



Interim report January-September 2013

Published 24 October 2013

Third quarter of 2013 - Another strong quarter

- Sales rose to 2,039 MSEK (1,980).
- Operating profit increased 16 per cent to 324 MSEK (280).
- The operating margin improved to 15.9 per cent (14.1).
- Profit after tax rose 21 per cent to 232 MSEK (192).
- Earnings per share increased 21 per cent to 6.74 SEK (5.58).
- Operating cash flow was strong and increased to 395 MSEK (295).

Jan-Sep 2013 - Continued strong earnings development, our best results to date

- Sales amounted to 6,113 MSEK (6,243).
- Operating profit increased 11 per cent to 934 MSEK (839).
- The operating margin improved to 15.3 per cent (13.4).
- Profit after tax rose 19 per cent to 676 MSEK (567).
- Earnings per share increased 19 per cent to 19.64 SEK (16.47).
- Operating cash flow was strong and increased to 1,020 MSEK (886).
- The US rubber compounding company Robbins, which was acquired in November 2012, has been successfully integrated.

President's comments

"The third quarter of 2013 was another strong quarter for the HEXPOL Group, our best quarter to date in terms of earnings. Our earnings per share improved significantly to 6.74 SEK (5.58), up 21 per cent. The operating margin improved further to 15.9 per cent (14.1) and our operating profit increased 16 per cent to 324 MSEK (280). Volumes improved both year-on-year and compared with the preceding quarter, but sales were once again impacted by a price reduction for our principal raw materials. Operating cash flow remained strong and increased to 395 MSEK (295).

January-September 2013 was a period with a strong earnings development. Our earnings per share increased 19 per cent to 19.64 SEK (16.47). During the year, the US rubber compounding company Robbins was successfully integrated with a better earnings development than plan. Our balance sheet is strong and, with a net debt/equity multiple of 0.2 (0.3), we are well-equipped for continued expansion."

Georg Brunstam, President and CEO

Group summary

Key Figures MSEK	Jul-Sep		Jan-Sep		Full Year	Oct 12-
	2013	2012	2013	2012	2012	Sep 13
Sales	2 039	1 980	6 113	6 243	8 007	7 877
Operating profit, EBIT	324	280	934	839	1 069	1 164
Operating margin, %	15,9	14,1	15,3	13,4	13,4	14,8
Profit before tax	321	275	919	821	1 047	1 145
Profit after tax	232	192	676	567	753	862
Earnings per share, SEK	6,74	5,58	19,64	16,47	21,88	25,05
Equity/assets ratio, %			54,6	49,6	49,2	
Return on capital employed, %			26,6	26,7	24,0	25,1
Operating cash flow	395	295	1 020	886	1 209	1 343

HEXPOL is a world-leading polymers group with strong global positions in advanced rubber compounds (Compounding), gaskets for plate heat exchangers (Gaskets) and plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are primarily OEM manufacturers of plate heat exchangers and trucks, systems suppliers to the global automotive and engineering industries, the energy sector and medical equipment manufacturers. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2012 amounted to 8,007 MSEK. The HEXPOL Group has approximately 3,400 employees in ten countries. Further information is available at www.hexpol.com.

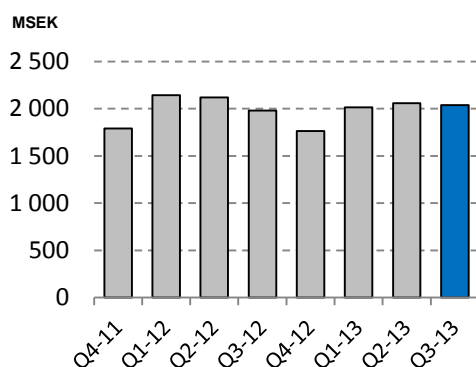
Third quarter of 2013

The HEXPOL Group's sales for the third quarter rose to 2,039 MSEK (1,980). Currency effects had a negative impact of 21 MSEK on sales, primarily due to a weakening of the USD. Sales were positively impacted by our most recent acquisition, Robbins (November 2012).

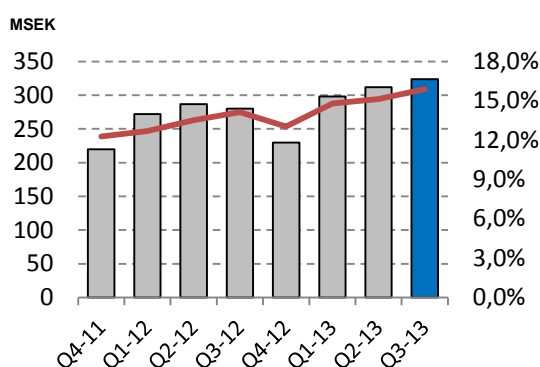
Organic growth (adjusted for currency effects and acquisitions) was 0 per cent, including the effects of lower prices for our principal raw materials. The volume development was once again positive, compared with the year-earlier period, but also compared with the preceding quarter. Sales in NAFTA, including the acquired Robbins, were higher than in the year-earlier period. Sales in NAFTA remained strong to automotive-related customers, while sales to the mining industry and export-related customers were again weak during the third quarter. Sales in Mexico remained strong in all segments. In Europe, sales stabilised and volumes increased.

Operating profit rose 16 per cent to 324 MSEK (280), resulting in the operating margin improving to 15.9 per cent (14.1). Operating profit improved thanks to the acquisition of Robbins, and to continued efficiency enhancements in the operations. Exchange-rate fluctuations had a negative impact of 5 MSEK on operating profit for the quarter.

Sales



Operating profit & operating margin



The HEXPOL Compounding business area's sales during the quarter, including the acquired Robbins, rose to 1,876 MSEK (1,801). Volumes rose in all regions compared with the year-earlier period and sales in all regions were impacted by lower prices for our principal raw materials. Sales in NAFTA, including Robbins, rose compared with the year-earlier period. Sales remained strong in the energy, oil and gas sector, and the automotive segment in NAFTA. In Europe, volumes increased in essentially all segments, but sales were impacted by lower raw material prices. The HEXPOL TPE Compounding product area continued its positive development, with higher sales and improved operating profit. Operating profit for the HEXPOL Compounding business area increased 17 per cent to 305 MSEK (261). The operating margin improved to 16.3 per cent (14.5), thanks to factors including continued higher efficiency in the operation.

The HEXPOL Engineered Products business area's sales for the quarter totalled 163 MSEK (179). The fire that occurred in early April at the HEXPOL Wheels facility in Laxå, Sweden, had an impact on sales. Operating profit in the HEXPOL Engineered Products business area amounted to 19 MSEK (19), corresponding to an operating margin of 11.7 per cent (10.6).

The HEXPOL Group's sales in NAFTA, including Robbins, which was acquired in November 2012, rose compared with the year-earlier period. Sales remained strong to energy, oil, gas and automotive-related customers, while sales to the mining industry and export-related customers remained weak. Sales remained strong in all segments in Mexico.

The HEXPOL Group's sales in Europe were somewhat lower than in the year-earlier period, while volumes rose in essentially all segments.

In Asia, Group sales were higher than in the year-earlier period.

Prices for the Group's principal raw materials were once again lower in the quarter, compared with the previous quarter, which entailed lower selling prices compared with both the preceding quarter and the year-earlier period.

The Group's operating cash flow rose to 395 MSEK (295). The Group's net financial items amounted to an expense of 3 MSEK (expense: 5), including positive translation differences.

Profit before tax rose to 321 MSEK (275) and profit after tax increased to 232 MSEK (192). Earnings per share increased 21 per cent to 6.74 SEK (5.58).

January-September 2013

The HEXPOL Group's sales for the period amounted to 6,113 MSEK (6,243). Currency effects had a negative impact of 205 MSEK on sales, primarily due to a weakening of the USD and EUR. Sales were positively impacted by our most recent acquisition, Robbins (November 2012). Organic growth (adjusted for currency effects and acquisitions) was minus 3 per cent, including the effects of lower prices for our principal raw materials. However, volumes increased compared with the year-earlier period.

Operating profit rose 11 per cent to 934 MSEK (839), resulting in the operating margin improving to 15.3 per cent (13.4). Currency exchange rates had a negative impact of 41 MSEK on operating profit, primarily due to a weakening of the USD and EUR.

The HEXPOL Compounding business area's sales amounted to 5,596 MSEK (5,683). Operating profit rose 13 per cent to 883 MSEK (783), resulting in the operating margin improving to 15.8 per cent (13.8). Sales in NAFTA were strong to energy, oil, gas and automotive-related customers, while sales to the mining industry and export-related customers were weak. Sales in Europe were weak, primarily to automotive-related customers. The HEXPOL TPE Compounding product area performed well. Robbins, a leading US manufacturer of rubber compounds, was acquired in late November 2012. The integration of the operation, which was implemented already during the first quarter, proceeded faster and with better earnings than plan.

The HEXPOL Engineered Products business area's sales amounted to 517 MSEK (560). Operating profit amounted to 51 MSEK (56), resulting in an operating margin of 9.9 per cent (10.0). Sales were relatively stable, except for the HEXPOL Wheels facility in Laxå, Sweden, which was affected by the fire that occurred in early April.

The Group's operating cash flow rose to 1,020 MSEK (886). The Group's net financial items amounted to an expense of 15 MSEK (expense: 18).

Profit before tax rose to 919 MSEK (821) and profit after tax increased to 676 MSEK (567). Earnings per share increased 19 per cent to 19.64 SEK (16.47).

Profitability

The return on average capital employed amounted to 26.6 per cent (26.7). The return on shareholders' equity amounted to 28.9 per cent (29.1).

Financial position and liquidity

The equity/assets ratio increased to 54.6 per cent (49.6). The Group's total assets amounted to 6,088 MSEK (5,488). Net debt was reduced to 666 MSEK (879) and the net debt/equity ratio declined to a multiple of 0.2 (0.3). The dividend of 207 MSEK (172) 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 2018.
- A three-year credit agreement with a limit of 750 MUSD that will fall due in February 2016.

The five-credit agreement signed in May 2008 matured in May 2013 and was replaced by the above credit agreements.

Cash flow

Operating cash flow rose to 1,020 MSEK (886). Cash flow from operating activities amounted to 841 MSEK (809).

Investments, depreciation and amortisation

Group investments amounted to 89 MSEK (101). Investments are primarily attributable to capacity investments in countries including China and Mexico, as well as maintenance investments mainly in the US. Depreciation and amortisation totalled 119 MSEK (116).

Tax expenses

The Group's tax expenses amounted to 243 MSEK (254), corresponding to a tax rate of 26.4 per cent (30.9). The lower tax rate was due to effects of a changed legal structure following the acquisitions in recent years.

Personnel

The number of employees at the end of the third quarter was 3,442 (3,121). The number of employees rose through the acquisition of Robbins in November 2012. During the quarter, the number of employees increased by 85, primarily in our facilities in Asia.

Business area HEXPOL Compounding

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

MSEK	Jul-Sep		Jan-Sep		Full Year	Oct 12-
	2013	2012	2013	2012	2012	Sep 13
Sales	1 876	1 801	5 596	5 683	7 270	7 183
Operating profit	305	261	883	783	996	1 096
Operating margin, %	16,3	14,5	15,8	13,8	13,7	15,3

The HEXPOL Compounding business area's sales during the third quarter, including the acquired Robbins, rose to 1,876 MSEK (1,801). Operating profit increased 17 per cent to 305 MSEK (261). The operating margin improved to 16.3 per cent (14.5), thanks to factors including continued higher efficiency in the operation.

Prices for the Group's principal raw materials were once again lower in the quarter, compared with the previous quarter, which entailed lower selling prices compared with both the preceding quarter and the year-earlier period. However, the volume development was positive, compared with the year-earlier period and also with the preceding quarter.

Sales in NAFTA, including Robbins, rose compared with the year-earlier period. Sales remained strong to energy, oil, gas and automotive-related customers, while sales to the mining industry and export-related customers were weak. Sales remained strong in all segments in Mexico. The investment in a third rubber compounding line in Aguascalientes, Mexico, was commissioned according to plan at the end of the quarter.

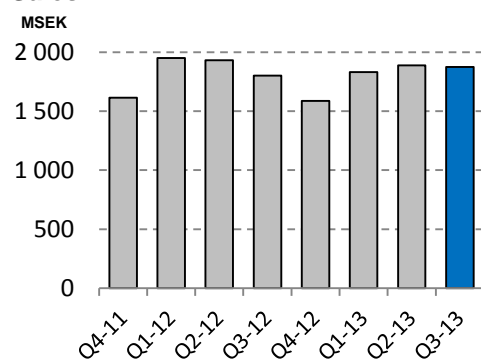
In Europe, sales were impacted by lower raw material prices and were slightly lower than in the year-earlier period despite higher volumes in essentially all segments.

In Asia, sales were higher than in the preceding quarter and in line with the year-earlier period. The customer project portfolio is strong and the capacity expansion for the rubber compounds in Qingdao, China, was commissioned earlier in the year.

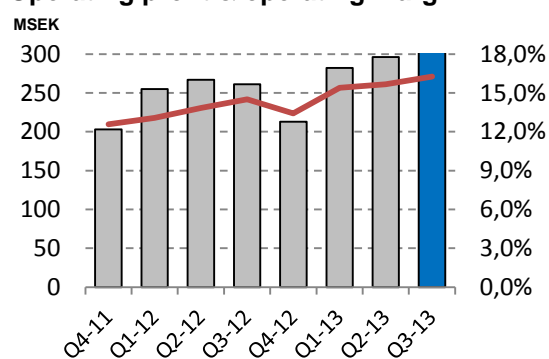
The HEXPOL TPE Compounding product area continued its positive development, with higher sales, primarily in consumer-related applications, and improved operating profit. Müller Kunststoffe, the company that was acquired in early 2012, continued to develop positively.

Robbins, a leading US manufacturer of rubber compounds and a global leader in moulded products for gaskets and the vulcanisation of tires particularly for trucks, construction equipment and aircraft, was acquired in late November 2012. The company had three production units in the US: Muscle Shoals in Alabama, Findlay in Ohio and Tallapoosa in Georgia. The integration of the operation proceeded faster and with better earnings than plan. The facility in Tallapoosa was closed during the first quarter and volumes were relocated to other facilities in NAFTA. The sales development for Robbins was weaker than plan, primarily to mining-industry related customers.

Sales



Operating profit & operating margin



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 truck and castor wheel applications (Wheels). The market for gaskets and wheels is global. Gasket customers include manufacturers of plate heat exchangers and wheel customers are manufacturers of trucks and castors.

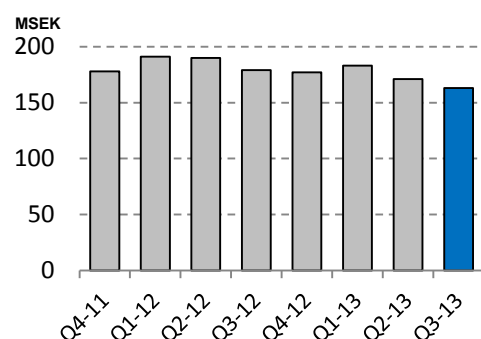
MSEK	Jul-Sep		Jan-Sep		Full Year	Oct 12-
	2013	2012	2013	2012	2012	Sep 13
Sales	163	179	517	560	737	694
Operating profit	19	19	51	56	73	68
Operating margin, %	11,7	10,6	9,9	10,0	9,9	9,8

The HEXPOL Engineered Products business area's sales for the third quarter totalled 163 MSEK (179). Operating profit amounted to 19 MSEK (19), corresponding to an operating margin of 11.7 per cent (10.6).

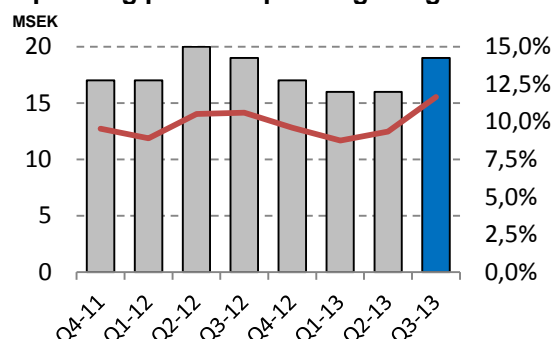
Sales in the HEXPOL Gaskets product area were relatively stable during the third quarter, but remained weak in Europe and to project-related operations. As before, the markets were marked by general price pressure and uncertainty in terms of demand. Sales from the operation in China increased.

Sales in the HEXPOL Wheels product area were impacted by the fire that occurred in the facility in Laxå, Sweden, in early April. No personal injuries were reported and the facility is fully insured. The investment in a new production line has commenced, but the project is time-consuming and the new production line is scheduled to be commissioned during the first quarter of 2014. Sales in other units have been relatively stable and the US operation continued to perform well. Production of polyurethane wheels for the Chinese market commenced at the end of 2012 and with this investment, HEXPOL Wheels is a global partner to global OEM manufacturers of trucks.

Sales



Operating profit & operating margin



Parent Company

The Parent Company's profit after tax amounted to 125 MSEK (1,323), which included dividends from subsidiaries. Shareholders' equity totalled 3,000 MSEK (3,090).

Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2012 Annual Report. No significant events occurred during the period that could affect or change the aforementioned descriptions of the Group's or the Parent Company's risks and their management.

Accounting policies

The consolidated financial statements in this interim 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 interim 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 2012 Annual Report have also been applied in this interim report. No new or revised IFRS that entered into force in 2013 have had any significant impact on the Group beyond what is specified below.

The revised IAS 19, Employee Benefits, has been applied retroactively since 1 January 2013. The most significant amendment is the discontinuation of the possibility of deferring recognition of actuarial gains and losses according to the corridor method and these are now recognised on an ongoing basis in other comprehensive income. Consequently, the pension liability has increased by approximately 3 MSEK and shareholders' equity declined by about 2 MSEK in 2013. The impact in 2012 was marginal and no such adjustments were made.

Ownership structure

HEXPOL AB (publ), Corporate Registration Number 556108-9631, is the Parent Company of the HEXPOL Group. HEXPOL's Class B shares are listed on the Stockholm Mid-Cap segment of the NASDAQ OMX Nordic exchange. HEXPOL had 8,003 shareholders on 30 September 2013. 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 64 per cent of the capital and 74 per cent of the voting rights.

Updated financial targets

HEXPOL's financial targets have been revised to the following, measured at a yearly average over a business cycle:

- Sales growth (adjusted for currency effects) is to exceed 10 per cent.
- The operating margin (adjusted for items affecting comparability) is to exceed 12 per cent.

The previous targets over a business cycle were as follows:

- Organic sales growth will average 7-10 per cent annually.
- Operating margin will average at least 8-10 per cent annually.

Invitation to the presentation of the report

This report will be presented at Carnegie's offices at Regeringsgatan 56, Stockholm, Sweden, on 24 October at 9:00 a.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:

▪ Year-end report 2013	6 February 2014
▪ Interim report January-March 2014	7 May 2014
▪ Annual General Meeting	7 May 2014
▪ Six-month report January-June 2014	23 July 2014
▪ Interim report January-September 2014	24 October 2014

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

Malmö, Sweden, 24 October 2013
HEXPOL AB (publ)

Georg Brunstam,
President and CEO

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 Registration No: 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”, “intend”, “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 or 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 24 October 2013, at 8:00 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.

Review report

HEXPOL AB (publ), org. nr 556108-9631

To the Board of Directors of HEXPOL AB (publ)

Introduction

We have reviewed the condensed interim report for HEXPOL AB (publ) as at September 30, 2013 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the Swedish Standard on Review Engagements, SÖG 2410 Review of Interim Reports Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material aspects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Malmö, October 24, 2013

Ernst & Young AB

Stefan Engdahl

Authorized Public Accountant

Condensed consolidated income statement

	Jul-Sep		Jan-Sep		Full Year	Oct12-Sep 13
MSEK	2013	2012	2013	2012	2012	
Sales	2 039	1 980	6 113	6 243	8 007	7 877
Cost of goods sold	-1 607	-1 578	-4 857	-5 054	-6 485	-6 288
Gross profit	432	402	1 256	1 189	1 522	1 589
Selling and administrative cost, etc.	-108	-122	-322	-350	-453	-425
Operating profit	324	280	934	839	1 069	1 164
Financial income and expenses	-3	-5	-15	-18	-22	-19
Profit before tax	321	275	919	821	1 047	1 145
Tax	-89	-83	-243	-254	-294	-283
Profit after tax	232	192	676	567	753	862
- of w hich, attributable to Parent Company shareholders	232	192	676	567	753	862
Earnings per share, SEK	6,74	5,58	19,64	16,47	21,88	25,05
Shareholders' equity per share, SEK			96,57	79,05	84,51	
Average number of shares, 000s	34 420	34 420	34 420	34 420	34 420	34 420
Depreciation, amortisation and impairment	-41	-35	-119	-116	-152	-155

Condensed statement of comprehensive income

	Jul-Sep		Jan-Sep		Full Year	Oct12-Sep 13
MSEK	2013	2012	2013	2012	2012	
Profit after tax	232	192	676	567	753	862
Items that will not be reclassified to the income statement						
Remeasurements of defined benefit pension plans	0	0	-3	0	0	-3
Income tax relating to items that will not be reclassified to the income statement	0	0	1	0	0	1
Items that may be reclassified to the income statement						
Cash-flow hedges	0	0	0	0	0	0
Income tax relating to cash-flow hedges	0	0	0	0	0	0
Translation differences	-119	-121	-52	-147	-145	-50
Comprehensive income	113	71	622	420	608	810
- of w hich, attributable to Parent Company's shareholders	113	71	622	420	608	810

Condensed consolidated balance sheet

	Sep 30		Dec 31
MSEK	2013	2012	2012
Intangible fixed assets	2 683	2 387	2 718
Tangible fixed assets	1 193	1 071	1 227
Financial fixed assets	1	1	1
Deferred tax asset	25	12	25
Total fixed assets	3 902	3 471	3 971
Inventories	459	468	536
Accounts receivable	878	869	671
Other receivables	209	117	152
Prepaid expenses and accrued income	35	22	13
Cash and cash equivalents	605	541	564
Total current assets	2 186	2 017	1 936
Total assets	6 088	5 488	5 907
Attributable to Parent Company's shareholders	3 324	2 721	2 909
Total shareholders' equity	3 324	2 721	2 909
Interest-bearing liabilities	1 303	0	228
Provision for deferred tax	165	133	181
Provision for pensions	16	13	13
Total non-current liabilities	1 484	146	422
Interest-bearing liabilities	5	1 453	1 581
Accounts payable	787	770	665
Other liabilities	200	151	105
Accrued expenses, prepaid income, provisions	288	247	225
Total current liabilities	1 280	2 621	2 576
Total shareholders' equity and liabilities	6 088	5 488	5 907

Consolidated changes in shareholders' equity

	Sep 30, 2013		Sep 30, 2012		Dec 31, 2012	
MSEK	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity
Opening equity	2 909	2 909	2 473	2 473	2 473	2 473
Comprehensive income	622	622	420	420	608	608
Dividend	-207	-207	-172	-172	-172	-172
Closing Equity	3 324	3 324	2 721	2 721	2 909	2 909

Changes in number of shares

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

Condensed consolidated cash-flow statement

	Jul-Sep		Jan-Sep		Full Year	Oct 12-
MSEK	2013	2012	2013	2012	2012	Sep 13
Cash flow from operating activities before changes in working capital	268	242	785	782	955	958
Non-recurring items	0	0	0	-5	-5	0
Changes in working capital	54	36	56	32	165	189
Cash flow from operating activities	322	278	841	809	1 115	1 147
Acquisitions	-	0	-3	-344	-926	-585
Cash flow from other investing activities	-24	-56	-89	-101	-177	-165
Dividend	-	-	-207	-172	-172	-207
Cash flow from other financing activities	-309	-224	-493	-164	205	-124
Change in cash and cash equivalents	-11	-2	49	28	45	66
Cash and cash equivalents at January 1	636	587	564	557	557	541
Exchange-rate differences in cash and cash equivalents	-20	-44	-8	-44	-38	-2
Cash and cash equivalents at the end of the period	605	541	605	541	564	605

Operating cash flow, Group

	Jul-Sep		Jan-Sep		Full Year	Oct 12-
MSEK	2013	2012	2013	2012	2012	Sep 13
Operating profit	324	280	934	839	1 069	1 164
Depreciation/amortisation	41	35	119	116	152	155
Change in working capital	54	36	56	32	165	189
Investments	-24	-56	-89	-101	-177	-165
Operating Cash flow	395	295	1 020	886	1 209	1 343

Other key figures, Group

	Jul-Sep		Jan-Sep		Full Year	Oct 12-
	2013	2012	2013	2012	2012	Sep 13
Profit margin before tax, %	15,7	13,9	15,0	13,2	13,1	14,5
Return on shareholders' equity, %			28,9	29,1	28,0	28,5
Interest-coverage ratio, multiple			52,1	46,6	44,6	48,7
Net debt, MSEK			666	879	1 215	
Net debt ratio, multiple			0,2	0,3	0,4	
Cash flow per share, SEK	9,35	8,07	24,43	23,50	32,39	33,32
Cash flow per share before change in working capital, SEK	7,79	7,03	22,81	22,72	27,75	27,84

Financial instruments recognized at fair value in the Balance Sheet

	Sep 30 2013
MSEK	
Other current receivables	
Currency derivatives	59
Other current liabilities	
Currency derivatives	110

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

Quarterly data, Group

Sales per business area

MSEK	2013			2012				Full-	Oct 12-	2011				Full-
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Year	Sep 13	Q1	Q2	Q3	Q4	Year
HEXPOL Compounding	1 831	1 889	1 876	1 951	1 931	1 801	1 587	7 270	7 183	1 598	1 586	1 652	1 614	6 450
HEXPOL Engineered Products	183	171	163	191	190	179	177	737	694	188	190	191	178	747
Group total	2 014	2 060	2 039	2 142	2 121	1 980	1 764	8 007	7 877	1 786	1 776	1 843	1 792	7 197

Sales per geographic area

MSEK	2013			2012				Full-	Oct 12-	2011				Full-
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Year	Sep 13	Q1	Q2	Q3	Q4	Year
Europe	655	642	617	749	691	632	581	2 653	2 495	615	636	604	576	2 431
NAFTA	1 261	1 309	1 310	1 292	1 316	1 243	1 085	4 936	4 965	1 082	1 040	1 130	1 106	4 358
Asia	98	109	112	101	114	105	98	418	417	89	100	109	110	408
Group total	2 014	2 060	2 039	2 142	2 121	1 980	1 764	8 007	7 877	1 786	1 776	1 843	1 792	7 197

Operating profit per business area

MSEK	2013			2012				Full-	Oct 12-	2011				Full-
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Year	Sep 13	Q1	Q2	Q3	Q4	Year
HEXPOL Compounding	282	296	305	255	267	261	213	996	1 096	196	211	213	203	823
HEXPOL Engineered Products	16	16	19	17	20	19	17	73	68	14	19	22	17	72
Group total	298	312	324	272	287	280	230	1 069	1 164	210	230	235	220	895

Operating margin per business area

%	2013			2012				Full-	Oct 12-	2011				Full-
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Year	Sep 13	Q1	Q2	Q3	Q4	Year
HEXPOL Compounding	15,4	15,7	16,3	13,1	13,8	14,5	13,4	13,7	15,3	12,3	13,3	12,9	12,6	12,8
HEXPOL Engineered Products	8,7	9,4	11,7	8,9	10,5	10,6	9,6	9,9	9,8	7,4	10,0	11,5	9,6	9,6
Group total	14,8	15,1	15,9	12,7	13,5	14,1	13,0	13,4	14,8	11,8	13,0	12,8	12,3	12,4

Condensed income statement, Parent Company

MSEK	Jul-Sep		Jan-Sep		Full Year
	2013	2012	2013	2012	2012
Sales	9	8	26	25	30
Administrative costs, etc.	-11	-13	-35	-38	-50
Operating loss	-2	-5	-9	-13	-20
Financial income and expenses	12	1 238	129	1 346	1 349
Profit/loss after net financial items	10	1 233	120	1 333	1 329
Appropriations	-	-	-	-	-8
Profit/loss before tax	10	1 233	120	1 333	1 321
Tax	2	-1	5	-10	-7
Profit/loss after tax	12	1 232	125	1 323	1 314

Condensed balance sheet, Parent company

MSEK	Sep 30	Dec 31
	2013	2012
Total fixed assets	4 915	4 786
Total current assets	1 120	960
Total assets	6 035	5 970
Total shareholders' equity	3 000	3 081
Total untaxed reserves	8	8
Total non-current liabilities	1 303	228
Total current liabilities	1 724	2 653
Total shareholders' equity and liabilities	6 035	5 970

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.
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 and interest-bearing assets divided by shareholders' equity.
Net indebtedness	Interest-bearing liabilities less cash and cash equivalents and interest-bearing assets.
Operating cash flow	Operating profit excluding items affecting comparability less depreciation/amortisation and 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.