

INTERIM REPORT

First quarter 2013

First quarter 2013 (compared to corresponding period of previous year)

- Net sales were MSEK 1,577 (1,813), down 13% year on year. Sales volumes were 3% lower. Demand conditions were worse than the corresponding period of the previous year in most markets, apart from China and South America. But sequential volume expansion (compared to the preceding quarter) was good in Europe and the Americas, where the downturn was noticeable in the fourth quarter of 2012.
- Operating income was MSEK 250 (283), and income after tax was MSEK 186 (204). Lower sales volumes had a negative impact on income, while savings measures and a continued focus on cost efficiency had a positive effect. Operating margin was 15.9% (15.6).
- Earnings per share before and after dilution for the quarter were SEK 5.34 (5.86).
- Cash flow from operating activities was MSEK 182 (324). Cash flow remained satisfactory, but due to very low sales in December and low inventory levels at the beginning of the year, there was some build-up of working capital in the quarter, which did not occur in the corresponding period of the previous year.
- The net debt/equity ratio at the end of the period was 12%, against 16% at the beginning of the financial year.
- Through jointly held company H Intressenter AB, Lindéngruppen AB and Foundation Asset Management Sweden AB (FAM) made a cash offering to shareholders to transfer all shares of Höganäs AB (publ) to H Intressenter AB at a price of SEK 320 per share, including dividend for the year. For more information, see page 7.

CEO's comments - first quarter: some recovery after weak conclusion to 2012 - continued cost focus and ongoing R&D initiatives

“The market remained fairly weak in Europe and several other regions in the first quarter, although good growth was reported from China. But comparisons of 2013 with the previous year across much of Asia are negatively affected by the recovery effects that favoured year-2012 sales after a 2011 that suffered from the tsunami and flooding. In the sequential recovery from the poor fourth quarter of 2012, we are endeavouring to safeguard our operating margins, and continuing to invest in our priority R&D segments.

The outlook is essentially unchanged compared to the assessment made in the Year-end Report of 6 February. We have a fundamentally positive view of South America and Asia. However, sales growth numbers in Asia in 2013 will be negatively affected by the recovery effect in 2012. In addition, the Indian economy is fairly weak, and Asian exporters will be affected by weak market conditions in Europe. We expect demand to improve in North America, but the rate of recovery may remain volatile. European market conditions were poor in the first quarter of 2013 due to declining domestic demand, and we do not think we see the prospects of this recovering rapidly.”

Income highlights

MSEK	First quarter		Last 12 months	Full year 2012
	2013	2012		
Net sales	1 577	1 813	6 476	6 712
Operating income	250	283	874	907
<i>Operating margin, %</i>	15,9	15,6	13,5	13,5
Income before tax	246	275	843	872
Tax	-60	-71	-160	-171
Net income	186	204	683	701
Earnings per share before and after dilution, SEK	5,34	5,86	19,61	20,13
<i>Return on capital employed, % (12 months)</i>	-	-	19,9	20,5

Business areas (operating segments)

Net sales, MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Components	1 215	1 386	4 948	5 119
Consumables	362	427	1 528	1 593
Total	1 577	1 813	6 476	6 712

Income, MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Operating income:				
Components	189	213	659	683
Consumables	61	70	215	224
Operating income	250	283	874	907
Net financial income/expenses	-4	-8	-31	-35
Income before tax	246	275	843	872

Operating margin, %	First quarter		Last	Full year
	2013	2012	12 months	2012
Components	15,6	15,4	13,3	13,3
Consumables	16,9	16,4	14,1	14,1
Total	15,9	15,6	13,5	13,5

Sales by geographical region

Net sales, MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Europe	505	571	1 952	2 018
America	496	571	2 008	2 083
Asia	576	671	2 516	2 611
Total	1 577	1 813	6 476	6 712

HÖGANÄS IN BRIEF

Höganäs AB (publ) is the world's leading producer of iron and metal powders. Building on its clear vision of the possibilities of powder to improve efficiency, the consumption of resources and environmental impact across a raft of segments, the company has developed in-depth application skills.

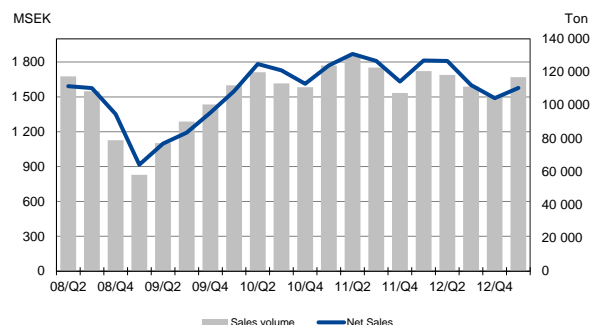
Thus Höganäs can help create the automotive components, white goods, water and exhaust treatment products of the future in collaboration with its customers. Founded in 1797, the company had sales of MSEK 6,712 in 2012, and is quoted on NASDAQ OMX Stockholm's Mid Cap List.

For more information, visit our website: www.hoganas.com.

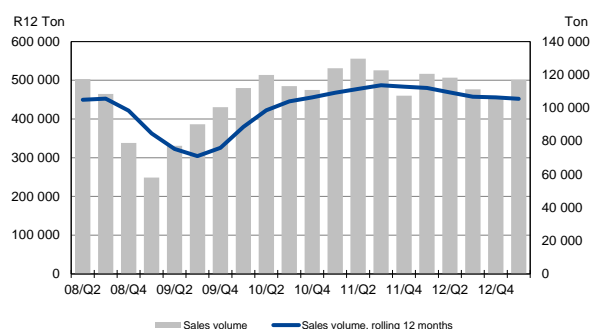
Group progress

NET SALES AND VOLUME

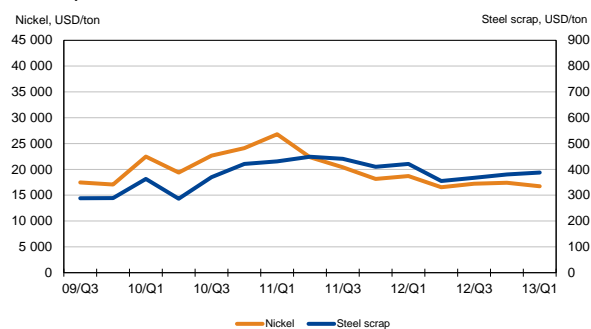
Net sales and volume by quarter



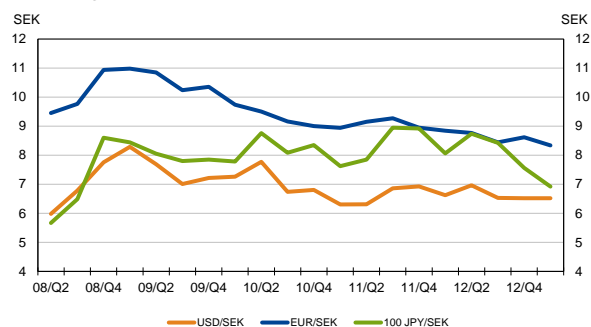
Volumes



Metal prices



Exchange rates



First quarter 2013

Net sales in the first quarter were MSEK 1,577 (1,813), down 13% year on year. Sales volumes were down 3%. Metal price surcharges on copper were somewhat higher than in the corresponding period of 2012, while price surcharges for other metals were significantly lower. This had a negative effect on sales, while selective base price increases in the quarter had a positive effect on sales. The Swedish krona remained volatile in the quarter. In overall terms, the currency effect on sales value was 7% negative in year-on-year terms, due to appreciation of the Swedish krona.

Sales volumes were lower than in the first quarter of 2012 on all major markets apart from the Americas, where they were at the same level, and China, where volume growth was significant.

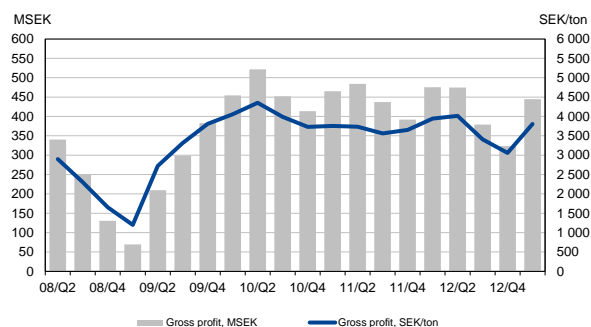
Sales volumes in Europe were down on the first quarter of 2012, but the sequential recovery from the fourth quarter was fairly brisk. A poor outlook for car production in Europe in 2013 has caused progressively lower order levels for component manufacturers and all major markets in Europe were weaker than in the first quarter of last year.

Sales in Asia featured continued strength in China but other countries reduced the sales growth. Those markets that were weakest in the first quarter were the countries where the recovery was strongest in the first quarter of 2012, i.e. Japan and Southeast Asia. Additionally, sales in India were low due to slow car sales and a relatively poor business cycle.

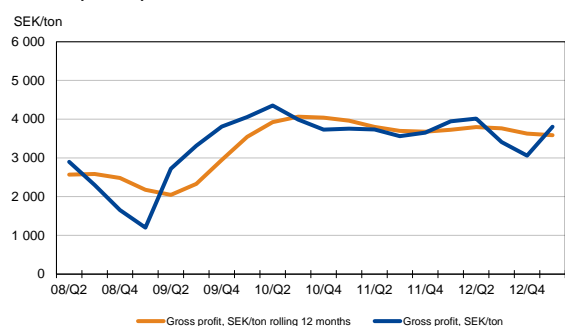
In North America, sales volumes were only just below the record level set in the first quarter of 2012 (apart from one-off volumes in 2011). In South America, sales volumes were up marginally on the first quarter of the previous year. Demand conditions were better for domestic component manufacturers in Brazil, but growth was limited by fairly high inventory levels in the car industry.

INCOME AND RETURNS

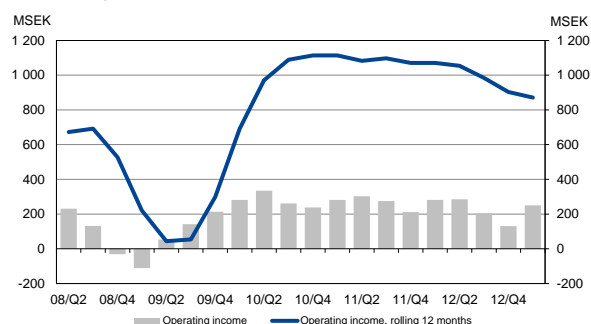
Gross profit by quarter



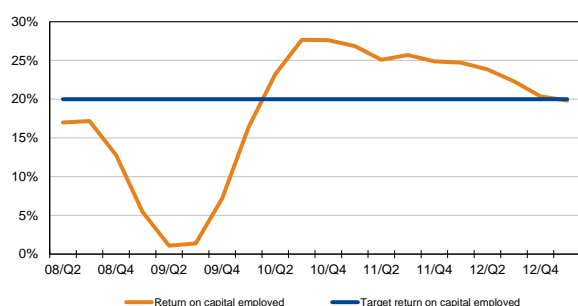
Gross profit per ton



Operating income by quarter



Returns



First quarter 2013

Gross profit was MSEK 445 (475). Lower sales volumes had a negative effect on gross profit, while savings measures and a continued focus on cost efficiency had a positive effect.

Cost of materials was relatively stable in the period. Höganäs judges that metal price surcharges compensated for raw materials price variations. Fluctuating metal prices for those metals that are hedged had only an insignificant hedging outcome overall, and no significant inventory gains/losses occurred in the period. The rate of production at plants was increased sequentially in the first quarter, resulting in cost absorption that was significantly higher than in the fourth quarter of 2012, and somewhat lower than the corresponding period of the previous year.

The Swedish krona appreciated against other currencies in another quarter of high volatility. The profit/loss from forward contracts on currencies intended to hedge balance sheet positions in foreign currencies countered negative currency differences on valuation at closing day rates, without a notable income effect overall. The fact that average exchange rates in the quarter were significantly less favourable than in the corresponding period of 2012 generated a negative income effect on ongoing payment flows. Accordingly, those forward contracts intended to hedge payment flows generated positive income of MSEK 29 (-3). Höganäs estimates that the total currency effect on operating income was marginal compared to the previous year due to a relatively positive outcome from these forward contracts.

Administrative expenses were relatively high in the period due to an MSEK 11 increase in the provision for expenses for the staff stock option plan 2007-2009, as a result of Höganäs' share price performance in the period. For the same reason, this provision increased by MSEK 8 in the first quarter of 2012.

Research and development expenses were up on the previous year because continued initiatives in component solutions for new electromagnetic applications and powder-based gears for gearboxes meant a higher rate of investment. Because certain products have entered their commercialisation phase, plan depreciation has commenced.

Other operating items were positively affected by MSEK 8 in the period due to favourable outcomes in two minor legal disputes in Brazil.

Operating income was MSEK 250 (283). The operating margin for the first quarter was up year on year at 15.9% (15.6), partly due to metal price and currency effects on net sales value. Income before tax was MSEK 246 (275). Income after tax was MSEK 186 (204).

Return on capital employed

Return on capital employed for the past 12 months was 19.9% (24.8). Returns have stabilised at a healthy level despite fairly poor market conditions over the past year, resulting in somewhat weaker operating income due to lower sales volumes and restructuring expenses in the fourth quarter 2012.

Progress of Höganäs' business areas (operating segments)

COMPONENTS

The Components business area, which represents some 75% of consolidated sales, covers all powder that is refined into components. Höganäs delivers high-grade metal powder that is refined into components in finished, or semi-finished, form by component producers. In turn, they deliver their components through product or system producers, or directly to OEMs (Original Equipment Manufacturers).

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net sales	1 215	1 386	4 948	5 119
Operating income	189	213	659	683
Operating margin, %	15,6	15,4	13,3	13,3
Assets	4 667	4 660		4 489
Liabilities	823	918		721
Investments	63	64	333	334
Depreciations/amortisation	65	59	252	246

Sales

Net sales for the period were MSEK 1,215 (1,386), down 12% year on year. The decrease is partly due to lower sales volumes of -3% and partly because of lower metal price surcharges and negative currency effects.

Overall, the market featured normal seasonality, with sales volumes in all regions increasing significantly on the fourth quarter 2012.

However, the European market was weak, as expected. Even if there was a clear recovery on the fourth quarter 2012, the continuous decrease in car production figures since the end of incentive programs in the car industry after the 2008 crisis meant that demand reduced steadily quarter by quarter on the corresponding period of the previous year. Additionally, industrial production has generally deteriorated further. The markets were generally weak, although Höganäs' sales downturn was more limited in northern Europe.

Some what positive sales performance was apparent in North America. More stable economic indicators and positive progress of car production drove increased demand from certain customers, while other customers remained weak, such as subcontractors of garden products, household appliances, etc. The first quarter 2013 overall was a new record quarter for sales volumes, apart from the one-off volumes shipped to Hoeganaes Corporation in 2011. Sales volumes in South America were up on the previous year after the government's stimulus package had its impact in late-2012 and increasing production figures were reported for domestic manufacturing. Car production was positively affected by the tax easing programme for domestic

production, which was originally scheduled to conclude at the end of August 2012, but has been extended until December 2013. However, growth was reduced by fairly high inventory levels in the car industry in the quarter.

In Asia overall, sales were down negligibly year on year. Growth in China was very positive. Despite a strong fourth quarter 2012, sales volumes set a new record level in the first quarter. However, lower sales numbers were reported in Japan and Southeast Asia after the previous year's recovery effects post-tsunami and the floods of 2011. Most Japanese car manufacturers have now realigned to lower production rates. Demand in India was negatively affected by a combination of high interest rate levels and increasing fuel prices. Car sales in the second half-year 2012 were far below sector estimates and the first quarter 2013 was down significantly year on year. Estimates indicate that inventory levels in the Indian car industry were fairly high at the beginning of the year.

Income

Operating income for the period was MSEK189 (213) and the operating margin was 15.6% (15.4).

Lower sales volumes had a negative impact on income, although this was largely offset by cost savings and rationalisation improvements. A positive outcome from currency hedging meant the currency effect on income was insignificant overall.

Research and development expenses rose as a result of upscaled initiatives on component solutions for new electromagnetic applications and powder-based gears for gearboxes.

CONSUMABLES

The Consumables business area, which represents some 25% of consolidated sales, covers those powders used in processes like brazing, welding and surface coatings, and in the chemical and metallurgical process industries. Höganäs' customers include producers of welding materials, users of brazing and surface coating technologies and producers of food and animal feed.

MSEK	First quarter		Last 12 months	Full year 2012
	2013	2012		
Net sales	362	427	1 528	1 593
Operating income	61	70	215	224
Operating margin, %	16,9	16,4	14,1	14,1
Assets	1 084	1 172		1 136
Liabilities	147	198		179
Investments	22	25	103	106
Depreciations/amortisation	19	18	74	73

Sales

Net sales for the period were MSEK 362 (427), down 15% on 2012.

The volume contraction of 4% affected sales negatively. Additionally, reducing prices of alloy metals and exchange rate fluctuations had negative effects on sales.

In Europe, the progress of sales volumes was less negative than for the Components business area. Several countries, such as Germany, France and Eastern European countries, reported year-on-year volume growth. Sales volumes in the significant welding segment were up somewhat year on year, and in priority segments such as surface coatings, growth was healthy. Fairly low sales to the aluminium industry reduced the overall figure somewhat in the first quarter.

Sales volumes in North America achieved good sequential growth in the first quarter, but did not fully match the record level of the first quarter 2012. Sales to the friction segment continued to decrease as a result of production transferring from North America to Asia and Mexico. However, the increase in sales volumes to the welding segment continued due to more business on one major account. Good growth was also achieved in South America, with a year-on-year sales increase in most segments.

Overall, sales in Asia were sluggish early in the year in most countries. Growth in the brazing, friction products and cutting segments, for example, continued. But in the major welding powder and hot bag segments, sales volumes were low. In the welding segment, demand conditions generally deteriorated. Delays to major infrastructure projects, and high inventory levels with distributors, were reported in India. In Korea, reduced shipbuilding resulted in weaker demand for welding powder. Sales to customers that produce hot bags are seasonal, but the manufacturing process can vary somewhat from year to year. Höganäs does not consider that any notable change to market shares has occurred.

Income

Operating income for the period was MSEK 61 (70) and the operating margin was 16.9% (16.4).

The decrease in sales volumes and somewhat poorer product mix affected income negatively. However, cost savings executed had a good impact on income. The currency effect on income was limited due to cash flow hedges entered in 2012. Höganäs judges that metal price fluctuations did not affect operating income notably.

Group highlights (in the reporting period)

FIRST QUARTER

Public cash offer to shareholders

On 11 February 2013, Lindéngruppen AB and Foundation Asset Management Sweden AB (FAM) made a cash offer through their jointly held company H Intressenter AB, to transfer all the shares of Höganäs AB (publ) to H Intressenter AB at a price of SEK 320 per share, including dividend for the year, and conditional on more than 90% of the shares being transferred. Simultaneously, H Intressenter acquired Industrivärden's Höganäs shares, corresponding to 12.6% of the shares and 10.1% of the votes. Lindéngruppen has undertaken to transfer all its Höganäs shares to H Intressenter. Including the shares acquired from Industrivärden, H Intressenter controls 34.4% of the shares and 47.9% of the votes of Höganäs. This offer is fully financed through a combination of equity from Lindéngruppen and FAM and bank funding from Skandinaviska Enskilda Banken AB (publ), and is not conditional on finance. H Intressenter decided to announce its offer before Höganäs' Board of Directors had sufficient opportunity to take a decision on the offer considering the close relations prevailing between some Board members of Höganäs and Lindéngruppen. The scheduled acceptance period for the offer is from 15 March 2013 to 24 May 2013, both dates inclusive. The scheduled settlement date is 3 June 2013. In the event of the shareholders of Höganäs AB (publ) accepting H Intressenter's cash offer, the Höganäs share would be de-listed from NASDAQ OMX. For complete information, see the document "Offer to Shareholders of Höganäs AB" published on 14 March 2013 at www.h-intressenter.se.

Other financial information

FINANCIAL POSITION

The equity/assets ratio was 64.9% at the end of the period, against 64.2% at year-end 2012. Shareholders' equity per share was SEK 108.83, against SEK 104.64 at year-end 2012.

Consolidated financial net debt was MSEK 463 at the end of the period, a decrease of MSEK 108 on year-end. The net debt equity ratio was 12% at the end of the period, compared to 16% at year-end 2012.

The net financial income and expense was MSEK -4 (-8). Höganäs' interest expenses decreased on the previous year due to a somewhat lower average debt/equity ratio in the period and lower interest margins. In the period, the revaluation effect of short-term credit facilities in foreign currency had only an insignificant impact on net financial income and expense, as was the case in the corresponding period of 2012.

Cash and cash equivalents were MSEK 145 against MSEK 148 at year-end 2012. In addition, Höganäs had un-utilised credit facilities of MSEK 1,969, of which MSEK 1,626 comprises a five-year credit facility that runs from December 2012 onwards. In the event of a change of control, the existing credit agreement may be re-negotiated. See Note 23 of Höganäs' Annual Report 2012 for more information.

CASH FLOW

Cash flow from operating activities was MSEK 182 (324). Cash flow remained satisfactory, but due to very low sales in December, and low inventory levels at the beginning of the year, there was some build-up of working capital in the quarter, which did not occur in the corresponding period of the previous year. Comparisons are also negatively affected by a MSEK 25 supplementary tax payment made in 2013, while a refund of MSEK 30 was received in 2012.

Financing activities affected cash flow by MSEK -98 (-210). The utilisation of committed credit facilities decreased by MSEK 44 in the period, while the utilisation of other credit facilities decreased by MSEK 54.

INVESTMENTS, DEPRECIATION AND AMORTISATION

Consolidated net investments in fixed assets were MSEK 86 (95). Depreciation and amortisation of fixed assets was MSEK 84 (77).

HUMAN RESOURCES

There were 1,639 employees at the end of the period, against 1,656 at year-end 2012.

SHARE CAPITAL

On 31 March 2013, Höganäs' share capital was unchanged at SEK 175,494,660, divided between 981,000 class A shares and 34,117,932 class B shares, all with a quotient value of SEK 5.00 per share.

RISKS AND UNCERTAINTY FACTORS

The group's and parent company's significant risk and uncertainty factors include business risks in the form of high exposure to the automotive industry. Financial risks, primarily currency risks and metal price risks, are additional. No other significant risks are considered to have arisen in addition to those reviewed in Höganäs' Annual Report 2012 (see the risk management section and Note 31 for a more detailed review of the group's and parent company's risk exposure and risk management).

PARENT COMPANY

The operations of the parent company (Höganäs AB) exclusively consist of group-wide operations, while the trading component consisting of Europe Region is operated in a separate subsidiary, Höganäs Sweden AB.

Comments on the parent company's net sales, results of operations, financial position and transactions with related parties are not considered of material significance to understanding the progress of the company's financial position and results of operations. The parent company's results of operations and financial position are presented in the final section of this Report.

ACCOUNTING PRINCIPLES

This condensed interim report for the group has been prepared in accordance with IAS 34 *Interim Financial Reporting* and applicable regulations of the Swedish Annual Accounts Act. The Interim Report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act's chapter 9, Interim Reporting. The group and parent company have applied the same accounting principles and methods of computation as in the latest Annual Report, apart from what is stated below regarding amended accounting principles.

Amended accounting principles

As a result of amendments to IAS 1 *Presentation of Financial Statements*, items in other comprehensive income have been divided into two categories; items that have been reclassified or can be reclassified to profit or loss for the year, and items that cannot be reclassified. Items that can be reclassified are translation differences and gain/losses on cash flow hedges, for example. In Höganäs' case, items that cannot be reclassified consist only of revaluation of defined benefit pension plans.

The group's defined benefit pension plans have been restated to comply with the amendment of IAS 19 *Employee Benefits*. This amendment primarily means that 'the corridor method' for unrealised actuarial gains/losses has been discontinued. Accordingly, the whole net pension liability is recognised in the Statement of Financial Position, and the change in actuarial assumptions for the year is recognised against other comprehensive income. The new principle is applied from 1 January 2013. Comparative figures for 2012 have been restated, as in the table 'effect of amended accounting principle' on page 11.

Through the introduction of the new standard IFRS 13 *Fair Value Measurement*, and amendments to IFRS 7 *Financial Instruments: Disclosures*, and IAS 34 *Interim Financial Reporting*, the IASB has extended the requirements for disclosure of financial instruments in interim financial reports. The new requirements relate to disclosures of the fair value of financial instruments and offsetting financial assets and financial liabilities. IFRS 13 is being applied prospectively from 1 January 2013, and is a new consistent standard of fair value measurement. The standard also includes changed and extended requirements on reporting at fair value. The standard did not have any significant impact on Höganäs' measurement of financial instruments.

ANNUAL GENERAL MEETING

The AGM will be held at 3 p.m. on 29 April 2013 at HB-hallen, Höganäs, Sweden. The Board of Directors' and Nomination Committee's proposals for the AGM are on Höganäs' website, www.hoganas.com.

FINANCIAL INFORMATION

The Annual General Meeting will be held on 29 April 2013

Second-quarter Interim Report 2013, 18 July

Third-quarter Interim Report 2013, 23 October

STREAMED PRESS CONFERENCE

Alrik Danielson, CEO and President, and Sven Lindskog, Chief Financial Officer, will present this Report in a conference call at 10:30 a.m. on 24 April 2013.

The press conference will be streamed at: www.hoganas.com / Investor Relations / Conference Call. It is open to journalists, analysts and investors. Participants are welcome to call on +46 (0)8 519 99351, +44 (0)203 364 5373 or +1 8777 889 023.

MORE INFORMATION

For more information, please contact:

Alrik Danielson, CEO and President, +46 (0)42 33 80 00

Sven Lindskog, Chief Financial Officer, +46 (0)42 33 80 00

Alrik Danielson

CEO and President

Höganäs AB (publ)

Höganäs, Sweden, 24 April 2013

NB:

The information in this Report is mandatory for Höganäs AB (publ) to publish pursuant to the Swedish Securities Markets Act. This Report has not been reviewed by the company's auditors. The information was submitted for publication at 9:00 a.m. on 24 April 2013.

Consolidated Income Statement

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net sales	1 577	1 813	6 476	6 712
Cost of goods sold	-1 132	-1 338	-4 855	-5 061
Gross profit	445	475	1 621	1 651
Selling expenses	-67	-67	-269	-269
Administrative expenses	-88	-88	-323	-323
Research and development costs	-48	-39	-177	-168
Other operating income	10	4	26	20
Other operating expenses	-2	-2	-4	-4
Operating income	250	283	874	907
Financial income	3	3	10	10
Financial expenses	-7	-11	-41	-45
Income before tax	246	275	843	872
Tax	-60	-71	-160	-171
Net income	186	204	683	701
Net income attributable to:				
Parent company shareholders	186	204	683	701
Non-controlling interests	0	0	0	0
Total earnings for the period	186	204	683	701
Earnings per share for the period:				
Before and after dilution, SEK	5,34	5,86	19,61	20,13
Average number of shares outstanding:				
Before and after dilution ('000)	34 805	34 805	34 805	34 805
Number of treasury shares at end of period ('000)	294	294	294	294
Average number of treasury shares ('000)	294	294	294	294

Consolidated Statement of Comprehensive Income

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net income	186	204	683	701
Other comprehensive income				
<i>Items that have been transferred or can be transferred to net income:</i>				
Translation difference	-33	-168	-157	-292
Hedging of currency risk in foreign operations	4	102	44	142
Cash flow hedges	17	68	57	108
Tax attributable to items that have been or can be transferred to net income	-28	-36	-46	-54
	-40	-34	-102	-96
<i>Items that cannot be transferred to net income:</i>				
Revaluation of defined benefit pension plans	0	0	13	13
Tax attributable to items that cannot be transferred to net income	0	0	-9	-9
	0	0	4	4
Other comprehensive income for the period	-40	-34	-98	-92
Comprehensive income for the period	146	170	585	609
Earnings per share for the period:				
Before and after dilution, SEK	4,19	4,88	16,81	17,50
Comprehensive income for the period attributable to:				
Parent company shareholders	146	170	585	609
Non-controlling interests	0	0	0	0

Consolidated Statement of Financial Position—Summary

MSEK	31-Mar 2013	31-Mar 2012	31-Dec 2012
Assets			
Intangible fixed assets	309	288	326
Tangible fixed assets	2 540	2 509	2 546
Long-term receivables	14	31	25
Deferred tax assets	50	23	32
Total fixed assets	2 913	2 851	2 929
Inventories	1 527	1 626	1 564
Current receivables	1 253	1 333	1 030
Liquid funds	145	100	148
Total current assets	2 925	3 059	2 742
Total assets	5 838	5 910	5 671
Shareholder's equity and liabilities			
Shareholders' equity	3 788	3 551	3 642
Long-term interest-bearing liabilities	360	592	474
Other long-term liabilities	48	38	48
Provisions	120	147	123
Deferred tax liabilities	424	342	378
Total long-term liabilities	952	1 119	1 023
Current interest-bearing liabilities	156	112	151
Other current liabilities	942	1 128	855
Total current liabilities	1 098	1 240	1 006
Total liabilities	2 050	2 359	2 029
Total shareholders' equity and liabilities	5 838	5 910	5 671
Pledged assets	50	55	51
Contingent liabilities	72	94	75

Financial instruments measured at fair value in the Statement of Financial Position

MSEK	Valuation hierarchy			31 March 2013
	Tier 1	Tier 2	Tier 3	Total
Other current receivables				
Raw materials derivatives	1	-	-	1
Currency derivatives	-	85	-	85
	1	85	-	86
Other current liabilities				
Raw materials derivatives	0	-	-	0
Electricity derivatives	17	-	-	17
Interest rate derivatives	-	1	-	1
Currency derivatives	-	6	-	6
	17	7	-	24

The group has ISDA agreements with all of its material counterparties for financial derivative instruments. All derivative receivables and derivative liabilities in the group can be fully offset against other obligations with the same counterparty if the conditions for offset occur. These financial instruments have been recognised gross in the Statement of Financial Position. For a description of the measurement techniques and input data for measuring financial instruments at fair value, See Note 31 in Höganäs' Annual Report 2012. For other financial assets and liabilities in the group, carrying amounts are a reasonable approximation of fair value. For a more detailed specification of these items, see the above Note.

Consolidated Statement of Changes in Shareholders' Equity—Summary

MSEK	31-Mar 2013	31-Mar 2012	31-Dec 2012
Opening shareholders' equity	3 642	3 514	3 514
Adjusted for retroactive application	-	-133	-133
Adjusted opening shareholders' equity	3 642	3 381	3 381
Comprehensive income for the period	146	170	609
Dividends	-	-	-348
Closing shareholders' equity	3 788	3 551	3 642

Effect of amended accounting principle for the first quarter of 2012, IAS 19

MSEK	Adjusted opening balance 1 Jan 2012	Adjusted income first quarter 2012	Adjusted closing balance 31 Mar 2012
Impact on Statement of Financial Position			
Long-term receivables	-59	0	-59
Provisions for pensions	105	-1	104
Other provisions	20	0	20
Deferred tax liabilities	-51	0	-51
Shareholders' equity	-133	1	-132
Impact on Income Statement			
Operating income		1	
Deferred tax		0	
Net income		1	
Impact on Comprehensive Income			
Net income		1	
Other comprehensive income		0	
Tax attributable to other comprehensive income		0	
Comprehensive income for the period		1	

Effect of amended accounting principle for the full year 2012, IAS 19

MSEK	Adjusted opening balance 1 Jan 2012	Adjusted income full year 2012	Adjusted closing balance 31 Dec 2012
Impact on Statement of Financial Position			
Long-term receivables	-59	-5	-64
Provisions for pensions	105	-19	86
Other provisions	20	-5	15
Deferred tax liabilities	-51	11	-40
Shareholders' equity	-133	8	-125
Impact on Income Statement			
Operating income		4	
Deferred tax		-1	
Net income		3	
Impact on Comprehensive Income			
Net income		3	
Other comprehensive income		14	
Tax attributable to other comprehensive income		-9	
Comprehensive income for the period		8	

Consolidated Statement of Cash Flows—Summary

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Cash flow from operating activities before changes in working capital	251	331	967	1 047
Changes in working capital	-69	-7	13	75
Cash flow from operating activities	182	324	980	1 122
Cash flow from investing activities	-86	-95	-428	-437
Cash flow from financing activities	-98	-210	-503	-615
Cash flow for the period	-2	19	49	70
Liquid funds, opening balance	148	82	100	82
Exchange rate differences in liquid funds	-1	-1	-4	-4
Liquid funds, closing balance	145	100	145	148

Key indicators

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net sales	1 577	1 813	6 476	6 712
Operating income	250	283	874	907
<i>Operating margin, %</i>	<i>15,9</i>	<i>15,6</i>	<i>13,5</i>	<i>13,5</i>
Capital employed	4 396	4 367	4 382	4 361
<i>Return on capital employed, % (latest 12 months)</i>	<i>-</i>	<i>-</i>	<i>19,9</i>	<i>20,5</i>
Equity	3 788	3 551	3 670	3 642
<i>Return on equity, % (latest 12 months)</i>	<i>-</i>	<i>-</i>	<i>18,6</i>	<i>19,6</i>
Financial net debt	463	716	-	571
Debt/equity ratio, multiple	0,12	0,20	-	0,16
Interest coverage ratio, multiple	62,5	35,4	-	25,9
Key figures per share ¹				
Earnings per share, SEK	5,34	5,86	19,61	20,13
Shareholders' equity per share, SEK	108,83	102,02	105,43	104,64
Operating cashflow per share, SEK	5,23	9,31	28,16	32,24

¹ Based on 34,805,132 shares (34,805,132), which corresponds to the number of shares outstanding as of 31 March 2013 (31 March 2012), after dilution.

Quarterly Income Statement—Summary

MSEK	2013	2012		2011 ¹					
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	1 577	1 489	1 602	1 808	1 813	1 632	1 810	1 869	1 770
Cost of goods sold	-1 132	-1 166	-1 224	-1 333	-1 338	-1 240	-1 373	-1 385	-1 305
Gross profit	445	323	378	475	475	392	437	484	465
Selling and administrative expense	-155	-159	-126	-152	-155	-147	-129	-146	-141
Research and development costs	-48	-43	-42	-44	-39	-35	-38	-44	-40
Other operating income and expenses	8	11	-4	7	2	2	5	8	-2
Operating income	250	132	206	286	283	212	275	302	282
Net financial income and expenses	-4	-10	-5	-12	-8	-13	-24	-8	-2
Income before tax	246	122	201	274	275	199	251	294	280
Net income	186	145	149	203	204	152	185	217	208

¹ Year-2011 figures not restated for the effect of amended accounting principle, IAS 19.

Parent Company Income Statement—Summary

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net sales	41	41	169	169
Selling expenses	-8	-14	-45	-51
Administrative expenses	-43	-47	-163	-167
Research and development costs	-46	-46	-186	-186
Other operating income and expenses	1	0	7	6
Operating income	-55	-66	-218	-229
Earnings on participations in Group companies	31	49	105	123
Financial income and expenses, net	52	101	105	154
Income after financial items	28	84	-8	48
Appropriations	-3	-	407	410
Income before tax	25	84	399	458
Tax	0	-9	-84	-93
Net income	25	75	315	365
Depreciation/amortisation for the period	9	8	36	35

Parent Company Statement of Comprehensive Income

MSEK	First quarter		Last	Full year
	2013	2012	12 months	2012
Net income	25	75	315	365
Other comprehensive income				
Cash flow hedges	1	0	4	3
Tax attributable to other comprehensive income	0	0	-1	-1
Other comprehensive income for the period	1	0	3	2
Comprehensive income for the period	26	75	318	367

Parent Company Balance Sheet—Summary

MSEK	31-Mar 2013	31-Mar 2012	31-Dec 2012
Assets			
Intangible fixed assets	60	73	65
Tangible fixed assets	131	107	129
Financial fixed assets	3 920	3 826	3 920
Total fixed assets	4 111	4 006	4 114
Current receivables	173	162	133
Liquid funds	0	0	3
Total current assets	173	162	136
Total assets	4 284	4 168	4 250
Shareholder's equity and liabilities			
Shareholders' equity	1 609	1 639	1 583
Untaxed reserves	149	61	149
Provisions	14	10	12
Long-term interest-bearing liabilities	639	870	755
Other long-term liabilities	860	771	859
Total long-term liabilities	1 499	1 641	1 614
Short-term interest-bearing liabilities	547	338	515
Other current liabilities	466	479	377
Total current liabilities	1 013	817	892
Total shareholders' equity and liabilities	4 284	4 168	4 250
Pledged assets	10	10	10
Contingent liabilities	315	297	303

Parent Company Statement of Changes in Shareholders' Equity—Summary

MSEK	31-Mar 2013	31-Mar 2012	31-Dec 2012
Opening shareholders' equity	1 583	1 564	1 564
Comprehensive income	26	75	367
Dividends	-	-	-348
Closing shareholders' equity	1 609	1 639	1 583