

Year-end report 2015

Published on February 3, 2016

Fourth quarter 2015 – Continued growth and strong margins

- Sales rose 11 per cent to 2,596 MSEK (2,331).
- Operating profit increased 33 per cent to 456 MSEK (344**).
- Operating margin increased to 17.6 per cent (14.8**).
- Profit after tax increased 32 per cent to 326 MSEK (248).
- Earnings per share rose 32 per cent to 0.95 SEK (0.72).
- Operating cash flow increased to 562 MSEK (517).

Full year 2015 – Very strong growth and strong margins

- Sales rose 26 per cent to 11,229 MSEK (8,919).
- Operating profit increased 35 per cent to 1,964 MSEK (1,456**).
- Operating margin increased to 17.5 per cent (16.3**).
- Profit after tax increased 33 per cent to 1,393 MSEK (1,048).
- Earnings per share rose 33 per cent to 4.05 SEK (3.05).
- Integration of units acquired in 2014/2015 (Kardoes, Vigar Rubber Compounding, Portage Precision Polymers and RheTech Thermoplastic Compounding) was successfully completed.
- Operating cash flow increased to 2,185 MSEK (1,676).
- The share split 10:1 (each existing share is divided into ten shares), resolved by the Annual General Meeting, was completed in May.
- The Board of Directors proposes a dividend of 1.70 SEK (1.20) per share, an increase by 42 per cent.

President's comments

“The fourth quarter of 2015 was once again a strong quarter for the HEXPOL Group – by far our best fourth quarter. The Group sales increased 11 per cent, and our operating profit increased significantly, +33 per cent, while the operating cash flow once again was very strong, 562 MSEK. We had strong sales growth primarily thanks to our (in 2014 and 2015) acquired units and positive currency effects. Sales were negatively affected by considerably lower sales prices due to considerably lower raw material prices than the corresponding year-earlier period. The volume development was positive in all geographical regions, compared to the corresponding year-earlier period and price pressure was continued strong, during the quarter on all markets.

During 2015, we have continued to improve our market positions and the integration of the acquired units was completed successfully. Our financial position remains very strong and with a net cash of 454 MSEK, we are well equipped for continued expansion. At the beginning of the year, the acquisition of RheTech Thermoplastic Compounding was finalized and the business has developed according to plan.”

Georg Brunstam, President and CEO

Group summary

Key Figures MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Sales	2 596	2 331	11 229	8 919
Operating profit, EBIT	456	344**	1 964	1 456**
Operating margin, %	17,6	14,8**	17,5	16,3**
Profit before tax	450	340	1 943	1 436
Profit after tax	326	248	1 393	1 048
Earnings per share, SEK*	0,95	0,72	4,05	3,05
Equity/assets ratio, %			72	69
Return on capital employed, %			28,6	28,5
Operating cash flow	562	517	2 185	1 676

* Adjusted for share split 10:1 May 2015.

** Including acquisition, integration and restructuring costs (Vigar) 38 MSEK

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gasket), and plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are primarily OEM manufacturers of plate heat exchangers and trucks, global systems suppliers to the automotive and engineering industries, the energy sector and the medical equipment manufacturers. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2015 amounted to 11,229 MSEK. The HEXPOL Group has approximately 3,900 employees in eleven countries. Further information is available at www.hexpol.com.

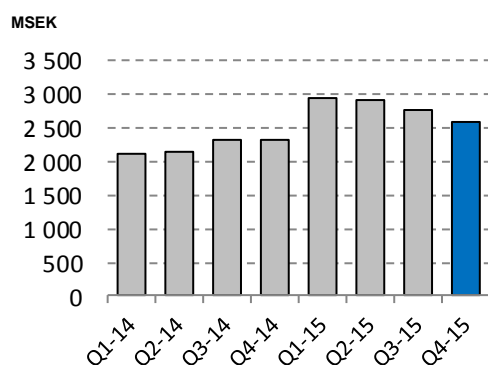
Fourth quarter of 2015

The HEXPOL Group's sales rose 11 per cent to 2,596 MSEK (2,331) during the fourth quarter. Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units and positive currency effects. Currency effects had a positive impact of 198 MSEK on sales, primarily thanks to a strengthening of the USD.

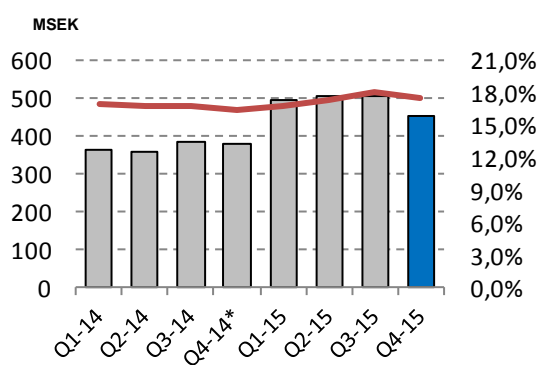
The volume development was positive and sales growth (adjusted for currency effects) amounted to 3 per cent. Sales were negatively affected by considerably lower sales prices due to considerably lower raw material prices than the corresponding year-earlier period. Organic volume growth (adjusted for acquired units) was positive in all geographical regions and was positively affected by increased deliveries to the tire industry, in the quarter. The organic sales growth (adjusted for currency effects and acquired units) was negatively affected by the lower sales prices and was negative 8 per cent, despite increased volumes.

Operating profit rose 33 per cent to 456 MSEK (344), which means the operating margin improved to 17.6 per cent (14.8). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations and positive exchange rate effects. Exchange rate fluctuations had a positive impact of 31 MSEK on operating profit for the quarter.

Sales



Operating profit & operating margin



*Excluding acquisition, integration and restructuring costs (Vigar)

The HEXPOL Compounding business area's sales increased 11 per cent during the quarter to 2,393 MSEK (2,148). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units and positive currency effects. Sales were negatively affected by considerable lower raw material prices than the corresponding year-earlier period. Operating profit rose 32 per cent to 428 MSEK (325). The operating margin increased to 17.9 per cent (15.1). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations as well as positive exchange rate effects. During the fourth quarter 2014, 38 MSEK was recognised as acquisition, integration and restructuring costs (Vigar).

The HEXPOL Engineered Products business area's sales for the quarter increased 11 per cent to 203 MSEK (183). Operating profit rose to 28 MSEK (19), which improved the operating margin to 13.8 per cent (10.4).

The HEXPOL Group's sales in NAFTA (including Portage Precision Polymers and RheTech Thermoplastic Compounding) increased by 14 per cent compared with the corresponding year-earlier period. The HEXPOL Group's sales in Europe (including Vigar Rubber Compounding) increased 7 per cent, compared to the corresponding year-earlier period. In Asia, the HEXPOL Group's sales increased 11 per cent compared to the corresponding year-earlier period.

The Group's operating cash flow rose to 562 MSEK (517). The Group's net financial items amounted to an expense of 6 MSEK (expense: 4). Profit before tax rose to 450 MSEK (340) and profit after tax increased to 326 MSEK (248). Earnings per share increased 32 per cent to 0.95 SEK (0.72).

Full year 2015

The HEXPOL Group's sales for the year increased 26 per cent to 11,229 MSEK (8,919). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units and positive currency effects. Currency effects had a positive impact of 1,352 MSEK on sales, primarily due to a strengthening of the USD.

The volume development was positive and sales growth (adjusted for currency effects) amounted to 11 per cent. Organic volume growth (adjusted for acquired units) was slightly positive, with increased volumes in Europe and stable volumes in NAFTA and Asia. The organic sales growth (adjusted for currency effects and acquired units) amounted to negative 5 per cent. Sales have been negatively affected by considerably lower prices for our principal raw materials, which have been considerably lower than the previous year.

Operating profit rose 35 per cent to 1,964 MSEK (1,456), which means the operating margin improved to 17.5 per cent (16.3). The operating profit improved mainly thanks to increased volumes, continued efficiency enhancements in the operations and positive exchange rate effects. Exchange rate fluctuations had a positive impact of 258 MSEK on operating profit during the year.

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

The integration of the units acquired in 2014/2015 is successfully performed. Vigar Rubber Compounding's manufacturing facility in Germany is closed according to plan and the customers are served from other HEXPOL units.

The HEXPOL Compounding business area's sales increased 27 per cent to 10,402 MSEK (8,198). Sales growth was strong primarily thanks to our (in 2014 and 2015) acquired units and positive currency effects. Sales have been negatively affected by considerably lower prices for our principal raw materials, which have been considerably lower than the previous year. Operating profit rose 36 per cent to 1,859 MSEK (1,364). The operating margin increased to 17.9 per cent (16.6). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations as well as positive exchange rate effects. Operating profit was negatively affected during 2014, 38 MSEK was recognised as acquisition, integration and restructuring costs (Vigar).

The HEXPOL Engineered Products business area's sales increased 15 per cent to 827 MSEK (721). Operating profit rose 14 per cent to 105 MSEK (92), which corresponded to an operating margin of 12.7 per cent (12.8). During 2014, insurance compensation of 6 MSEK was recognised for rebuilding the, in April 2013, fire damaged production line at HEXPOL Wheel's facility in Laxå, Sweden.

The Group's operating cash flow increased to 2,185 MSEK (1,676). The Group's net financial items amounted to an expense of 21 MSEK (expense: 20).

Profit before tax rose to 1,943 MSEK (1,436) and profit after tax increased to 1,393 MSEK (1,048). Earnings per share increased 33 per cent to 4.05 SEK (3.05).

Profitability

The return on average capital employed amounted to 28.6 per cent (28.5). The return on shareholders' equity amounted to 24.7 per cent (24.2).

Financial position and liquidity

The equity/assets ratio amounted to 72 per cent (69). The Group's total assets amounted to 8,723 MSEK (7,284). Net cash amounted to 454 MSEK (259). The dividend of 413 MSEK (310) resolved at the Annual General Meeting was paid by HEXPOL in May.

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

- A five-year credit agreement with a limit of 125 MUSD that will fall due in February 2020.
- A three-year credit agreement with a limit of 1,500 MSEK that will fall due in August 2018.

The five-year credit agreement with a limit of 125 MUSD was extended to fall due in February 2020. The five-year credit agreement with a limit of 100 MUSD that fell due in October 2015 and the three-year credit agreement with a limit of 750 MSEK that fall due in February 2016 were replaced with a three-year credit agreement with a limit of 1,500 MSEK that will fall due in August 2018.

Cash flow

The operating cash flow rose to 2,185 MSEK (1,676). Cash flow from operating activities increased to 1,760 MSEK (1,432).

Investments, depreciation and amortisation

The Group's investments amounted to 159 MSEK (129). Investments are mainly attributable to maintenance investments (primarily in USA) and capacity investments (primarily within HEXPOL TPE Compounding). Depreciation and amortisation amounted to 209 MSEK (166).

Tax expenses

The Group's tax expenses amounted to 550 MSEK (388), corresponding to a tax rate of 28.3 per cent (27.0).

Personnel

The number of employees at the end of the year was 3,867 (3,666). The increase in number of employees relates mainly to acquired units.

Acquisitions

The acquisition of the businesses of RheTech LLC and RheTech Colors, from the founders' families, was completed in January 2015. RheTech Thermoplastic Compounding is a leading provider of thermoplastic compounds. RheTech has four facilities in the US (including manufacturing and laboratories) located in Whitmore Lake, Michigan (RheTech Thermoplastic Compounding), Fowlerville, Michigan (RheTech Thermoplastic Compounding), Sandusky, Ohio (RheTech Colors) and in Blacksburg, South Carolina (RheTech Engineered Plastics). RheTech Thermoplastic Compounding had a turnover of 114 MUSD in 2015. RheTech Thermoplastic Compounding has around 210 employees. The acquisition price amounts to approximately 112 MUSD on a cash and debt free basis. Group ownership is 100 per cent. Acquired intangible assets amounted to approximately 71 MUSD, which is divided into goodwill 64 MUSD and other intangible assets 7 MUSD. The operations were consolidated from the acquisition date.

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

At the end of the year, two smaller European consulting companies within rubber technology with excellence within rubber compounding, were acquired. The acquisition price amounted to approximately 6 MEUR.

Business area HEXPOL Compounding

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

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Sales	2 393	2 148	10 402	8 198
Operating profit, excl. acquisition, integration and restructuring costs (Vigar)	428	363	1 859	1 402
Operating profit	428	325	1 859	1 364
Operating margin, %, excl. acquisition, integration and restructuring costs (Vigar)	17,9	16,9	17,9	17,1
Operating margin, %	17,9	15,1	17,9	16,6

HEXPOL Compounding's sales (including the acquired business of Vigar Rubber Compounding, Portage Precision Polymers and RheTech Thermoplastic Compounding) increased 11 per cent to 2,393 MSEK (2,148), during the fourth quarter. Sales growth was strong primarily due to acquired units and positive currency effects. Sales were negatively affected by considerably lower sales prices due to considerably lower raw material prices than the corresponding year-earlier period. Price pressure has continued to be strong on all markets during the quarter.

Operating profit increased 32 per cent to 428 MSEK (325), which corresponded to an operating margin of 17.9 per cent (15.1). The operating profit improved mainly thanks to increased volumes, continued efficiency enhancements in the operations and positive exchange rate effects. During the fourth quarter last year, 38 MSEK was recognised as acquisition, integration and restructuring costs (Vigar).

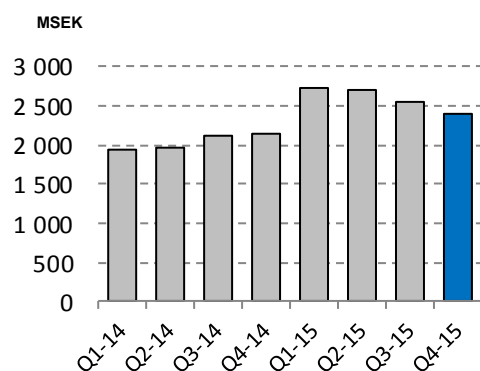
Sales in NAFTA increased compared with the corresponding year-earlier period. Excluding acquired businesses, the volumes were higher with continued strong volumes to automotive-related customers while volumes to segments such as mining, exporting industry, agricultural and oil and gas sector were considerably lower than the corresponding year-earlier period.

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

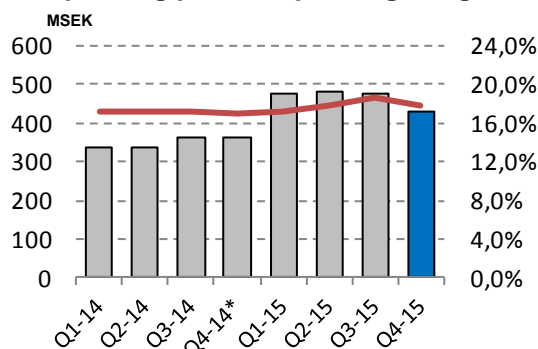
Sales in Europe increased compared with the corresponding year-earlier period. Excluding acquired businesses the volumes developed positively, primarily to automotive-related customers. The integration of Vigar Rubber Compounding, acquired in the fourth quarter of 2014, has been implemented successfully and the closing of the manufacturing facility in Viersen, Germany, was completed already in the first half of the year.

Sales in Asia increased compared with the corresponding year-earlier period, while the volumes were somewhat lower, primarily to automotive-related customers in China.

Sales



Operating profit & operating margin



*Excluding acquisition, integration and restructuring costs (Vigar)

Business area HEXPOL Engineered Products

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

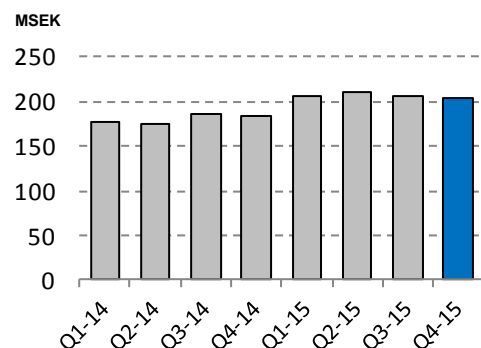
MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Sales	203	183	827	721
Operating profit	28	19	105	92
Operating margin, %	13,8	10,4	12,7	12,8

The HEXPOL Engineered Products business area's sales increased 11 per cent to 203 MSEK (183) during the fourth quarter. Operating profit rose to 28 MSEK (19), which improved the operating margin to 13.8 per cent (10.4). The operating profit improved mainly thanks to increased volumes and continued efficiency enhancements in the operations.

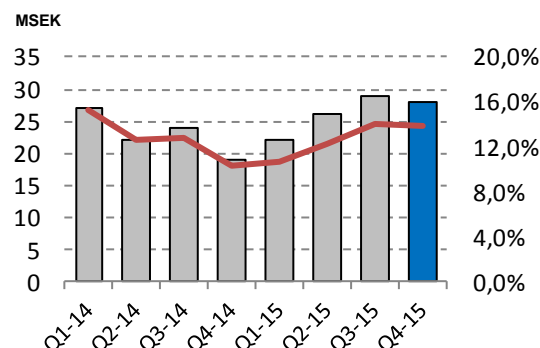
The sales for the HEXPOL Gaskets product area increased compared to the corresponding year-earlier period, however sales remained weak to project-related operations. The business in China had a positive development. As previous, the market was characterised by general price pressure.

The sales for HEXPOL Wheels product area increased compared to the corresponding year-earlier period on all geographical regions. The HEXPOL Wheels business in China had a positive development.

Sales



Operating profit & operating margin



Parent Company

The Parent Company's profit after tax amounted to 363 MSEK (280), which includes dividends from subsidiaries. Shareholders' equity amounted to 3,159 MSEK (3,209).

Risk factors

The Group's and Parent Company's business risks, risk management and management of financial risks are described in detail in the 2014 Annual Report. No significant events occurred during the year that affected or changed these descriptions of the Group's or the Parent Company's risks and their management.

Accounting policies

The consolidated financial statements in this 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 2014 Annual Report have also been applied in this interim report. No new or revised IFRSs that entered into force in 2015 have had any significant impact on the Group.

Ownership structure

HEXPOL AB (publ), with Corporate Registration Number 556108-9631, is the Parent Company of the HEXPOL Group. HEXPOL's Class B shares are listed on the Stockholm Large Cap segment of the Nasdaq OMX Nordic exchange. HEXPOL AB had 11,696 shareholders on December 31, 2015. The largest shareholder is Melker Schörling AB with 26 per cent of the capital and 47 per cent of the voting rights. The 20 largest shareholders own 62 per cent of the capital and 73 per cent of the voting rights.

Share split and change of the articles of association

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

Financial targets

As presented in the interim report January-September 2015 HEXPOL's financial targets have been revised to the following:

- Equity/assets ratio is to exceed 30 per cent.
Yearly average over a business cycle:
- Sales growth (adjusted for exchange rate effects) is to exceed 10 per cent.
- Operating margin (adjusted for items effecting comparability) is to exceed 17 per cent.

The previous targets were as follows, yearly average over a business cycle:

- Sales growth (adjusted for exchange rate effects) is to exceed 10 per cent.
- Operating margin (adjusted for items effecting comparability) is to exceed 12 per cent.

Annual General Meeting, April 29, 2016

The Annual General Meeting will be held on April 29, 2016 at 3:00 p.m. CET in Malmö (Börshuset, Skeppsbron 2), Sweden. The Annual Report for 2015 will be available on HEXPOL's website and at the head office no later than April 8, 2016 and will be distributed to the shareholders no later than in the week beginning Monday April 4. Shareholders who wish to participate in the AGM must be registered in the shareholders' register maintained by Euroclear Sweden AB no later than April 23, 2016 and notify their intention to participate to HEXPOL's head office no later than April 25, 2016. Shareholders whose shares

are registered with a trustee must temporarily re-register the shares in their own name no later than April 23, 2016 to be entitled to participate in the AGM. Since Saturday April 23, 2016 is a bank holiday, Euroclear Sweden AB will issue the share register for the AGM the immediately preceding business day, Friday April 22, 2016. This means that shareholders who wish to participate in the AGM must be registered in the shareholders' register maintained by Euroclear Sweden AB no later than April 22, 2016. The trustee should therefore be notified in due time before said date.

Dividend proposal

The Board of Directors proposes that the Annual General Meeting on April 29 approve a dividend of 1.70 SEK (1.20) per share, an increase by 42 per cent.

Invitation to the presentation of the report

This report will be presented at Danske Banks office, Norrmalmstorg 1, Stockholm, Sweden, on February 3 at 10:00 a.m CET. A presentation will also be presented through a telephone conference on February 3 at 2:00 p.m CET. The presentation, as well as information concerning participation, is available at www.hexpol.com.

Significant subsequent events

No significant events have occurred after the balance sheet date.

Calendar for financial information

HEXPOL AB will publish financial information on the following dates:

- | | |
|---|------------------|
| ▪ Interim report January-March 2016 | April 29, 2016 |
| ▪ Annual General Meeting 2016 | April 29, 2016 |
| ▪ Half-year report January-June 2016 | July 20, 2016 |
| ▪ Interim report January-September 2016 | October 27, 2016 |

The year-end report for 2015 has not been audited by HEXPOL AB's auditors.

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

Malmö, February 3, 2016
HEXPOL AB (publ)

Georg Brunstam,
President and CEO

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

This report consists of such information that HEXPOL AB is obliged to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on February 3, 2016, 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.

Condensed consolidated income statement

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Sales	2 596	2 331	11 229	8 919
Cost of goods sold	-1 981	-1 837	-8 660	-6 984
Gross profit	615	494	2 569	1 935
Selling and administrative cost, etc.	-159	-150	-605	-479
Operating profit	456	344	1 964	1 456
Financial income and expenses	-6	-4	-21	-20
Profit before tax	450	340	1 943	1 436
Tax	-124	-92	-550	-388
Profit after tax	326	248	1 393	1 048
- of which, attributable to Parent Company shareholders	326	248	1 393	1 048
Earnings per share, SEK*	0,95	0,72	4,05	3,05
Shareholders' equity per share, SEK*			18,11	14,67
Average number of shares, 000s*	344 201	344 201	344 201	344 201
Depreciation, amortisation and impairment	-48	-50	-209	-166

* Adjusted for share split 10:1 May 2015.

Condensed statement of comprehensive income

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Profit after tax	326	248	1 393	1 048
Items that will not be reclassified to the income statement				
Remeasurements of defined benefit pension plans	1	0	1	0
Income tax relating to items that will not be reclassified to the income statement	0	0	0	0
Items that may be reclassified to the income statement				
Cash-flow hedges	0	0	0	0
Hedge of net investment	42	-78	-19	-143
Income tax relating to items that may be reclassified to the income statement	-9	18	4	32
Translation differences	-103	381	218	805
Comprehensive income	257	569	1 597	1 742
- of which, attributable to Parent Company's shareholders	257	569	1 597	1 742

Condensed consolidated balance sheet

MSEK	Dec 31	
	2015	2014
Intangible fixed assets	4 151	3 364
Tangible fixed assets	1 646	1 427
Financial fixed assets	0	1
Deferred tax asset	71	40
Total fixed assets	5 868	4 832
Inventories	702	580
Accounts receivable	1 045	945
Other receivables	101	76
Prepaid expenses and accrued income	29	25
Cash and cash equivalents	978	826
Total current assets	2 855	2 452
Total assets	8 723	7 284
Equity attributable to Parent Company's shareholders	6 233	5 049
Total shareholders' equity	6 233	5 049
Interest-bearing liabilities	492	219
Provision for deferred tax	349	240
Provision for pensions	19	20
Total non-current liabilities	860	479
Interest-bearing liabilities	32	348
Accounts payable	1 210	1 017
Other liabilities	63	60
Accrued expenses, prepaid income, provisions	325	331
Total current liabilities	1 630	1 756
Total shareholders' equity and liabilities	8 723	7 284

Consolidated changes in shareholders' equity

MSEK	Dec 31, 2015		Dec 31, 2014	
	Attributable to Parent Company shareholders	Total equity	Attributable to Parent Company shareholders	Total equity
Opening equity	5 049	5 049	3 617	3 617
Comprehensive income	1 597	1 597	1 742	1 742
Dividend	-413	-413	-310	-310
Closing Equity	6 233	6 233	5 049	5 049

Changes in number of shares

	Total number of Class A shares	Total number of Class B shares	Total number of shares
Number of shares at January 1	1 476 562	32 943 566	34 420 128
Share split 10:1	13 289 058	296 492 094	309 781 152
Number of shares at the end of the period	14 765 620	329 435 660	344 201 280

Condensed consolidated cash-flow statement

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Cash flow from operating activities before changes in working capital	395	364	1 630	1 260
Changes in working capital	88	168	130	172
Cash flow from operating activities	483	532	1 760	1 432
Acquisitions	-47	-194	-1 043	-413
Cash flow from other investing activities	-30	-45	-118	-118
Cash flow from investing activities	-77	-239	-1 161	-531
Dividend	-	-	-413	-310
Cash flow from other financing activities	-294	-278	-66	-467
Cash flow from financing activities	-294	-278	-479	-777
Change in cash and cash equivalents	112	15	120	124
Cash and cash equivalents at January 1	858	789	826	597
Exchange-rate differences in cash and cash equivalents	8	22	32	105
Cash and cash equivalents at the end of the period	978	826	978	826

Operating cash flow, Group

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Operating profit	456	344	1 964	1 456
Depreciation/amortisation/impairment	48	50	209	166
Change in working capital	88	168	130	172
Sales of fixed assets	25	4	41	11
Investments	-55	-49	-159	-129
Operating Cash flow	562	517	2 185	1 676

Other key figures, Group

	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Profit margin before tax, %	17,3	14,6	17,3	16,1
Return on shareholders' equity, %			24,7	24,2
Interest-coverage ratio, multiple			108,9	72,8
Net cash, MSEK			454	259
Cash flow per share, SEK*	1,40	1,55	5,11	4,16
Cash flow per share before change in working capital, SEK*	1,15	1,06	4,74	3,66

* Adjusted for share split 10:1 May 2015.

Financial instruments recognized at fair value in the Balance Sheet

MSEK	Dec 31	
	2015	2014
Other current receivables		
Currency derivatives	-	0
Other current liabilities		
Currency derivatives	3	0

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

Quarterly data, Group

Sales per business area

MSEK	2015					2014				
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
HEXPOL Compounding	2 744	2 699	2 566	2 393	10 402	1 954	1 971	2 125	2 148	8 198
HEXPOL Engineered Products	207	211	206	203	827	177	174	187	183	721
Group total	2 951	2 910	2 772	2 596	11 229	2 131	2 145	2 312	2 331	8 919

Sales per geographic region

MSEK	2015					2014				
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
Europe	850	808	763	715	3 136	699	677	684	671	2 731
NAFTA	1 963	1 964	1 881	1 730	7 538	1 314	1 343	1 496	1 524	5 677
Asia	138	138	128	151	555	118	125	132	136	511
Group total	2 951	2 910	2 772	2 596	11 229	2 131	2 145	2 312	2 331	8 919

Operating profit per business area

MSEK	2015					2014				
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
HEXPOL Compounding	473	482	476	428	1 859	337	338	364	325	1 364
HEXPOL Engineered Products	22	26	29	28	105	27	22	24	19	92
Group total	495	508	505	456	1 964	364	360	388	344	1 456

Operating margin per business area

%	2015					2014				
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year
HEXPOL Compounding	17,2	17,9	18,6	17,9	17,9	17,2	17,1	17,1	15,1	16,6
HEXPOL Engineered Products	10,6	12,3	14,1	13,8	12,7	15,3	12,6	12,8	10,4	12,8
Group total	16,8	17,5	18,2	17,6	17,5	17,1	16,8	16,8	14,8	16,3

Condensed income statement, Parent Company

MSEK	Oct-Dec		Jan-Dec	
	2015	2014	2015	2014
Sales	13	9	46	35
Administrative costs, etc.	-16	-12	-63	-59
Operating loss	-3	-3	-17	-24
Financial income and expenses	206	208	383	303
Profit/loss after net financial items	203	205	366	279
Profit/loss before tax	203	205	366	279
Tax	-3	-3	-3	1
Profit/loss after tax	200	202	363	280

Condensed balance sheet, Parent company

MSEK	Dec 31	
	2015	2014
Total fixed assets	4 994	4 990
Total current assets	2 125	1 361
Total assets	7 119	6 351
Total shareholders' equity	3 159	3 209
Total non-current liabilities	434	219
Total current liabilities	3 526	2 923
Total shareholders' equity and liabilities	7 119	6 351

Financial definitions

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