK**  
**+39%**

Adjusted EBIT  
**3,260 MSEK**  
**+19%**

## Financial overview

### Equity/assets ratio

The equity/assets ratio continued strong 58 percent (65). The Group's total assets amounted to 23,553 MSEK (17,963). Net debt amounted to 2,845 MSEK (899) whereof 428 MSEK (395) relates to financial leasing liabilities according to IFRS 16, which gives a net debt/EBITDA of 0.75 (0.25). The increase in net debt/EBITDA is temporarily affected by the decided extra dividend and the acquisition of almaak international GmbH during the second quarter and McCann Plastics LLC during the fourth quarter.

The Group had the following major credit agreements with Nordic banks as per December 31:

- A credit agreement with a limit of 2,000 MSEK due in July 2023
- A credit agreement with a limit of 1,500 MSEK due in September 2023
- A credit agreement with a limit of 1,500 MSEK due in June 2025
- A credit agreement with a limit of 1,100 MSEK due in February 2025

The Group use commercial papers as part of the company's financing and as of December 31 they amounted to 1 520 MSEK. In accordance with IAS1, outstanding volumes are reported in the balance sheet as current liabilities, but since HEXPOL's bilateral credit agreements also function as back-up facilities for outstanding commercial papers, they are of a non-current nature.

### Cash flow

The operating cash flow for the Group amounted to 1,366 MSEK (1,296) in the quarter. Adjusted for received insurance compensation of 544 MSEK during 2021, operating cashflow increased by 614 MSEK or 82 percent. Cash flow from operating activities amounted to 1,437 MSEK (1,256). Operating cash flow for the period January-December was 2,813 MSEK (2,731), while cash flow from operating activities was 2,593 MSEK (2,406).

### Investments, depreciation and amortisation

The Group's investments amounted to 243 MSEK (114) for the quarter. The increase is mainly explained by investments related to the acquired almaak and McCann. At the same time, depreciation, amortization and impairment amounted to 140 MSEK (106) whereof 22 MSEK (21) refers to leased assets according to IFRS 16. The investments amounted to 659 MSEK (304) for the period January-December, an increase mainly explained by investments related to the acquired almaak and McCann and acquisition of a production building in USA, while depreciation, amortization and impairment amounted to 492 MSEK (471). Of these refers 85 MSEK (82) to leased assets according to IFRS 16.

### Tax expenses

The Group's tax expenses amounted to 186 MSEK (77) during the fourth quarter, which corresponds to a tax rate of 23.0 percent (14.7). Tax expenses for the period January-December amounted to 761 MSEK (673), which corresponds to a tax rate of 23.5 percent (22.2).

**Net debt/EBITDA**  
**0.75**

## Profitability

The return on average capital employed, R12, amounted to 19.2 percent (22.8).

The return on shareholders' equity, R12, amounted to 19.1 percent (22.2).

## Parent Company

The Parent Company's profit after tax for the quarter amounted to 1,274 MSEK (1,224). Profit after tax for the period January-December amounted to 1,430 MSEK (1,366). Shareholders' equity amounted to 5,610 MSEK (6,246).



## HEXPOL Compounding

### October - December 2022

The sales increased strongly during the fourth quarter 2022, compared to the corresponding quarter previous year. The sales amounted to 5,148 MSEK (3,791) including positive currency effects of 648 MSEK. Adjusted for these, the sales amounted to 4,500 MSEK. In addition to positive currency effects, the sales were positively affected by organic growth of 11 percent and acquisitions with 8 percent. All regions and all product areas showed sales increases compared to the corresponding quarter previous year. However, at the end of December we saw lower sales compared to the beginning of the quarter affected by inventory reductions at customers and the effects of the extreme winter weather in USA. Despite that, America showed overall a continued strong development.

Sales to automotive-related customers show a slight improvement but still varies globally. We see a continued great uncertainty in Europe, mainly in the building and construction industry.

We saw continued price increases for certain raw materials, as well as continued high energy costs, during the quarter.

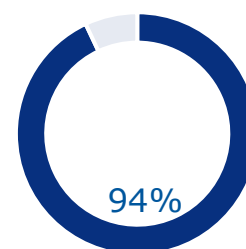
Adjusted EBIT increased 737 MSEK (586) and the corresponding operating margin amounted to 14.3 percent (15.5). The continued need to constant adapt production to rapidly changing demand from customers in combination with non-optimized recipes due to raw material shortages and price increases for raw materials and energy has affected our gross margin negatively during the quarter. In addition, as previously communicated, the acquired almaak continue to have a lower margin than the HEXPOL Group.

### January - December 2022

The sales for HEXPOL Compounding increased by 40 percent to 20,834 MSEK (14,888), during the period. At the same time, the adjusted EBIT amounted to 2,982 MSEK (2,541). The corresponding operating margin amounted to 14.3 percent (17.1).

### Share of the Group's sales

January - December 2022



### About HEXPOL Compounding

The business area is one of the world's leading suppliers in development and manufacturing of advanced, high-quality polymer compounds for demanding applications and demanding end users. 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 building and construction sector. Other key segments are transportation sector, energy sector, consumer sector, cable industries and manufacturers of medical equipment.

### HEXPOL Compounding

	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
MSEK	2022	2021	2022	2021
Sales	5 148	3 791	20 834	14 888
EBIT, adjusted	737	586	2 982	2 541
EBIT-margin, adjusted, %	14,3	15,5	14,3	17,1
EBIT	767	495	3 012	2 878



## HEXPOL Engineered Products

### October – December 2022

The sales increased by 18 percent compared to the same quarter previous year and amounted to 347 MSEK (294). The increase include positive currency effects of 33 MSEK. Adjusted for these, the sales amounted to 314 MSEK. EBIT amounted to 74 MSEK (42) which correspond to an operating margin of 21.3 percent (14.3).

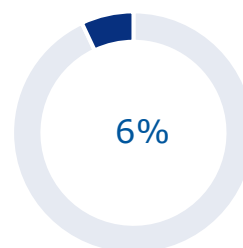
All product areas increased their sales compared to the corresponding quarter previous year, driven by increased demand for energy saving products.

### January – December 2022

The sales for HEXPOL Engineered products increased by 26 percent to 1,409 MSEK (1,117). At the same time, the operating profit increased to 278 MSEK (196) which corresponds to an operating margin of 19.7 percent (17.5).

### Share of the Group's sales

January - December 2022



### About HEXPOL Engineered Products

The business area has operations in a number of niche areas with strong global positions in gaskets for plate heat exchangers (Gaskets and Seals) and wheels of polymer materials for forklifts and material handling (Wheels). The market for gaskets and wheels is global. Gaskets customers include manufacturers of plate heat exchangers and wheel customers are manufacturers of forklifts and castor wheels.

### HEXPOL Engineered Products

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>MSEK</b>				
Sales	347	294	1 409	1 117
EBIT	74	42	278	196
EBIT-margin, %	21,3	14,3	19,7	17,5

## After the end of the period

### Significant events

No significant events after the end of the period have been reported.

## Other information

### Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2021 Annual Report. The Covid-19 pandemic continue to have a major impact on the world and HEXPOL. In addition to this, Russia's invasion of Ukraine causes further impact and uncertainty for large parts of the world. At present, it is very difficult to estimate or quantify the risks related to this, but it is likely that the negative effect will continue to affect, both sales and earnings. The Board and management follows the development closely.

### Accounting policies

This year-end report has been prepared in accordance with IAS 34, Interim Financial Reporting. 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. The accounting and measurement policies as well as the assessment bases, applied in the 2021 Annual Report have also been applied in this year-end report. No new or revised IFRS that came into force 2022 have had any significant impact on the Group's financial reports.

Liabilities for put options are recognized as a financial liability measured at fair value with changes in value in profit or loss, and are valued in accordance with Level 3.

### Alternative Performance Measures (APMs)

ESMA (European Securities and Markets Authority) guidelines on alternative performance measures are effective from 2016. HEXPOL presents financial definitions and reconciliations of alternative performance measures in this report. HEXPOL presents alternative performance measures as these provide valuable additional information to investors and the company's management as they allow evaluation of the company's performance.

## Personnel

The number of employees at the end of the period was 5,084 (4,771). The increase, compared to the corresponding period previous year, is mainly explained by the acquisition of almaak which happened in April 2022 and McCann acquired in December 2022.

Number of  
employees  
**5,084**

## 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 Nasdaq Stockholm, Large Cap. HEXPOL AB had approximately 12,700 shareholders on December 31, 2022. The largest shareholder is Melker Schörling AB with 25 percent of the capital and 46 percent of the voting rights. The twenty largest shareholders own 69 percent of the capital and 78 percent of the voting rights.

## Invitation to presentation of the report

A presentation of this report will be held through a webcasted conference call on January 27, 2023 at 02:00 p.m. CET. The presentation, as well as information concerning participations, is available at [www.hexpol.com](http://www.hexpol.com).

## Annual General Meeting, April 28 2023

The Annual General Meeting will be held on April 28, 2023 in Malmö, Sweden. The Annual Report for 2022 will be available on HEXPOL's website and at the head office no later than April 7, 2023. Shareholders who wish to participate in the AGM must be registered in the shareholder's register maintained by Euroclear Sweden AB no later than April 20, 2023 and notify their intention to participate alternatively cast their postal vote no later than April 24, 2023. Shareholders whose shares are registered with a trustee must temporarily register the shares in their own name no later than April 20, 2023 to be entitled to participate in the AGM.



## Financial calendar

HEXPOL AB publish financial information on the following dates:

- |   |                  |
|---|------------------|
| - Interim report January-March 2023     | April 28, 2023   |
| - Annual General Meeting 2023           | April 28, 2023   |
| - Half-year report 2023                 | July 19, 2023    |
| - Interim report January-September 2023 | October 27, 2023 |

Financial information is also available in Swedish and English on HEXPOL AB's website – [www.hexpol.com](http://www.hexpol.com).

This year-end report for 2022 has not been audited by HEXPOL AB's auditors.

Malmö, Sweden January 27, 2023

HEXPOL AB (publ.)

Georg Brunstam  
President and CEO

For more information, please contact:

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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 information is information that HEXPOL AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 01:00 p.m. CET on January 27, 2023. 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.

## Summary financial information

### Condensed consolidated income statement

<b>MSEK</b>	<b>Oct-Dec 2022</b>	<b>Oct-Dec 2021</b>	<b>Jan-Dec 2022</b>	<b>Jan-Dec 2021</b>
Sales	5 495	4 085	22 243	16 005
Cost of goods sold	-4 390	-3 263	-17 899	-12 532
<b>Gross profit</b>	<b>1 105</b>	<b>822</b>	<b>4 344</b>	<b>3 473</b>
Selling and administrative cost, etc.	-264	-224	-1 054	-797
Other income/insurance compensation and related costs Note 2	-	-61	-	398
<b>Operating profit</b>	<b>841</b>	<b>537</b>	<b>3 290</b>	<b>3 074</b>
Financial income and expenses	-31	-14	-46	-43
<b>Profit before tax</b>	<b>810</b>	<b>523</b>	<b>3 244</b>	<b>3 031</b>
Tax	-186	-77	-761	-673
<b>Profit after tax</b>	<b>624</b>	<b>446</b>	<b>2 483</b>	<b>2 358</b>
- of which, attributable to Parent Company shareholders	624	446	2 483	2 358
Earnings per share before dilution, SEK	1,81	1,29	7,21	6,85
Earnings per share after dilution, SEK	1,81	1,29	7,21	6,85
Shareholders' equity per share, SEK			39,97	33,82
Average number of shares, 000s	344 437	344 437	344 437	344 437
Depreciation, amortisation and impairment	-140	-106	-492	-471

### Condensed statement of comprehensive income

<b>MSEK</b>	<b>Oct-Dec 2022</b>	<b>Oct-Dec 2021</b>	<b>Jan-Dec 2022</b>	<b>Jan-Dec 2021</b>
Profit after tax	624	446	2 483	2 358
<b>Items that will not be reclassified to the income statement</b>				
Remeasurements of defined benefit pension plans	5	1	5	1
<b>Items that may be reclassified to the income statement</b>				
Translation differences	-546	298	1 696	950
<b>Comprehensive income</b>	<b>83</b>	<b>745</b>	<b>4 184</b>	<b>3 309</b>
- of which, attributable to Parent Company's shareholders	83	745	4 184	3 309

## Condensed consolidated balance sheet

<b>MSEK</b>	<b>Dec 31 2022</b>	<b>Dec 31 2021</b>
Intangible fixed assets	12 678	9 724
Tangible fixed assets	3 232	2 430
Financial fixed assets	7	3
Deferred tax asset	102	79
<b>Total fixed assets</b>	<b>16 019</b>	<b>12 236</b>
Inventories	2 454	1 739
Accounts receivable	3 078	2 401
Other receivables	384	212
Prepaid expenses and accrued income	77	55
Cash and cash equivalents	1 541	1 320
<b>Total current assets</b>	<b>7 534</b>	<b>5 727</b>
<b>Total assets</b>	<b>23 553</b>	<b>17 963</b>
Equity attributable to Parent Company's shareholders	13 767	11 650
<b>Total shareholders' equity</b>	<b>13 767</b>	<b>11 650</b>
Interest-bearing liabilities	1 822	301
Other liabilities	348	58
Provision for deferred tax	825	602
Provision for pensions	68	66
<b>Total non-current liabilities</b>	<b>3 063</b>	<b>1 027</b>
Interest-bearing liabilities	2 571	1 921
Accounts payable	3 111	2 431
Other liabilities	342	334
Accrued expenses, prepaid income, provisions	699	600
<b>Total current liabilities</b>	<b>6 723</b>	<b>5 286</b>
<b>Total shareholders' equity and liabilities</b>	<b>23 553</b>	<b>17 963</b>

## Condensed consolidated changes in shareholders' equity

<b>MSEK</b>	<b>Dec 31, 2022</b>		<b>Dec 31, 2021</b>	
	<b>Attributable to Parent Company shareholders</b>	<b>Total equity</b>	<b>Attributable to Parent Company shareholders</b>	<b>Total equity</b>
<b>Opening equity</b>	<b>11 650</b>	<b>11 650</b>	<b>9 133</b>	<b>9 133</b>
Comprehensive income	4 184	4 184	3 309	3 309
Dividend	-2 067	-2 067	-792	-792
<b>Closing equity</b>	<b>13 767</b>	<b>13 767</b>	<b>11 650</b>	<b>11 650</b>

## Changes in number of shares

	<b>Total number of Class A shares</b>	<b>Total number of Class B shares</b>	<b>Total number of shares</b>
Number of shares at January 1	14 765 620	329 671 226	344 436 846
<b>Number of shares at the end of the period</b>	<b>14 765 620</b>	<b>329 671 226</b>	<b>344 436 846</b>

## Condensed consolidated cash-flow statement

MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Cash flow from operating activities before changes in working capital	809	489	2 903	2 916
Changes in working capital	628	223	-310	-510
Changes in working capital - paid insurance compensation <span style="float:right">Note 2</span>	-	544	-	-
<b>Cash flow from operating activities</b>	<b>1 437</b>	<b>1 256</b>	<b>2 593</b>	<b>2 406</b>
Acquisitions <span style="float:right">Note 3</span>	-1 126	22	-1 512	-558
Cash flow from other investing activities	-243	-114	-659	-304
<b>Cash flow from investing activities</b>	<b>-1 369</b>	<b>-92</b>	<b>-2 171</b>	<b>-862</b>
Dividend	-	-	-2 067	-792
Cash flow from other financing activities	-58	-984	2 167	-574
<b>Cash flow from financing activities</b>	<b>-58</b>	<b>-984</b>	<b>100</b>	<b>-1 366</b>
<b>Change in cash and cash equivalents</b>	<b>10</b>	<b>180</b>	<b>522</b>	<b>178</b>
Cash and cash equivalents at January 1	1 674	1 077	1 320	1 200
Exchange-rate differences in cash and cash equivalents	-143	63	-301	-58
<b>Cash and cash equivalents at the end of the period</b>	<b>1 541</b>	<b>1 320</b>	<b>1 541</b>	<b>1 320</b>

## Operating cash flow, Group

MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Operating profit	841	537	3 290	3 074
Depreciation/amortisation/impairment	140	106	492	471
Change in working capital	628	223	-310	-510
Change in working capital - unpaid insurance compensation	-	544	-	-
Sale of fixed assets	0	0	0	0
Investments	-243	-114	-659	-304
<b>Operating Cash flow incl adjustment for paid insurance compensation</b>	<b>1 366</b>	<b>1 296</b>	<b>2 813</b>	<b>2 731</b>
<b>Operating Cash flow excl adjustment for paid insurance compensation</b>	<b>1 366</b>	<b>752</b>	<b>2 813</b>	<b>2 731</b>

## Other key figures, Group

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit margin before tax, %	14,7	12,8	14,6	18,9
Return on shareholders' equity, % R12			19,1	22,2
Interest-coverage ratio, multiple			34	71
Net debt, MSEK			-2 845	-899
Sales growth adjusted for currency effects, %	18	18	25	25
Sales growth adjusted for currency effects and acquisitions, %	10	12	17	21
Cash flow per share, SEK	4,17	3,65	7,53	6,99
Cash flow per share before change in working capital, SEK	2,35	1,42	8,43	8,47



## Condensed income statement, Parent Company

MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sales	18	23	68	58
Administrative costs, etc.	-28	-21	-109	-95
<b>Operating loss</b>	<b>-10</b>	<b>2</b>	<b>-41</b>	<b>-37</b>
Financial income and expenses	1 308	1 254	1 488	1 428
<b>Profit after financial items</b>	<b>1 298</b>	<b>1 256</b>	<b>1 447</b>	<b>1 391</b>
<b>Profit before tax</b>	<b>1 298</b>	<b>1 256</b>	<b>1 447</b>	<b>1 391</b>
Tax	-24	-32	-17	-25
<b>Profit after tax</b>	<b>1 274</b>	<b>1 224</b>	<b>1 430</b>	<b>1 366</b>

## Condensed balance sheet, Parent company

MSEK	Dec 31 2022	Dec 31 2021
Fixed assets	13 767	10 000
Current assets	703	2 519
<b>Total assets</b>	<b>14 470</b>	<b>12 519</b>
<b>Restricted shareholders' equity</b>		
Share capital	69	69
<b>Total restricted shareholders' equity</b>	<b>69</b>	<b>69</b>
<b>Non-restricted shareholders' equity</b>		
Share premium reserve	619	619
Accumulated earnings	3 492	4 192
Profit after tax	1 430	1 366
<b>Total non-restricted shareholders' equity</b>	<b>5 541</b>	<b>6 177</b>
<b>Total shareholders' equity</b>	<b>5 610</b>	<b>6 246</b>
Non-current liabilities	3 786	-
Current liabilities	5 074	6 273
<b>Total shareholders' equity and liabilities</b>	<b>14 470</b>	<b>12 519</b>

# Notes to the financial reports

## Note 1 Financial instrument per category and measurement level

Dec 31, 2022		Financial assets/liabilities measured at:		
MSEK	Amortized costs	Fair value through profit or loss	Measurem. level	Total
<b>Assets in the balance sheet</b>				
Non-current financial assets	7	-		7
Accounts receivable	3 078	-		3 078
Cash and cash equivalents	1 541	-		1 541
<b>Total</b>	<b>4 626</b>	<b>-</b>		<b>4 626</b>
<b>Liabilities in the balance sheet</b>				
Interest-bearing non-current liabilities	1 494	-		1 494
Interest-bearing non-current lease liabilities	328	-		328
Liabilities to minority shareholders*		290	3	290
Interest-bearing current liabilities	2 471	-		2 471
Interest-bearing current lease liabilities	100	-		100
Accounts payable	3 111	-		3 111
Other liabilities	342	-		342
Accrued expenses, prepaid income, provisions	699	-		699
<b>Total</b>	<b>8 545</b>	<b>290</b>		<b>8 835</b>

Dec 31, 2021		Financial assets/liabilities measured at:		
MSEK	Amortized costs	Fair value through profit or loss	Measurem. level	Total
<b>Assets in the balance sheet</b>				
Non-current financial assets	3	-		3
Accounts receivable	2 401	-		2 401
Cash and cash equivalents	1 320	-		1 320
<b>Total</b>	<b>3 724</b>	<b>-</b>		<b>3 724</b>
<b>Liabilities in the balance sheet</b>				
Interest-bearing non-current liabilities	1	-		1
Interest-bearing non-current lease liabilities	300	-		300
Interest-bearing current liabilities	1 826	-		1 826
Interest-bearing current lease liabilities	95	-		95
Accounts payable	2 431	-		2 431
Other liabilities	334	-		334
Accrued expenses, prepaid income, provisions	600	-		600
<b>Total</b>	<b>5 587</b>	<b>-</b>		<b>5 587</b>

\*Liabilities to minority shareholders are recognized as other non-current liabilities.

## Note 2 Non-recurring items in the income statement

<b>MSEK</b>	<b>Oct-Dec 2022</b>	<b>Oct-Dec 2021</b>	<b>Jan-Dec 2022</b>	<b>Jan-Dec 2021</b>
Costs of goods sold	-	-	-	-31
Other operating income	30	-	30	628
Other operating expense	-	-91	-	-260
<b>Profit before tax</b>	<b>30</b>	<b>-91</b>	<b>30</b>	<b>337</b>
Tax	-6	28	-6	-78
<b>Profit after tax</b>	<b>24</b>	<b>-63</b>	<b>24</b>	<b>259</b>

The income during the period is attributable to the dissolution of a cost accrual related to the fire in Jonesborough, TN, USA January 7, 2021.

## Note 3 Acquisition

### Acquisition within TP Compounding 2022

HEXPOL has in April completed the acquisition of 70 percent of the shares in almaak international GmbH, a specialist in high quality recycled engineered compounds. almaaks turnover in 2021 amounted to 75 MEUR with a profitability level just below the HEXPOL Group. almaak operates two sites in Germany with some 190 employees. The main end user segment is the European automotive industry where the interest for recycled compounds is high. The acquisition price amounted to approximately 70 MEUR on a cash and debt free basis and was funded by a combination of cash and existing bank facilities. Pursuant to the agreement, HEXPOL has an option to acquire the remaining shares (from 2025 and thereafter annually during the period January 1 – March 31), and the sellers have the option to sell their remaining shares to HEXPOL (from 2025 and thereafter annually during the period January 1 – March 31). The business has been consolidated from April 1. The purchase price allocation is preliminary since some information is outstanding.

Below are details of net assets acquired and goodwill for the above acquisition;

<b>MSEK</b>	
Purchase consideration	807
Fair value of acquired net assets	263
<b>Goodwill</b>	<b>544</b>

Goodwill is attributable to the strategic importance of the acquisition in terms of the increased breadth it adds to the HEXPOL Group's existing product offering. Through the acquisition, we strengthen our position in Europe, and give us a very good opportunity to continue our successful business strategy and philosophy around sustainability in connection with engineering compounds. The fair value of the acquired net assets includes 10 MSEK for the estimated value of acquired intangible assets.

The following assets and liabilities were included in the acquisition:

<b>MSEK</b>	<b>Balance sheet at the time of acquisition</b>	<b>Adjustment to fair value</b>	<b>Fair value</b>
Cash and cash equivalents	131	-	131
Accounts receivable	13	-	13
Current assets	271	-	271
Tangible assets	237	-	237
Intangible assets	10	153	163
Deferred tax liabilities	-13	-48	-61
Non-current liabilities	-1	-	-1
Accounts payables	-67	-	-67
Current liabilities	-423	-	-423
<b>Acquired net assets</b>	<b>158</b>	<b>105</b>	<b>263</b>

Purchase considerations	807
Liabilities to minority shareholders	-290
Cash and cash equivalents in acquired operations	131
<b>Change in Group's cash and cash equivalents</b>	<b>386</b>

Transaction costs for the above acquisition amounted to 7 MSEK and has been reported in the operating profit.

#### Acquisition within TP Compounding 2022

HEXPOL Group acquired 100% of the shares in McCann Plastics LLC from the McCann family in December. The company is specialized in niche thermoplastic compounds, with special focus on roto molding applications and is based in Ohio, USA. McCann has during the last 12 months delivered sales of some 72 MUSD with a profitability level just below that of the HEXPOL Group. McCann has operations in two locations in Ohio, USA with some 100 employees. The main end customer segments are general industry, agriculture and the fast growing segment of specialized cooling boxes. The acquisition price amounts to 120 MUSD on a cash and debt free basis and is funded by a combination of cash and existing bank facilities. The business has been consolidated from 1 December. The purchase price allocation is preliminary since some information is outstanding.

Below are details of net assets acquired and goodwill for the above acquisition;

<b>MSEK</b>	
Purchase consideration	1 236
Fair value of acquired net assets	161
<b>Goodwill</b>	<b>1 075</b>

Goodwill is attributable to the strategic importance of the acquisition in terms of the increased breadth it adds to the HEXPOL Group's existing product offering. The acquisition complements our current operations in the US and strengthens our market position. The company is well invested with high competence in specialized thermoplastic compounds. The fair value of the acquired net assets does not include any intangible assets.

The following assets and liabilities were included in the acquisition:

<b>MSEK</b>	<b>Balance sheet at the time of acquisition</b>	<b>Adjustment to fair value</b>	<b>Fair value</b>
Cash and cash equivalents	110	-	110
Accounts receivable	68	-	68
Current assets	174	-	174
Tangible assets	46	-	46
Intangible assets	-	-	-
Accounts payables	-41	-	-41
Current liabilities	-196	-	-196
<b>Acquired net assets</b>	<b>161</b>	<b>-</b>	<b>161</b>

Purchase considerations	1 236
Cash and cash equivalents in acquired operations	110
<b>Change in Group's cash and cash equivalents</b>	<b>1 126</b>

Transaction costs for the above acquisition amounted to 4 MSEK and has been reported in the operating profit.

# Segment reporting and distribution of revenues

## Quarterly data, Group

### Sales per business area

MSEK	2022					2021				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
HEXPOL Compounding	4 841	5 291	5 554	5 148	20 834	3 548	3 723	3 826	3 791	14 888
HEXPOL Engineered Products	332	363	367	347	1 409	262	279	282	294	1 117
<b>Group total</b>	<b>5 173</b>	<b>5 654</b>	<b>5 921</b>	<b>5 495</b>	<b>22 243</b>	<b>3 810</b>	<b>4 002</b>	<b>4 108</b>	<b>4 085</b>	<b>16 005</b>

### Sales per geographic region

MSEK	2022					2021				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	2 118	2 341	2 281	2 109	8 849	1 480	1 666	1 617	1 571	6 334
Americas	2 815	3 059	3 354	3 061	12 289	2 141	2 128	2 267	2 275	8 811
Asia	240	254	286	325	1 105	189	208	224	239	860
<b>Group total</b>	<b>5 173</b>	<b>5 654</b>	<b>5 921</b>	<b>5 495</b>	<b>22 243</b>	<b>3 810</b>	<b>4 002</b>	<b>4 108</b>	<b>4 085</b>	<b>16 005</b>

### Sales per geographic region HEXPOL Compounding

MSEK	2022					2021				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	1 963	2 168	2 123	1 958	8 212	1 351	1 525	1 485	1 427	5 788
Americas	2 715	2 950	3 237	2 958	11 860	2 067	2 056	2 188	2 196	8 507
Asia	163	173	194	232	762	130	142	153	168	593
<b>Group total</b>	<b>4 841</b>	<b>5 291</b>	<b>5 554</b>	<b>5 148</b>	<b>20 834</b>	<b>3 548</b>	<b>3 723</b>	<b>3 826</b>	<b>3 791</b>	<b>14 888</b>

### Sales per geographic region HEXPOL Engineered Products

MSEK	2022					2021				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Europe	155	173	158	151	637	129	141	132	144	546
Americas	100	109	117	103	429	74	72	79	79	304
Asia	77	81	92	93	343	59	66	71	71	267
<b>Group total</b>	<b>332</b>	<b>363</b>	<b>367</b>	<b>347</b>	<b>1 409</b>	<b>262</b>	<b>279</b>	<b>282</b>	<b>294</b>	<b>1 117</b>

### EBIT per business area

MSEK	2022					2021				
	Q1	Q2	Q3	Q4*	Full Year *	Q1	Q2	Q3*	Q4*	Full Year *
HEXPOL Compounding	721	759	765	737	2 982	658	679	618	586	2 541
HEXPOL Engineered Products	54	77	73	74	278	46	49	59	42	196
<b>Group total</b>	<b>775</b>	<b>836</b>	<b>838</b>	<b>811</b>	<b>3 260</b>	<b>704</b>	<b>728</b>	<b>677</b>	<b>628</b>	<b>2 737</b>

### EBIT-margin per business area

%	2022					2021				
	Q1	Q2	Q3	Q4*	Full Year *	Q1	Q2	Q3*	Q4*	Full Year *
HEXPOL Compounding	14,9	14,3	13,8	14,3	14,3	18,5	18,2	16,2	15,5	17,1
HEXPOL Engineered Products	16,3	21,2	19,9	21,3	19,7	17,6	17,6	20,9	14,3	17,5
<b>Group total</b>	<b>15,0</b>	<b>14,8</b>	<b>14,2</b>	<b>14,8</b>	<b>14,7</b>	<b>18,5</b>	<b>18,2</b>	<b>16,5</b>	<b>15,4</b>	<b>17,1</b>

\*Adjusted EBIT for HEXPOL Compounding

# Reconciliation alternative performance measures

## Sales

MSEK	Q1	2022 Q2	Q3	Q4	Full Year	Q1	2021 Q2	Q3	Q4	Full Year	Q1	2020 Q2	Q3	Q4	Full Year
Sales	5 173	5 654	5 921	5 495	22 243	3 810	4 002	4 108	4 085	16 005	4 168	2 526	3 328	3 402	13 424
Currency effects	363	516	709	681	2 269	-412	-405	-55	58	-814	138	12	-202	-276	-328
<b>Sales excluding currency effects</b>	<b>4 810</b>	<b>5 138</b>	<b>5 212</b>	<b>4 814</b>	<b>19 974</b>	<b>4 222</b>	<b>4 407</b>	<b>4 163</b>	<b>4 027</b>	<b>16 819</b>	<b>4 030</b>	<b>2 514</b>	<b>3 530</b>	<b>3 678</b>	<b>13 752</b>
Acquisitions	242	400	249	308	1 199	33	109	210	217	569	580	279	-	-	859
<b>Sales excluding currency effects and acquisitions</b>	<b>4 568</b>	<b>4 738</b>	<b>4 963</b>	<b>4 506</b>	<b>18 775</b>	<b>4 189</b>	<b>4 298</b>	<b>3 953</b>	<b>3 810</b>	<b>16 250</b>	<b>3 450</b>	<b>2 235</b>	<b>3 530</b>	<b>3 678</b>	<b>12 893</b>

## Sales growth

%	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sales growth excluding currency effects	18	18	25	25
Sales growth excluding currency effects and acquisitions	10	12	17	21

## EBITA, adjusted, %

MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sales	5 495	4 085	22 243	16 005
Operating profit	841	537	3 290	3 074
Non-recurring items	-30	91	-30	-337
Amortisation and impairment of intangible assets	26	23	98	75
<b>Total EBITA, adjusted</b>	<b>837</b>	<b>651</b>	<b>3 358</b>	<b>2 812</b>
<b>EBITA, adjusted, %</b>	<b>15,2</b>	<b>15,9</b>	<b>15,1</b>	<b>17,6</b>

## EBITA, %

MSEK	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Sales	5 495	4 085	22 243	16 005
Operating profit	841	537	3 290	3 074
Amortisation and impairment of intangible assets	26	23	98	75
<b>Total EBITA</b>	<b>867</b>	<b>560</b>	<b>3 388</b>	<b>3 149</b>
<b>EBITA%</b>	<b>15,8</b>	<b>13,7</b>	<b>15,2</b>	<b>19,7</b>

## Capital employed

MSEK	Mar 31	2022 Jun 30	Sep 30	Dec 31	Mar 31	2021 Jun 30	Sep 30	31 Dec
Total assets	19 941	22 400	23 783	23 553	16 524	16 381	18 200	17 963
Provision for deferred tax	-612	-665	-705	-825	-544	-531	-662	-602
Accounts payable	-3 073	-3 479	-3 450	-3 111	-2 201	-2 320	-2 432	-2 431
Other liabilities	-457	-335	-354	-342	-316	-293	-302	-334
Accrued expenses, prepaid income, provisions	-546	-651	-777	-699	-494	-474	-570	-600
<b>Total Group</b>	<b>15 253</b>	<b>17 270</b>	<b>18 497</b>	<b>18 576</b>	<b>12 969</b>	<b>12 763</b>	<b>14 234</b>	<b>13 996</b>



#### Return on capital employed, R12

MSEK	Dec 31 2022	Dec 31 2021
Average capital employed	17 399	13 491
Profit before tax	3 244	3 031
Interest expense	98	43
<b>Total</b>	<b>3 342</b>	<b>3 074</b>
<b>Return on capital employed, %</b>	<b>19,2</b>	<b>22,8</b>

#### Interest-coverage ratio, multiple

MSEK	Jan-Dec 2022	Jan-Dec 2021
Profit before tax	3 244	3 031
Interest expense	98	43
<b>Total</b>	<b>3 342</b>	<b>3 074</b>
<b>Interest-coverage ratio, multiple</b>	<b>34</b>	<b>71</b>

#### Shareholders' equity

	2022				2021			
MSEK	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
Shareholders' equity	12 449	12 069	13 684	13 767	10 230	9 782	10 905	11 650

#### Return on equity, R12

MSEK	Dec 31 2022	Dec 31 2021
Average shareholders' equity	12 992	10 642
Profit after tax	2 483	2 358
<b>Return on equity, %</b>	<b>19,1</b>	<b>22,2</b>

#### Net debt

MSEK	Dec 31 2022	Dec 31 2021
Financial assets	7	3
Cash and cash equivalents	1 541	1 320
Non-current interest-bearing liabilities	-1 822	-301
Current interest-bearing liabilities	-2 571	-1 921
<b>Net debt</b>	<b>-2 845</b>	<b>-899</b>

#### Net debt/EBITDA

MSEK	Dec 31 2022	Dec 31 2021
Net debt	-2 845	-899
EBITDA, R12	3 782	3 545
<b>Net debt/EBITDA, multiple</b>	<b>-0,75</b>	<b>-0,25</b>

#### Equity/assets ratio

MSEK	Dec 31 2022	Dec 31 2021
Shareholders' equity	13 767	11 650
Total assets	23 553	17 963
<b>Equity/assets ratio, %</b>	<b>58</b>	<b>65</b>

## Financial definitions

<b>Average capital employed</b>	Average of the last four quarters capital employed.
<b>Average shareholders' equity</b>	Average of the last four quarters shareholders' equity.
<b>Capital employed</b>	Total assets less deferred tax liabilities, accounts payable, other liabilities and accrued expenses, prepaid income and provisions.
<b>Cash flow</b>	Cash flow from operating activities.
<b>Cash flow per share</b>	Cash flow from operating activities in relation to the average number of shares outstanding.
<b>Cash flow per share before changes in working capital</b>	Cash flow from operating activities before changes in working capital in relation to the average number of shares outstanding.
<b>Earnings per share</b>	Profit after tax, in relation to the average number of shares outstanding.
<b>Earnings per share after dilution</b>	Profit after tax, in relation to the average number of shares outstanding adjusted for the dilution effect of warrants.
<b>Earnings per share excl. adjusted</b>	Profit after tax excluding non-recurring items, in relation to the average number of shares outstanding.
<b>EBIT</b>	Operating profit.
<b>EBITA</b>	Operating profit, excluding amortisation and impairment of intangible assets.
<b>EBITA margin, %</b>	Operating profit, excluding amortisation and impairment of intangible assets in relation to sales.
<b>EBITA, adjusted</b>	Operating profit excluding non-recurring items and amortisation and impairment of intangible assets.
<b>EBITA margin, adjusted, %</b>	Operating profit excluding non-recurring items and amortisation and impairment of intangible assets in relation to sales.
<b>EBITDA</b>	Operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets.
<b>Equity/assets ratio</b>	Shareholders' equity in relation to total assets.
<b>Interest-coverage ratio</b>	Profit before tax plus interest expenses in relation to interest expenses.
<b>Net debt/EBITDA</b>	Non-current and current interest-bearing liabilities less cash and cash equivalents in relation to operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets.
<b>Net debt, net cash</b>	Non-current and current interest-bearing liabilities less cash and cash equivalents.
<b>Non-recurring items</b>	Refers to integration- and restructuring costs and other material non-recurring items.
<b>Operating cash flow</b>	Operating profit excluding depreciation, amortisation and impairment of tangible and intangible assets, less investments incl. new leasing agreements and plus sales of tangible and intangible assets, and after changes in working capital.
<b>Operating margin, %</b>	Operating profit in relation to the sales.
<b>Operating margin, adjusted, %</b>	Operating profit excluding non-recurring items, in relation to the sales.
<b>Other investing activities</b>	Investments and sales of intangible and tangible assets.
<b>Operating profit, adjusted</b>	Operating profit excluding non-recurring items.
<b>Profit margin before tax</b>	Profit before tax in relation to the sales.
<b>Return on capital employed, R12</b>	Twelve months profit before tax plus twelve months interest expenses in relation to average capital employed.
<b>Return on equity, R12</b>	Twelve months profit after tax in relation to average shareholders' equity.
<b>R12</b>	Rolling twelve months average.
<b>Sales growth excluding currency effects</b>	Sales excluding currency effects compared to the sales for the corresponding year-earlier period.
<b>Sales growth excluding currency effects and acquisitions</b>	Sales excluding currency effects and acquisitions compared to the sales for the corresponding year-earlier period.
<b>Shareholders' equity per share</b>	Shareholders' equity in relation to the number of shares outstanding at the end of the period.