

hms networks

YEAR-END REPORT 2013

JANUARY - DECEMBER 2013

- ❑ Net sales for the full year 2013 reached SEK 501 m (382), corresponding to a 31 % increase. The revaluation of the Swedish currency had a negative impact of SEK 15 m on net sales
- ❑ Operating profit reached SEK 87 m (64) a 36 % increase. Operating margin was 17 % (17)
- ❑ Order intake for the year increased to SEK 516 m (424), corresponding to a 25 % increase in local currencies
- ❑ Cash flow from operating activities amounted to SEK 80 m (82)
- ❑ Profit after taxes totalled SEK 63 m (52) and the result per share amounted to SEK 5.54 (4.64)
- ❑ The Board of Directors propose a dividend to the amount of SEK 2.25 (2.25)
- ❑ During the period, the acquired IXXAT Automation GmbH contributed to net sales with SEK 103 m. The acquired operation's net contribution to operating profit was SEK 13 m

Fourth quarter

- ❑ Net sales for the fourth quarter reached SEK 126 m (87) corresponding to a 44 % increase and operating result reached SEK 13 m (6)
- ❑ Order intake during the fourth quarter was SEK 132 m (100) corresponding to a 32 % increase



Comment from the CEO

For 2013, we can report a 31 % sales growth in the Group. The positive development can to a major part be explained by the acquisition of IXXAT Automation which we acquired during the first quarter of 2013 and also by an organic growth within the Anybus embedded product line. The increase in volumes during the second half of the year relates partly to newly introduced custom developed products increasing in volumes by the end of the year. For 2013 we can report a SEK 87 m operating profit, the highest in the history of the company but still with an operating margin just below our goal.

The improved result is supported by our focus on increasing productivity in our manufacturing process, lowering our purchase prices and a positive contribution from the acquisition. In total, we can present a gross margin improvement from 60.1 % to 62.6 % which is in line with our expectations that increasing volumes and integration through technology development will provide gross margins above 60 %.

We can see a mixed picture on the market for HMS products with more stable conditions on the Japanese and the North American markets. The market in Europe is still cautious. Our customers are talking about growth but are still hesitant in their actions.

Our product group Netbiter remains an exciting initiative. We are identified as a participant in the new area of "Industrial Internet of Things" (Industrial IoT) where huge investments are made in future industrial applications. Despite a lot of interest expressed by our customers for our products and solutions, there is still a slow development of sales in the short perspective.

As in previous years, we shipped fewer products in the fourth quarter. However, the slowdown was not as significant as the previous year. The fourth quarter is also characterized by high levels of activities in the areas of sales- and marketing activities. During this period HMS was represented on a number of different tradeshows. During 2013, we received 146 (119) new design wins regarding HMS communication solutions. The new technology platforms now released to the market receives a lot of interest and together with a positive "book to bill" for the fourth quarter we feel confident going into a new year.

Our focus remains to increase growth through our three product brands Anybus, Netbiter and IXXAT. Our market is still difficult to predict in the short term and consequently we continue to balance our long term growth strategy with a cautious view on expenses. In the long term, we believe that the market for industrial communication and remote management will be a growth area and that our long-lasting company tagline "Connecting Devices" represents an interesting positioning in an expanding market.

“We are recognized as a leading player in the field of industrial communication solutions, says Staffan Dahlström, CEO HMS Networks AB

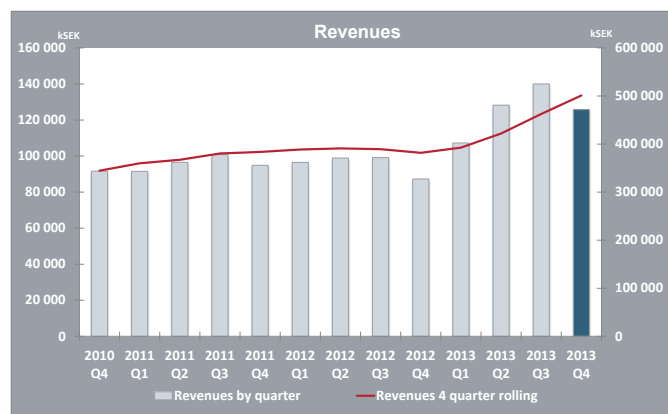


Quarterly data	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	2013	2013	2013	2013	2012	2012	2012	2012
Net sales (SEK m)	126	140	128	107	87	99	99	96
Order intake (SEK m)	132	125	140	119	100	95	113	116
Operating profit (SEK m)	13	32	27	14	6	23	20	14
Gross margin (%)	63.7	63.4	62.2	61.0	57.6	59.9	60.6	61.9
Operating margin (%)	10.7	23.0	21.3	12.8	7.2	23.4	20.2	14.9
Return on capital (%)	10.3	18.0	17.0	15.4	16.3	16.2	17.7	17.6
Earnings per share (SEK)	0.84	2.07	1.80	0.82	0.86	1.49	1.36	0.94
Equity per share (SEK)	33.35	32.21	30.41	31.17	30.21	29.43	28.23	27.74
Cash flow for operating activities per share (SEK)	1.34	2.90	1.41	4.47	1.67	2.23	2.63	0.73
Yearly data	2013	2012	2011	2010	2009	2008	2007	2006
Net sales (SEK m)	501	382	384	345	245	317	270	227
Order intake (SEK m)	516	424	388	342	258	313	268	233
Operating profit (SEK m)	87	64	72	84	31	85	55	52
Gross margin (%)	62.6	60.1	60.6	60.2	58.4	57.4	52.6	50.9
Operating margin (%)	17.3	16.7	18.8	24.2	12.7	26.9	20.2	22.7
Return on capital (%)	17.4	16.3	18.6	23.2	8.8	28.6	17.5	24.3
Earnings per share (SEK)	5.54	4.64	4.84	5.41	1.88	5.43	2.81	3.21
Equity per share (SEK)	31.79	30.21	26.77	25.30	21.25	20.91	17.05	14.85
Cash flow for operating activities per share (SEK)	7.05	7.27	3.96	6.71	2.89	6.52	3.29	2.79

Net sales

Net sales for 2013 amounted to SEK 501.1 m (381.8). In total, the revaluation of the Swedish currency in relation to the major HMS currencies had a negative effect of SEK 15.5 m on net sales compared to the previous year. The order intake amounted to SEK 515.9 m (424.1). The operation acquired in February contributed to net sales with SEK 102.9 m.

Net sales for the fourth quarter 2013 totalled to SEK 125.8 m (87.3), corresponding to a 44.0 % increase compared to the same quarter the previous year. Changes in currency exchange rates compared to the corresponding quarter last year had a negative effect of SEK - 0.2 m on the sales volume. During the quarter, the acquired IXXAT Automation contributed with SEK 25.5 m to sales. Order intake increased with SEK 32.3 m to SEK 131.9 m (99.6), of which SEK 110.8 m will be delivered during the upcoming twelve months.

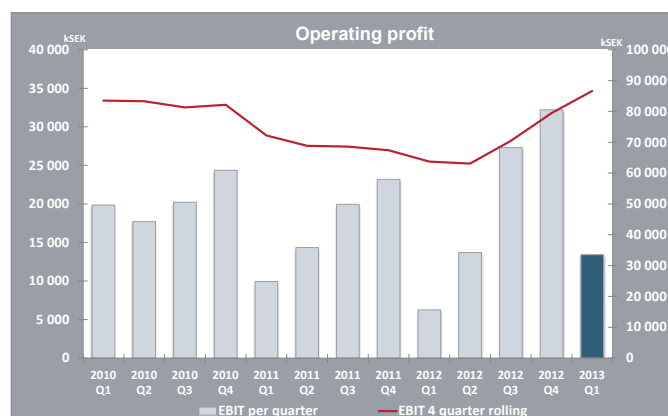


The graph shows turnover per quarter on the bars referring to the scale on the left axis. The line shows turnover for the latest 12 month period referring to the scale on the axis to the right.

Operating profit

Operating profit for 2013 totalled to SEK 86.6 m (63.7), equivalent to an operating margin of 17.3 % (16.7). Currency effects had a negative impact on the operating result with 9.3 m compared to the previous 12 months. The operation acquired in February had an effect of SEK 12.8 m on the operating result including SEK 6.3 m in depreciation on allocated overvalues.

The operating profit for the fourth quarter 2013 totalled to SEK 13.4 m (6.2), corresponding to a 115 % increase and a 10.7 % (7.2) operating margin. During the fourth quarter, the acquired group, including the effects of SEK 1.8 m in depreciation on allocated overvalues, had a SEK 5.3 m positive impact on the Group's operating result. Changes in exchange rates had a negative impact of SEK 0.3 m compared with the same period the previous year.



The graph shows operating result per quarter in the bars referring to the scale on the left axis. The line shows operating result for the last 12 month period referring to the scale on the axis to the right.

Equity

The Group's equity amounted to SEK 377.6 m (342.1). The total number of shares at the end of the period was 11,322,400. The Group's equity/assets ratio improved to 49 % (81.9). In connection with the share saving program initiated in 2013, 31 000 HMS shares were purchased during the year.

Tax

The tax charge for the year was SEK 18.7 m (13.0). The tax charge for the year was calculated on the basis of the tax situation applying to the Group at present and the profit development of the reporting entities belonging to the Group.

Change in Group Equity (SEK 000s)	Dec 31 2013	Dec 31 2012
Balance at 1 January	342,056	298,543
Total comprehensive income for the period	64,127	53,318
Repurchase of own shares	-3,895	0
Share-based payment	744	0
Issue of new shares through warrants	0	15,289
Dividends	-25,475	-25,094
Closing balance	377,557	342,056

Currency effects

Assets and liabilities in foreign currencies are revaluated at closing date. Currency hedging contracts are revaluated at the date of closing and are also affecting the result on the date of expiration. Changes in book value due to revaluation of operating balance sheet items and currency hedging contracts are disclosed as other operating income and other operating expenses. Changes in book value related to assets in foreign currencies i.e. liquid funds, are disclosed as financial income and expenses. Net sales and expenses are affected by changes in exchange rates. This will have an impact on income and costs.

Net sales for the year consist of 65 % in EURO, 24 % in USD, 6 % in Japanese Yen and 5 % in SEK and other currencies. Cost of goods sold consists of 53 % in EURO, 16 % in USD and 1 % in Japanese Yen. Operating expenses consists of 33 % in EURO, 12 % in USD, 5 % in Japanese Yen and 50 % of SEK and other currencies.

The Group applies a policy for currency hedging described in the annual report.

Cash flow, investments and financial position

Cash flow from operating activities during 2013 amounted to SEK 79.8 m (81.8).

The investments in tangible assets for the nine month period totalled SEK 4.5 m (12.2). Investments in intangible assets for the period totalled SEK 52.6 m (30.1) and comprise internal development costs. The higher level of capitalized expenses is to the majority related to the development of new technology platforms i.e. the new network chip NP40, the new technology platform supporting HMS Safety technology and the chip, brick, module concept. An investment in subsidiaries was SEK 258.4 m. The acquisition of IXXAT has generated a overvalue for the group of approximately SEK 255 m of which SEK 144 m is allocated on technology platforms, customers and brand name. The increase in goodwill from the acquisition was SEK 150 m. The annual depreciation on the purchase price allocated to technical platforms and customers is estimated to SEK 7 m per annum. During 2013, depreciation on the part of the purchase price allocated to assets was reflected with SEK 6.3 m in the income statement.

At the end of the period, the cash equivalents totalled SEK 15.8 m (31.5) and unutilized credit facilities SEK 30.0 m. The Group's net debt amounted to SEK 243.6 m (-30.7). The group's long term debt is amortized with SEK 34.8 m annually. During 2013 SEK 26.4 m was amortized. During the second quarter HMS distributed dividend payments to its shareholder equal to SEK 2.25 per share (2.25), in total SEK 25.5 m.

The parent company

The Parent Company's operations are primarily focused on Group-wide management and financing. Apart from the Group's CEO, the Parent Company has no employees. The operating profit for the year 2013 amounted to SEK 0.0 m (0.4). Cash and cash equivalents amounted to SEK 0.8 m (0.7) and borrowing amounted to SEK 0.0 m (0.0).

Important events

- Bosch Rexroth renewed a volume commitment for Anybus products worth approximately 9 M SEK during 2013
- Crouzet chose Netbiter for remote management of their Millennium 3 PLCs
- HMS acquired German company IXXAT Automation GmbH
- Frost & Sullivan presented HMS with the 2013 "New Product Innovation Award" for the NP40 processor

Outlook

The HMS Group long-term growth is supported by a continued inflow of design-wins, a broader product offering within the Gateway product family and Remote Management, supplementary technology platforms from IXXAT and an expansion of the HMS sales channels according to the existing strategy.

At present, the global market for HMS products is considered to be cautious. The effects on the market for the HMS product offering and the effect of currency fluctuations are difficult to assess. The market for industrial communication and remote management will continue as a future growth area and HMS's overall goals are unchanged: A long term average growth of 20 % per year and an operating margin above 20 %.

HMS Networks AB's share

HMS Networks AB (publ) is listed on the Nasdaq OMX Stockholm Small Cap list, in the Information Technology Sector. The total number of shares amounted to 11,322,400.



Share Savings Program

The Company has two share saving programs.

Program 1

In accordance with the decision of the Annual General Meeting 2012, all employees of the HMS Group were offered to save in HMS shares in a share saving program during 2013. Of the total number of employees 60 % choose to participate in the program. The total number of shares purchased in this program was 24 939. In connection to this program HMS purchased 31 000 own shares to fulfill the requirement of matching and performance shares.

Program 2

In accordance with the decision of the Annual General Meeting 2013, all employees of the HMS Group have been offered to participate in a share savings program. The application period took place during December and about 51 % of the employees have chosen to participate. The share savings program means that employees will initiate savings in HMS shares during 2014.

Nomination committee

In accordance with principles adopted at the HMS 2013 annual general meeting, the following persons have been assigned to be a part of the Nomination Committee: Jan Svensson, Investment AB Latour, representing 27 % of the shares, Staffan Dahlström representing 14 % of the shares, Evert Carlsson, Swedbank Robur Fonder AB representing 10 % of the shares and Urban Jansson, Chairman of the Board. The Nomination Committee has appointed Jan Svensson as its Chairman.

Shareholders who wish to present proposals to HMS's Nomination Committee may do so by e-mail to: valberedning@hms.se or in writing to: HMS Networks AB, Investors Relations, Att: Nomination Committee, Box 4126, SE 300 04 Halmstad, Sweden no later than February 1, 2014.

Dividend

The Board of Directors proposes a dividend to the amount of SEK 2.25 (2.25).

The HMS policy for dividend stipulates: The objective of the Board of Director's is to propose a dividend of approximately 50 % of the profit after tax subject to the Company having a financial position allowing for freedom to action.

Annual General Meeting

The Annual General Meeting will be held at the Company's head office on Friday April 25, 2014 at 10.30 am. The 2013 Annual Report (in Swedish) will be available on the Company's homepage four weeks previous to the date of the Annual General Meeting. A printed version of the 2013 Annual Report can be ordered by sending name and address to ir@hms.se.

HALMSTAD COVENTRY PUNE
GOTHENBURG BEIJING TOKYO
COPENHAGEN WEINGARTEN
KARLSRUHE CHICAGO PARIS
MILAN BOSTON MULHOUSE LA

Short of the company

Strategier

Growth strategy - HMS's main focus is on organic growth. Expansion on existing markets will be through improved and extended product ranges, new technology, high level of service and new sales channels. A certain degree of growth can be through the selective acquisition of businesses that will be a valuable complement to the company's organic growth strategy.

Development strategy - The Company's core expertise is made up of an extensive understanding of industrial network communication. Based on this competence in combination with an extensive network of customers, suppliers and external partners the existing and new product offers and solutions are developed for the best possible customer benefits.

Product strategy - HMS markets four product lines, which to a certain degree are based on a common technical platform:

- Anybus Embedded – Embedded network interface cards
- Anybus Gateways – Communication translators between different networks
- IXXAT – Communication platforms for industrial machines and equipment
- Netbiter Remote Management – Remote monitoring and controlling of industrial devices

Production strategy - HMS maintains an in-house low-volume production of Anybus products in Halmstad. Volume production takes place in close partnership with subcontractors in Europe and Asia in order to achieve flexible costs and to make use of economies of scale.

Marketing strategy - The Anybus network interface cards are marketed and sold to players in industrial and infrastructure automation and Anybus Gateways to system integrators, machine manufacturers and end-users in industrial and infrastructure automation. IXXAT communication platforms are marketed and sold to machine builders of industrial applications, medical equipment and the automotive industry. Netbiter products are marketed and sold to a wide range of customers, from device manufacturers to owners of installations in need of remote management.

Sales strategy - Sales take place via the company's sales offices on defined key markets in 10 countries. Sales on the company's other markets, in some 50 countries, takes place via agents/ distributors.

Business model

HMS has designed its business models to fit each market and product line. For the Embedded market, most business is via framework agreements (i.e. design-wins). The sales cycle is relatively long and the design phase is performed in close cooperation with the customer. After that, there is steady revenue over a long period of time. For Gateways and Remote Management, the business model is more traditional, with a short business cycle and manufacturing based on customer orders. IXXAT uses a mix of the above mentioned business models.

Accounting policies

This report has been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, for Interim Reporting. Amendments to existing standards, new interpretations and new standards that came into effect as of January 1, 2013 did not affect the Groups reporting as of September 30, 2013.

As of the first quarter 2012 customer orders related to development projects including future volume commitments and blanket agreements with estimated future volumes, are included in the period's order intake. As clarification, information about which part of the order intake that will be shipped during the following twelve months is disclosed.

HMS continues to apply the same accounting principles and valuation methods as those described in the most recent Annual Report. The parent company report is prepared in accordance with RFR 2, accounting for legal entities, and the Swedish Annual Accounts Act and accounting principles and the valuation methods as those described in the most recent Annual Report.

Risk management

The HMS Group is exposed to business and financial risks through its operations. These risks have been described at length in the Company's annual report 2012. In addition to the risks described in these documents, no additional significant risks have been identified.

Reporting occasions

- First quarter report 2014 will be presented on April 24, 2014
- Annual General Meeting will be held on April 25, 2014
- Half year report will be presented on July 16, 2014
- Third quarter report will be presented on October 28, 2014

Halmstad February 7, 2013

Staffan Dahlström
Chief Executive Officer

This Year-End Report has not been reviewed by the Company's auditor.

Further information can be obtained from:
CEO Staffan Dahlström, telephone +46 (0) 35-17 29 01 or
CFO Gunnar Högberg, telephone +46 (0) 35-17 29 95

Financial accounts

	Q4 2013	Q4 2012	Q1-Q4 2013	Q1-Q4 2012
Net increase in revenue (%)	44.1	-8.0	31.3	-0.5
Gross margin (%)	63.7	57.6	62.6	60.1
Operating margin EBIT (%)	10.7	7.2	17.3	16.7
EBITDA (SEK t)	17,780	9,091	104,759	74,620
EBITDA (%)	14.1	10.4	20.9	19.5
Return on capital employed (%)	2.3	2.1	18.4	19.7
Return on total equity (%)	10.3	11.5	17.4	16.3
Working capital in relation to sales (%)*	2.7	9.2	2.7	9.2
Capital turnover rate	0.66	0.84	0.84	0.94
Debt/equity ratio	0.55	-0.05	0.59	-0.09
Equity/assets ratio (%)	49.0	81.9	49.0	81.9
Capital expenditure in property, plant and equipment (SEK 000s)	1,827	1,428	4,493	12,202
Capital expenditure in intangible fixed assets (SEK 000s)	12,666	7,645	52,609	30,108
Depreciation of property, plant and equipment (SEK 000s)	-1,195	-1,614	-6,674	-6,240
Amortisation of intangible fixed assets (SEK 000s)	-3,142	-1,229	-11,438	-4,553
Number of employee (average)	346	251	344	241
Revenue per employee (SEK m)*	1.4	1.5	1.5	1.6
Total equity per share, SEK	33.35	30.21	31.79	30.21
Total equity per share, diluted, SEK	33.35	30.21	31.79	30.21
Cash flow from operations per share before dilution, SEK	1.34	1.67	7.05	7.27
Cash flow from operations per share after dilution, SEK	1.34	1.67	7.05	7.27
Basic number of shares, average, thousands	11,322	11,323	11,322	11,252
Number of shares, diluted average, thousands	11,322	11,323	11,322	11,254

*The key ratio has been translated into 12 months rolling value when applicable.

Income statements

(SEK 000s)	Q4 2013	Q4 2012	Q1-Q4 2013	Q1-Q4 2012
Revenue	125,758	87,265	501,145	381,804
Cost of goods and services sold	-45,702	-36,996	-187,229	-152,433
Gross profit	80,056	50,269	313,916	229,371
Sales and marketing costs	-36,872	-31,853	-128,346	-105,962
Administrative expenses	-13,390	-7,654	-48,442	-32,997
Research and development costs	-16,860	-5,284	-52,018	-26,476
Other operating income	189	1,498	2,828	3,960
Other costs	320	-728	-1,290	-4,169
Operating profit	13,443	6,248	86,647	63,726
Financial income	203	767	203	1,926
Financial costs	-1,249	-14	-5,357	-456
Profit before tax	12,397	7,001	81,494	65,197
Tax	-2,851	2,689	-18,744	-13,024
Profit for the period	9,545	9,690	62,750	52,173
Basic earnings per share, SEK	0.84	0.86	5.54	4.64
Earnings per share, diluted, SEK	0.84	0.86	5.54	4.64

Statements of comprehensive income

(SEK 000s)	Q4 2013	Q4 2012	Q1-Q4 2013	Q1-Q4 2012
Profit for the period	9,545	9,690	62,750	52,173
Other comprehensive income				
Income (expense recognized directly in equity)				
Cash flow hedges	838	-1,139	-1,751	2,205
Translation difference	8,469	-56	10,004	-480
Hedging of net investments	-7,698	0	-9,309	0
Income tax relating to components of other comprehensive income	1,509	300	2,433	-580
Other comprehensive income for the period, net of tax	3,118	-896	1,377	1,145
Total comprehensive income for the period	12,663	8,794	64,127	53,318

Balance Sheets

(SEK 000s)	Dec 31 2013	Dec 31 2012
ASSETS		
Goodwill	390,844	236,071
Other intangible assets	239,405	48,910
Property, plant and equipment	20,179	21,106
Deferred tax assets	724	852
Total fixed assets	651,152	306,939
Inventories	35,971	26,843
Trade and other receivables	53,985	35,501
Other current receivables	13,637	16,845
Cash and cash equivalents	15,818	31,487
Total current assets	119,411	110,676
TOTAL ASSETS	770,563	417,615
EQUITY AND LIABILITIES		
Equity	377,557	342,056
Liabilities		
Non-current liabilities	224,076	787
Deferred income tax liabilities	65,143	23,168
Total non-current liabilities	289,219	23,955
Trade payables	28,342	25,462
Other current liabilities	75,445	26,142
Total current liabilities	103,787	51,604
TOTAL EQUITY AND LIABILITIES	770,563	417,615

Cash flow statements

(SEK 000s)	Q4 2013	Q4 2012	Q1-Q4 2013	Q1-Q4 2012
Cash flow from operating activities before changes in working capital	12,137	9,204	75,583	65,257
Cash flow from changes in working capital	3,040	9,715	4,231	16,523
Cash flow from operating activities	15,177	18,919	79,814	81,780
Cash flow from investing activities	-56,188	-12,799	-324,175	-42,943
Cash flow from financing activities	39,876	0	228,692	-33,923
Cash flow for the period	-1,135	6,120	-15,669	4,914
Cash and cash equivalents at beginning of the period	16,953	25,367	31,487	26,573
Cash and cash equivalents at end of period	15,818	31,487	15,818	31,487

Changes in current receivables/liabilities related to derivative financial instruments are reported as cash flow from operating activities before changes in working capital.

Quarterly data

Revenue per region (SEK 000s)	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011
EMEA	78,378	89,455	82,481	69,182	52,971	60,049	59,169	60,387	55,876	64,900	61,757	60,379
Americas	26,359	30,592	26,439	22,480	19,686	22,687	20,813	20,429	20,330	18,844	17,418	17,167
Asia	21,021	19,920	19,285	15,553	14,608	16,408	18,920	15,677	18,642	16,976	17,322	13,981

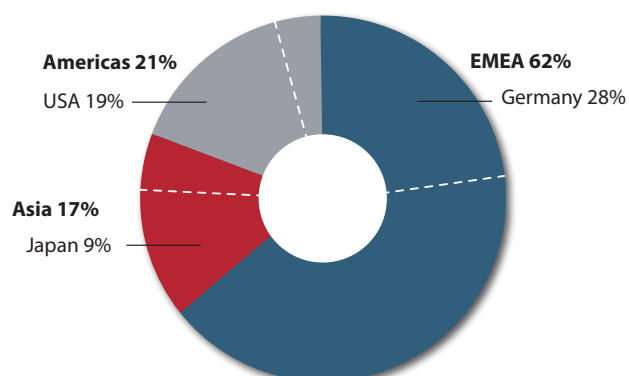
Income statement (SEK 000s)	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011
Revenue (SEK m)	125,758	139,967	128,205	107,215	87,265	99,144	98,902	96,493	94,848	100,720	96,498	91,527
Gross profit	80,056	88,704	79,709	65,446	50,269	59,382	59,953	59,766	57,686	61,062	59,193	54,552
<i>Gross margin</i>	63.7	63.4%	62.2%	61.0%	57.6%	59.9%	60.6%	61.9%	60.8%	60.6%	61.3%	59.6%
Operating profit	13,443	32,226	27,260	13,745	6,248	23,186	19,953	14,338	9,925	24,360	20,224	17,704
<i>Operating margin</i>	10.7	23.0%	21.3%	12.8%	7.2%	23.4%	20.2%	14.9%	10.5%	24.2%	21.0%	19.3%
Profit before tax	12,397	30,479	26,919	11,699	7,001	23,100	20,810	14,286	10,715	25,544	20,536	16,973

Sales

Sales by geographical area for the year 2013 are presented in the graph to the right.

Embedded products reached 55 % of the Group's total sales, Gateway products 20 %, IXXAT 20% and Remote Management amounted to 3 %.

All product groups are based on a common technology platform and are marketed and sold in the common sales channels. Therefore, no complete segment reporting is disclosed.



Parent company income statement

(SEK 000s)	Q4 2013	Q4 2012	Q1-Q4 2013	Q1-Q4 2012
Revenue	2,194	1,748	7,845	7,995
Cost of sales and services	0	0	0	0
Gross profit	2,194	1,748	7,845	7,995
Administrative expenses	-2,156	-1,750	-7,818	-7,642
Operating profit	38	-2	27	353
Interest expense and similar items	-19	2	49,993	-353
Profit before tax	19	0	50,020	0
Tax	-3	-7	-4	-7
Profit for the period	16	-7	50,016	-7

Parent company balance sheets

(SEK 000s)	Dec 31 2013	Dec 31 2012
ASSETS		
Financial fixed assets	244,039	244,039
Total financial fixed assets	244,039	244,039
Other receivables	247	955
Cash and cash equivalents	808	684
Total current assets	1,056	1,639
TOTAL ASSETS	245,095	245,678
EQUITY AND LIABILITIES		
Equity	143,931	123,285
Untaxed reserves	8	8
Liabilities		
Non-current liabilities	0	0
Trade payables	535	1,277
Liabilities to Group companies	99,321	120,073
Other current liabilities	1,299	1,035
Total current liabilities	101,155	122,385
TOTAL EQUITY AND LIABILITIES	245,095	245,678

Definitions

Return on shareholders' equity

Share of profit after tax attributable to the parent company's shareholders in relation to the average shareholders' equity excluding non-controlling interests.

Return on capital employed

Share of the profit after financial income in relation to the average capital employed.

Capital employed

Total assets less non interest bearing current liabilities and provisions, as well as total deferred tax liabilities.

Capital turnover rate

Operating income in relation to total assets.

Earnings per share

Share of the profit after tax attributable to the parent company's shareholders in relation to the average number of outstanding shares.

Earnings per share after dilution

Share of the profit after tax attributable to the parent company's shareholders in relation to the average number of outstanding shares with addition for the average number of shares that are added when converting the outstanding number of convertible securities and options.

Working capital

Current assets less cash equivalents and current liabilities.

Operating margin

Operating income in relation to net sales.

Equity/assets ratio

Shareholders' equity in relation to total assets.

Net debt

Long-term and current financial liabilities less financial assets.

Net debt/equity ratio

Net debt in relation to shareholders' equity including non-controlling interests.

Total equity per share

Total equity attributable to the parent company's shareholders in relation to total outstanding shares by the end of the period.



HMS Industrial Networks is the leading independent supplier of products for industrial communication including remote management. HMS develops and manufactures solutions for connecting automation devices and systems to industrial networks under the Netbiter, Anybus and IXXAT brands.

Development and manufacturing take place at the headquarters in Halmstad, Sweden and in Weingarten, Germany. Local sales and support are handled by branch offices in China, Denmark, France, Germany, India, Italy, Japan, UK, and USA. HMS employs over 350 people and reported sales of 57 million EUR in 2013. HMS is listed on the NASDAQ OMX in Stockholm.

Our vision

“All industrial devices will be intelligent and networked. We shall be the market leading partner in the world of industrial communication”.

Our purpose

“To create long term value for our customers, employees and investors”.



Our mission

“We provide reliable, flexible and easy-to-use communication and remote management solutions to the world of industrial communication”.

